

# KANSAS WATER OFFICE

## FY 2024 – FY 2026 BUDGET SUMMARY

FIG. 1 BUDGET SUMMARY, FY 2024 – FY 2026

	Actual FY 2024	Agency FY 2025	Legislative Budget Committee FY 2025	Agency FY 2026	Legislative Budget Committee FY 2026
<b>EXPENDITURES:</b>					
<b>State Operations*</b>	<b>\$ 8,587,648</b>	<b>\$ 24,257,829</b>	<b>\$ 24,257,829</b>	<b>\$ 21,669,023</b>	<b>\$ 21,669,023</b>
Salaries and Wages	1,735,350	2,498,799	2,498,799	2,727,403	2,727,403
Contractual Services	6,418,045	21,589,130	21,589,130	18,759,720	18,759,720
Commodities	157,133	142,400	142,400	144,100	144,100
Capital Outlay	277,120	27,500	27,500	37,800	37,800
<b>State Aid and Assistance</b>	<b>\$ 2,525,080</b>	<b>\$ 50,181,098</b>	<b>\$ 50,181,098</b>	<b>\$ 20,414,890</b>	<b>\$ 20,414,890</b>
Aid to Local Units	50,000	-	-	-	-
Other Assistance	2,475,080	50,181,098	50,181,098	20,414,890	20,414,890
<b>Capital Budget and Debt</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 11,112,728</b>	<b>\$ 74,438,927</b>	<b>\$ 74,438,927</b>	<b>\$ 42,083,913</b>	<b>\$ 42,083,913</b>
<b>FINANCING:</b>					
State General Fund	\$ 1,129,825	\$ 1,399,735	\$ 1,399,735	\$ 1,628,456	\$ 1,628,456
State Water Plan Fund	4,749,673	17,237,817	17,237,817	10,083,564	10,083,564
Water Marketing Fund	2,488,760	6,691,737	6,691,737	6,069,974	6,069,974
Water Technical Assistance Fund	-	12,500,000	12,500,000	5,000,000	5,000,000
Water Projects Grant Fund	1,140,533	31,359,467	31,359,467	12,000,000	12,000,000
All Other Funds	1,603,937	5,250,171	5,250,171	7,301,919	7,301,919
<b>TOTAL</b>	<b>\$ 11,112,728</b>	<b>\$ 74,438,927</b>	<b>\$ 74,438,927</b>	<b>\$ 42,083,913</b>	<b>\$ 42,083,913</b>
<b>PERCENTAGE CHANGE:</b>					
State General Fund	(72.1) %	23.9 %	-- %	16.3 %	-- %
All Funds	9.0 %	569.9 %	-- %	(43.5) %	-- %
FTE Positions	22.0	24.0	24.0	26.0	26.0

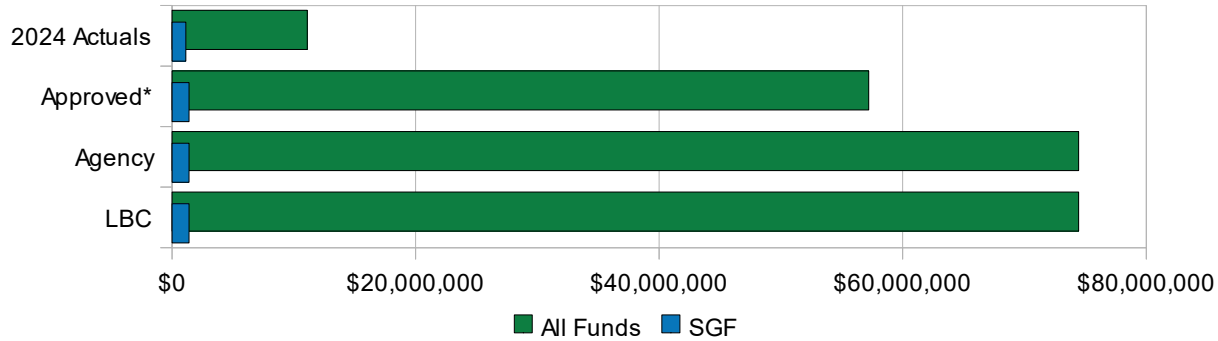
\* Note: Expenditures for debt service interest are reflected under "Capital Budget and Debt."

## AGENCY OVERVIEW

The Kansas Water Office (KWO) is the water planning, policy, and coordination agency for the State. The agency, in conjunction with the Kansas Water Authority (KWA), develops water policies through an open planning process; facilitates the coordination of agencies' activities regarding water; and operates a raw water marketing program to ensure an adequate supply for the citizens, municipalities, environment, and industries in the state.

## FY 2025 ANALYSIS

FIG. 2 BUDGET HIGHLIGHTS, FY 2025



\* Note: Includes SGF reappropriations.

FIG. 3 BUDGET COMPARISON, FY 2025

Fund	2024 Actuals	2025 Approved*	2025 Agency	Agency Change from Previous-Year Actuals		Agency Change from Approved*	
SGF	\$ 1,129,825	\$ 1,399,735	\$ 1,399,735	\$ 269,910	23.9 %	\$ -	-- %
All Other Funds	9,982,903	55,813,909	73,039,192	63,056,289	631.6	17,225,283	30.9
<b>TOTAL</b>	<b>\$ 11,112,728</b>	<b>\$ 57,213,644</b>	<b>\$ 74,438,927</b>	<b>\$ 63,326,199</b>	<b>569.9 %</b>	<b>\$ 17,225,283</b>	<b>30.1 %</b>

\* Note: Includes SGF reappropriations.

## BUDGET ANALYSIS

FIG. 4 SUMMARY OF BUDGET REQUEST, FY 2025

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
<b>Approved, FY 2025</b>	<b>\$ 1,399,735</b>	<b>\$ 57,213,644</b>	<b>24.0</b>	<b>\$ 1,399,735</b>	<b>\$ 57,213,644</b>	<b>24.0</b>
2024 SB 28 & HB 2551	1,399,615	49,131,924	24.0	1,399,615	49,131,924	24.0
1. SGF Reappropriation	120	120	-	120	120	-
2. SWPF Reappropriation	-	8,081,600	-	-	8,081,600	-
<b>Supplemental Requests</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
3. No Supplemental Requests	-	-	-	-	-	-
<b>Other Changes</b>	<b>\$ -</b>	<b>\$ 17,225,283</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 17,225,283</b>	<b>-</b>
4. Water Projects Grant Fund	-	11,859,467	-	-	11,859,467	-
5. Water Technical Assistance Fund	-	5,000,000	-	-	5,000,000	-
6. SWPF Transfer (OT)	-	(392,164)	-	-	(392,164)	-
7. All Other Adjustments	-	757,980	-	-	757,980	-
<b>TOTAL</b>	<b>\$ 1,399,735</b>	<b>\$ 74,438,927</b>	<b>24.0</b>	<b>\$ 1,399,735</b>	<b>\$ 74,438,927</b>	<b>24.0</b>

### 1. SGF REAPPROPRIATION

The agency carried over \$120 in unspent SGF moneys into FY 2025.

### 2. STATE WATER PLAN FUND (SWPF) REAPPROPRIATION

The agency carried over \$8.1 million in unspent State Water Plan Fund (SWPF) moneys into FY 2025.

### 3. SUPPLEMENTAL REQUESTS

The agency's revised request did not include any supplemental requests.

### 4. WATER PROJECTS GRANT FUND

The agency's revised request adds \$11.9 million from the Water Projects Grant Fund in

FY 2025. The addition is entirely attributable to an increase in estimated expenditures for other assistance payments.

The 2023 Legislature passed and the Governor signed Senate Sub. for HB 2302, which, among other things, established the Water Projects Grant Fund. The contents of 2023 Senate Sub. for HB 2302 can now be found in KSA 82a-955 through 82a-957.

The 2024 Legislature approved transfers in and expenditures from the Water Projects Grant Fund totaling \$19.5 million in FY 2025. In FY 2024, the agency expended \$1.1 million of the available moneys in the fund, leaving \$11.9 million available for FY 2025. The agency's revised estimate includes expenditures from the Water Projects Grant Fund totaling \$31.4 million in FY 2025, which is the total amount available in the fund.

KSA 82a-957 states that expenditures from the fund can include full or partial funding in the form of grants to any municipality or special district related to water for the following: 1) Construction, repair, maintenance, or replacement of water-related infrastructures and any related construction costs; 2) matching moneys for grant or loan applications for water-related infrastructure projects; and 3) grants that may be applied to an outstanding loan balance from the Public Water Supply Loan Fund or the Kansas Pollution Control Revolving Fund.

- **Agency:** Add \$11.9 million, all from the Water Projects Grant Fund, for other assistance to eligible municipalities or special districts related to water in FY 2025.
- **LBC:** No changes.

## **5. WATER TECHNICAL ASSISTANCE FUND**

The agency's revised request adds \$5.0 million from the Water Technical Assistance Fund in FY 2025. The addition is entirely attributable to an increase in estimated expenditures for other assistance payments.

Similar to the Water Projects Grant Fund, the Water Technical Assistance Fund was established by the 2023 Legislature through 2023 Senate Sub. for HB 2302. The contents of 2023 Senate Sub. for HB 2302 can now be found in KSA 82a-955 through 82a-957.

The 2024 Legislature approved transfers in and expenditures from the Water Technical Assistance Fund totaling \$7.5 million in FY 2025. In FY 2024, the agency did not expend any available moneys in the fund, leaving the original appropriation of \$5.0 million in FY 2024 available for FY 2025. The agency's revised estimate includes expenditures from the Water Technical Assistance Fund totaling \$12.5 million in FY 2025, which is the total amount available in the fund.

KSA 82a-956 states that expenditures from the fund may be used to provide grants for the planning, engineering, managing, and other technical assistance that may be necessary for the development of plans for water infrastructure projects or for processing the grant and loan applications for such water infrastructure projects for eligible municipalities or special districts related to water.

- **Agency:** Add \$5.0 million, all from the Water Technical Assistance Fund, for other assistance to eligible municipalities or special districts related to water in FY 2025.
- **LBC:** No changes.

## 6. STATE WATER PLAN FUND (SWPF) TRANSFER (OT)

The agency's revised request deletes \$392,164 from the SWPF and transfers, one-time, the same amount to other state agencies in FY 2025. The agency estimates increasing SWPF transfers to other agencies by \$392,164 above the approved transfer amount in FY 2025. Specifically, the agency is estimating increasing SWPF transfers to the Kansas Department of Agriculture for the Kansas Reservoir Protection Initiative by \$392,164 in FY 2025.

- **Agency:** Delete \$392,164 SWPF and transfer, one-time, the same amount to the Kansas Department of Agriculture for the Kansas Reservoir Protection Initiative in FY 2025.
- **LBC:** No changes.

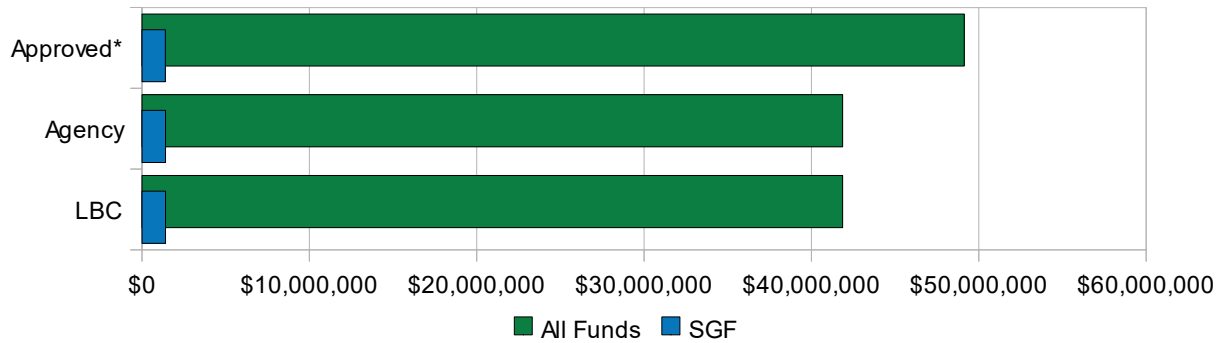
## 7. ALL OTHER ADJUSTMENTS

All other adjustments made by the agency add \$757,980, all from special revenue funds, in FY 2025. The increase is mostly attributable to the agency's estimated increases in contractual service expenditures. The agency indicates that Republican River Water Conversation projects are increasing, and increasing contractual service expenditures in FY 2025.

- **Agency:** Add \$757,980, all from special revenue funds, for increased contractual service expenditures in FY 2025.
- **LBC:** No changes.

## FY 2026 ANALYSIS

FIG. 5 BUDGET HIGHLIGHTS, FY 2026



\* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

FIG. 6 BUDGET HIGHLIGHT CHANGES, FY 2026

Fund	2025 Agency	2025 Approved*	2026 Agency	Agency Change from Previous-Year Agency		Agency Change from Approved*	
SGF	\$ 1,399,735	\$ 1,399,615	\$ 1,628,456	\$ 228,721	16.3 %	\$ 228,841	16.4 %
All Other Funds	73,039,192	47,732,309	40,455,457	(32,583,735)	(44.6)	(7,276,852)	(15.2)
<b>TOTAL</b>	<b>\$ 74,438,927</b>	<b>\$ 49,131,924</b>	<b>\$ 42,083,913</b>	<b>\$ (32,355,014)</b>	<b>(43.5) %</b>	<b>\$ (7,048,011)</b>	<b>(14.3) %</b>

\* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

## BUDGET ANALYSIS

FIG. 7 SUMMARY OF BUDGET REQUEST, FY 2026

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
<b>Approved, FY 2025</b>	<b>\$ 1,399,615</b>	<b>\$ 49,131,924</b>	<b>24.0</b>	<b>\$ 1,399,615</b>	<b>\$ 49,131,924</b>	<b>24.0</b>
2024 SB 28 & HB 2551	1,399,615	49,131,924	24.0	1,399,615	49,131,924	24.0
<b>Enhancement Requests</b>	<b>\$ 220,469</b>	<b>\$ 220,469</b>	<b>2.0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
1. Funding for New FTE Positions	211,169	211,169	2.0	-	-	-
2. Capital Outlay for New FTE Positions (OT)	9,300	9,300	-	-	-	-
<b>Other Changes</b>	<b>\$ 8,372</b>	<b>\$ (7,268,480)</b>	<b>-</b>	<b>\$ 8,372</b>	<b>\$ (7,268,480)</b>	<b>-</b>
3. FEMA Federal Grant (OT)	-	1,217,500	-	-	1,217,500	-
4. SWPF Appropriations	-	535,183	-	-	535,183	-
5. Water Projects Grant Fund	-	(7,500,000)	-	-	(7,500,000)	-
6. Water Technical Assistance Fund	-	(2,500,000)	-	-	(2,500,000)	-
7. SGF Allocations	8,372	8,372	-	8,372	8,372	-
8. All Other Adjustments	-	970,465	-	-	970,465	-
<b>TOTAL</b>	<b>\$ 1,628,456</b>	<b>\$ 42,083,913</b>	<b>26.0</b>	<b>\$ 1,407,987</b>	<b>\$ 41,863,444</b>	<b>24.0</b>

### 1. FUNDING FOR NEW FTE POSITIONS

The agency is requesting \$211,169 SGF and 2.0 FTE positions for FY 2026. The agency's request includes adding 1.0 FTE position for a Water Resource Planner and 1.0 FTE position for Water Conservation Support. The base salary for both positions would be \$75,000 per position, or \$150,000 combined. The remaining request balance would be for fringe benefits for both positions.

The agency indicates that the Water Resource Planner position would coordinate with agency staff on planning, project, and grant program-related engagement with the KWA, other state agencies, federal agencies, Regional Advisory Committees, and others.

The agency further indicates that the Water Conservation Support position would provide ongoing support for agency efforts to assist water users in adopting and enhancing water conservation practices.

- **Agency:** Add \$211,169 SGF and 2.0 FTE positions, including one Water Resource Planner position and one Water Conservation Support position, for FY 2026.
- **LBC:** Delete \$211,169 SGF and 2.0 FTE positions, including one Water Resource Planner position and one Water Conservation Support position, for FY 2026.

## **2. CAPITAL OUTLAY FOR NEW FTE POSITIONS (OT)**

The agency is requesting \$9,300 SGF, one-time, for computers, monitors, and equipment for the requested two new FTE positions for FY 2026.

- **Agency:** Add \$9,300 SGF, one-time, for computers, monitors, and equipment for the requested two new FTE positions for FY 2026.
- **LBC:** Delete \$9,300 SGF, one-time, for computers, monitors, and equipment for the requested two new FTE positions for FY 2026.

## **3. FEMA FEDERAL GRANT (OT)**

The agency's request adds \$1.2 million, one-time, from the agency's federal FEMA Federal Grant Fund for FY 2026. The addition is entirely attributable to an increase in estimated expenditures for contractual services. The agency indicates the Federal Emergency Management Agency (FEMA) has awarded the agency moneys for the rehabilitation of high-hazard-potential dams for FY 2026. The agency further indicates the grant and associated projects will be closed out in FY 2026.

- **Agency:** Add \$1.2 million, one-time, from the agency's federal FEMA Federal Grant Fund for the rehabilitation of high-hazard-potential dams for FY 2026.
- **LBC:** No changes.

## **4. SWPF APPROPRIATIONS**

The agency's request adds \$535,183 from the SWPF for FY 2026. The agency's request includes appropriations to several new accounts, including Water Quality totaling \$1.5 million, Water Quantity/Aquifer totaling \$2.0 million, Resiliency totaling \$2.4 million, Reservoir totaling \$1.5 million, and Research and Education totaling \$2.8 million. Together, the request totals \$10.1 million from the SWPF for FY 2026.

The agency's FY 2025 approved budget includes appropriations to 14 SWPF accounts. The agency's FY 2026 request collapses SWPF moneys into the five accounts listed above. The agency indicates that Governor Kelly, in January of 2024, charged the KWA to develop a strategic implementation plan, including funding, based on five guiding principles of the Kansas Water Plan. In response, the KWA began meeting and developing a strategic implementation on April 3, 2024. In October of 2024, the KWA produced *Approved FY26 KWA Budget Packet*. In line with that report, state agencies are consolidating traditional SWPF budget lines into five new budget lines, which include 1) Water Quantity/Aquifer, 2) Reservoirs, 3) Water Quality, 4) Resiliency, and 5) Research and Education.

- **Agency:** Add \$535,183 from the SWPF for FY 2026.
- **LBC:** No changes.

## 5. WATER PROJECTS GRANT FUND

The agency's request deletes \$7.5 million from the Water Projects Grant Fund for FY 2026. The deletion is entirely attributable to a decrease in estimated expenditures for other assistance payments to eligible municipalities or special districts related to water. KSA 82a-955 provides an annual transfer from the SWPF to the Water Projects Grant Fund of \$12.0 million at the beginning of each fiscal year. The 2024 Legislature approved an additional transfer from the SWPF to the Water Projects Grant Fund, totaling \$7.5 million for FY 2025. Beginning in FY 2026, the only authorized transfers to the Water Project Grant Fund can be found in KSA 82a-955. The agency's request includes expenditures totaling \$12.0 million from the Water Projects Grant Fund for FY 2026.

- **Agency:** Delete \$7.5 million from the Water Projects Grant Fund for other assistance to eligible municipalities or special districts related to water for FY 2026.
- **LBC:** No changes.

## 6. WATER TECHNICAL ASSISTANCE FUND

The agency's request deletes \$2.5 million from the Water Technical Assistance Fund for FY 2026. The decrease is entirely attributable to a decrease in estimated expenditures for other assistance payments to eligible municipalities or special districts related to water. KSA 82a-955 provides an annual transfer from the SWPF to the Water Technical Assistance Fund of \$5.0 million at the beginning of each fiscal year. The 2024 Legislature approved an additional transfer from the SWPF to the Water Projects Grant Fund totaling \$2.5 million for FY 2025. Beginning in FY 2026, the only authorized transfers to the Water Technical Assistance Fund can be found in KSA 82a-955. The agency's request includes expenditures totaling \$5.0 million from the Water Technical Assistance Fund for FY 2026.

- **Agency:** Delete \$2.5 million from the Water Technical Assistance Fund for other assistance to eligible municipalities or special districts related to water for FY 2026.
- **LBC:** No changes.

## 7. SGF ALLOCATIONS

The agency's request adds \$8,372 SGF for FY 2026. The increase is mostly attributable to increased estimates for group health insurance and Kansas Public Employees Retirement System (KPERs) employer contributions.

- **Agency:** Add \$8,372 SGF for increased estimates for group health insurance and KPERs for FY 2026.
- **LBC:** No changes.

## 8. ALL OTHER ADJUSTMENTS

All other adjustments made by the agency add \$970,465, all from special revenue funds, for FY 2026. The increase is mostly attributable to the agency's estimated increases in contractual service expenditures. The agency notes that expenditures related to projected operation and maintenance, repair, rehabilitation, and replacement costs received from the Army Corps of Engineers change year over year. For FY 2026, those expenditures are estimated to increase and those contracts are ongoing expenditures.

- **Agency:** Add \$970,465, all from special revenue funds, for increased contractual service expenditures received from the Army Corps of Engineers for FY 2026.

- **LBC:** No changes.



## REFERENCE TABLES

FIG. 8 **10-YEAR EXPENDITURE HISTORY, FY 2017 – FY 2026**

Fiscal Year	SGF	Change	All Funds	Change	FTE	CPI-U Change**
FY 2017	\$ 904,576	(19.3) %	\$ 12,124,647	16.7 %	16.0	0.0 %
FY 2018	874,376	(3.3)	9,506,982	(21.6)	19.0	0.2
FY 2019	896,722	2.6	8,517,111	(10.4)	20.0	0.0
FY 2020	1,020,024	13.8	9,520,341	11.8	20.0	0.8
FY 2021	1,013,608	(0.6)	10,244,332	7.6	16.0	2.4
FY 2022	77,961,087	7,591.4	90,236,796	780.8	18.0	9.2
FY 2023	4,055,965	(94.8)	10,199,526	(88.7)	19.0	5.8
FY 2024	1,129,825	(72.1)	11,112,728	9.0	22.0	3.0
FY 2025 Agency	1,399,735	23.9	74,438,927	569.9	24.0	2.5
FY 2026 Agency	1,628,456	16.3	42,083,913	(43.5)	26.0	2.4
10-Yr. Chg. (FY 2017– 2026)	\$ 723,880	80.0 %	\$ 29,959,266	247.1 %	10.0	33.4 %
3-Yr. Avg. (FY 2022– 2024)*	\$ 27,715,626		\$ 37,183,017		19.7	

\* Note: Reflects three most recent years of actuals data.

\*\* Note: Consumer Price Index – All Urban Consumers estimate for FY 2025 and FY 2026 is from the Consensus Revenue Estimating Group.

FIG. 9 **EXPENDITURES BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Water Planning and Administration	\$ 7,905,968	\$ 64,743,419	\$ 64,743,419	\$ 32,143,661	\$ 31,923,192
Water Supply Contracts	3,206,760	9,695,508	9,695,508	9,940,252	9,940,252
<b>TOTAL</b>	<b>\$ 11,112,728</b>	<b>\$ 74,438,927</b>	<b>\$ 74,438,927</b>	<b>\$ 42,083,913</b>	<b>\$ 41,863,444</b>

FIG. 10 **FTE POSITIONS BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Water Planning and Administration	11.5	13.0	13.0	15.0	13.0
Water Supply Contracts	10.5	11.0	11.0	11.0	11.0
<b>TOTAL</b>	<b>22.0</b>	<b>24.0</b>	<b>24.0</b>	<b>26.0</b>	<b>24.0</b>