

# KANSAS WATER OFFICE

## FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1 BUDGET OVERVIEW, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
<b>Operating Expenditures:</b>					
State General Fund	\$ 1,013,608	\$ 949,813	\$ 949,813	\$ 1,027,686	\$ 1,027,686
Federal Funds	167,086	301,473	301,473	379,730	379,730
All Other Funds	9,063,638	13,386,183	15,524,202	12,261,902	12,261,902
<i>Subtotal</i>	<i>\$ 10,244,332</i>	<i>\$ 14,637,469</i>	<i>\$ 16,775,488</i>	<i>\$ 13,669,318</i>	<i>\$ 13,669,318</i>
<b>Capital Improvements:</b>					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	2,138,019	-	-	-
<i>Subtotal</i>	<i>\$ -</i>	<i>\$ 2,138,019</i>	<i>\$ -</i>	<i>\$ -</i>	<i>\$ -</i>
<b>TOTAL</b>	<b>\$ 10,244,332</b>	<b>\$ 16,775,488</b>	<b>\$ 16,775,488</b>	<b>\$ 13,669,318</b>	<b>\$ 13,669,318</b>
<b>Percentage Change:</b>					
State General Fund	(0.6) %	(6.3) %	(6.3) %	8.2 %	8.2 %
All Funds	7.6 %	63.8 %	63.8 %	(18.5) %	(18.5) %
FTE Positions	16.0	18.0	18.0	19.0	18.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

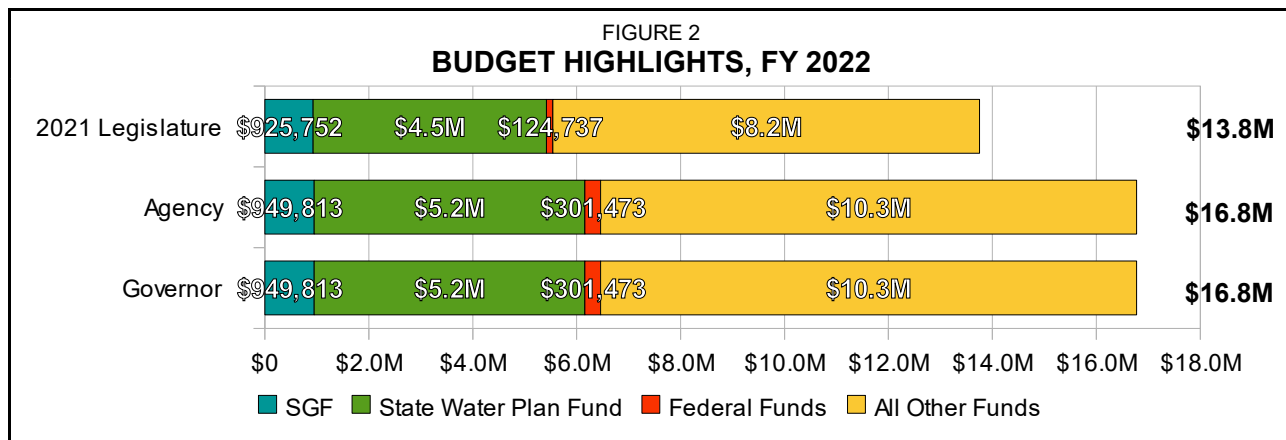
The Kansas Water Office is the water planning, policy, and coordination agency for the State. The agency, in conjunction with the Kansas Water Authority, develops water policies through an open planning process; facilitates the coordination of agencies' activities regarding water; and operates a raw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

Through the agency's operations and the guidance of the Kansas Water Authority, the Kansas Water Office focuses on water policy planning, including developing the State Water Plan, which details the management, conservation, and development of water resources for the state. Working with the 12 major river basins, the agency develops basin planning sections for the State Water Plan, which documents objectives and critical issues occurring in each of the basins. Additionally, the agency provides the coordination function in focusing action on priority issues as identified in the basin sections of the Kansas Water Plan.

The Kansas Water Authority provides water policy advice to the Governor, Legislature, and the Director of the Kansas Water Office. Its 24-member board is responsible for approving water storage sales, the State Water Plan, federal contracts, and regulations and legislation proposed by the Kansas Water Office.

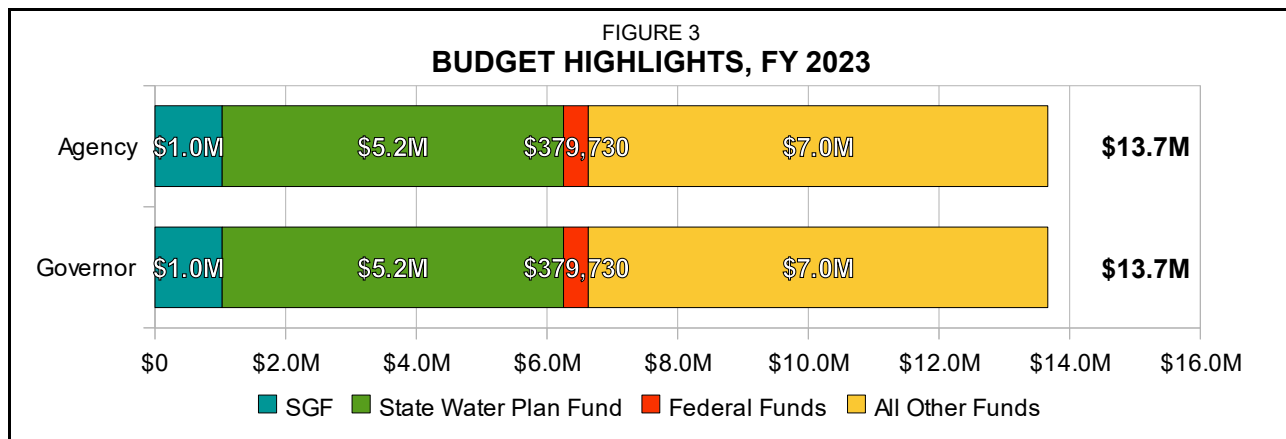
### EXECUTIVE SUMMARY

Subsequent to the 2021 Session, one adjustment was made to the \$13.8 million, including \$922,239 from the State General Fund (SGF), appropriated to the Kansas Water Office for FY 2022. The agency carried over \$3,513 SGF in unspent funds from FY 2021 to FY 2022.



The **agency** estimates revised FY 2022 expenditures of \$16.8 million, including \$949,813 SGF. This is an all funds increase of \$3.0 million, or 22.0 percent, and an SGF increase of \$24,061, or 2.6 percent, from the FY 2022 approved amount. The all funds increase and the SGF increase are primarily due to the agency's three supplemental requests to pay off a water supply storage contract, increased operation costs for reservoirs, and a water resources planner position. The all funds increase is also due to State Water Plan Fund reappropriations.

The **Governor** concurs with the agency's FY 2022 revised estimate. The Governor's recommendation recategorizes \$2.1 million as a contractual service rather than debt service. The expenditure is categorized as an operating expenditure instead of a capital improvement expenditure.



The **agency** requests FY 2023 expenditures of \$13.7 million, including \$1.0 million SGF. This is an all funds decrease of \$3.1 million, or 18.5 percent, and an SGF increase of \$77,873, or 8.2 percent, from the FY 2022 revised estimate. The all funds decrease is primarily due to a one-time payment to pay off a water supply storage contract in FY 2022 that is not reoccurring for FY 2023. This decrease is also caused by decreased expenditures on conservation projects in the Republican River Basin and on reservoir operations and maintenance. These decreases are partially offset by the agency's enhancement requests for a water resources planner position and multiple State Water Plan Fund programs.

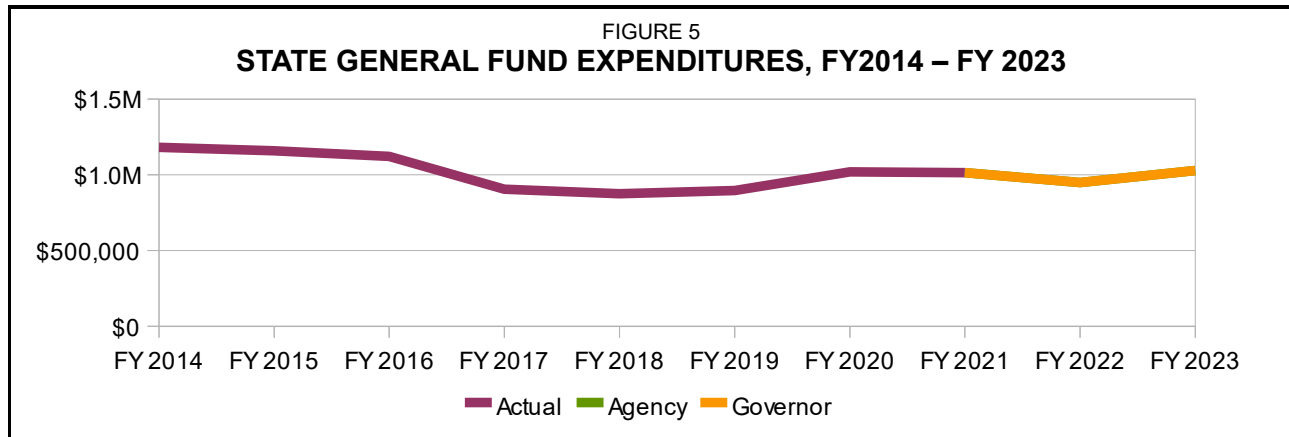
The **Governor** concurs with the agency's FY 2023 funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

## EXPENDITURES AND FINANCING

FIGURE 4  
**BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023**

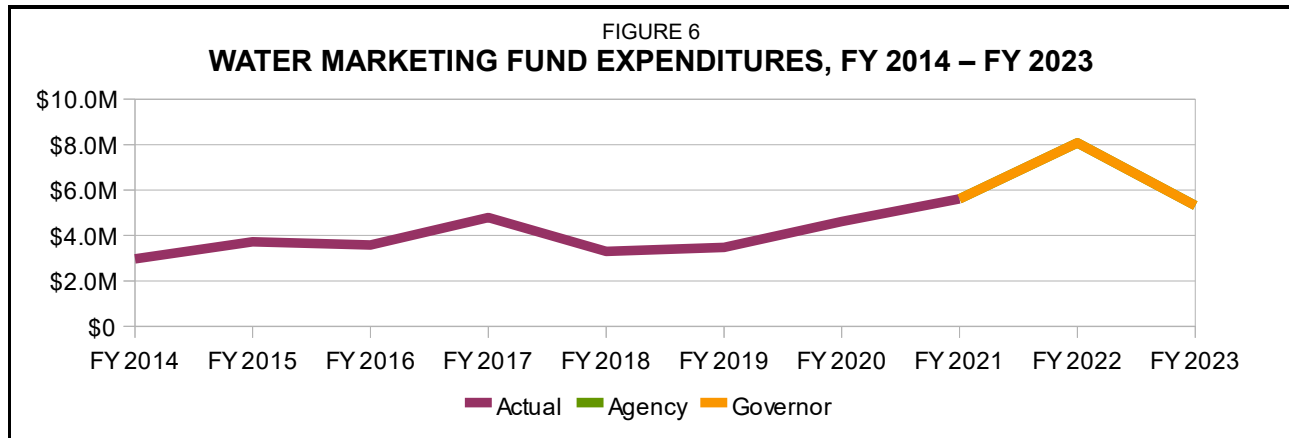
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
<b>Category of Expenditure:</b>					
Salaries and Wages	\$ 1,347,981	\$ 1,606,029	\$ 1,606,029	\$ 1,689,198	\$ 1,689,198
Contractual Services	8,193,357	11,672,305	13,810,949	10,701,395	10,701,395
Commodities	10,375	124,400	124,400	121,225	121,225
Capital Outlay	60,149	24,110	24,110	27,500	27,500
Debt Service Interest	-	625	-	-	-
<b>Subtotal</b>	<b>\$ 9,611,862</b>	<b>\$ 13,427,469</b>	<b>\$ 15,565,488</b>	<b>\$ 12,539,318</b>	<b>\$ 12,539,318</b>
Aid to Local Units	500,000	-	-	-	-
Other Assistance	132,470	1,210,000	1,210,000	1,130,000	1,130,000
<b>Subtotal—Operating</b>	<b>\$ 10,244,332</b>	<b>\$ 14,637,469</b>	<b>\$ 16,775,488</b>	<b>\$ 13,669,318</b>	<b>\$ 13,669,318</b>
Capital Improvements	-	-	-	-	-
Debt Service	-	2,138,019	-	-	-
Principal	-	-	-	-	-
<b>TOTAL</b>	<b>\$ 10,244,332</b>	<b>\$ 16,775,488</b>	<b>\$ 16,775,488</b>	<b>\$ 13,669,318</b>	<b>\$ 13,669,318</b>
<b>Financing:</b>					
State General Fund	\$ 1,013,608	\$ 949,813	\$ 949,813	\$ 1,027,686	\$ 1,027,686
State Water Plan	2,164,175	5,206,722	5,206,722	5,228,122	5,228,122
Fund					
Federal Funds	167,086	301,473	301,473	379,730	379,730
All Other Funds	6,899,463	10,317,480	10,317,480	7,033,780	7,033,780
<b>TOTAL</b>	<b>\$ 10,244,332</b>	<b>\$ 16,775,488</b>	<b>\$ 16,775,488</b>	<b>\$ 13,669,318</b>	<b>\$ 13,669,318</b>
FTE Positions	16.0	18.0	18.0	19.0	18.0

## STATE GENERAL FUND



For the Kansas Water Office, SGF expenditures increased from FY 2019 to FY 2020 when the 2019 Legislature added \$100,000 SGF for a water resource planner position. The SGF decrease in FY 2022 is primarily due to implementation of the agency's reduced resources budget, partially offset by the agency's supplemental request for a water resources planner.

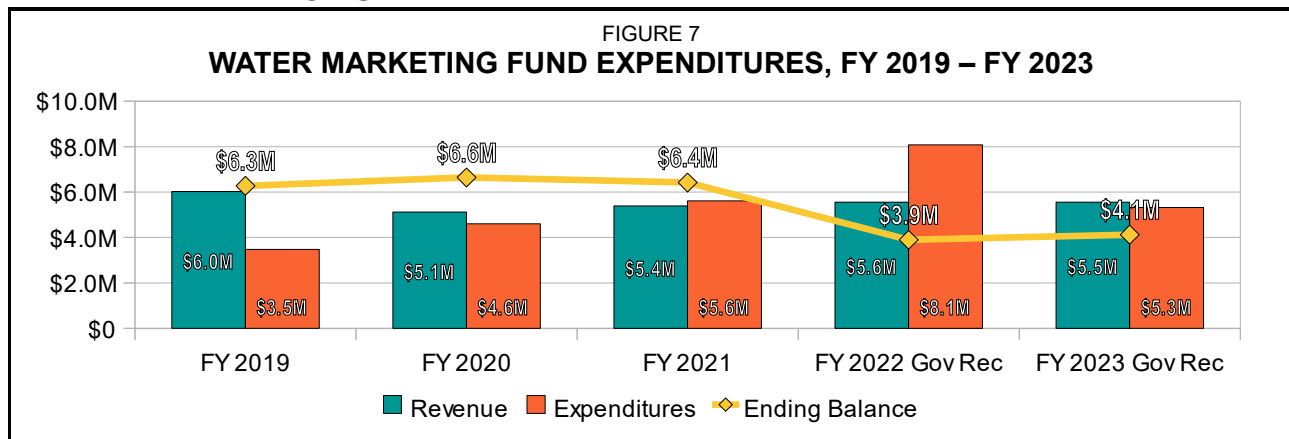
## WATER MARKETING FUND



Under the federal Water Supply Act of 1958, federal reservoirs constructed in Kansas for the purpose of flood control were authorized to include storage space for municipal and industrial water supplies. In 1961, the Legislature provided financial assurance for inclusion of water storage in the federal reservoirs constructed in the state. In 1974, the Legislature passed the State Water Plan Storage Act, which authorizes the agency to contract with water purchasers for the sale of water from any reservoir included in the Kansas Water Marketing program. The Water Marketing Fund was created by the 1991 Legislature.

Revenue for the Water Marketing program is generated by the sale of water supplied under contracts with public water suppliers and industries from state-owned storage in federal lakes purchased from the U.S. Army Corps of Engineers. The price for water is set annually according to an established formula and is not negotiable. The fund is then used to meet the State's contractual water storage obligations to the federal government through transfers to the State Conservation Storage Water Supply Fund.

## WATER MARKETING FUND



The Water Marketing Fund expenditures are estimated to increase in FY 2022 due to the agency's supplemental request to pay off the balance of the water supply storage contract for Hillsdale reservoir.

## FY 2022 ANALYSIS

FIGURE 8  
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
<b>Legislative Approved:</b>				
Amount Approved by 2021 Legislature	\$ 922,239	\$ 12,827,918	\$ 13,750,157	21.0
1. SGF Reappropriation	3,513	-	3,513	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 925,752</i>	<i>\$ 12,827,918</i>	<i>\$ 13,753,670</i>	<i>21.0</i>
<b>Agency Revised Estimate:</b>				
2. State Water Plan Fund Reappropriation	\$ -	\$ 713,592	\$ 713,592	--
3. Supplementals	25,958	2,287,678	2,313,636	--
4. All Other Adjustments	(1,897)	(3,513)	(5,410)	(3.0)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 949,813</i>	<i>\$ 15,825,675</i>	<i>\$ 16,775,488</i>	<i>18.0</i>
<b>Governor's Recommendation:</b>				
5. No Changes	\$ -	\$ -	\$ -	--
<b>TOTAL</b>	<b>\$ 949,813</b>	<b>\$ 15,825,675</b>	<b>\$ 16,775,488</b>	<b>18.0</b>

### LEGISLATIVE APPROVED

Subsequent to the 2021 Session, one adjustment was made to the \$13.8 million, including \$922,239 SGF, appropriated to the Kansas Water Office for FY 2022. The agency carried over \$3,513 SGF in unspent funds from FY 2021 to FY 2022.

1. **SGF REAPPROPRIATION.** Subsequent to the 2021 Session, one adjustment was made to the \$13.8 million, including \$922,239 SGF, appropriated to the Kansas Water Office for FY 2022. The agency carried over \$3,513 SGF in unspent funds from FY 2021 to FY 2022.

### AGENCY ESTIMATE

The **agency** estimates revised FY 2022 expenditures of \$16.8 million, including \$949,813 SGF. This is an all funds increase of \$3.0 million, or 22.0 percent, and an SGF increase of \$24,061, or 2.6 percent, from the FY 2022 approved amount.

The **agency** estimate includes the following adjustments:

2. **STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency carried over \$713,592 in unspent State Water Plan Fund moneys from FY 2021 to FY 2022. Reappropriations were primarily for conservation projects in the Milford Lake watershed, data collection projects on water quality and storage capacity, and water technology farms.
3. **SUPPLEMENTAL REQUESTS.** The agency is requesting three supplemental requests in FY 2022 for payment of a water supply storage contract, increased operation costs for reservoirs, and a water resources planner position.
4. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes adjustments for miscellaneous other items, including decreased expenditures on computer equipment.

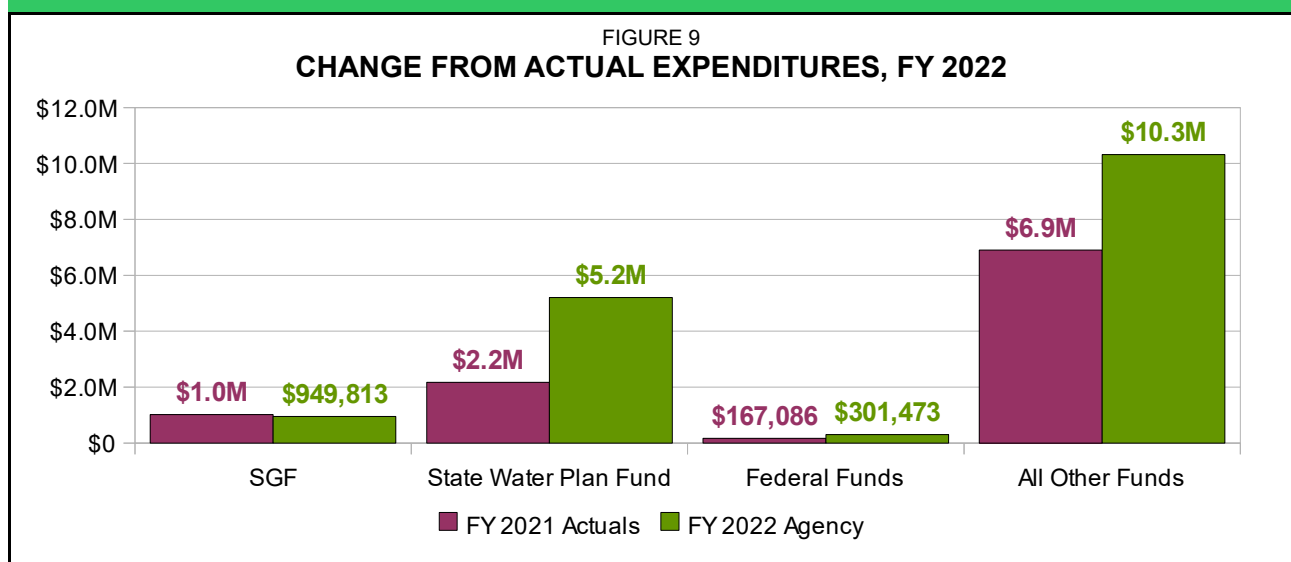
## **GOVERNOR'S RECOMMENDATION**

---

The **Governor** concurs with the agency's FY 2022 revised estimate. The Governor's recommendation recategorizes \$2.1 million as a contractual service rather than debt service. The expenditure is categorized as an operating expenditure instead of a capital improvement expenditure.

5. **NO CHANGES.** The Governor concurs with the agency's FY 2022 revised estimate.

## FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures of \$16.8 million, including \$949,813 SGF. This is an all funds increase of \$6.5 million, or 63.8 percent, and an SGF decrease of \$63,795, or 6.3 percent, below FY 2021 actual expenditures. The SGF decrease is primarily due to implementation of the agency's reduced resources budget in FY 2022, partially offset by the agency's supplemental request for a water resources planner. This all funds increase is primarily due to the agency's supplemental requests. The increase is also due to additional State Water Plan Fund projects added by the 2021 Legislature, such as water injection dredging, flood study, and study of the Arbuckle formation. The increase is also due to State Water Plan Fund reappropriations.

## FY 2023 ANALYSIS

FIGURE 10  
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
<b>Agency Revised Estimate, FY 2022</b>	\$ 949,813	\$ 15,825,675	\$ 16,775,488	18.0
<b>Agency Request:</b>				
1. State Water Plan Fund Enhancements	\$	\$ 1,234,992	\$ 1,234,992	1.0
2. State Water Plan Fund Reappropriations	-	(713,592)	(713,592)	--
3. SGF Enhancements	80,635	-	80,635	--
4. Debt Service	-	(2,138,644)	(2,138,644)	--
5. Republican River Projects	-	(405,000)	(405,000)	--
6. Reservoir Maintenance	-	(809,282)	(809,282)	--
7. State Water Plan Fund Projects	-	(500,000)	(500,000)	--
8. All Other Adjustments	(2,762)	147,483	144,721	--
<b>Subtotal—Agency Request</b>	<b>\$ 1,027,686</b>	<b>\$ 12,641,632</b>	<b>\$ 13,669,318</b>	<b>19.0</b>
<b>Governor's Recommendation:</b>				
9. Vacant Position	\$ -	\$ -	\$ -	(1.0)
<b>TOTAL</b>	<b>\$ 1,027,686</b>	<b>\$ 12,641,632</b>	<b>\$ 13,669,318</b>	<b>18.0</b>

### AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$13.7 million, including \$1.0 million SGF. This is an all funds decrease of \$3.1 million, or 18.5 percent, and an SGF increase of \$77,873, or 8.2 percent, from the FY 2022 revised estimate.

The **agency** request includes the following adjustments:

- STATE WATER PLAN FUND ENHANCEMENTS.** The agency's FY 2023 request includes \$1.2 million in State Water Plan Fund enhancements including increased funding for watershed conservation practice implementation, flood studies, study of the Arbuckle formation, and water technology farms.
- STATE WATER PLAN FUND REAPPROPRIATIONS.** The agency carried over \$713,592 in unspent State Water Plan Fund moneys from FY 2021 to FY 2022. These carry-over funds are not available for FY 2023, causing a decrease in State Water Plan Fund expenditures. This decrease is offset by the agency's State Water Plan Fund enhancements.
- STATE GENERAL FUND ENHANCEMENTS.** The agency is requesting SGF moneys to fill a vacant water resources planner position in FY 2022 and for FY 2023.
- DEBT SERVICE.** In FY 2022, the agency is requesting \$2.1 million, all from special revenue funds, to pay off a water supply storage contract for Hillsdale reservoir. This is a one-time payment that is not reoccurring for FY 2023.
- REPUBLICAN RIVER PROJECTS.** In 2015, Nebraska paid Kansas \$5.5 million as a result of the U.S. Supreme Court ruling on the Kansas vs. Nebraska lawsuit regarding violations of the Republican River Compact. House Sub. for SB 112 (2015) provided that \$3.5 million of those funds would be allocated to the Kansas Water Office for

conservation projects in the Republican River Basin. The agency estimates a decrease in expenditures from this fund for FY 2023.

6. **RESERVOIR MAINTENANCE.** The agency's request includes decreased expenditures for operation and maintenance of water storage space purchased in federal lakes from the U.S. Army Corps of Engineers.
7. **STATE WATER PLAN FUND PROJECTS.** The agency is requesting \$1.2 million in State Water Plan Fund enhancements for FY 2023. This increase is partially offset by decreased expenditures from State Water Plan Fund reappropriations that occurred in FY 2022. These enhancements are also offset by overall decrease in State Water Plan Fund expenditures, particularly for conservation projects in the Milford Lake watershed, watershed conservation practice implementation, and reservoir studies.
8. **ALL OTHER ADJUSTMENTS.** The agency's FY 2023 request includes increases for other expenditures including federal funds for floodplain mapping.

#### **GOVERNOR'S RECOMMENDATION**

---

The **Governor** concurs with the agency's FY 2023 funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

9. **VACANT POSITION.** The Governor concurs with the agency's FY 2023 funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

## SUPPLEMENTAL AND ENHANCEMENT REQUESTS

State General Fund Request			
Item	FY 2022	FY 2023	Total
Water Resources Planner	\$ 25,958	\$ 106,593	\$ 132,551

### REQUEST 1

#### WATER RESOURCES PLANNER

As part of the FY 2022 reduced resources budget, the agency held open a water resources planner position. The agency is requesting SGF moneys to fill the vacant position for the remainder of FY 2022 and for FY 2023. Duties of a water resources planner include project implementation leadership, Regional Advisory Committee coordination, and Kansas Water Plan development.

**The Governor concurs with this request.**

Water Marketing Fund Requests	
Item	FY 2022
Reservoir Operations and Maintenance	\$ 149,034
Hillsdale Reservoir Payment	2,138,644
<b>TOTAL</b>	<b>\$ 2,287,678</b>

### REQUEST 2

#### RESERVOIR OPERATIONS AND MAINTENANCE

The agency is requesting \$149,034, all from special revenue funds, for increased expenditures for operations and maintenance of water storage space purchased in federal lakes from the U.S. Army Corps of Engineers. Kansas has contracts with the Corps of Engineers for purchase of water supply storage in 14 reservoirs.

**The Governor concurs with this request.**

### REQUEST 3

#### HILLSDALE RESERVOIR PAYMENT

The State is obligated to fully pay the capital costs of the water supply storage reserved by Kansas in federal reservoirs. These payments have been delayed until the additional storage is needed and the storage is called into service. Additional storage has not been needed from Hillsdale Reservoir since 2014. However, future debt service payments on additional storage have continued to accrue interest. The agency is requesting \$2.1 million, all from special revenue funds, to mitigate some of this interest and decrease the amount being compounded.

**The Governor concurs with this request.**

## SUPPLEMENTAL AND ENHANCEMENT REQUESTS

State Water Plan Fund Requests	
Item	FY 2023
Assessment and Evaluation	\$ 150,000
Milford Lake Watershed Projects	50,000
Vision Strategic Education Plan	125,000
Water Technology Farms	100,000
Flood Study	150,000
Watershed Conservation Practice Implementation	500,000
Arbuckle Study	90,000
Water Injection Dredging	69,992
<b>TOTAL</b>	<b>\$ 1,234,992</b>

The agency states it supports the Kansas Water Authority's request for full restoration of the \$2.0 million Economic Development Initiatives Fund and the \$6.0 million SGF transfers to the State Water Plan Fund.

### REQUEST 4

#### ASSESSMENT AND EVALUATION

The Assessment and Evaluation line of the State Water Plan Fund is utilized for a variety of data collection and studies to provide information for the water planning process. The agency is requesting \$150,000, all from the State Water Plan Fund, for projects including a harmful algal bloom study in cooperation with the U.S. Geological Survey.

**The Governor concurs with this request.**

### REQUEST 5

#### MILFORD LAKE WATERSHED PROJECTS

The Regional Conservation Partnership Program (RCPP) is a Natural Resource Conservation Service initiative that encourages stakeholders to increase the restoration and sustainable use of soil, water, wildlife and related natural resources in watersheds. Since 2018, the agency has coordinated projects in the Milford Lake Watershed RCPP specifically targeted at reducing nutrient runoff and decreasing the formation of harmful algae blooms in Milford Lake. The agency will reach its initial \$1.0 million contribution in FY 2022. The agency is requesting \$50,000, all from the State Water Plan Fund, to extend the project.

**The Governor concurs with this request.**

## **SUPPLEMENTAL AND ENHANCEMENT REQUESTS**

### **REQUEST 6**

#### **VISION STRATEGIC EDUCATION PLAN**

The Vision Strategic Education Plan aims to continue and grow programs that focus on water resource education. In FY 2021, the Kansas Water Authority performed its five-year update of the Kansas Water Plan, the primary document used to address current water resource issues and to plan for future needs. As a part of this updated Plan, the Kansas Water Authority recommended increased efforts for the "Kansas Runs on Water" campaign. Proposed activities include a statewide summit for educators, a grant program for water education organization to provide curriculum and resources, and coordination of workshops among higher education institutions and industry stakeholders. The agency is requesting an enhancement request of \$125,000, all from the State Water Plan Fund, for FY 2023 for this program.

**The Governor concurs with this request.**

### **REQUEST 7**

#### **WATER TECHNOLOGY FARMS**

Water technology farms receive cost-share assistance to install and test new irrigation technologies and soil moisture management methods. Technology farms allow for the opportunity to evaluate the effectiveness of conservation practice implementation in reducing sediment and nutrient runoff. There are currently 14 water technology farms in Kansas. The agency is requesting an enhancement of \$100,000, all from the State Water Plan Fund, to increase the number of water technology farms.

**The Governor concurs with this request.**

### **REQUEST 8**

#### **FLOOD STUDY**

The 2019 Special Committee on Natural Resources recommended funding for a basin-by-basin evaluation of flood risk in Kansas to identify areas of recurring flooding and identify potential mitigation projects to lessen future damage. The agency is requesting an enhancement of \$150,000, all from the State Water Plan Fund, to continue and expand this study.

**The Governor concurs with this request.**

## SUPPLEMENTAL AND ENHANCEMENT REQUESTS

### REQUEST 9

#### **WATERSHED CONSERVATION PRACTICE IMPLEMENTATION**

The Watershed Conservation Practice Implementation provides financial assistance to landowners within targeted watersheds to implement conservation practices that reduce sediment runoff. Project examples include cover crops, buffer strips, and grassed waterways. The agency is requesting an enhancement of \$500,000, all from the State Water Plan Fund, for this program.

**The Governor concurs with this request.**

### REQUEST 10

#### **ARBUCKLE STUDY**

The 2021 Legislature added \$60,000, all from the State Water Plan Fund, for a study of the Arbuckle formation in FY 2022. The Arbuckle formation is a sequence of sedimentary rocks that is used for fluid-waste disposal, oil production, storage, and fresh water. Recent tests have indicated that the storage capacity of the formation is decreasing. Funding in FY 2022 was budgeted for a preliminary study of the techniques to measure fluid levels and storage capacity. The agency is requesting an enhancement of \$90,000, all from the State Water Plan Fund, to continue and expand this program.

**The Governor concurs with this request.**

### REQUEST 11

#### **WATER INJECTION DREDGING**

The 2021 Legislature added \$850,000, all from the State Water Plan Fund, for a water injection dredging project in FY 2022. The agency will implement a water injection dredging (WID) project at Tuttle Creek Lake to promote reservoir sediment management. WID is a process in which large volumes of water are injected at low pressure into the sediment bed to allow the sediment to flow to deeper areas. FY 2022 funding and the FY 2023 enhancement of \$69,992, all from the State Water Plan Fund, will be used to construct the WID apparatus for the demonstration.

**The Governor concurs with this request.**

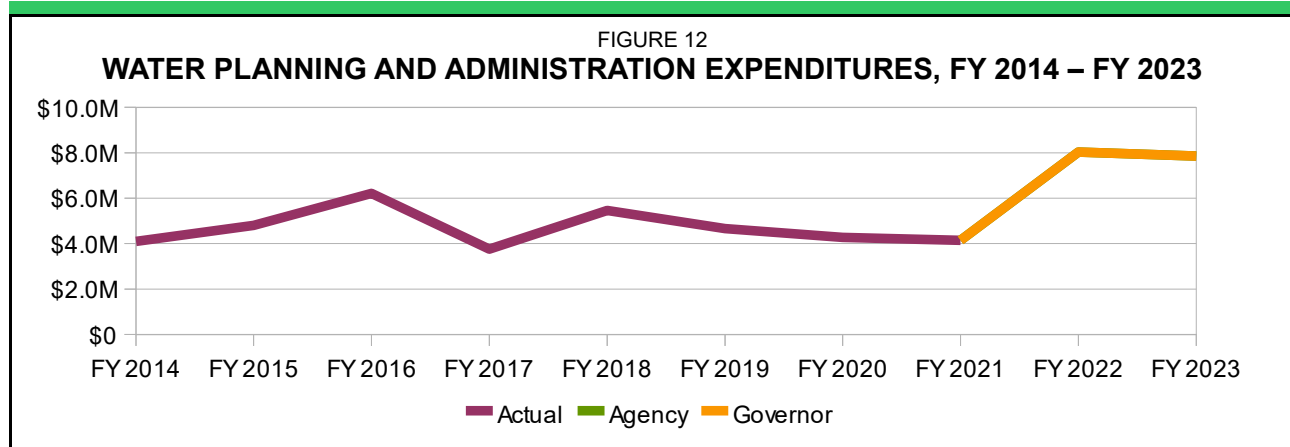
## PROGRAM AND PERFORMANCE MEASURES OVERVIEW

FIGURE 11 EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023					
Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
<b>Expenditures:</b>					
Water Planning and Administration	\$ 4,145,743	\$ 8,028,664	\$ 8,028,664	\$ 7,850,388	\$ 7,850,388
Public Water Supply	6,098,589	8,746,824	8,746,824	5,818,930	5,818,930
<b>TOTAL</b>	<b>\$ 10,244,332</b>	<b>\$ 16,775,488</b>	<b>\$ 16,775,488</b>	<b>\$ 13,669,318</b>	<b>\$ 13,669,318</b>
<b>FTE Positions:</b>					
Water Planning and Administration	6.0	8.0	8.0	9.0	8.0
Water Supply Contracts	10.0	10.0	10.0	10.0	10.0
<b>TOTAL</b>	<b>16.0</b>	<b>18.0</b>	<b>18.0</b>	<b>19.0</b>	<b>18.0</b>

## PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

## WATER PLANNING AND ADMINISTRATION



**STATUTORY BASIS:** • KSA 74-2622; 82a-901 *et seq.*; 82a-1301 *et seq.*; 82a-1330 *et seq.*; 82a-1401 *et seq.*; 82a-2301 *et seq.*; 74-2613; 74-2608; 82a-220; 82a-733; 82a-901 *et seq.*; 82a-1101 *et seq.*; 82a-1401 *et seq.*; 82a-1501a; 82a-1801 *et seq.*; 82a-2101

**PROGRAM GOALS:**

- Develop and propose water policies that are long-term in scope.
- Identify and address priority water resource issues in Kansas.
- Support the Kansas Water Authority in its role of making policy recommendations to the Governor and Legislature.
- Measure the condition of the water resources in the state.
- Provide adequate technical analysis and background to support the development of policy and priority issues.
- Measure and assess the status of effectiveness of practices and policies implemented through the State Water Plan.
- Be an active participant in water resources policy formation and recommendations that result in legislation.
- Foster a trust in the planning process that is conducted in an open public forum based on sound research.
- Involve the public and stakeholders in the development of proposed policy initiatives.
- Create electronic and written publications in a format and style that the public finds accessible.
- Annually host the Governor's Conference on the Future of Water in Kansas to disseminate information and encourage public engagement in water issues.

The Water Planning and Implementation program covers the major agency responsibility for the development of the Kansas Water Plan. The administration of the Kansas Water Planning Act, Kansas Weather Modification Act, and portions of the Water Appropriations and Water Transfer acts are housed in this program.

The Water Planning and Implementation program also houses the Kansas Water Authority, which is statutorily within the Kansas Water Office. The Authority is responsible for advising the Governor, Legislature, and the

Director of the Kansas Water Office on water policy issues; approving the Kansas Water Plan; accounting for and making recommendations on the expenditures of State Water Plan Fund moneys; and approving water storage sales, water marketing rates, federal contracts, administrative regulations, and legislation proposed by the Kansas Water Office. The Authority is composed of 24 members that represent stakeholder groups and are informed of water-related issues representing water users, water interests, environmental interests, and the general public.

FIGURE 13 WATER PLANNING AND ADMINISTRATION, PERFORMANCE MEASURES					
	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
<b>Outcome Measure:</b>					
1.Vision Action Items Underway or Completed	249	258	242	262	263
2.Number of People Engaged in Public Meetings and Conferences*	2,462	2,947	2,634	2,970	N/A
3.Number of Digital Interactions*	799,807	524,239	754,468	575,000	N/A
<b>Output Measure:</b>					
4.State of the Resource Reports Underway or Completed*	14	14	14	14	N/A
5.Research and Technical Studies Underway and Completed	15	16	15	16	15
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,020,024	\$ 1,013,608		\$ 949,813	\$ 1,027,686
Federal Funds	200,511	167,086		301,473	379,730
All Other Funds	3,048,685	2,965,049		6,777,378	6,442,972
<b>TOTAL</b>	<b>\$ 4,269,220</b>	<b>\$ 4,145,743</b>		<b>\$ 8,028,664</b>	<b>\$ 7,850,388</b>
<b>Percentage Change:</b>					
SGF	15.9 %	(0.6) %		(6.3) %	8.2 %
All Funds	(8.1) %	(2.9) %		93.7 %	(2.2) %
FTE Positions	9.0	6.0		8.0	8.0

\*The Governor's Office does not utilize this measure for evaluation purposes.

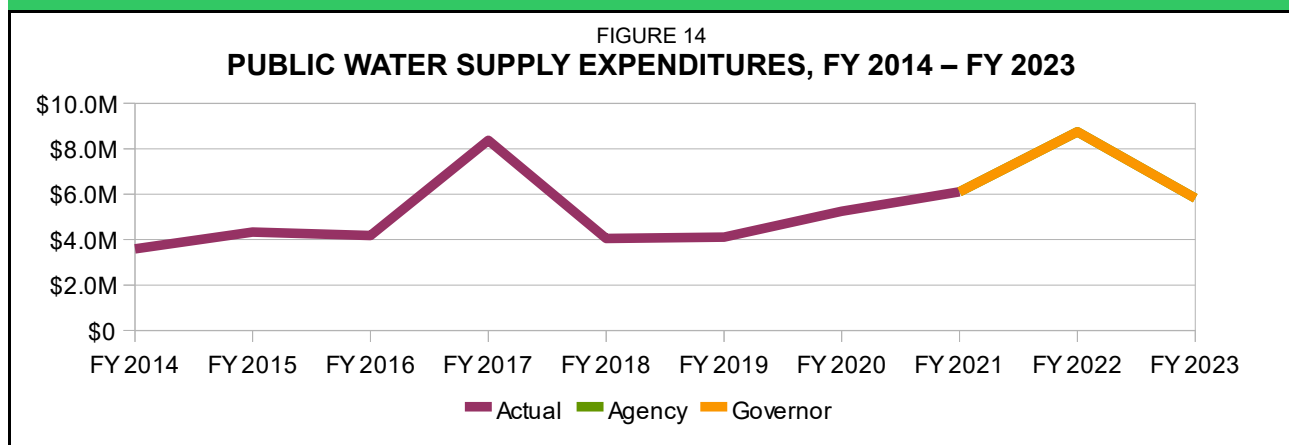
## BUDGET ANALYSIS

The **agency** requests FY 2023 Water Planning and Administration program expenditures of \$7.9 million, including \$802,787 SGF. This is an all funds decrease of \$178,276, or 2.2 percent, and an SGF increase of \$80,741, or 11.2 percent, from the program's FY 2022 revised estimate. The SGF increase is due to the agency's enhancement request for a water resources planner position. The all funds decrease is primarily due to decreased expenditures on conservation projects in the Republican River Basin, partially offset by increased receipt of federal funds for a

floodplain mapping study. This program also contains all of the agency's State Water Plan Fund enhancement requests. This increase is offset by decreased State Water Plan Fund reappropriations.

The **Governor** concurs with the agency's FY 2023 Water Planning and Administration program funding request. The Governor recommends filling the vacant water planner position with an existing FTE position rather than adding a new FTE position.

## PUBLIC WATER SUPPLY



**STATUTORY BASIS:** • KSA 82a-1301 *et seq.*; 82a-1330 *et seq.*; 82a-1604 *et seq.*; 82a-2301 *et seq.*; 82a-2401 *et seq.*

**PROGRAM GOALS:**

- Ensure that the water supply needs of the citizens of Kansas are met in an economical and efficient manner.
- Ensure that municipal, industrial, and irrigation water rights on the major rivers have an adequate water supply during drought conditions.
- Effectively utilize storage to lengthen support during low flow conditions.

The Public Water Supply program administers supply programs to ensure an adequate supply of water for Kansans receiving water from state-owned storage in federal and state reservoirs. These programs include the water marketing, water assurance, Lower Smoky Hill access district, and the public water

supply components of the Multipurpose Small Lakes program (KSA 82a-1601 *et seq.*). The Kansas Water Office negotiates with the federal government for water supply storage in federal lakes and coordinates reservoir operations to meet multiple uses, primarily benefiting municipal and industrial customers.

FIGURE 15  
**PUBLIC WATER SUPPLY, PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Governor FY 2022	Governor FY 2023
<b>Outcome Measure:</b>					
1.Number of People Directly Served (Based on Population Estimates)*	1,245,959	1,258,914	1,246,030	1,272,084	N/A
2.Number of Industrial Customers Directly Served*	15	15	15	15	N/A
3.Number of Irrigation Water Rights Directly Served	51	51	51	51	51
<b>Output Measure:</b>					
4.Percent of Time Demands of All Public Water Supply Programs Are Met	100%	100%	100%	100%	100%
<b>Financing</b>					
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	5,251,121	6,098,589		8,746,824	5,818,930
<b>TOTAL</b>	<u>\$ 5,251,121</u>	<u>\$ 6,098,589</u>		<u>\$ 8,746,824</u>	<u>\$ 5,818,930</u>

FIGURE 15  
**PUBLIC WATER SUPPLY, PERFORMANCE MEASURES**

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Governor FY 2022	Governor FY 2023
<b>Percentage Change:</b>					
SGF	-- %	-- %		-- %	-- %
All Funds	27.9 %	16.1 %		43.4 %	(33.5) %
FTE Positions	11.0	10.0		10.0	10.0

\*The Governor's Office does not utilize this measure for evaluation purposes.

## BUDGET ANALYSIS

The agency requests FY 2023 Public Water Supply program expenditures of \$5.8 million, all from special revenue funds. This is a decrease of \$2.9 million, or 33.5 percent, below the program's FY 2022 revised estimate. This decrease is primarily due to the agency's FY

2022 supplemental request for a one-time payment to pay off a water supply storage contract for Hillsdale reservoir.

The **Governor** concurs with the agency's FY 2023 Public Water Supply program request.

## CAPITAL IMPROVEMENTS

FIGURE 16 CAPITAL IMPROVEMENTS, FY 2021 – FY 2023					
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
<b>Debt Service Principal:</b>					
Hillsdale Reservoir	\$ -	\$ 2,138,019	\$ -	\$ -	\$ -
<b>Financing:</b>					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	2,138,019	-	-	-
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 2,138,019</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

### FY 2022 DEBT SERVICE

The **agency** estimates revised debt service expenditures of \$2.1 million, all from special revenue funds. This is an increase of \$2.1 million from the FY 2022 approved debt service amount. This increase is due to the agency's supplemental request to pay off a water supply contract for Hillsdale reservoir. The State is obligated to fully pay the capital costs of the water supply storage reserved by Kansas in federal reservoirs. These payments have been delayed until the additional storage is needed and the storage is called into service. Additional

storage has not been needed from Hillsdale Reservoir since 2014. However, future debt service payments on additional storage have continued to accrue interest. The agency is requesting \$2.1 million, all from special revenue funds, to mitigate some of this interest and decrease the amount being compounded.

The **Governor** recommends the funding for the water supply storage contract. However, this payment has been recategorized as a contractual service rather than debt service. The expenditure is categorized as an operating expenditure instead of a capital improvement expenditure.