



KDOT BUDGET OVERVIEW

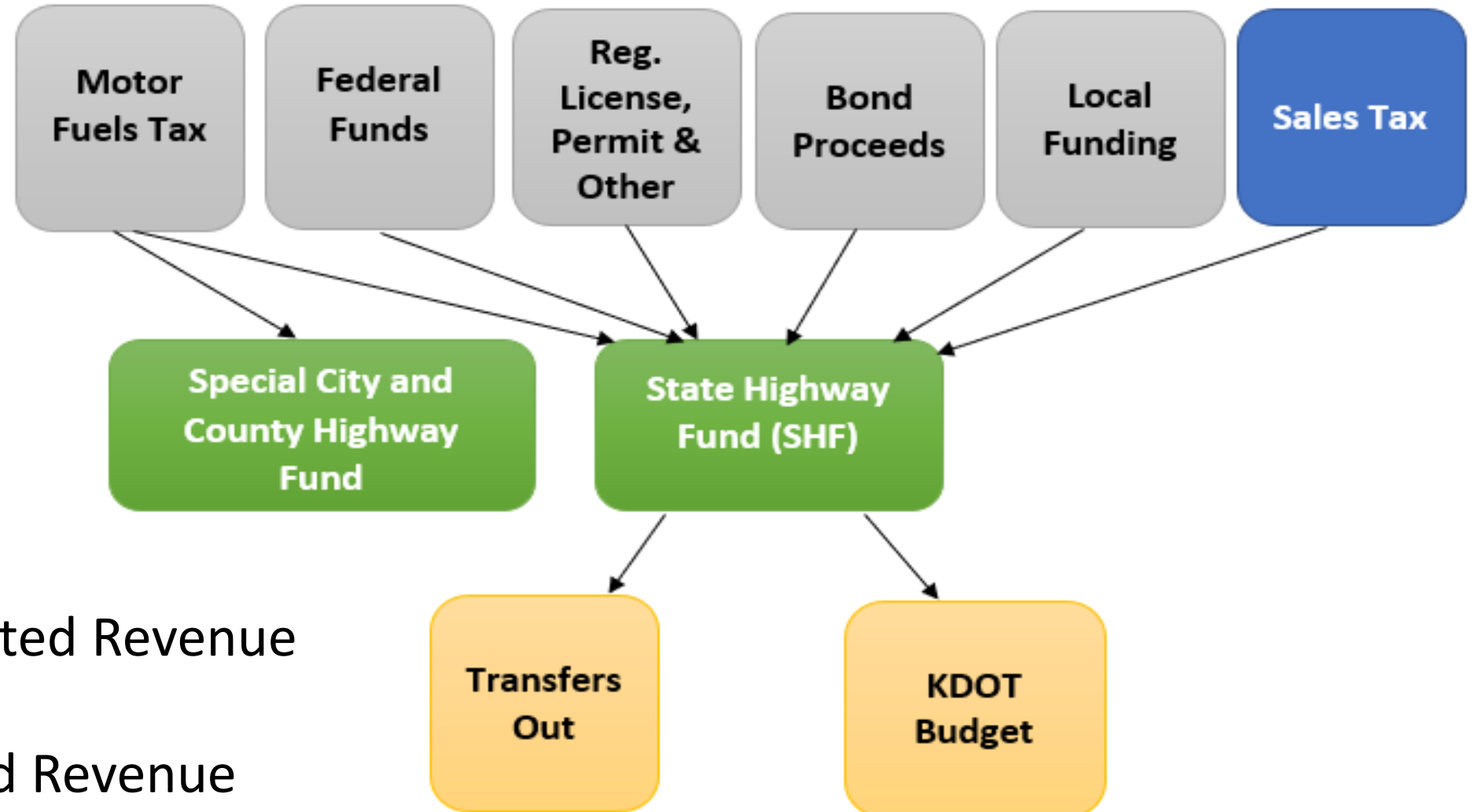
Calvin Reed P.E., Secretary

Kansas Department of Transportation

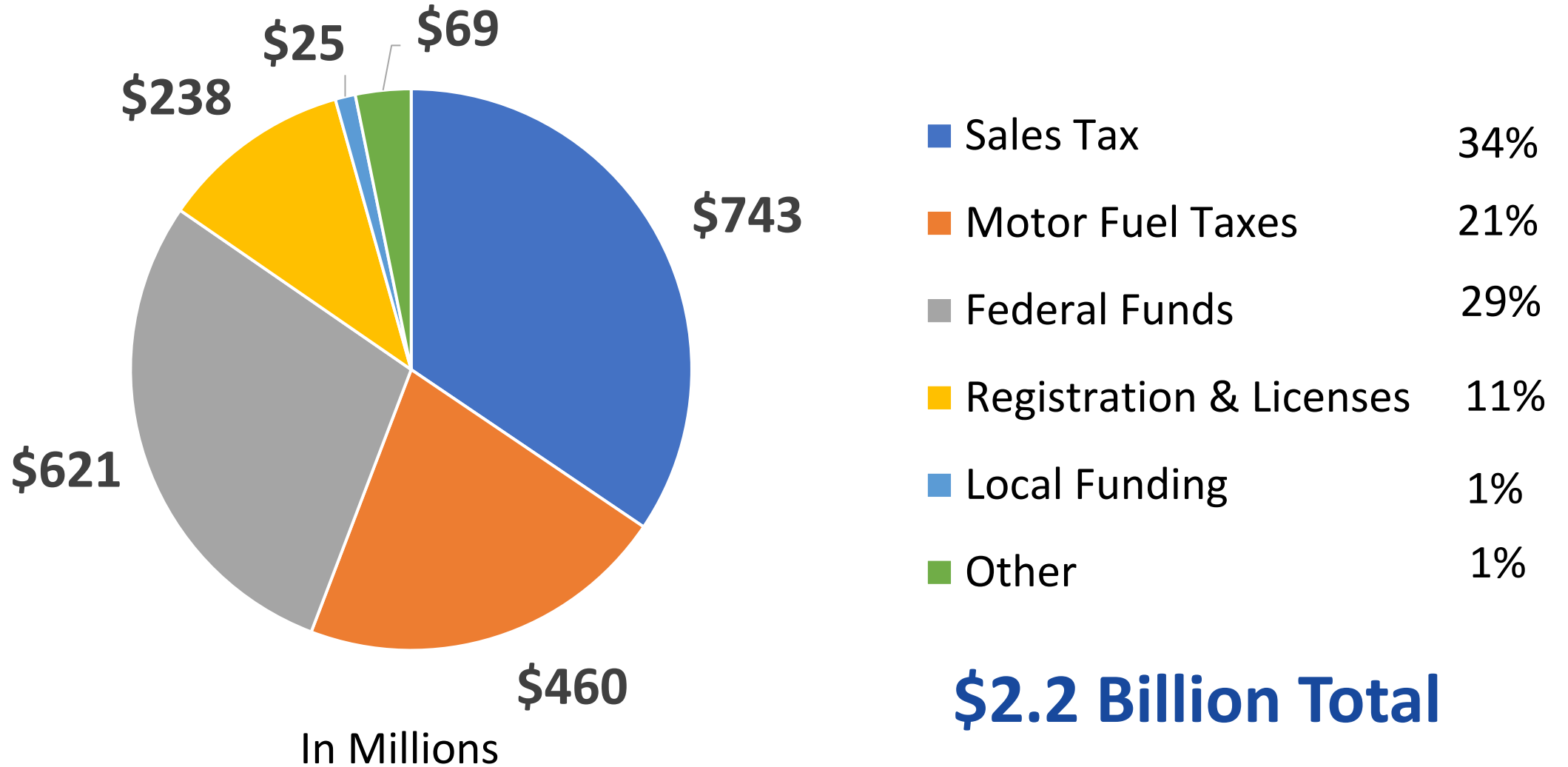
Agenda

- Kicking it Off
- State Highway Fund Revenues
- Expenditures
- IKE Program Updates

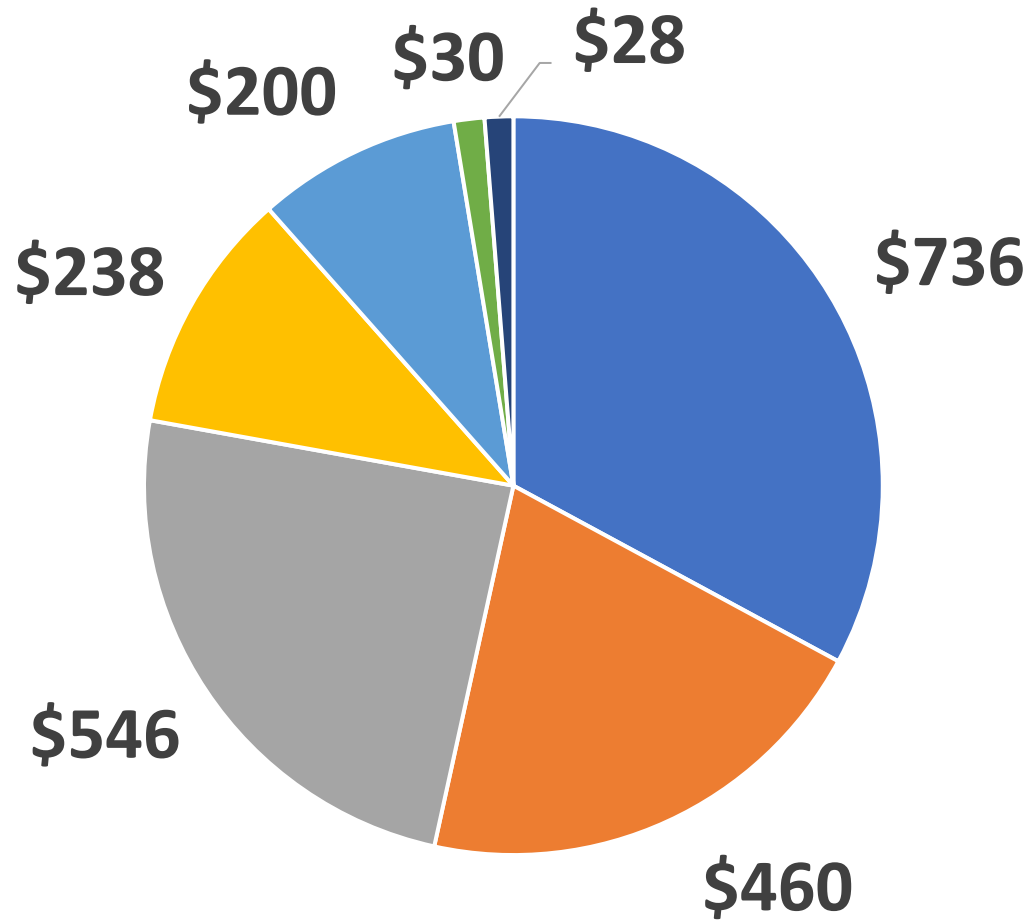
How does Kansas fund transportation?



FY 2024 Revenue Sources – All Funds



FY 2025 Revenue Sources – All Funds

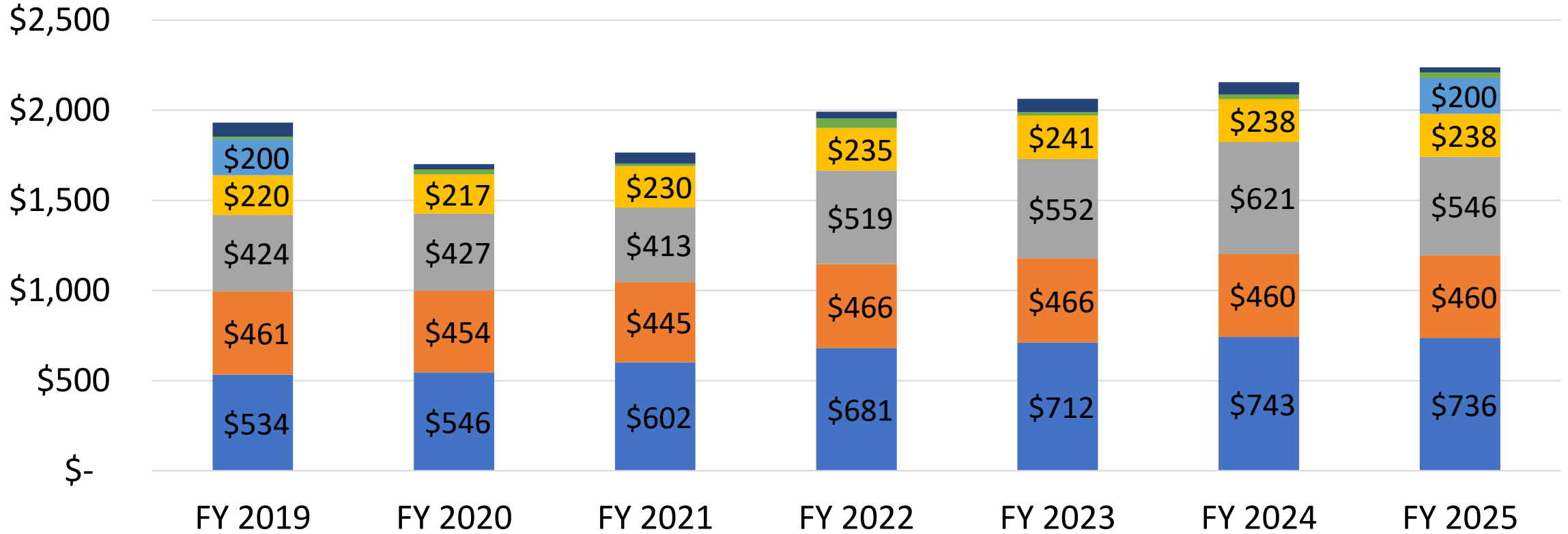


In Millions

■ Sales Tax	33%
■ Motor Fuel Taxes	21%
■ Federal Funds	24%
■ Registration & Licenses	11%
■ Bond Proceeds	9%
■ Local Funding	1%
■ Other	1%

\$2.2 Billion Total

Revenue Sources - Historical



In Millions

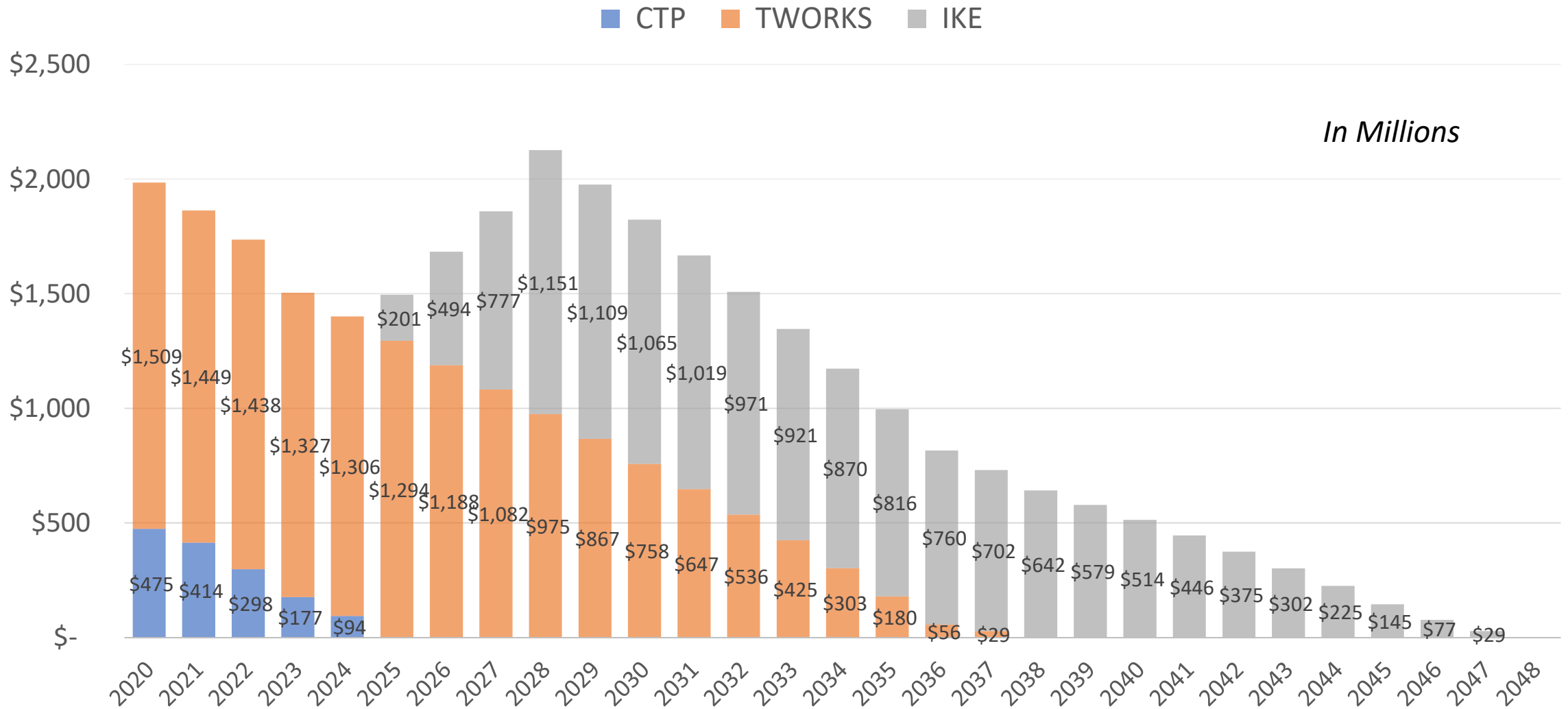
- Sales Tax
- Motor Fuel Taxes
- Federal Funds
- Registration & Licenses
- Bond Proceeds
- Local Funding
- Other

IKE Funding: Bonding

- First bond issuance for IKE in FY 2025: **\$200 million**
 - First full debt service payment in FY 2026
- Original bonding estimate for IKE: **\$1.2 billion**
 - Lower than T-WORKS (\$1.5 billion)
- Bonding Limitation
 - Debt service cannot exceed 18% of revenues

Debt Service Through IKE						
<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>	<u>FY 2030</u>
9%	9%	10%	11%	12%	13%	12%

Total Debt Outstanding at End of Fiscal Year



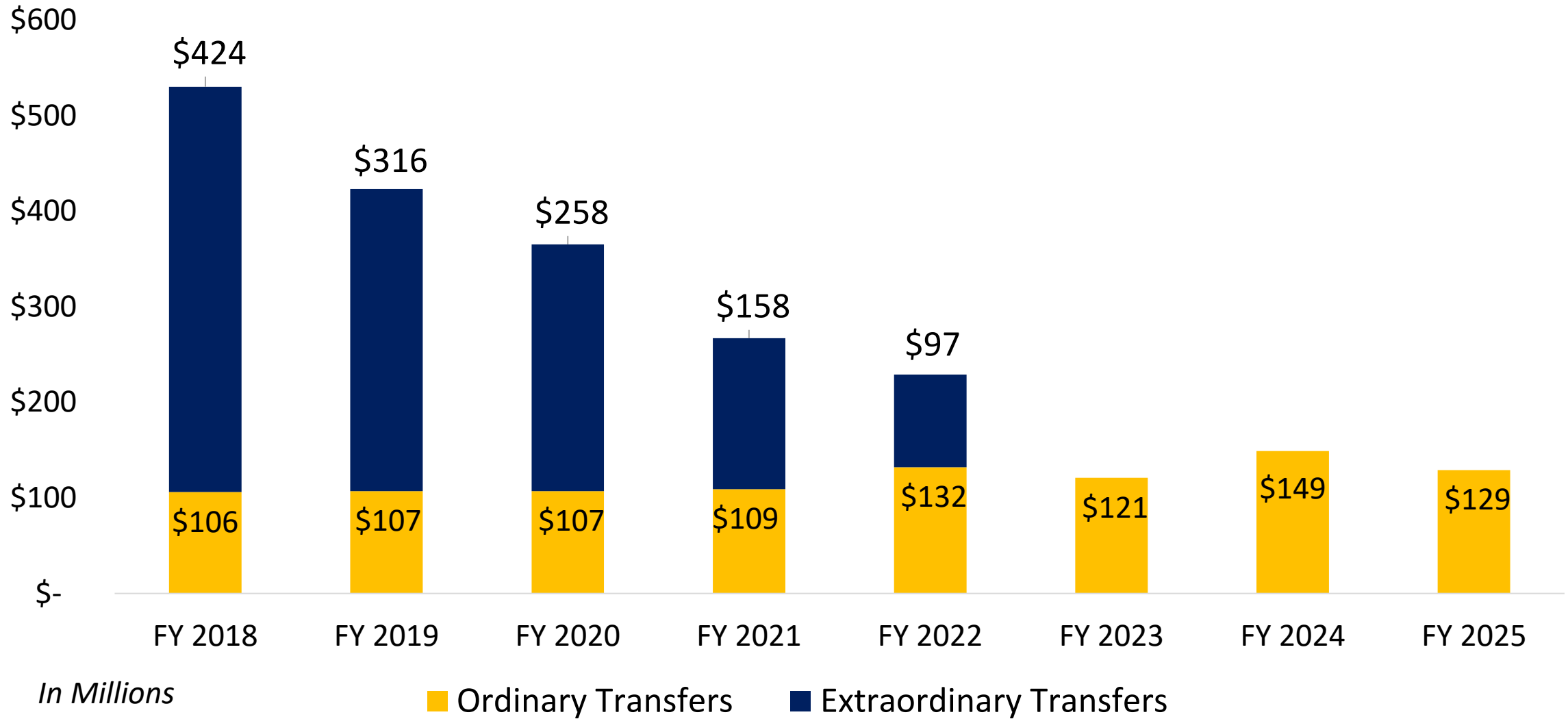
IKE Funding: Federal August Redistribution

- US DOT provides for the redistribution, after August 1, of any unobligated state spending authority.
- Kansas received an additional **\$70M** in spending authority in August 2023.

August Redistribution				
<u>FY 2020</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>
\$60M	\$30M	\$30M	\$15M	\$70M

- **Having a well funded transportation program allows Kansas to take advantage of redistributed spending authority.**

State Highway Fund Transfers – FY 18 to FY 25

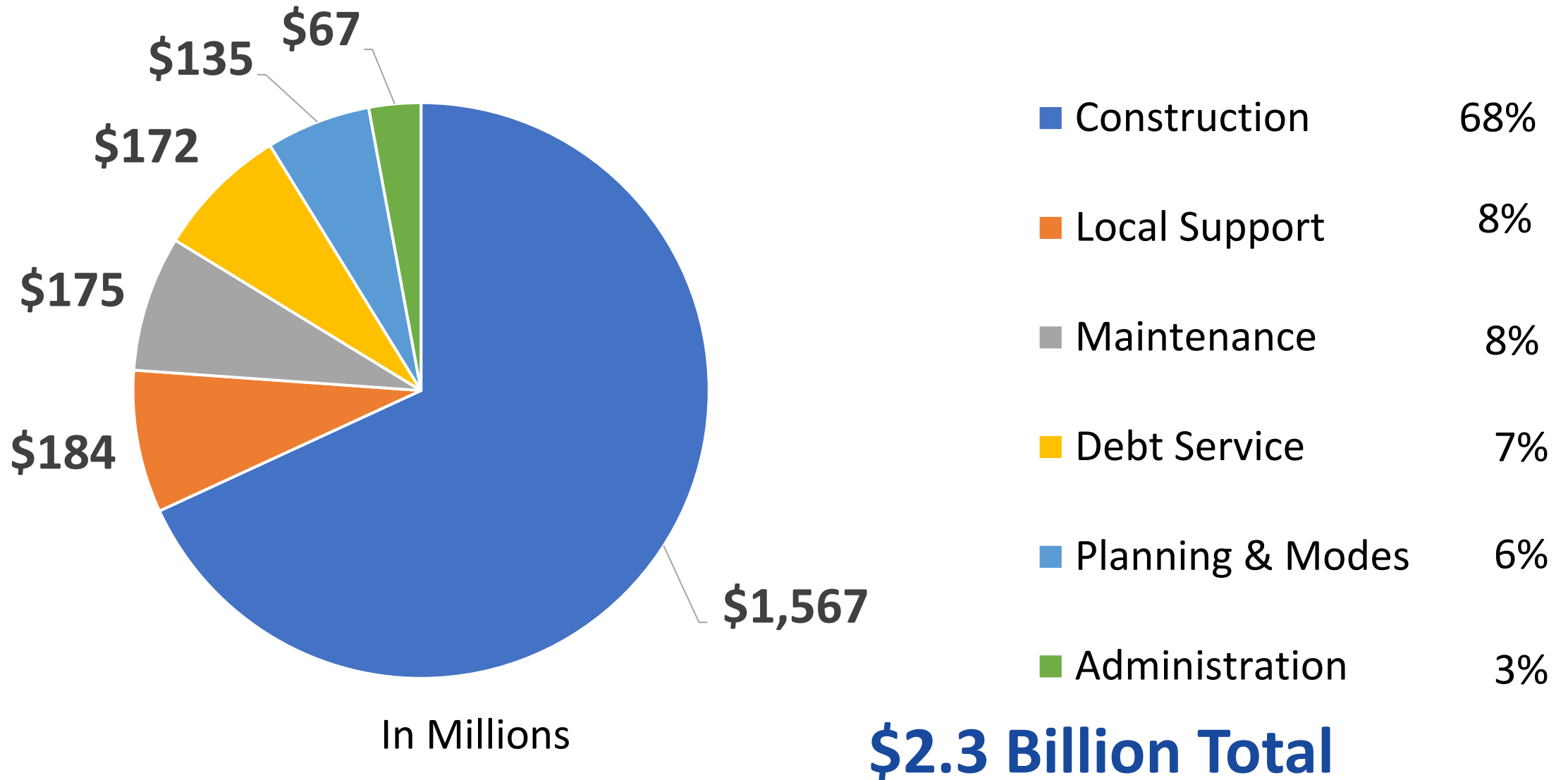


State Highway Fund Transfers

Ordinary or Historically Routine Transfers

<u>Receiving Agency</u>	<u>Purpose</u>	<u>FY 2024</u>	<u>FY 2025</u>
Department of Administration	Overhead Payments/Purchasing	\$ 210,000	\$ 210,000
Kansas Highway Patrol	KHP Operations	65,660,946	68,994,611
Kansas Highway Patrol	Aircraft Operations	9,700,000	2,800,000
Kansas Highway Patrol	Training Center	7,228,517	--
Kansas Highway Patrol	Dispatch Center	10,000,000	--
Department of Agriculture	Water Structures	128,379	128,379
Department of Education	School Bus Safety Fund	325,000	325,000
Wildlife, Parks, and Tourism	Access Roads & Bridge Maintenance	3,602,545	3,600,000
Department of Revenue	Division of Vehicles Operating Fund	<u>52,481,795</u>	<u>53,231,784</u>
Total—Ordinary Transfers		\$149,337,182	\$129,289,744

FY 2025 Expenditures by Program – All Funds



Budget Vs. Cashflow: Construction Project Example

	FY 24	FY 25	FY 26	FY 27	FY 28	TOTAL
Budget	\$100M	-	-	-	-	\$100M
Cashflow	\$5M	\$20M	\$30M	\$25M	\$20M	\$100M

Budget Structure

KDOT Budget

“Operations”

Dollar limitation on expenditures

- Salaries & Wages for all staff
- Highway Maintenance/SNICE
- Heavy Equipment
- IT systems
- Utilities for KDOT buildings

“Construction”

No dollar limitation on expenditures

Projects-

- Construction
- Contract Engineering Services
- Right of Way Purchases
- Utility Relocations

Agency Ops budget since FY 2013

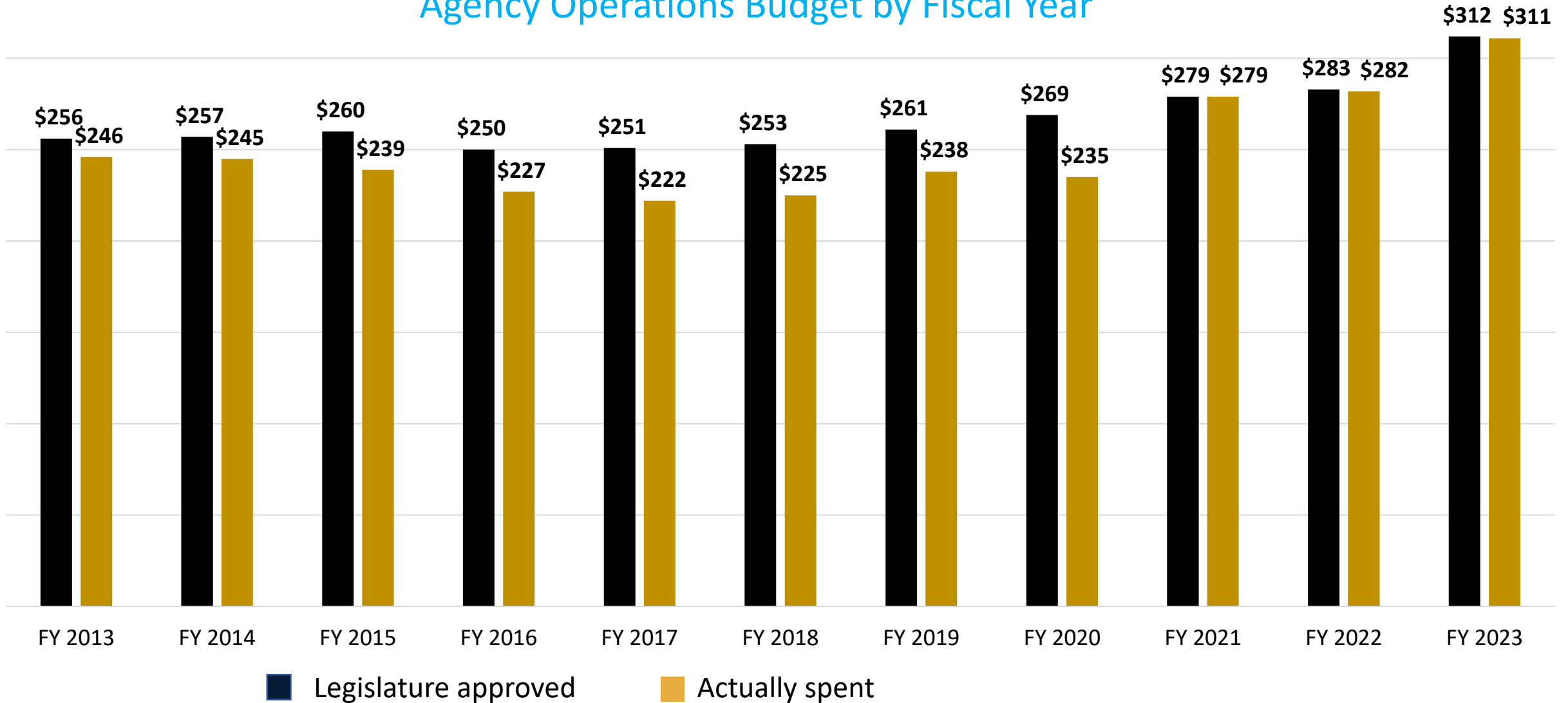
In Millions



■ Legislature Approved ■ Requested

We've managed our budget much tighter since FY 2021

Agency Operations Budget by Fiscal Year

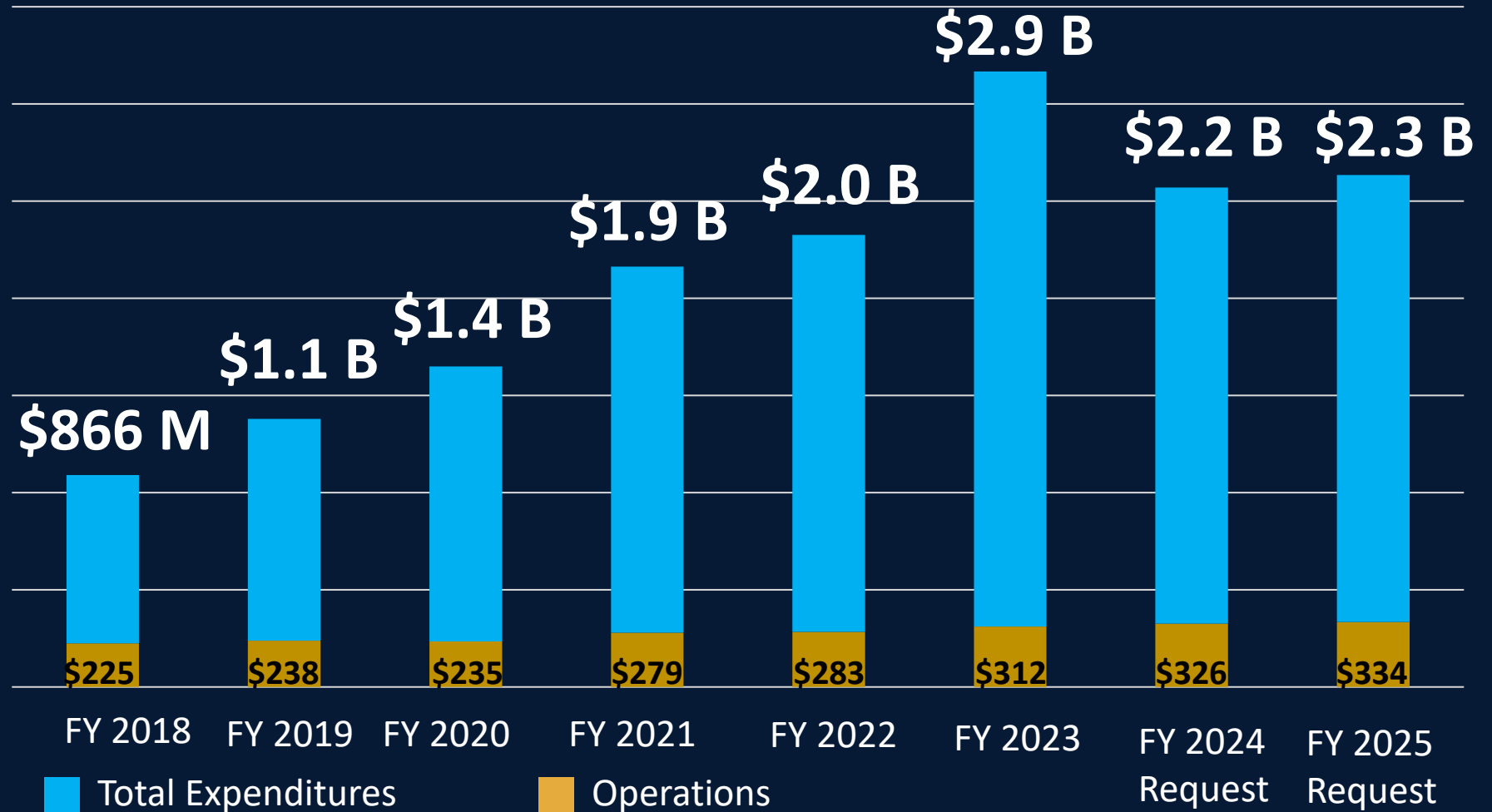




Agency Ops held steady despite significant increase in construction work

% Agency Ops of Total Budget

FY18	26%
FY19	21%
FY20	17%
FY21	15%
FY22	14%
FY23	11%
FY24	15%
FY25	15%



FY 2025 Agency Operations Budget

**Need & Demand
Driven**



Salary & Wages

Change from FY 2024
(\$600K) 0%



Contractual Services

\$3.6 million 4%

**Maintain or
Restore funding
levels & keep pace
with cost increases**



Commodities

<\$100K 0%



Capital Outlay

\$4.9 million 30%









Other Assistance

<(\$100K) -3%

\$7.9 million or 2.4% total increase from FY24

Preservation Investment

DISTRICT	CURRENTLY UNDER CONSTRUCTION	MINIMUM 10-YR INVESTMENT		
Northeast	\$543M	\$1,300M	42%	
North Central	\$329M	\$600M	55%	
Northwest	\$243M	\$700M	35%	
Southeast	\$344M	\$550M	63%	
South Central	\$297M	\$800M	37%	
Southwest	\$245M	\$500M	49%	

Modernization & Expansion Investments

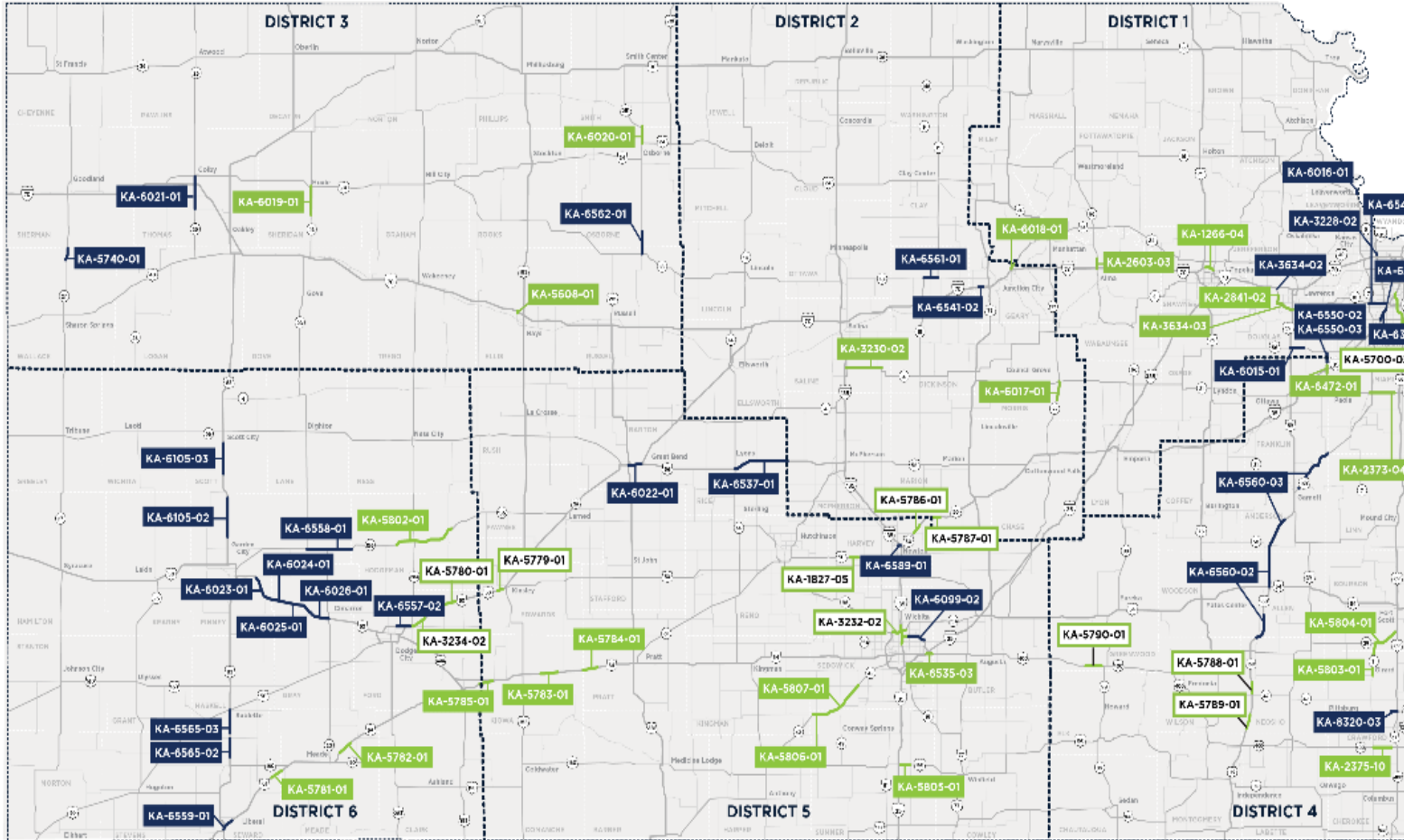
DISTRICT	CURRENTLY UNDER CONSTRUCTION	UNDER CONSTRUCTION BY 2025	REQUIRED MINIMUM INVESTMENT BY 2025	
Northeast	\$522M	\$408M	\$220M	
North Central	\$8M	\$52M	\$27M	
Northwest	\$0M	\$69M	\$22M	
Southeast	\$25M	\$57M	\$36M	
South Central	\$173M	\$325M	\$119M	
Southwest	\$30M	\$30M	\$37M	

Modernization & Expansion

■ Construction Pipeline Projects

■ Development Pipeline Projects

□ IKE Projects Let to Construction



**\$2
BILLION**
Projects to Date

**\$350
MILLION**
Added to Construction
Pipeline, 09/2023

Aviation



- Airport System is critical
 - \$9 Billion Economic Output
- Joint Task Force Study
 - Increase State Aviation Investment



\$11
MILLION

35
PROJECTS





Thank you