



Oklahoma Tourism & Recreation Department

FY 2025 Budget Hearing Presentation

Submitted by: Shelley Zumwalt, Executive Director

Shelley Zumwalt

Executive Director



The Oklahoma Tourism & Recreation Department has the following responsibilities pursuant to 74 O.S. § 74-2202:

- Conserve and protect the parkland under the control of the Commission.
- Oversee the operation and maintenance of the state's lodges and golf courses.
- Promote tourism by publicity and dissemination of information.
- Assist in promotion of events sponsored by municipalities, associations, and organizations commemorating special events of local or historical interest.
- Educate the public on the people, places, events, culture, and history of Oklahoma.
- Function in an advisory capacity to the Governor, State Legislature, state agencies, municipalities, and to private organizations on matters pertaining to tourism and recreation.

Founded in 1972, this agency now encompasses the following divisions:

State Parks

Travel & Tourism

Administration

Information Technology

Agency Vision, Mission and Core Values

Vision: Making Oklahoma a premier destination for visitors around the world

Mission: Promote and preserve Oklahoma for all to explore

Core Values: Professionalism; Accountability; Integrity; Service; Creativity; Collaboration



Accomplishments

Top accomplishments for FY 2023 – FY 2024

- 1) Reopened all 6 State Park restaurants in partnership with OMES to ensure completely transparent process
- 2) Centralized concessionaire contracting process, merchandise for resale to realize economies of scale; and IT projects/management
- 3) Executed cost/benefit strategy for marketing, and reallocated funding for more targeted consumer market
- 4) Executed cost/benefit strategy for printing and reduced printing by approximately \$1M
- 5) Completed Zero-Based budgeting for the FY24 budget
- 6) Developed a new budgeting tool for managers to assist with making better financial decisions
- 7) Launched the agency's first-ever pop-up shop, generating nearly \$20,000 in the three weeks leading up to Christmas
- 8) Launched OTRD's exclusive permanent online store in August 2023
- 9) Achieved record-breaking attendance of OTRD's annual First Day Hikes



Challenges

Top Challenges (current & upcoming years)

- 1) Funding for \$350M in deferred maintenance needs
- 2) Took on operations of 4 additional Travel Information Centers since 2021 without additional funding
- 3) Staffing resources to properly maintain the state parks assets
- 4) Staffing resources to properly ensure oversight, accountability and operational success
- 5) Modernizing agency IT to streamline processes and create efficiencies
- 6) Collaborating between state park staff and administrative staff to reduce any barriers to communication and productivity



Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement*	FY 2023 (Actual \$ Savings)	FY 2024 (Projected \$ Savings)	FY 2025 (Projected \$ Savings)
Surplus Vehicles	Surplus of 51 underutilized vehicles	\$		\$450,000	\$450,000
Phones/Circuits/IT Services	Identified phones and circuitry not utilized at state parks; servers no longer in use	\$		\$842,729	\$352,219
Printing & Advertising	Reduced number of printed guides while maintaining digital format and reduced ad expense for OK Today	\$		\$1,020,000	1,020,000
Travel	Reduced travel for marketing	\$		\$75,000	\$75,000
Parking	Reduction in number of parking spots due to telework	\$			\$31,680

* Hours, FTE, square feet, etc.



Agency Goals and Key Performance Metrics

Goal		Metric	FY 22 Actuals	FY 23 Actuals	FY 24 Target	FY 29 Target
1	Provide safe, high quality recreation opportunities for citizens and visitors	Park Attendance	10.6M	10.1M	10.5M	11.2M
2	Increase Lodge Occupancy percentage	Percentage of available units that are occupied by the public (this performance measure looks at the five parks with lodges and cabins to calculate the occupancy percentage for fiscal year)	30%	48%	50%	53%
3	Increase domestic travel to/in Oklahoma from 18.3 million in calendar year 2022 to 29 million in calendar year 2029 (*Research is available based in calendar year)	Number of domestic travelers to Oklahoma	18.3M	*	20.5M	29M
4	Increase Oklahoma travel spending from \$9.072B in calendar year 2020 to \$17.8B in calendar year 2029 (*Research is available based in calendar year)	Total dollars spent in Oklahoma on travel	\$11.8B	*	\$12.8B	\$17.8B
5	Ensure Capital Improvement projects are completed on time and on budget	Project Schedule Adherence (Actual project completion time compared to planned project completion time)	New Goal	New Goal	110%	95%



Projects for FY 2024 - 2025

Projects

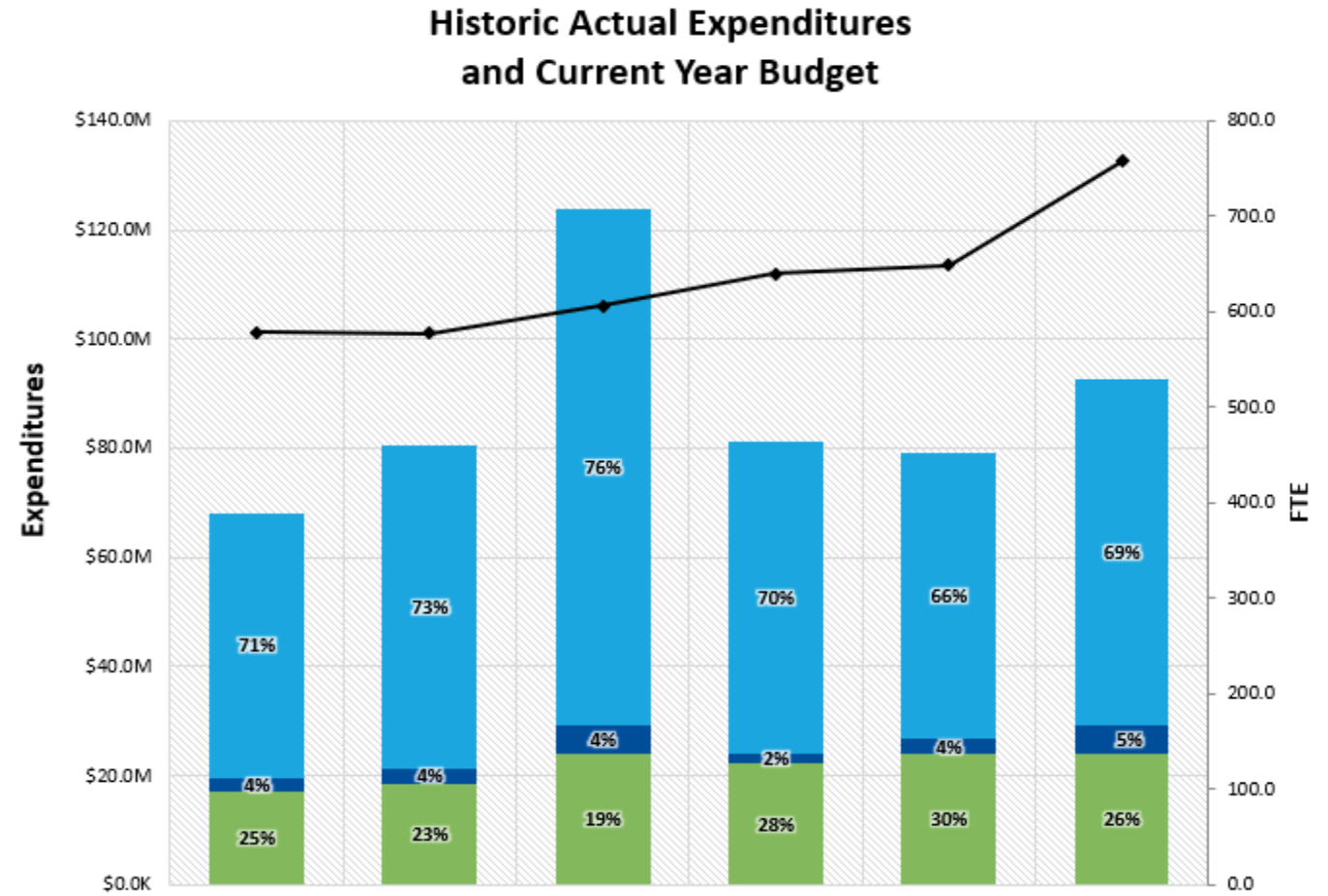
- 1) Start 8-year Deferred Maintenance Plan (if funded)
- 2) Implement asset management system to allow for better tracking and management of assets
- 3) Increase revenue from resale of merchandise by 10%
- 4) Streamline the Accounts Payable process to implement the approval workflow in PeopleSoft, which will eliminate duplication of entering in two systems
- 5) Streamline existing ePro workflow approvals in PeopleSoft
- 6) Modernizing agency technology through Voice Over Internet Protocol (VoIP) projects, computer and technological refresh to achieve cost savings and operational efficiencies
- 7) Improve agency effectiveness and customer experience through wider broadband coverage



Historic Actual Expenditures (FY 2019-23) and Current Year Budget (FY 2024)

Explanation of Significant Changes and Trends

- FY21 increase due to the \$48.6M bond.
- FY24 increase in federal dollars due to a newly awarded Land and Water Conservation Fund (LWCF) Administrative grant.
- FY24 appropriations included \$150K increase for a pass-through to Hochatown.



	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 Budget
Appropriated	\$17.0M	\$18.5M	\$24.0M	\$22.3M	\$24.0M	\$24.1M
Revolving	\$48.3M	\$59.2M	\$94.4M	\$56.8M	\$52.5M	\$63.7M
Federal	\$2.7M	\$3.0M	\$5.3M	\$1.9M	\$2.8M	\$5.0M
Total	\$67.9M	\$80.7M	\$123.7M	\$81.0M	\$79.3M	\$92.8M
FTE	578.6	577.1	605.7	639.5	648.9	757



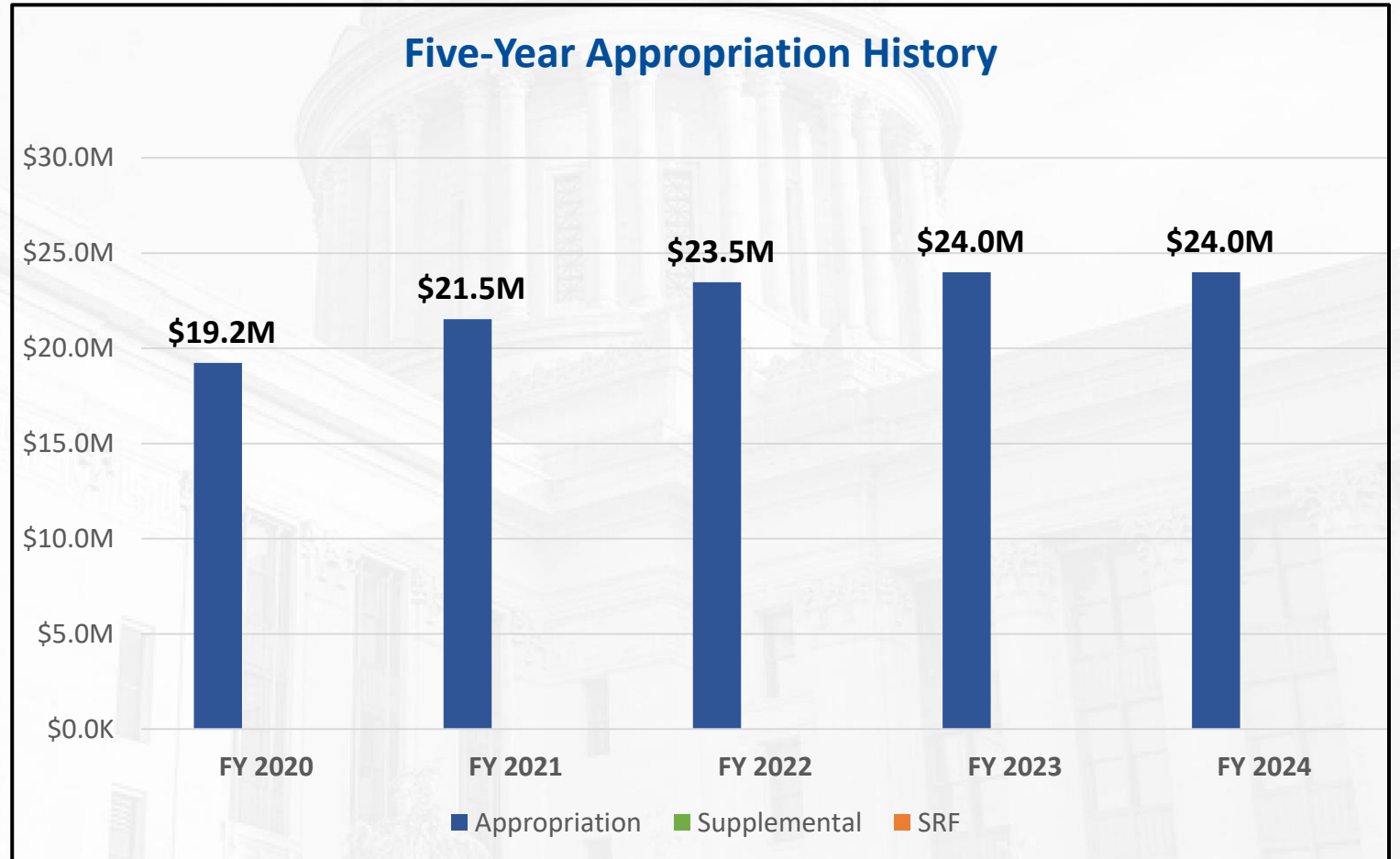


FY 2024 Budgeted Full Time Equivalents (FTE)

	FY 2024 Budgeted FTE
Total FTE	757
Supervisor FTE	110
Supervisors to Total FTE Ratio (%)	14%

Appropriation History

Fiscal Year	Legislated Appropriation (\$) (Includes supplementals and SRF/ARPA.)
FY 2020	\$19,232,198.00
FY 2021	\$21,524,457.00
FY 2022	\$23,461,601.00
FY 2023	\$23,988,776.00
FY 2024	\$24,130,726.00



**Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.*



Financial Resource Analysis

Carryover	FY 2020	FY 2021	FY 2022	FY 2023
Total appropriated carryover amount expended (\$)	\$1,676,506	\$2,457,797	\$0	\$434,986

Historical Cash Balances	FY 2020	FY 2021	FY 2022	FY 2023
Year End Revolving Fund Cash Balances <i>(All Revolving Funds)</i>	\$35,982,024	\$29,594,119	\$23,907,070	\$26,257,392

Class Fund # <i>(Unrestricted only)</i>	Class Fund Name <i>(Unrestricted only)</i>	Current cash balance (\$)
21500	OTRD Revolving Fund	\$6,477,048
#		\$
#		\$
#		\$
#		\$
#		\$
Total Current Unrestricted Fund Cash balance:		\$

Fiscal Year	Agency's plan to deploy unrestricted cash (including amounts):
FY 2024	Available cash will be used in FY24 operations
FY 2025	
FY 2026	



Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.

FY 2022 Incremental Appropriation Review

<i>Purpose of appropriation increase / decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Included in FY24 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
FY 2022				
Bond Defeasance	(\$750,000)	N/A	N/A	N/A
Debt Service Adjustment	\$2,687,143	Yes	Yes	
	\$			
	\$			
	\$			
	\$			
	\$			
	\$			
Total adjustment	\$1,937,143			



**Do not include SRF / ARPA appropriation increases.*

FY 2023 Incremental Appropriation Review

<i>Purpose of appropriation increase / decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Included in FY24 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
FY 2023				
Film & Music Rebate Program	(\$712,279)	N/A	N/A	N/A
OCIA Lease Payment Change	(\$1,931)	N/A	N/A	N/A
Protective Services Pay Raise (CLEET certified Rangers)	\$361,322	Yes	Yes	
Workforce Salary Increase	\$880,063	Yes	Yes	
	\$			
	\$			
	\$			
	\$			
Total adjustment	\$527,175			



**Do not include SRF / ARPA appropriation increases.*

FY 2024 Incremental Appropriation Review

<i>Purpose of appropriation increase / decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Does this need to be included in your FY 2025 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
FY 2024				
Debt Service Reduction	(\$8,050)	N/A	N/A	N/A
Pass-through for Hochatown new incorporation	\$150,000	No		
	\$			
	\$			
	\$			
	\$			
	\$			
	\$			
Total adjustment	\$141,950			



**Do not include SRF / ARPA appropriation increases.*

Budget & Supplemental Request Summary

Request Name		FY 2025 Appropriated Request Amount (\$) {or FY 2024 for Supplementals}	Type of Request: Operating, One-time, or Supplemental
1	Operating Budget Increase – to cover increase in operational costs for 4 new Travel Information Centers since 2021 without additional appropriations for them	\$2.5M	Supplemental and Operating
2	Deferred Maintenance – critical needs for health and safety issues and continued park operations	\$350M over the next 8 years	One time over the course of 8 years
3			
4			
5			



(1) Budget Request

Staffing Request

Type: Supplemental & Operating

\$ 2.5M

Operating Budget Increase – to cover increase in operational costs for 4 new Travel Information Centers since 2021 without additional appropriations for them



(2) Budget Request

Ongoing Maintenance Request	
Type: One time; over 8 years	\$350M
<p>Additional funds totaling \$350M are requested to address deferred maintenance projects. The agency plans to allocate based on the master capital projects and maintenance list towards projects prioritized based on health and safety, and second towards projects that will increase revenue. We are requesting \$350M over the next 8 years to complete additional projects each year.</p>	





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Questions