

OKLAHOMA TOURISM AND RECREATION DEPARTMENT

Dick Dutton, Executive Director

FY'16 Projected Division/Program Funding By Source of Revenue						
	Appropriations (Note 1)	Federal	Revolving (Note 2)	Local	Other*	Total
Parks Division 10	\$7,255,180	\$4,500,000	\$19,580,170			\$31,335,350
Travel Promotion 20	\$2,286,767		\$9,290,506			\$11,577,273
Administrative Services 40	\$2,169,876		\$0		\$4,426	\$2,174,302
Film and Music 70	\$409,630		\$9,600			\$419,230
MultiCounty Organizations 70			\$0			\$0
Pass Through 80			\$0			\$0
Information Technology 88			\$0			\$0
Capital Projects 90	\$0		\$13,069,166		\$752,705	\$13,821,871
Total	\$12,121,453	\$4,500,000	\$41,949,442	\$0	\$757,131	\$59,328,026

*Source of "Other" and % of "Other" total for each. Estimated interest earn and royalties from oil and gas leases in Fund 360.
 Note 1: Appropriation FY16 per HB 2242 Sec. 124 from Special cash fund for duties, does not include redirected revolving funds.
 Note 2: 200 Series Fund Accounts revenue earned including sales and use tax apportionment

FY'16 Projected Division/Program Funding By Source of Expenditures						
	Appropriations (Note 1)	Federal	Revolving (Note 2)	Local	Other*	Total
Parks Division 10	\$12,118,321	\$5,417,797	\$29,746,469			\$47,282,587
Travel Promotion 20	\$2,502,566		\$12,143,851			\$14,646,417
Administrative Services 40	\$2,591,674		\$56,057		\$4,426	\$2,652,157
Film and Music 70	\$625,545		\$61,717			\$687,262
MultiCounty Organizations 70	\$805,511		\$0			\$805,511
Pass Through 80	\$80,798		\$0			\$80,798
Information Technology 88	\$897,038		\$0			\$897,038
Capital Projects 90	\$0		\$42,151,795		\$752,705	\$42,904,500
Total	\$19,621,453	\$5,417,797	\$84,159,889	\$0	\$757,131	\$109,956,270

*Source of "Other" and % of "Other" total for each. Estimated interest earn and royalties from oil and gas leases in Fund 360.
 Note 1: Appropriation FY16 per HB 2242 Sec. 124 from Special cash fund for duties, including redirected revolving funds of \$7,500,000.
 Note 2: 200 Series Fund Accounts revenue earned including sales and use tax apportionment plus carryover from FY15.

FY'15 Carryover by Funding Source						
	Appropriations	Federal	Revolving	Local	Other*	Total
FY'15 Carryover	\$3,600,000	\$296,897	\$45,213,562			\$49,110,459

*Source of "Other" and % of "Other" total for each.

What Changes did the Agency Make between FY'15 and FY'16?	
1.) Are there any services no longer provided because of budget cuts?	None
2.) What services are provided at a higher cost to the user?	None
3.) What services are still provided but with a slower response rate?	None
4.) Did the agency provide any pay raises that were not legislatively/statutorily required? If so, please provide a detailed description in a separate document.	None

FY'17 Requested Division/Program Funding By Source						
	Appropriations	Federal	Revolving	Other	Total	% Change **
Parks Division 10	\$12,118,321	\$4,500,000	\$19,580,170		\$36,198,491	15.52%
Travel Promotion 20	\$2,502,566		\$9,290,506		\$11,793,072	1.86%
Administrative Services 40	\$2,591,674			\$4,426	\$2,596,100	19.40%
Film and Music 70	\$625,545		\$9,600		\$635,145	51.50%
MultiCounty Organizations 70	\$805,511				\$805,511	#DIV/0!
Pass Through 80	\$80,798				\$80,798	#DIV/0!
Information Technology 88	\$897,038				\$897,038	#DIV/0!
Capital Projects 90	\$0		\$10,441,457	\$752,705	\$11,194,162	-19.01%
Total	\$19,621,453	\$4,500,000	\$39,321,733	\$757,131	\$64,200,317	8.21%

*Source of "Other" and % of "Other" total for each. Estimated interest earn and royalties from oil and gas leases in Fund 360.
 ** Percent Change explanation: Appropriations is the difference in FY16 actual and FY17 requested. FY16 Appropriations is the Special Cash Fund of \$12,121,453 combined with the \$7.5 million dedicated from the revolving funds 215, 230 and 267. Revolving % change: Fund 266 will expire 6/30/2016, therefore it is not included.

FY'17 Top Five Appropriation Funding Requests

	\$ Amount
Request 1: Description	
Request 2: Description	
Request 3: Description	
Request 4: Description	
Request 5: Description	
Total Increase above FY-17 Request	0

How would the agency handle a 5% appropriation reduction in FY'17?

A 5% reduction in the appropriation of \$19,621,453 would amount to \$981,073 for this agency. The agency would continue the current aggressive actions in negotiations in lowering costs of renewing contracts, aggressive oversight and compliance with worker's compensation issues and other Administrative and HR costs.

How would the agency handle a 7.5% appropriation reduction in FY'17?

A 7.5% reduction in the appropriation would amount to \$1,471,609 for this agency. In addition to the previous items listed, the agency would review current services provided and perform an evaluation of the services that could be modified, with a goal of cost savings while not having a drastic impact on the services. Would explore opportunities for private sector partnerships that would provide the shifting of expenses to a partner.

How would the agency handle a 10% appropriation reduction in FY'17?

A 10% reduction in the appropriation would amount to \$1,962,145 for this agency. In addition to the previous items, the agency would have to review the current park revenue and inventory environment. Looking first to increase revenue opportunities through new offerings/concessions or possibly an allowable increase in current rates for services. Lastly looking at park inventory to determine if any contracts were expiring or which could be ended early to reduce operation costs for the overall system.

Is the agency seeking any fee increases for FY'16?

		\$ Amount
Increase 1	No	\$0

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?

1. Funding the repairs of damage caused by flooding in the spring of 2015. The Agency will need to pay the repairs to parks now, in order for repairs to be completed for next summer's high traffic season. FEMA and insurance reimbursements will lag many months behind work schedule. Currently using existing capital funds to pay for needed repairs.
2. Funding for equipment and software to provide Park Rangers access to the ODIS system, which allows the Rangers to have remote access to the criminal database while in the field working an active encounter. Also will provide the ability to file reports directly into the database.
3. High internet connectivity to the Parks, which would provide the guest and staff capabilities for wireless services, daily backups of sales data to the centralized servers.
4. Funding for equipment and software for Parks' personnel to take credit card payments outside of the Park office. This would allow for less handling of cash payments, convenience for the visitor, onsite collection capability which would increase overall collections.
5. Conversion to a non-paper working environment. The conversion of all current and future forms to a digital format, which reduces paper and storage cost. This effort would also reduce overall man-hours needed to execute required tasks.

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?
There are no mandates outside of the requirements included in the respective laws authorizing the Land and Water Conservation Fund, and the Recreational Trails Program or the Boating Infrastructure Grants program.

2.) Are any of those funds inadequate to pay for the federal mandate?
All requirements of administering the programs noted in question 1 are eligible for reimbursement.

3.) What would the consequences be of ending all of the federal funded programs for your agency?
Matching funds would not be available for recreational and trail projects or improvements for transient boat facilities. Recipients are predominantly municipal governments, so no federal funds would be available to assist these local efforts.

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?
For the coming fiscal year, federal funds are approximately at the same level as previous cycles.

5.) Has the agency requested any additional federal earmarks or increases?
No.

Division and Program Descriptions

Division 10

Parks, Resorts and Golf Division
 Serves as an economic catalyst in rural Oklahoma as well as to provide excellence in recreational opportunities for citizens and visitors in terms of service, programming and facilities.

Clients: Visitors to state parks and golf courses. Local communities, civic and charitable organizations.

Division 20

Travel Promotion Division
 Responsible for the formulation of information, marketing plans and programs designed to generate travel in the state and the dissemination of information concerning the State's public and private attractions, events, lodges, parks and recreational facilities. This division assists municipalities, public and private associations and organizations in the promotion and development of special events and attractions that impact the local economy. **The Oklahoma Today Magazine** is a bi-monthly regional magazine that educates Oklahomans and non-Oklahomans alike about the culture, heritage, history, people, food, environment, and places of Oklahoma. The **Discover Oklahoma** is a weekly television program that encourages Oklahomans to travel to attractions and events across the state. The program features fun stories about attractions, restaurants, interesting people and unique activities in every corner of the state.
TravelOK.com Tourism Website.

Clients: The traveling public as well as travel trade professionals and Oklahoma's tourism product suppliers. Subscribers, advertisers, and newsstand buyers as well as any reader who receives the magazine as a "pass-along" from a subscriber or advertiser. Private sector tourism businesses, other OTRD divisions, advertising sponsors, residents of OK

Division 40

Administrative Services
 Coordinates the fiscal and human resources activities of the operating divisions; provides financial information, fiscal control, purchasing services, personnel administration, training and interprets policy and procedures promulgated by the Oklahoma Tourism and Recreation Commission.

Clients: Other divisions, all staff, vendors, other State Agencies.

Division 70

Office of the Oklahoma Film & Music Commission
 This office promotes, supports, and strives to expand film, television, and music activities and to expand the economy and job opportunities in OK. They provide prospective film, television, and music production companies with information on location sites, permits, crew member availability, equipment, and any other general information.

Clients: Film, television, and music production companies/studios, Oklahoma filmmakers and musicians, festival directors, Oklahoma higher education

Division 70

Multicounty Organizations
 Designed to reimburse approved marketing expenditures by regional tourism promotion associations as they publicize tourism products in designated multicounty tourism marketing regions. The goal is to distribute funding among eligible organizations proportional to amounts spent for promotion and to increase their promotion capabilities.

Clients: Non-profit organizations whose primary purpose is to market the tourism attractions and attributes of a multiple-county region of Oklahoma.

Division 80

Pass Through funding to local communities. Recipients and amount is designated by letter of intent from Legislature annually.

FY'17 Budgeted FTE						
	Supervisors (Note 2)	Classified	Unclassified	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$\$\$
Parks Division 10						
Regular	79	193	196	322	65	2
Seasonal/Project			207.5	207.5		
Travel Promotion 20 (Note 1)						
Regular	15	2	53	37	15	3
Seasonal			20.75	20.75		
Administrative Services 40						
Executive	2		4		2	2
Regular	4	7	14	6	13	2
Seasonal			3.75	1.75	2	
Film and Music 70						
Regular	2		6	3	2	1
Seasonal			0.75	0.75		
Projects 90						3

Regular			2	2		
Seasonal			15.25	15.25		
Total	102	202	523	616	99	10

Note 1: Travel Promotion Division includes Oklahoma Today Magazine, Discover Oklahoma , and TravelOK.Com

Note 2: Supervisors FTE are included in the Classified and Unclassified FTE Count.

Note 3: Columns 4 through 6 contain total compensation within each designated category.

FTE History						
	2016 Budgeted	2015	2012	2009	2005	
Parks Division 10 (including Seasonal/Project Employees)	597	598	595	688		
Travel Promotion 20	72	76	93	124		
Administrative Services 40	28	31	41	45		
(all years except FY13 include OTRD Information Technology Employees)						
Film and Music 70	7	9	6	5		
Total	704	714	735	860	0	

Performance Measure Review					
	FY'15	FY'14	FY'13	FY'12	FY'11
State Parks Division					
# of State Park Visitors Statewide (Millions)	8.5	8.1	8.1	9.4	9.9
Lodge Occupancy Rates	38.0%	36.0%	35.4%	33.78%	34%
Total Expenditure Per Visitor (Appropriated)	\$1.50	\$1.50	\$1.50	\$1.30	\$1.46
Rounds Played as Percent of Capacity	20%	25%	26%	26%	26%
Increase in Concession Revenue	\$895,000	\$957,000	\$899,404	\$900,845	\$864,857
Oklahoma Today Magazine					
Advertising Revenue	\$353,344	\$441,455	\$516,032	\$616,768	\$611,001
Subscription Circulation	204,138	204,724	205,787	215,561	230,800
Percent of Subscribers Seeking Renewal of Magazine	90%	99%	88%	87%	75%
Oklahoma Film and Music					
Permit Applications		220	155	166	151
Page Views ***	126,000	36,279			
Promote available jobs to the music industry	2,232				
Average number of total monthly visitors **		20,476	18,616	11,554	
** Due to the less than adequate analytics package currently offered by website manager, OK.Gov, they will report average number of total monthly visitor for budget request purpose.					
*** In December 2014 developed and transformed the website that highlights Oklahoma's vast location settings, filmmakers, music venue, musicians and information regarding the rebate program.					
Multicounty Organizations					
Total Inquiries Generated	Not available	Not available	Not available	Not Available	178,340
Money Spent on Advertising Local Events	\$870,823	\$921,506	\$921,506	\$921,505	\$950,987
Discover Oklahoma					
Attract Additional Viewers	1,863,400	1,694,000	1,540,000	1,400,000	
Number of Broadcast Markets	5	5	5	5	4
Revenue Generated **	\$56,311	\$290,000	\$294,000	\$265,000	\$265,000
** Decrease in revenues for FY-15 were due to loss of show's Title Sponsor. New sponsor has been secured by advertising agency contract and is schedule to increase the calendar year 2016.					
Travel Promotion Division					
OK Market Share of Domestic Travel	Data will be received in 2016	1.77%	1.89%	1.70%	1.86%
Number of Visitors to Oklahoma		20,900,000	22,400,000	18,800,000	21,300,000
Total Direct Travel Spending (Billions)		\$8.9	\$8.6	\$8.3	\$8.0
Travel-Generated Employment		95,400	93,000	90,700	88,600

Revolving Funds (200 Series Funds)			
Revolving Fund I	FY'13-15 Avg. Revenues	FY'13-15 Avg. Expenditures	June '15 Balance
Fund 211: The fund balance is be used to fund capital projects that do not fit the category of major capital projects that is funded with REAP and Sales and Use Tax monies. No new money is added to the fund, when it is depleted the fund will expire.	8,475	190,208	53,226
Revolving Fund II Fund 215 Title 74 § 2251 OTRD Revolving Fund. Serves as OTRD main revolving fund where revenues derived from the sales by various operations are deposited. Expenditures from the fund are for administration, operation, and maintenance expenses of the Department and are made pursuant to the laws of the state and statutes relating to the Department.	21,723,026	20,315,545	11,669,079
Revolving Fund III Fund 225 Title 68 § 50014 OTRD Promotion Revolving Fund. Deposits of sales and use tax apportionment for Travel & Tourism's promotion and marketing expenditures.	8,216,494	8,127,449	7,316,952
Revolving Fund IV Fund 230 Emergency Fund. As designated by the Executive Director, FEMA reimbursements are deposited into this fund to be used for addressing emergencies at OTRD facilities.	265,354	585,757	1,076,042
Revolving Fund V Fund 250 Title 74 § 2254 State Park System Improvement Fund. All monies received by the Department from all entrance or day-use charges for the state park system including charges for annual pass. Expenditures from the fund are for the exclusive purpose of capital improvements at the state park where the charges were collected.	145,195	34,606	767,071
Revolving Fund VI Fund 266 Title 74 § 2254.1 Oklahoma Tourism & Recreation Department Capital Expenditure Revolving Fund. The monies received from the apportionment of gross production tax revenues as prescribed by Section 1004 of Title 68 of the Oklahoma Statutes. The Provisions shall cease on July 1, 2016. Any monies remaining in the fund but not expended, may be expended according to the terms pursuant to which the monies were encumbered. All monies accruing to the fund are hereby appropriated and may be budgeted and expended by OTRD for one-time capital expenditures for capital assets owned, managed or controlled by OTRD.	2,627,706	4,351,509	2,180,636
Revolving Fund VII Fund 267 Title 68 § 50014 Oklahoma Tourism Capital Improvement Revolving Fund The monies received by OTRD and apportioned to such fund pursuant to the provisions of Sections 1353 and 1403 of this title and such other monies accredited to the fund pursuant to law. Monies may be budgeted and expended by OTRD for the purpose of funding capital improvement projects or operations at state parks and tourist information centers; provided, no more than 20% of the amount accruing annual shall be expended for the purpose of funding operations.	14,842,699	11,278,838	22,150,557