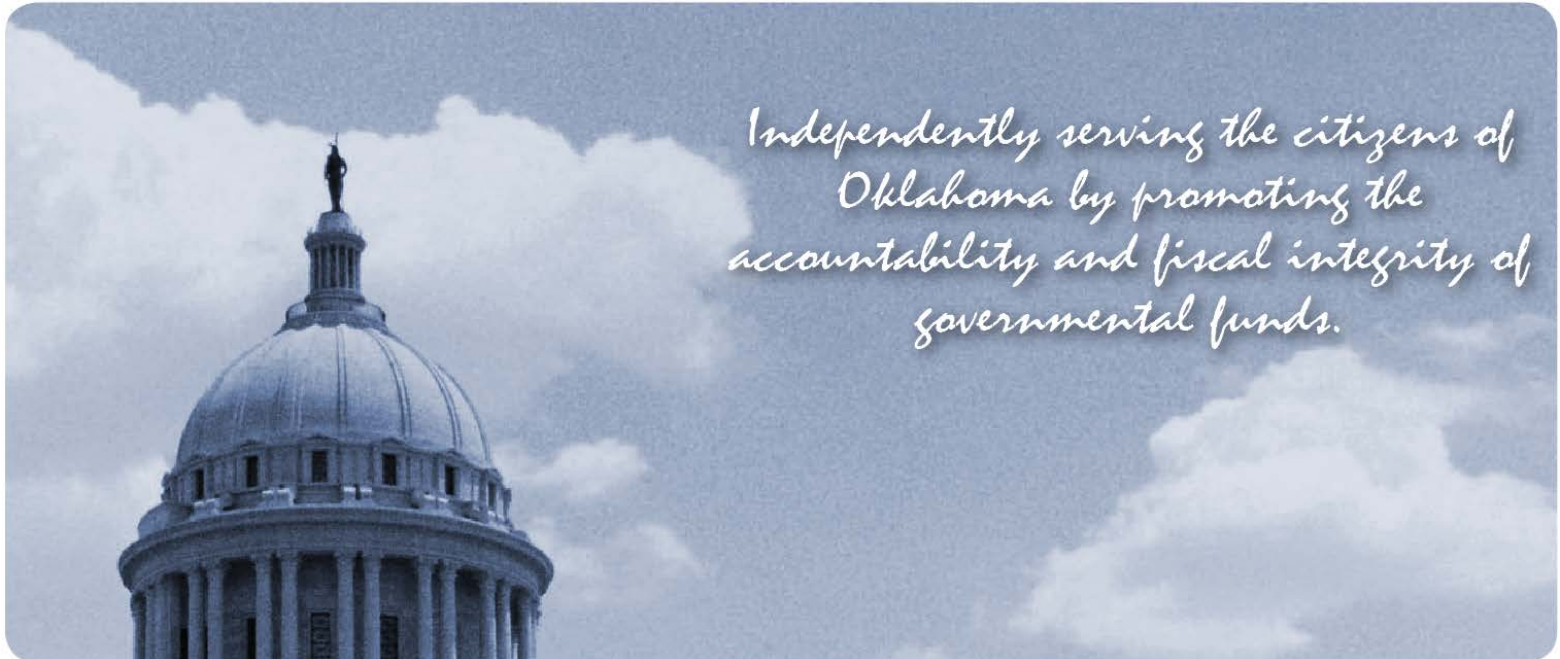


CONTRACT AUDIT

**OKLAHOMA HORSE RACING COMMISSION
AUDIT REPORT OF GAMING OPERATIONS
WILL ROGERS DOWNS AND REMINGTON PARK**

August 2017



*Independently serving the citizens of
Oklahoma by promoting the
accountability and fiscal integrity of
governmental funds.*



Oklahoma State
Auditor & Inspector
Gary A. Jones, CPA, CFE

**OKLAHOMA HORSE RACING COMMISSION
AUDIT REPORT OF GAMING OPERATIONS
WILL ROGERS DOWNS AND REMINGTON PARK
AUGUST 2017**

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Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

October 23, 2017

**TO THE MEMBERS OF THE OKLAHOMA
HORSE RACING COMMISSION**

Transmitted herewith is the Audit Report of Gaming Operations for Will Rogers Downs and Remington Park for the month of August 2017. The report is the result of our monitoring and data accumulation in accordance with the State Auditor and Inspector's contract with the Oklahoma Horse Racing Commission (OHRC) and Title 3A of the Oklahoma Statutes for Gaming.

The goal of the State Auditor and Inspector is to promote accountability and fiscal integrity in state and local government. Maintaining our independence as we provide this service to the taxpayers of Oklahoma is of utmost importance.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our Office during our engagement.

Sincerely,

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with a long horizontal stroke at the end.

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

**OKLAHOMA HORSE RACING COMMISSION
Audit Report of Gaming Operations
Will Rogers Downs and Remington Park
For the Month of August 2017**

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TO THE MEMBERS OF THE OKLAHOMA HORSE RACING COMMISSION

We performed an audit in accordance with the OHRC Gaming Contract and Title 3A of the Oklahoma Statutes for Gaming. The information presented in this report is derived from gaming data obtained from the gaming vendors and licensees located at Will Rogers Downs and Remington Park for the month of August 2017.

Because our procedures do not constitute an audit conducted in accordance with generally accepted auditing standards, we do not express such an opinion on the information. This report relates only to this information and does not extend to any financial statements of the racetracks or racinos.

In planning and performing these procedures, we considered the internal control structure of the gaming departments; however, our procedures were substantially less in scope than the procedures we would have applied if we had been engaged to express an opinion on the internal controls. Accordingly, we do not express an opinion on their internal control structure.

Title 3A Section 204.1D. of the Oklahoma Statutes, effective July 1, 2017, allows for a new funding mechanism for the Oklahoma Horse Racing Commission to receive one half of one percent of the Adjusted Gross Gaming Revenue. The Casino and the horsemen's funds share equally in the additional funding of the OHRC. We added a line item in the report as of the July 1, 2017, to track the Oklahoma Racing Commission's dollars.

Sincerely,

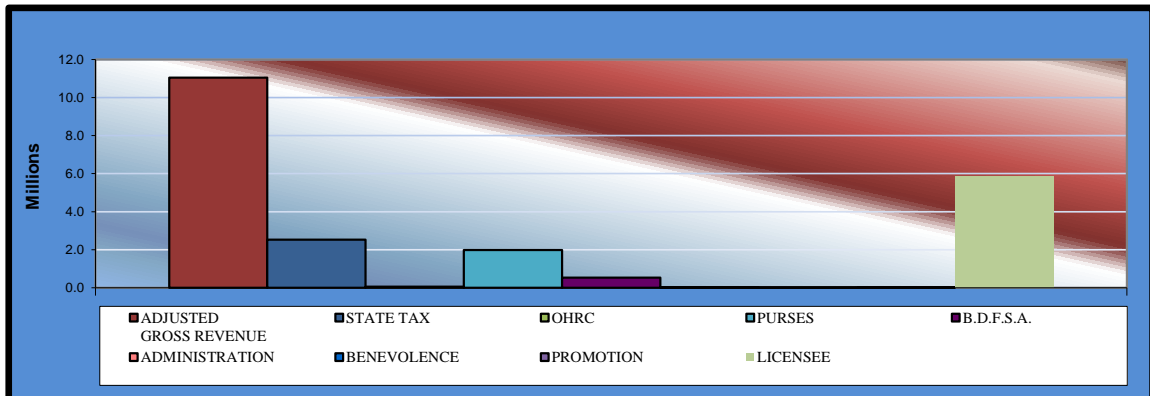
A handwritten signature in blue ink that reads "Gary A. Jones".

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

October 23, 2017

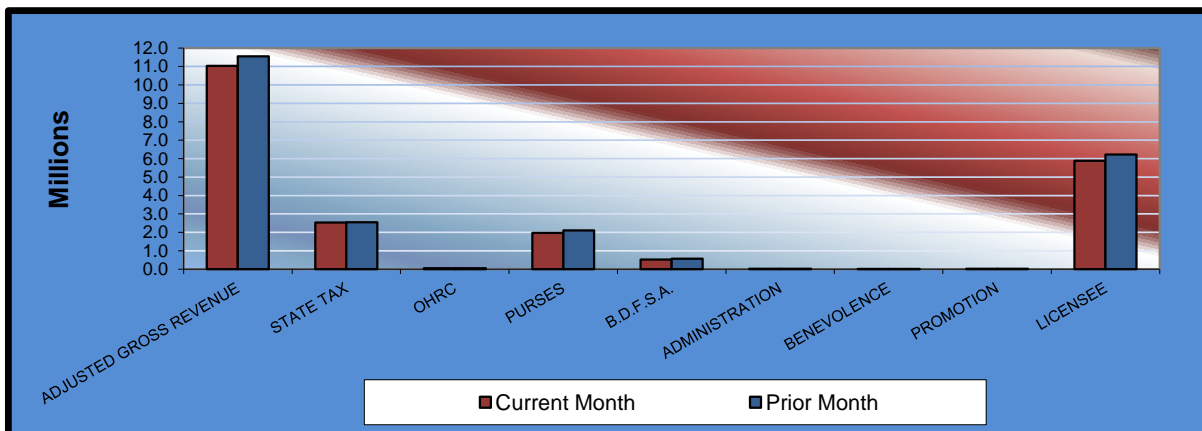
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Total Gaming Revenue August 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Month	62	31	31
Adjusted Gross Revenue	<u>\$11,041,742.65</u>	<u>\$1,525,001.41</u>	<u>\$9,516,741.24</u>
State Tax			
General Revenue Fund	303,802.26	18,300.02	285,502.24
Education Reform	2,227,883.19	134,200.12	2,093,683.07
Oklahoma Horse Racing Commission	55,208.72	7,625.01	47,583.71
Purse Fund			
<u>Purses</u>			
Thoroughbred	1,017,875.77	197,354.24	820,521.53
Quarterhorse	852,450.13	180,681.21	671,768.92
Paint & Appaloosa	107,421.53	20,075.69	87,345.84
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	235,566.11	23,818.62	211,747.49
Quarterhorse	275,647.56	18,374.36	257,273.20
Paint & Appaloosa	17,922.66	2,041.60	15,881.06
<u>Administration</u>			
Thoroughbred	12,855.81	2,268.44	10,587.37
Quarterhorse	11,570.24	2,041.60	9,528.64
Paint & Appaloosa	1,285.58	226.84	1,058.74
<u>Benevolence</u>			
Thoroughbred	6,427.91	1,134.22	5,293.69
Quarterhorse	5,785.12	1,020.80	4,764.32
Paint & Appaloosa	642.79	113.42	529.37
<u>Promotions</u>			
Thoroughbred	12,855.81	2,268.44	10,587.37
Quarterhorse	11,570.24	2,041.60	9,528.64
Paint & Appaloosa	1,285.58	226.84	1,058.74
Licensee	\$5,883,685.64	\$911,188.34	\$4,972,497.30



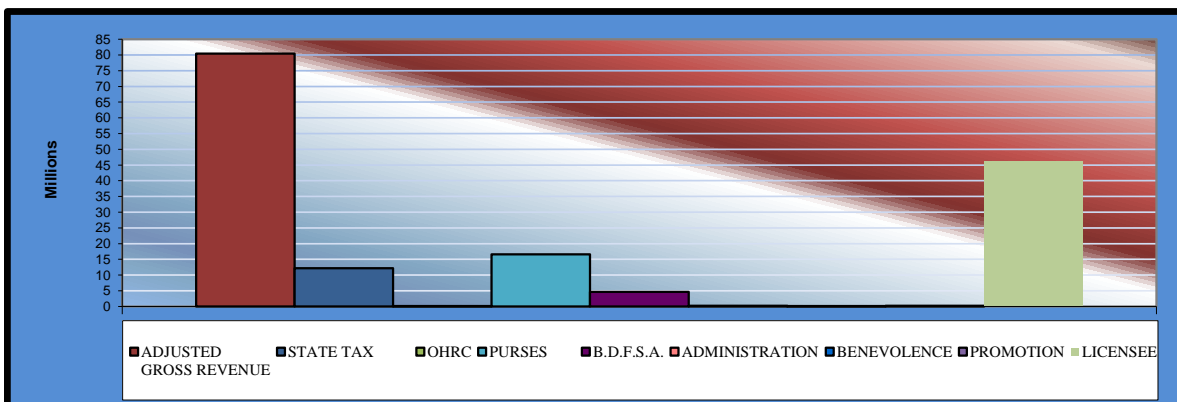
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Comparison of Prior Month and Prior Year Month August 2017

	<u>TOTAL</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>PRIOR YEAR</u>	<u>% CHANGE</u>
Gaming Days	62	62	0.00%	62	0.00%
Adjusted Gross Revenue	\$11,041,742.65	\$11,554,038.83	-4.43%	\$9,297,155.10	18.76%
State Tax					
General Revenue Fund	303,802.26	305,794.29	-0.65%	252,649.34	20.25%
Education Reform	2,227,883.19	2,242,491.42	-0.65%	1,852,761.82	20.25%
Oklahoma Horse Racing Commission					
	55,208.72	57,770.18	-4.43%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	1,017,875.77	1,079,630.64	-5.72%	873,796.62	16.49%
Quarterhorse	852,450.13	903,922.44	-5.69%	638,926.95	33.42%
Paint & Appaloosa	107,421.53	113,950.86	-5.73%	70,991.89	51.32%
<u>Breeding Development Fund</u>					
<u>Special Account</u>					
Thoroughbred	235,566.11	250,207.39	-5.85%	199,336.52	18.18%
Quarterhorse	275,647.56	292,931.84	-5.90%	326,892.88	-15.68%
Paint & Appaloosa	17,922.66	19,032.94	-5.83%	36,321.43	-50.66%
<u>Administration</u>					
Thoroughbred	12,855.81	13,639.37	-5.74%	11,006.50	16.80%
Quarterhorse	11,570.24	12,275.44	-5.74%	9,905.83	16.80%
Paint & Appaloosa	1,285.58	1,363.95	-5.75%	1,100.64	16.80%
<u>Benevolence</u>					
Thoroughbred	6,427.91	6,819.69	-5.74%	5,503.27	16.80%
Quarterhorse	5,785.12	6,137.72	-5.74%	4,952.91	16.80%
Paint & Appaloosa	642.79	681.98	-5.75%	550.29	16.81%
<u>Promotions</u>					
Thoroughbred	12,855.81	13,639.37	-5.74%	11,006.50	16.80%
Quarterhorse	11,570.24	12,275.44	-5.74%	9,905.83	16.80%
Paint & Appaloosa	1,285.58	1,363.93	-5.74%	1,100.64	16.80%
Licensee	\$5,883,685.64	\$6,220,109.93	-5.41%	\$4,990,445.24	17.90%



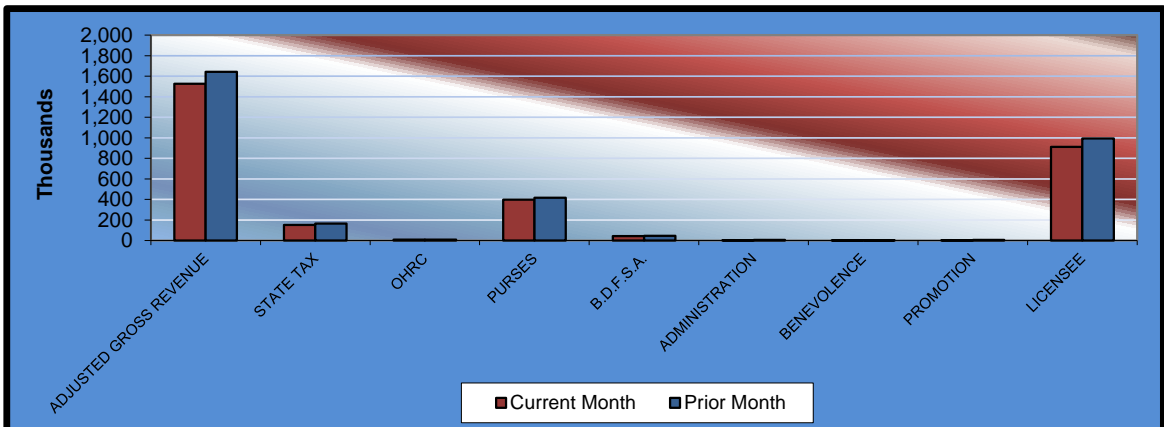
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Year to Date Gaming Totals August 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Year	486	243	243
Adjusted Gross Revenue	<u>\$80,455,885.72</u>	<u>\$12,906,361.09</u>	<u>\$67,549,524.63</u>
State Tax			
General Revenue Fund	1,461,362.08	154,876.33	1,306,485.75
Education Reform	10,716,655.16	1,135,759.75	9,580,895.41
Oklahoma Horse Racing Commission	112,978.91	15,833.07	97,145.84
Purse Fund			
<u>Purses</u>			
Thoroughbred	8,593,363.52	1,463,336.36	7,130,027.16
Quarterhorse	7,078,373.91	1,299,261.40	5,779,112.51
Paint & Appaloosa	883,928.67	144,362.37	739,566.30
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	2,016,616.64	176,609.63	1,840,007.01
Quarterhorse	2,470,608.21	176,689.95	2,293,918.26
Paint & Appaloosa	177,069.30	19,632.20	157,437.10
<u>Administration</u>			
Thoroughbred	108,820.32	16,819.96	92,000.36
Quarterhorse	97,938.30	15,137.98	82,800.32
Paint & Appaloosa	10,882.05	1,682.03	9,200.02
<u>Benevolence</u>			
Thoroughbred	54,410.17	8,409.99	46,000.18
Quarterhorse	48,969.15	7,568.99	41,400.16
Paint & Appaloosa	5,441.03	841.01	4,600.02
<u>Promotions</u>			
Thoroughbred	108,820.31	16,819.96	92,000.35
Quarterhorse	97,938.30	15,137.98	82,800.32
Paint & Appaloosa	10,882.03	1,682.01	9,200.02
Licensee	\$46,400,827.66	\$8,235,900.12	\$38,164,927.54



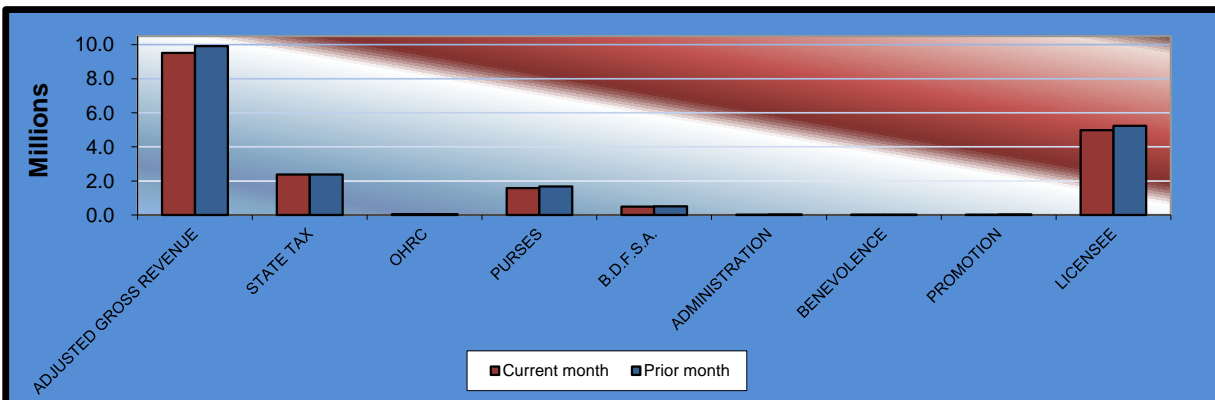
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Will Rogers Downs Revenue
August 2017**

<u>Will Rogers Downs</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>August 2016</u>	<u>% CHANGE</u>
Gaming Days	31	31	0.00%	31	0.00%
Adjusted Gross Revenue	\$1,525,001.41	\$1,641,612.29	-7.10%	\$1,459,184.15	4.51%
State Tax					
General Revenue Fund	18,300.02	19,699.35	-7.10%	17,510.21	4.51%
Education Reform	134,200.12	144,461.88	-7.10%	128,408.21	4.51%
Oklahoma Horse Racing Commission	7,625.01	8,208.06	-7.10%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	197,354.24	206,784.57	-4.56%	190,423.53	3.64%
Quarterhorse	180,681.21	189,314.92	-4.56%	127,058.46	42.20%
Paint & Appaloosa	20,075.69	21,034.99	-4.56%	14,117.61	42.20%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	23,818.62	24,956.79	-4.56%	22,982.17	3.64%
Quarterhorse	18,374.36	19,252.36	-4.56%	65,006.68	-71.73%
Paint & Appaloosa	2,041.60	2,139.15	-4.56%	7,222.96	-71.73%
<u>Administration</u>					
Thoroughbred	2,268.44	2,376.84	-4.56%	2,188.78	3.64%
Quarterhorse	2,041.60	2,139.16	-4.56%	1,969.88	3.64%
Paint & Appaloosa	226.84	237.70	-4.57%	218.87	3.64%
<u>Benevolence</u>					
Thoroughbred	1,134.22	1,188.43	-4.56%	1,094.41	3.64%
Quarterhorse	1,020.80	1,069.58	-4.56%	984.94	3.64%
Paint & Appaloosa	113.42	118.85	-4.57%	109.42	3.66%
<u>Promotions</u>					
Thoroughbred	2,268.44	2,376.84	-4.56%	2,188.78	3.64%
Quarterhorse	2,041.60	2,139.16	-4.56%	1,969.88	3.64%
Paint & Appaloosa	226.84	237.68	-4.56%	218.87	3.64%
Licensee	\$911,188.34	\$993,875.98	-8.32%	\$875,510.49	4.08%

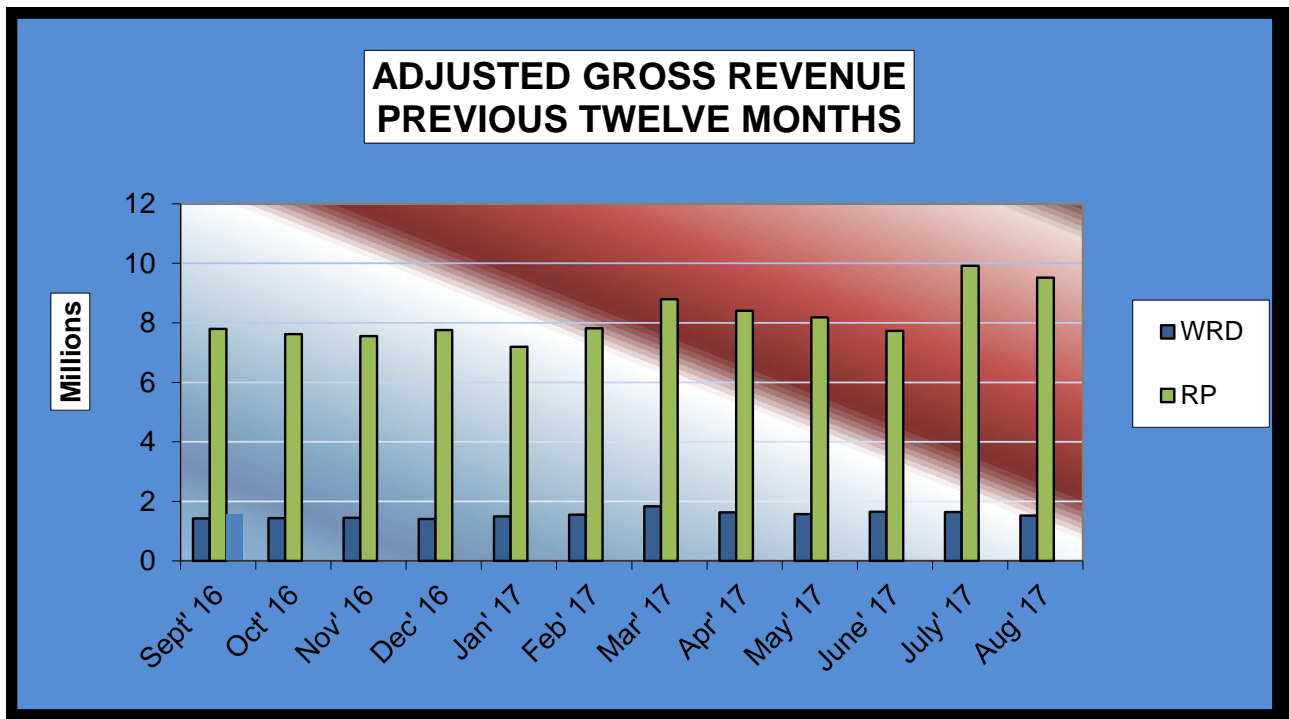


**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Remington Park Revenue
August 2017**

<u>Remington Park</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>August 2016</u>	<u>% CHANGE</u>
Gaming Days	31	31	0.00%	31	0.00%
Adjusted Gross Revenue	\$ 9,516,741.24	\$9,912,426.54	-3.99%	\$7,837,970.95	21.42%
State Tax					
General Revenue Fund	285,502.24	286,094.94	-0.21%	235,139.13	21.42%
Education Reform	2,093,683.07	2,098,029.54	-0.21%	1,724,353.61	21.42%
Oklahoma Horse Racing Commission					
	47,583.71	49,562.13	-3.99%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	820,521.53	872,846.07	-5.99%	683,373.09	20.07%
Quarterhorse	671,768.92	714,607.52	-5.99%	511,868.49	31.24%
Paint & Appaloosa	87,345.84	92,915.87	-5.99%	56,874.28	53.58%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	211,747.49	225,250.60	-5.99%	176,354.35	20.07%
Quarterhorse	257,273.20	273,679.48	-5.99%	261,886.20	-1.76%
Paint & Appaloosa	15,881.06	16,893.79	-5.99%	29,098.47	-45.42%
<u>Administration</u>					
Thoroughbred	10,587.37	11,262.53	-5.99%	8,817.72	20.07%
Quarterhorse	9,528.64	10,136.28	-5.99%	7,935.95	20.07%
Paint & Appaloosa	1,058.74	1,126.25	-5.99%	881.77	20.07%
<u>Benevolence</u>					
Thoroughbred	5,293.69	5,631.26	-5.99%	4,408.86	20.07%
Quarterhorse	4,764.32	5,068.14	-5.99%	3,967.97	20.07%
Paint & Appaloosa	529.37	563.13	-6.00%	440.87	20.07%
<u>Promotions</u>					
Thoroughbred	10,587.37	11,262.53	-5.99%	8,817.72	20.07%
Quarterhorse	9,528.64	10,136.28	-5.99%	7,935.95	20.07%
Paint & Appaloosa	1,058.74	1,126.25	-5.99%	881.77	20.07%
Licensee	\$ 4,972,497.30	\$5,226,233.95	-4.86%	\$4,114,934.75	20.84%



**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Prior Twelve Month Graph
August 2017**





OFFICE OF THE STATE AUDITOR & INSPECTOR
2300 N. LINCOLN BOULEVARD, ROOM 100
OKLAHOMA CITY, OK 73105-4896

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