

CONTRACT AUDIT

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

August 2018



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 2018**

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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

September 14, 2018

**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 2018. 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 the first letters of the first and last names being capitalized and prominent.

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 2018**

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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 2018.

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.

Sincerely,

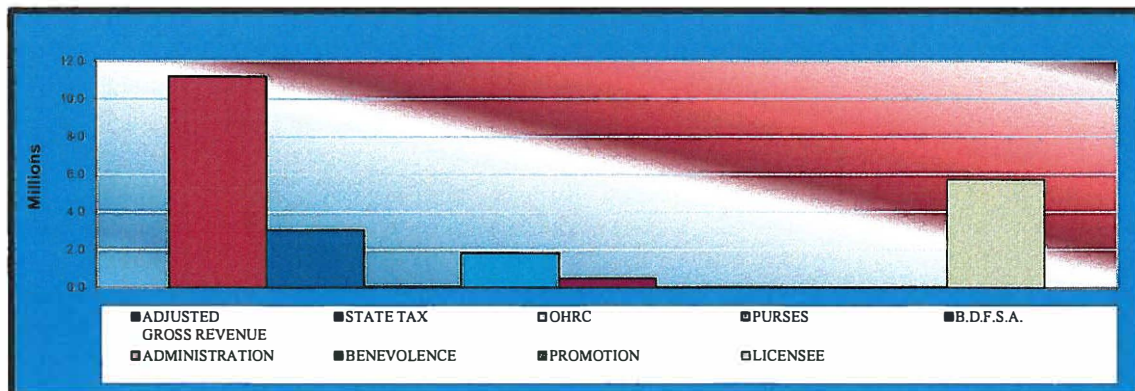
A handwritten signature in blue ink, reading "Gary A. Jones", is positioned below the word "Sincerely,".

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

September 14, 2018

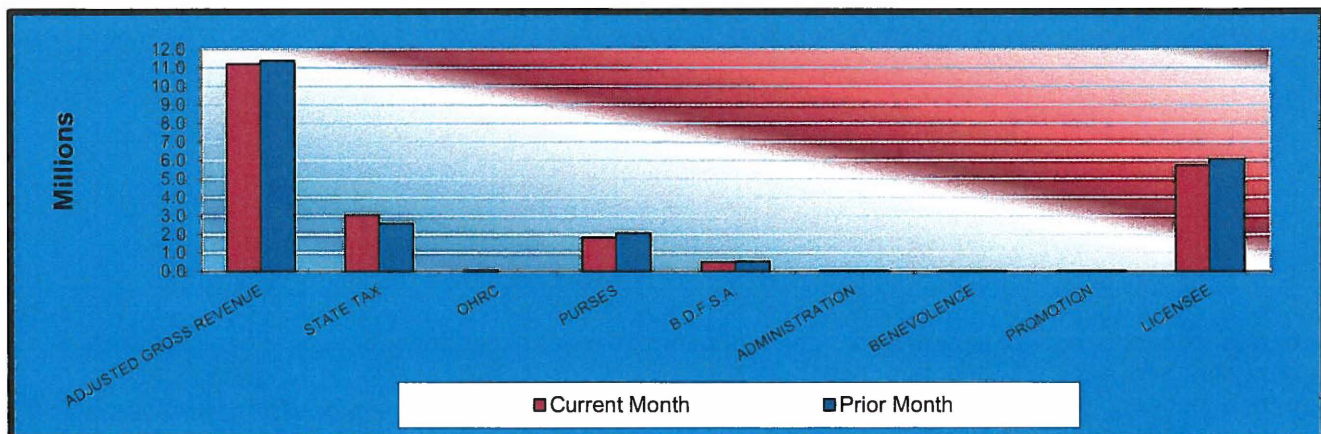
Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Total Gaming Revenue
August 2018

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Month	62	31	31
Adjusted Gross Revenue	<u>\$11,192,642.62</u>	<u>\$1,579,801.93</u>	<u>\$9,612,840.69</u>
State Tax			
General Revenue Fund	365,019.88	18,957.62	346,062.26
Education Reform	2,676,812.51	139,022.57	2,537,789.94
Oklahoma Horse Racing Commission	55,963.21	7,899.01	48,064.20
Purse Fund			
<u>Purses</u>			
Thoroughbred	940,128.83	204,446.12	735,682.71
Quarterhorse	789,484.51	187,173.95	602,310.56
Paint & Appaloosa	94,365.35	20,797.08	73,568.27
Breeding Development Fund			
<u>Special Account</u>			
Thoroughbred	214,528.13	24,674.53	189,853.60
Quarterhorse	249,706.77	19,034.64	230,672.13
Paint & Appaloosa	21,100.32	2,114.96	18,985.36
<u>Administration</u>			
Thoroughbred	11,842.64	2,349.96	9,492.68
Quarterhorse	10,658.37	2,114.96	8,543.41
Paint & Appaloosa	1,184.28	235.00	949.28
<u>Benevolence</u>			
Thoroughbred	5,921.32	1,174.98	4,746.34
Quarterhorse	5,329.19	1,057.48	4,271.71
Paint & Appaloosa	592.13	117.50	474.63
<u>Promotions</u>			
Thoroughbred	11,842.64	2,349.96	9,492.68
Quarterhorse	10,658.37	2,114.96	8,543.41
Paint & Appaloosa	1,184.28	235.00	949.28
Licensee	\$5,726,319.89	\$943,931.65	\$4,782,388.24



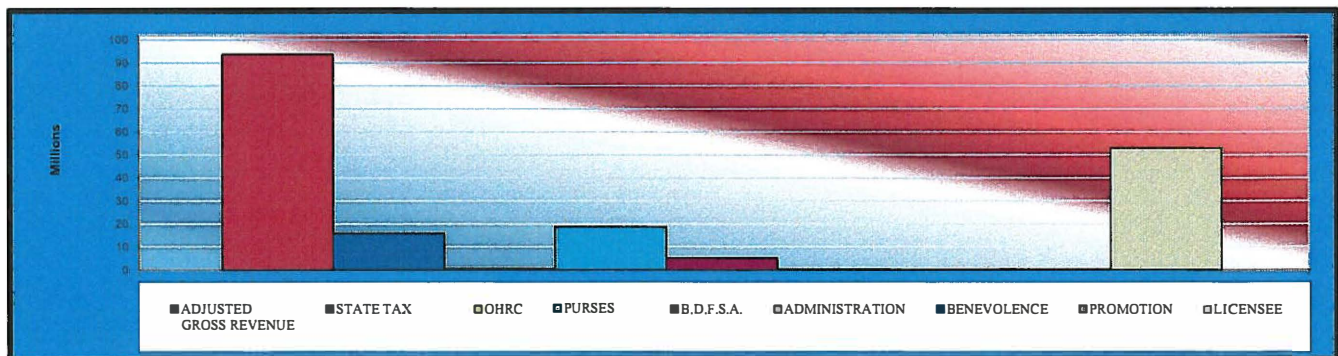
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Comparison of Prior Month and Prior Year
August 2018**

	<u>TOTAL</u>	<u>PRIOR</u>	<u>%</u>	<u>August</u>	<u>%</u>
	62	MONTH	CHANGE	2017	CHANGE
		62	0.00%	62	0.00%
Gaming Days					
Adjusted Gross Revenue	\$11,192,642.62	\$11,370,068.43	-1.56%	\$11,041,742.65	1.37%
State Tax					
General Revenue Fund	365,019.88	310,088.45	17.71%	303,802.26	20.15%
Education Reform	2,676,812.51	2,273,982.00	17.71%	2,227,883.19	20.15%
Oklahoma Horse Racing Commission	55,963.21	56,850.34	-1.56%	55,208.72	1.37%
Purse Fund					
<u>Purses</u>					
Thoroughbred	940,128.83	1,055,253.20	-10.91%	1,017,875.77	-7.64%
Quarterhorse	789,484.51	885,991.09	-10.89%	852,450.13	-7.39%
Paint & Appaloosa	94,365.35	111,256.86	-15.18%	107,421.53	-12.15%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	214,528.13	241,040.29	-11.00%	235,566.11	-8.93%
Quarterhorse	249,706.77	280,673.05	-11.03%	275,647.56	-9.41%
Paint & Appaloosa	21,100.32	18,372.49	14.85%	17,922.66	17.73%
<u>Administration</u>					
Thoroughbred	11,842.64	13,295.32	-10.93%	12,855.81	-7.88%
Quarterhorse	10,658.37	11,965.78	-10.93%	11,570.24	-7.88%
Paint & Appaloosa	1,184.28	1,329.53	-10.92%	1,285.58	-7.88%
<u>Benevolence</u>					
Thoroughbred	5,921.32	6,647.66	-10.93%	6,427.91	-7.88%
Quarterhorse	5,329.19	5,982.90	-10.93%	5,785.12	-7.88%
Paint & Appaloosa	592.13	664.76	-10.93%	642.79	-7.88%
<u>Promotions</u>					
Thoroughbred	11,842.64	13,295.32	-10.93%	12,855.81	-7.88%
Quarterhorse	10,658.37	11,965.78	-10.93%	11,570.24	-7.88%
Paint & Appaloosa	1,184.28	1,329.53	-10.92%	1,285.58	-7.88%
Licensee	\$5,726,319.89	\$6,070,084.08	-5.66%	\$5,883,685.64	-2.67%



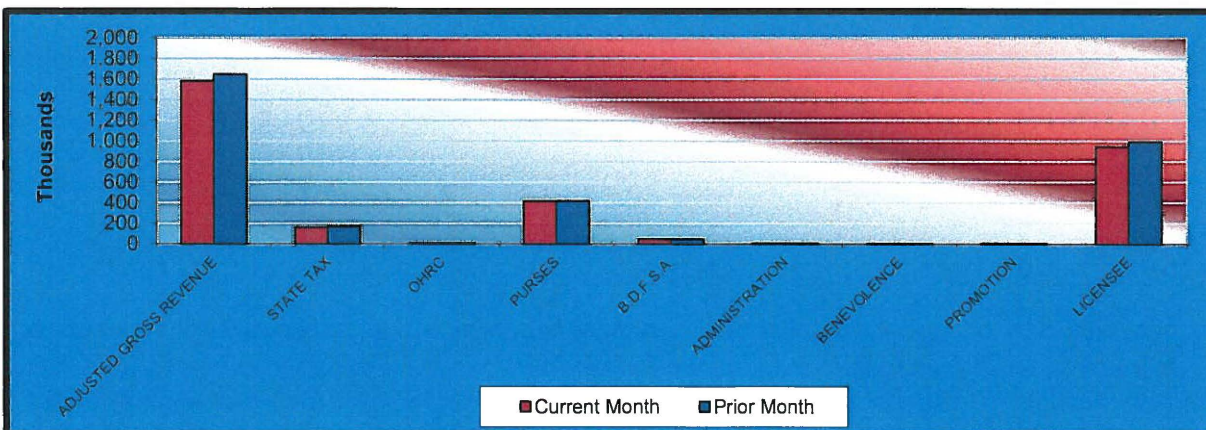
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Year to Date Gaming Totals Comparison
August 2018**

	WILL ROGERS DOWNS	REMINGTON PARK	2018 TOTAL	2017 TOTAL	% CHANGE
Gaming Days This Year	243	243	486	486	0.00%
Adjusted Gross Revenue	<u>\$13,869,593.00</u>	<u>\$79,722,860.24</u>	<u>\$93,592,453.24</u>	<u>\$80,455,885.72</u>	16.33%
State Tax					
General Revenue Fund	166,435.12	1,730,022.96	1,896,458.08	1,461,362.08	29.77%
Education Reform	1,220,524.18	12,686,835.10	13,907,359.28	10,716,655.16	29.77%
Oklahoma Horse Racing Commission	69,347.92	398,614.36	467,962.28	112,978.91	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	1,577,398.57	8,038,790.15	9,616,188.72	8,593,363.52	11.90%
Quarterhorse	1,444,135.71	6,581,435.29	8,025,571.00	7,078,373.91	13.38%
Paint & Appaloosa	160,459.59	850,995.83	1,011,455.42	883,928.67	14.43%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	190,375.70	2,074,526.48	2,264,902.18	2,016,616.64	12.31%
Quarterhorse	146,861.33	2,520,549.69	2,667,411.02	2,470,608.21	7.97%
Paint & Appaloosa	16,317.94	160,335.82	176,653.76	177,069.30	-0.23%
<u>Administration</u>					
Thoroughbred	18,131.03	103,726.33	121,857.36	108,820.32	11.98%
Quarterhorse	16,317.91	93,353.69	109,671.60	97,938.30	11.98%
Paint & Appaloosa	1,813.11	10,372.63	12,185.74	10,882.05	11.98%
<u>Benevolence</u>					
Thoroughbred	9,065.50	51,863.16	60,928.66	54,410.17	11.98%
Quarterhorse	8,158.98	46,676.84	54,835.82	48,969.15	11.98%
Paint & Appaloosa	906.54	5,186.32	6,092.86	5,441.03	11.98%
<u>Promotions</u>					
Thoroughbred	18,131.03	103,726.32	121,857.35	108,820.31	11.98%
Quarterhorse	16,317.91	93,353.69	109,671.60	97,938.30	11.98%
Paint & Appaloosa	1,813.11	10,372.63	12,185.74	10,882.03	11.98%
Licensee	\$8,787,081.82	\$44,162,122.95	52,949,204.77	\$46,400,827.66	14.11%



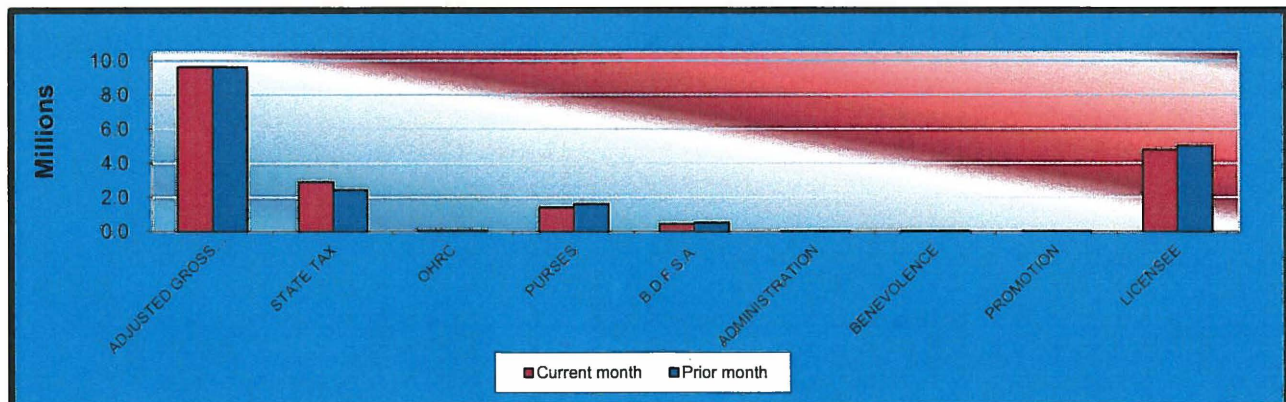
Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Will Rogers Downs Revenue
August 2018

<u>Will Rogers Downs</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>August 2017</u>	<u>% CHANGE</u>
Gaming Days	31	31	0.00%	31	0.00%
Adjusted Gross Revenue	\$1,579,801.93	\$1,641,612.29	-3.77%	\$1,525,001.41	3.59%
State Tax					
General Revenue Fund	18,957.62	19,699.35	-3.77%	18,300.02	3.59%
Education Reform	139,022.57	144,461.88	-3.77%	134,200.12	3.59%
Oklahoma Horse Racing Commission	7,899.01	8,208.06	-3.77%	7,625.01	3.59%
Purse Fund					
<u>Purses</u>					
Thoroughbred	204,446.12	206,784.57	-1.13%	197,354.24	3.59%
Quarterhorse	187,173.95	189,314.92	-1.13%	180,681.21	3.59%
Paint & Appaloosa	20,797.08	21,034.99	-1.13%	20,075.69	3.59%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	24,674.53	24,956.79	-1.13%	23,818.62	3.59%
Quarterhorse	19,034.64	19,252.36	-1.13%	18,374.36	3.59%
Paint & Appaloosa	2,114.96	2,139.15	-1.13%	2,041.60	3.59%
<u>Administration</u>					
Thoroughbred	2,349.96	2,376.84	-1.13%	2,268.44	3.59%
Quarterhorse	2,114.96	2,139.16	-1.13%	2,041.60	3.59%
Paint & Appaloosa	235.00	237.70	-1.14%	226.84	3.60%
<u>Benevolence</u>					
Thoroughbred	1,174.98	1,188.43	-1.13%	1,134.22	3.59%
Quarterhorse	1,057.48	1,069.58	-1.13%	1,020.80	3.59%
Paint & Appaloosa	117.50	118.85	-1.14%	113.42	3.60%
<u>Promotions</u>					
Thoroughbred	2,349.96	2,376.84	-1.13%	2,268.44	3.59%
Quarterhorse	2,114.96	2,139.16	-1.13%	2,041.60	3.59%
Paint & Appaloosa	235.00	237.68	-1.13%	226.84	3.60%
Licensee	\$943,931.65	\$993,875.98	-5.03%	\$911,188.34	3.59%

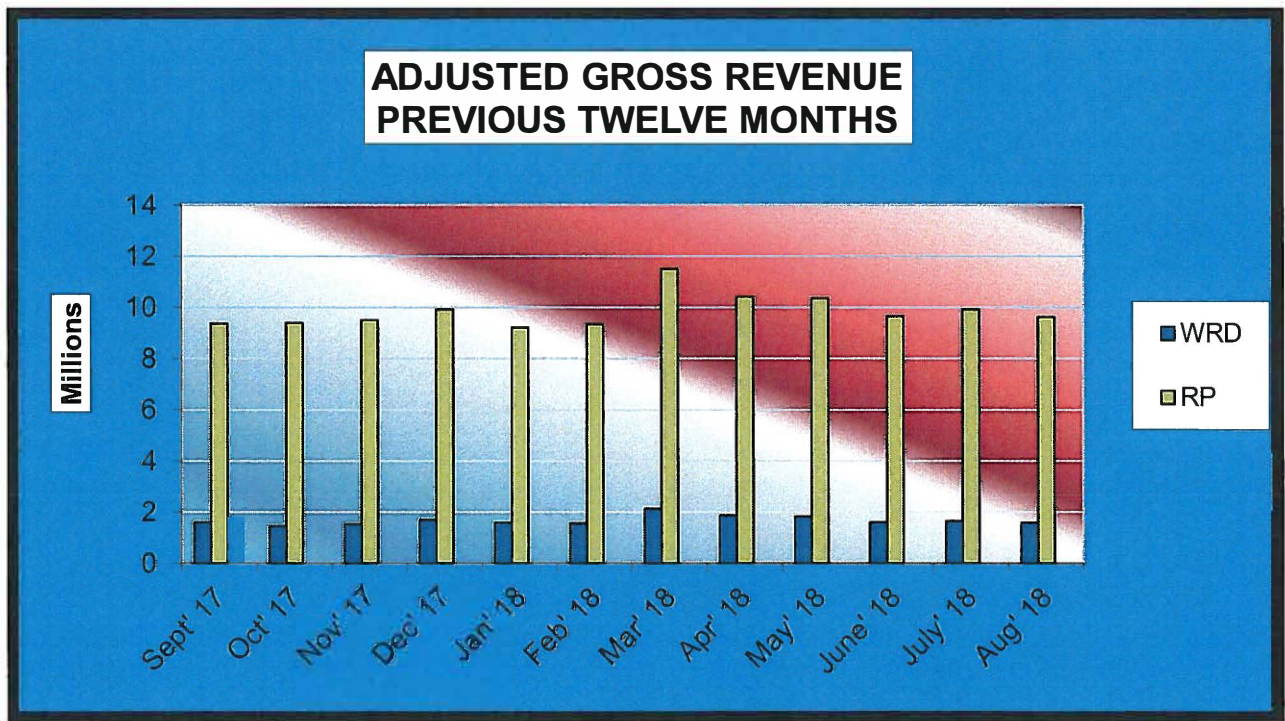


**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Remington Park Revenue
August 2018**

<u>Remington Park</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>August 2017</u>	<u>% CHANGE</u>
Gaming Days	31	31	0.00%	31	0.00%
Adjusted Gross Revenue	\$9,612,840.69	\$9,610,417.58	0.03%	\$9,516,741.24	1.01%
State Tax					
General Revenue Fund	346,062.26	288,972.64	19.76%	285,502.24	21.21%
Education Reform	2,537,789.94	2,119,132.73	19.76%	2,093,683.07	21.21%
Oklahoma Horse Racing Commission	48,064.20	48,052.09	0.03%	47,583.71	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	735,682.71	827,532.38	-11.10%	820,521.53	-10.34%
Quarterhorse	602,310.56	677,508.76	-11.10%	671,768.92	-10.34%
Paint & Appaloosa	73,568.27	88,092.16	-16.49%	87,345.84	-15.77%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	189,853.60	213,556.74	-11.10%	211,747.49	-10.34%
Quarterhorse	230,672.13	259,471.44	-11.10%	257,273.20	-10.34%
Paint & Appaloosa	18,985.36	16,016.76	18.53%	15,881.06	19.55%
<u>Administration</u>					
Thoroughbred	9,492.68	10,677.84	-11.10%	10,587.37	-10.34%
Quarterhorse	8,543.41	9,610.05	-11.10%	9,528.64	-10.34%
Paint & Appaloosa	949.28	1,067.78	-11.10%	1,058.74	-10.34%
<u>Benevolence</u>					
Thoroughbred	4,746.34	5,338.92	-11.10%	5,293.69	-10.34%
Quarterhorse	4,271.71	4,805.03	-11.10%	4,764.32	-10.34%
Paint & Appaloosa	474.63	533.89	-11.10%	529.37	-10.34%
<u>Promotions</u>					
Thoroughbred	9,492.68	10,677.84	-11.10%	10,587.37	-10.34%
Quarterhorse	8,543.41	9,610.05	-11.10%	9,528.64	-10.34%
Paint & Appaloosa	949.28	1,067.78	-11.10%	1,058.74	-10.34%
Licensee	\$4,782,388.24	\$5,018,692.70	-4.71%	\$4,972,497.30	-3.82%



Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Prior Twelve Month Graph
August 2018





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

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