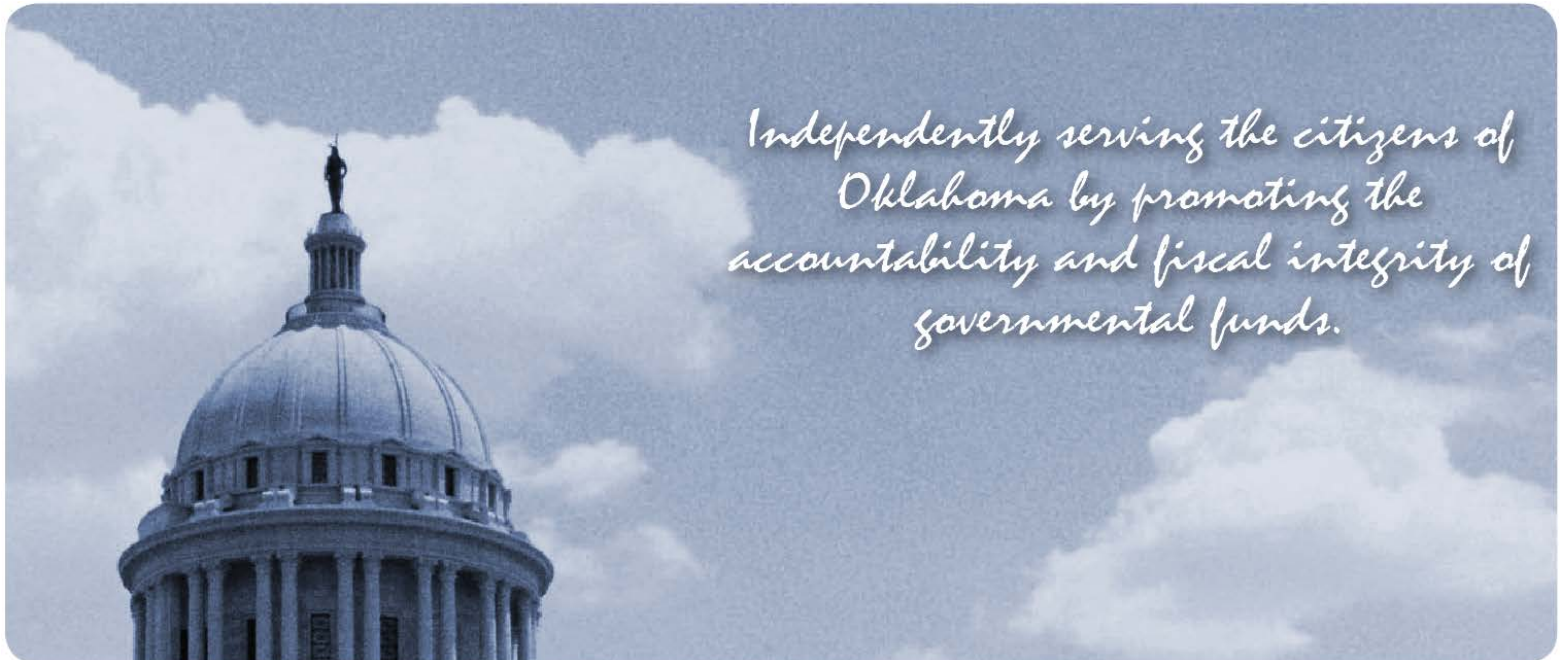


CONTRACT AUDIT

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

December 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
DECEMBER 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

January 10, 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 December 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".

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 December 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 December 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 Horse Racing Commission's dollars.

Sincerely,

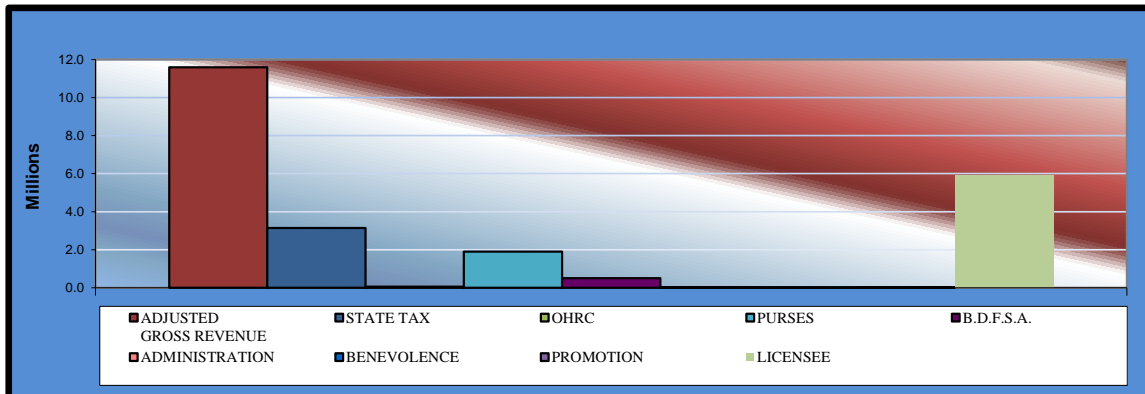
A handwritten signature in blue ink that reads "Gary A. Jones".

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

January 10, 2018

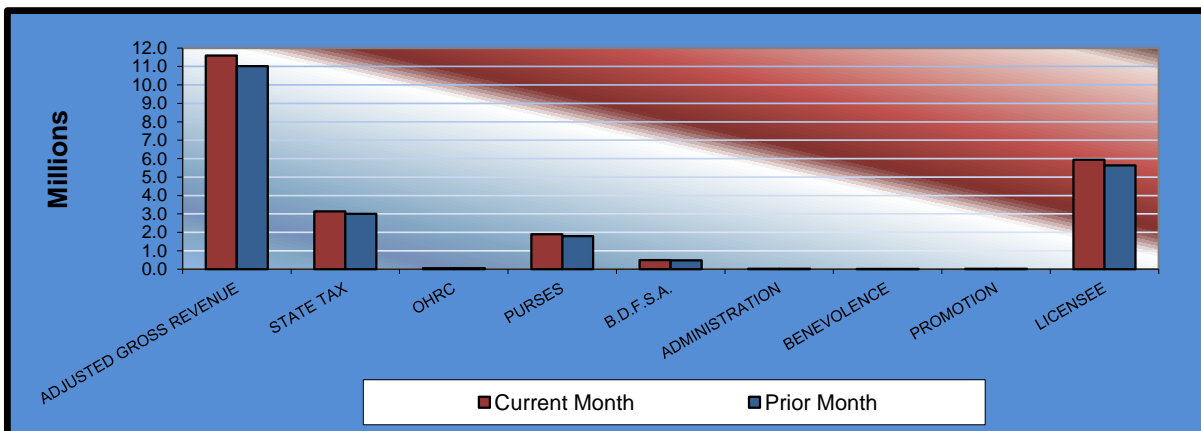
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Total Gaming Revenue December 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Month	62	31	31
Adjusted Gross Revenue	<u>\$11,591,998.96</u>	<u>\$1,683,102.85</u>	<u>\$9,908,896.11</u>
State Tax			
General Revenue Fund	376,917.49	20,197.23	356,720.26
Education Reform	2,764,061.63	148,113.06	2,615,948.57
Oklahoma Horse Racing Commission	57,959.99	8,415.51	49,544.48
Purse Fund			
<u>Purses</u>			
Thoroughbred	976,154.76	217,814.55	758,340.21
Quarterhorse	820,273.43	199,412.97	620,860.46
Paint & Appaloosa	102,883.54	22,157.00	80,726.54
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	221,988.66	26,287.96	195,700.70
Quarterhorse	258,055.64	20,279.29	237,776.35
Paint & Appaloosa	16,930.80	2,253.25	14,677.55
<u>Administration</u>			
Thoroughbred	12,288.66	2,503.62	9,785.04
Quarterhorse	11,059.78	2,253.25	8,806.53
Paint & Appaloosa	1,228.86	250.36	978.50
<u>Benevolence</u>			
Thoroughbred	6,144.33	1,251.81	4,892.52
Quarterhorse	5,529.90	1,126.63	4,403.27
Paint & Appaloosa	614.43	125.18	489.25
<u>Promotions</u>			
Thoroughbred	12,288.66	2,503.62	9,785.04
Quarterhorse	11,059.78	2,253.25	8,806.53
Paint & Appaloosa	1,228.86	250.36	978.50
Licensee	\$5,935,329.76	\$1,005,653.95	\$4,929,675.81



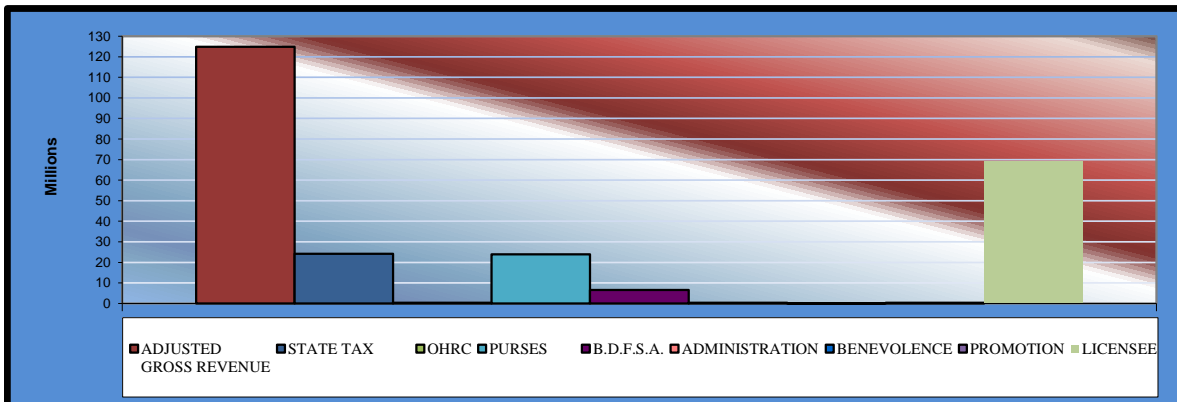
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Comparison of Prior Month and Prior Year Month
December 2017**

	<u>TOTAL</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>PRIOR YEAR</u>	<u>% CHANGE</u>
Gaming Days	62	60	3.33%	62	0.00%
Adjusted Gross Revenue	\$11,591,998.96	\$11,024,453.61	5.15%	\$9,168,683.26	26.43%
State Tax					
General Revenue Fund	376,917.49	360,398.12	4.58%	296,216.27	27.24%
Education Reform	2,764,061.63	2,642,919.57	4.58%	2,172,252.61	27.24%
Oklahoma Horse Racing Commission					
	57,959.99	55,122.32	5.15%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	976,154.76	924,099.57	5.63%	785,339.00	24.30%
Quarterhorse	820,273.43	775,613.17	5.76%	573,187.07	43.11%
Paint & Appaloosa	102,883.54	97,441.90	5.58%	63,687.45	61.54%
<u>Breeding Development Fund</u>					
<u>Special Account</u>					
Thoroughbred	221,988.66	211,453.08	4.98%	177,378.29	25.15%
Quarterhorse	258,055.64	246,384.24	4.74%	293,258.51	-12.00%
Paint & Appaloosa	16,930.80	16,113.35	5.07%	32,584.27	-48.04%
<u>Administration</u>					
Thoroughbred	12,288.66	11,646.70	5.51%	9,874.02	24.45%
Quarterhorse	11,059.78	10,482.02	5.51%	8,886.62	24.45%
Paint & Appaloosa	1,228.86	1,164.67	5.51%	987.40	24.45%
<u>Benevolence</u>					
Thoroughbred	6,144.33	5,823.35	5.51%	4,937.01	24.45%
Quarterhorse	5,529.90	5,241.01	5.51%	4,443.31	24.45%
Paint & Appaloosa	614.43	582.31	5.52%	493.70	24.45%
<u>Promotions</u>					
Thoroughbred	12,288.66	11,646.70	5.51%	9,874.02	24.45%
Quarterhorse	11,059.78	10,482.02	5.51%	8,886.62	24.45%
Paint & Appaloosa	1,228.86	1,164.67	5.51%	987.40	24.45%
Licensee	\$5,935,329.76	\$5,636,674.84	5.30%	\$4,725,409.69	25.60%



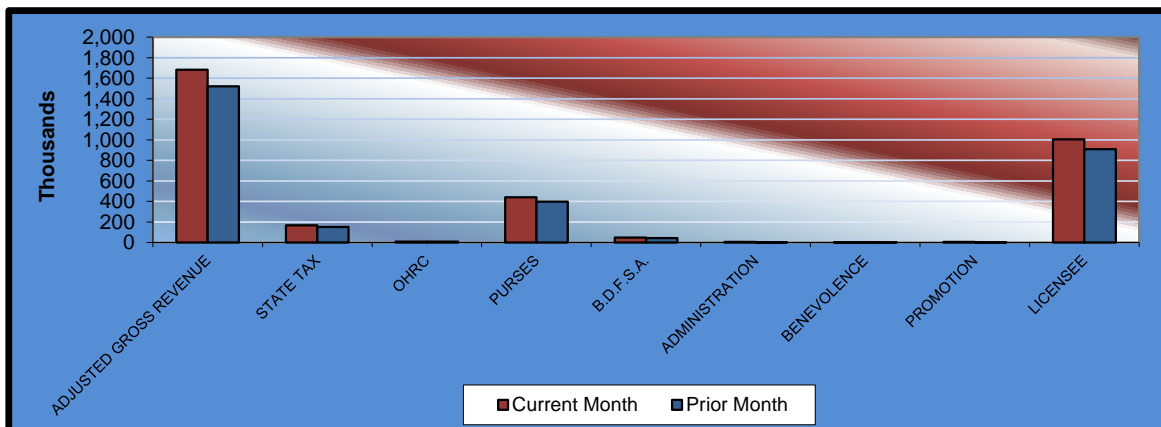
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Year to Date Gaming Totals December 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Year	730	365	365
Adjusted Gross Revenue	<u>\$124,873,978.16</u>	<u>\$19,143,488.32</u>	<u>\$105,730,489.84</u>
State Tax			
General Revenue Fund	2,896,019.54	229,721.89	2,666,297.65
Education Reform	21,237,476.26	1,684,626.96	19,552,849.30
Oklahoma Horse Racing Commission	335,069.40	47,018.70	288,050.70
Purse Fund			
<u>Purses</u>			
Thoroughbred	12,346,301.66	2,270,498.53	10,075,803.13
Quarterhorse	10,229,080.21	2,038,232.41	8,190,847.80
Paint & Appaloosa	1,279,619.16	226,470.26	1,053,148.90
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	2,874,233.02	274,025.75	2,600,207.27
Quarterhorse	3,469,401.09	251,839.53	3,217,561.56
Paint & Appaloosa	242,434.26	27,982.15	214,452.11
<u>Administration</u>			
Thoroughbred	156,108.07	26,097.69	130,010.38
Quarterhorse	140,497.24	23,487.91	117,009.33
Paint & Appaloosa	15,610.83	2,609.81	13,001.02
<u>Benevolence</u>			
Thoroughbred	78,054.05	13,048.86	65,005.19
Quarterhorse	70,248.63	11,743.96	58,504.67
Paint & Appaloosa	7,805.40	1,304.88	6,500.52
<u>Promotions</u>			
Thoroughbred	156,108.06	26,097.69	130,010.37
Quarterhorse	140,497.24	23,487.91	117,009.33
Paint & Appaloosa	15,610.81	2,609.79	13,001.02
Licensee	\$69,183,803.23	\$11,962,583.64	\$57,221,219.59



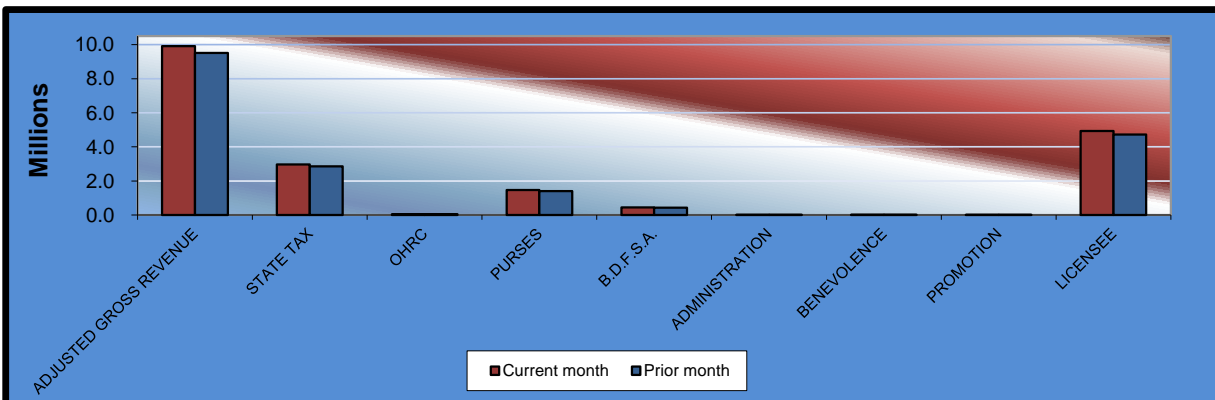
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Will Rogers Downs Revenue
December 2017**

<u>Will Rogers Downs</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>December 2016</u>	<u>% CHANGE</u>
Gaming Days	31	30	3.33%	31	0.00%
Adjusted Gross Revenue	\$1,683,102.85	\$1,520,092.03	10.72%	\$1,410,680.55	19.31%
State Tax					
General Revenue Fund	20,197.23	18,241.10	10.72%	16,928.17	19.31%
Education Reform	148,113.06	133,768.11	10.72%	124,139.89	19.31%
Oklahoma Horse Racing Commission	8,415.51	7,600.46	10.72%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	217,814.55	196,718.91	10.72%	184,093.79	18.32%
Quarterhorse	199,412.97	180,099.58	10.72%	122,835.01	62.34%
Paint & Appaloosa	22,157.00	20,011.06	10.72%	13,648.33	62.34%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	26,287.96	23,741.94	10.72%	22,218.24	18.32%
Quarterhorse	20,279.29	18,315.21	10.72%	62,845.83	-67.73%
Paint & Appaloosa	2,253.25	2,035.02	10.72%	6,982.86	-67.73%
<u>Administration</u>					
Thoroughbred	2,503.62	2,261.14	10.72%	2,116.02	18.32%
Quarterhorse	2,253.25	2,035.02	10.72%	1,904.42	18.32%
Paint & Appaloosa	250.36	226.11	10.72%	211.60	18.32%
<u>Benevolence</u>					
Thoroughbred	1,251.81	1,130.57	10.72%	1,058.01	18.32%
Quarterhorse	1,126.63	1,017.51	10.72%	952.21	18.32%
Paint & Appaloosa	125.18	113.03	10.75%	105.80	18.32%
<u>Promotions</u>					
Thoroughbred	2,503.62	2,261.14	10.72%	2,116.02	18.32%
Quarterhorse	2,253.25	2,035.02	10.72%	1,904.42	18.32%
Paint & Appaloosa	250.36	226.11	10.72%	211.60	18.32%
Licensee	\$1,005,653.95	\$908,254.99	10.72%	\$846,408.33	18.81%

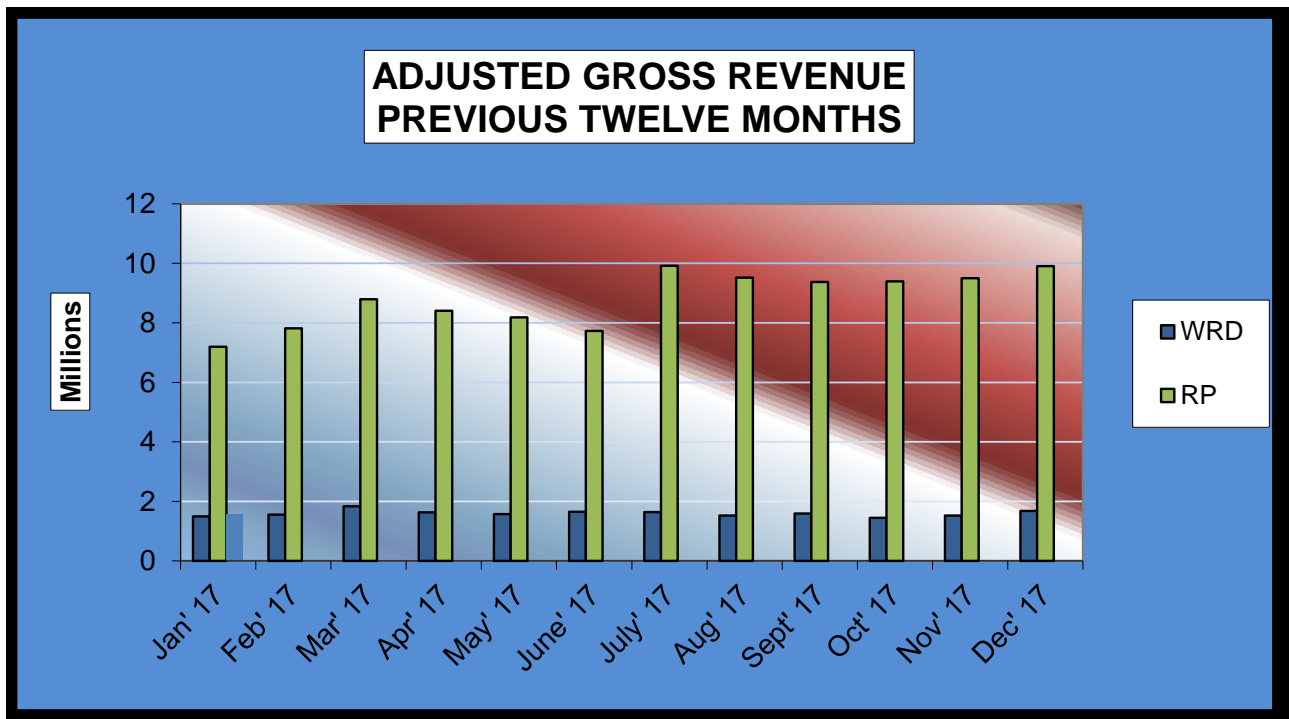


**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Remington Park Revenue
December 2017**

<u>Remington Park</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>December 2016</u>	<u>% CHANGE</u>
Gaming Days	31	30	3.33%	31	0.00%
Adjusted Gross Revenue	\$ 9,908,896.11	\$ 9,504,361.58	4.26%	\$7,758,002.71	27.72%
State Tax					
General Revenue Fund	356,720.26	342,157.02	4.26%	279,288.10	27.72%
Education Reform	2,615,948.57	2,509,151.46	4.26%	2,048,112.72	27.72%
Oklahoma Horse Racing Commission					
	49,544.48	47,521.86	4.26%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	758,340.21	727,380.66	4.26%	601,245.21	26.13%
Quarterhorse	620,860.46	595,513.59	4.26%	450,352.06	37.86%
Paint & Appaloosa	80,726.54	77,430.84	4.26%	50,039.12	61.33%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	195,700.70	187,711.14	4.26%	155,160.05	26.13%
Quarterhorse	237,776.35	228,069.03	4.26%	230,412.68	3.20%
Paint & Appaloosa	14,677.55	14,078.33	4.26%	25,601.41	-42.67%
<u>Administration</u>					
Thoroughbred	9,785.04	9,385.56	4.26%	7,758.00	26.13%
Quarterhorse	8,806.53	8,447.00	4.26%	6,982.20	26.13%
Paint & Appaloosa	978.50	938.56	4.26%	775.80	26.13%
<u>Benevolence</u>					
Thoroughbred	4,892.52	4,692.78	4.26%	3,879.00	26.13%
Quarterhorse	4,403.27	4,223.50	4.26%	3,491.10	26.13%
Paint & Appaloosa	489.25	469.28	4.26%	387.90	26.13%
<u>Promotions</u>					
Thoroughbred	9,785.04	9,385.56	4.26%	7,758.00	26.13%
Quarterhorse	8,806.53	8,447.00	4.26%	6,982.20	26.13%
Paint & Appaloosa	978.50	938.56	4.26%	775.80	26.13%
Licensee	\$ 4,929,675.81	\$ 4,728,419.85	4.26%	\$3,879,001.36	27.09%



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





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