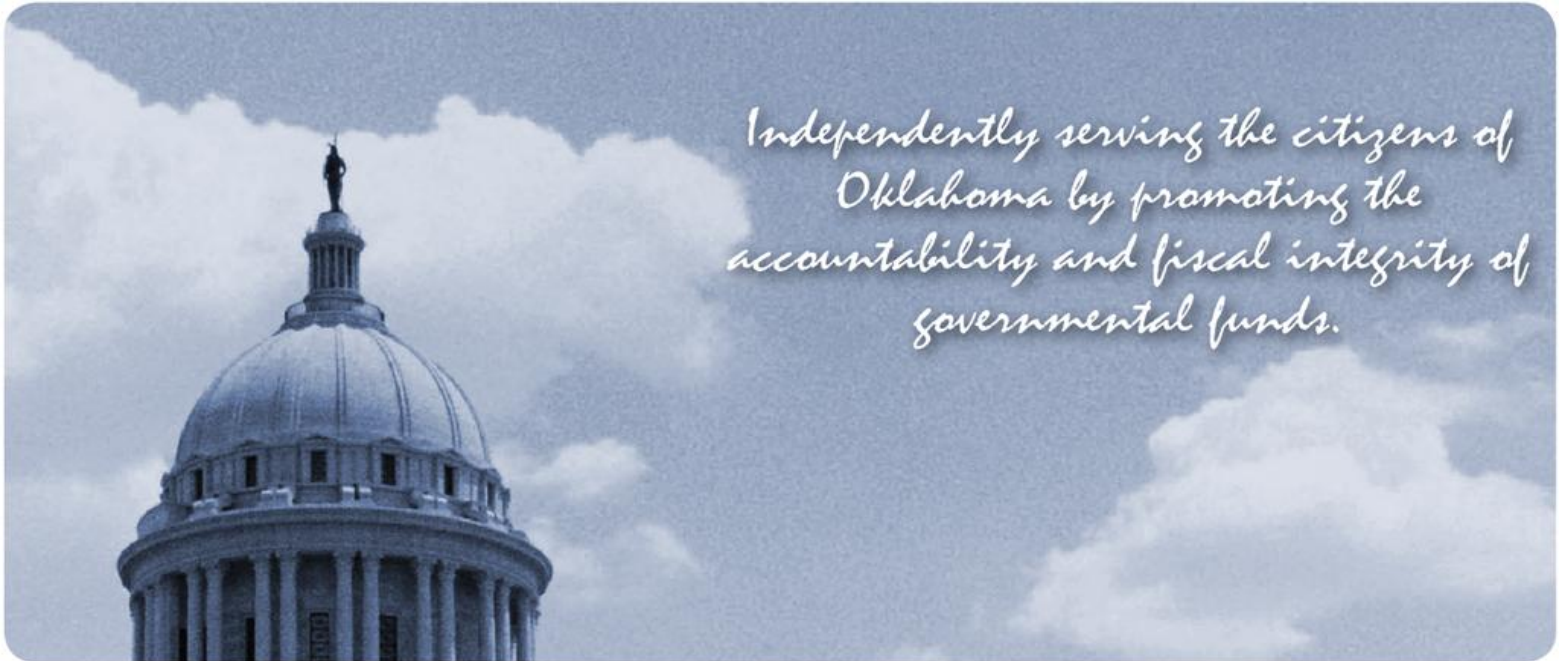


CONTRACT AUDIT

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

December 2016



*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 2016**

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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, 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 December 2016. 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 2016**

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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 2016.

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,

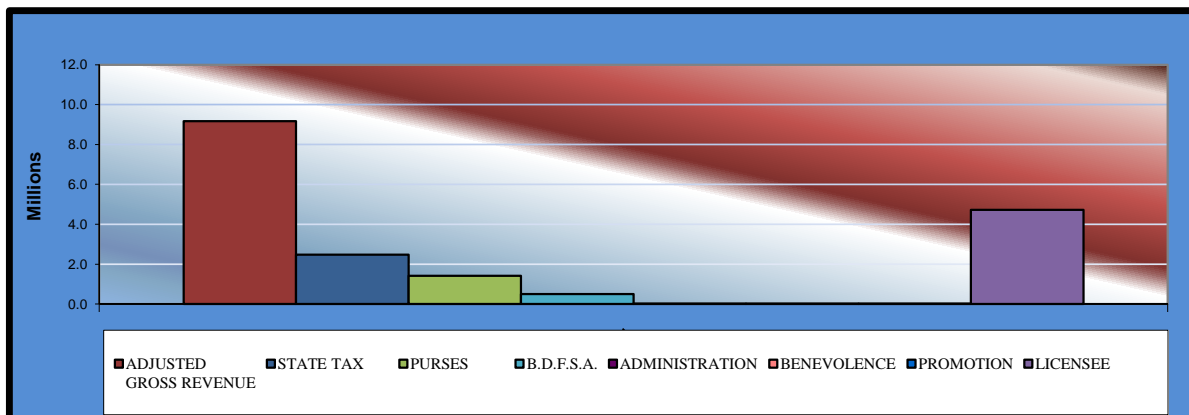
A handwritten signature in blue ink that reads "Gary A. Jones".

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

January 10, 2017

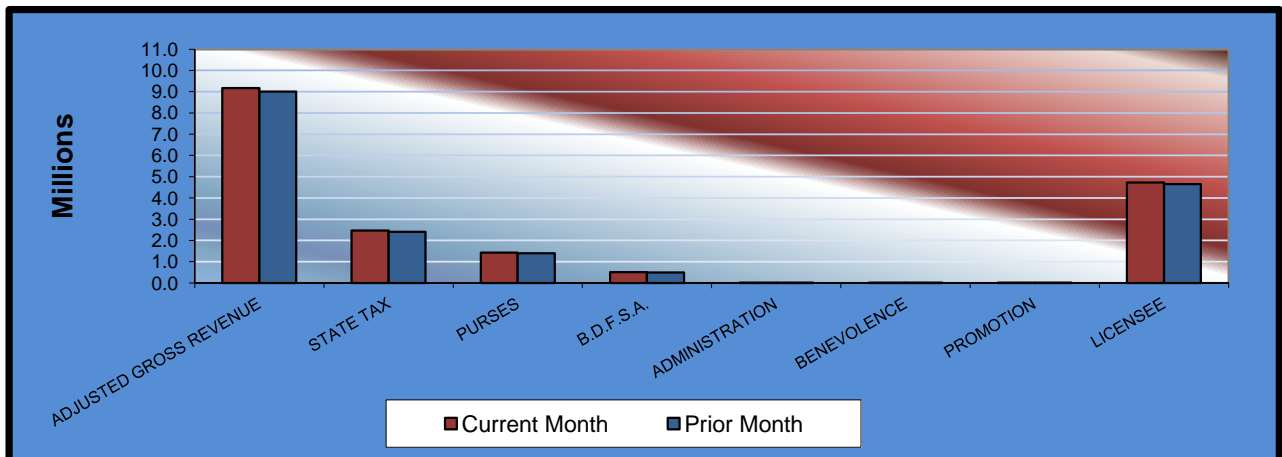
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Total Gaming Revenue December 2016

| | <u>TOTAL</u> | <u>WILL ROGERS DOWNS</u> | <u>REMINGTON PARK</u> |
|---------------------------|-----------------------|----------------------------------|---------------------------|
| Gaming Days This Month | 62 | 31 | 31 |
| Adjusted Gross Revenue | <u>\$9,168,683.26</u> | <u>\$1,410,680.55</u> | <u>\$7,758,002.71</u> |
| State Tax | | | |
| General Revenue Fund | 296,216.27 | 16,928.17 | 279,288.10 |
| Education Reform | 2,172,252.61 | 124,139.89 | 2,048,112.72 |
| Purse Fund | | | |
| <u>Purses</u> | | | |
| Thoroughbred | 785,339.00 | 184,093.79 | 601,245.21 |
| Quarterhorse | 573,187.07 | 122,835.01 | 450,352.06 |
| Paint & Appaloosa | 63,687.45 | 13,648.33 | 50,039.12 |
| Breeding Development Fund | | | |
| <u>Special Account</u> | | | |
| Thoroughbred | 177,378.29 | 22,218.24 | 155,160.05 |
| Quarterhorse | 293,258.51 | 62,845.83 | 230,412.68 |
| Paint & Appaloosa | 32,584.27 | 6,982.86 | 25,601.41 |
| <u>Administration</u> | | | |
| Thoroughbred | 9,874.02 | 2,116.02 | 7,758.00 |
| Quarterhorse | 8,886.62 | 1,904.42 | 6,982.20 |
| Paint & Appaloosa | 987.40 | 211.60 | 775.80 |
| <u>Benevolence</u> | | | |
| Thoroughbred | 4,937.01 | 1,058.01 | 3,879.00 |
| Quarterhorse | 4,443.31 | 952.21 | 3,491.10 |
| Paint & Appaloosa | 493.70 | 105.80 | 387.90 |
| <u>Promotions</u> | | | |
| Thoroughbred | 9,874.02 | 2,116.02 | 7,758.00 |
| Quarterhorse | 8,886.62 | 1,904.42 | 6,982.20 |
| Paint & Appaloosa | 987.40 | 211.60 | 775.80 |
| Licensee | \$4,725,409.69 | \$846,408.33 | \$3,879,001.36 |



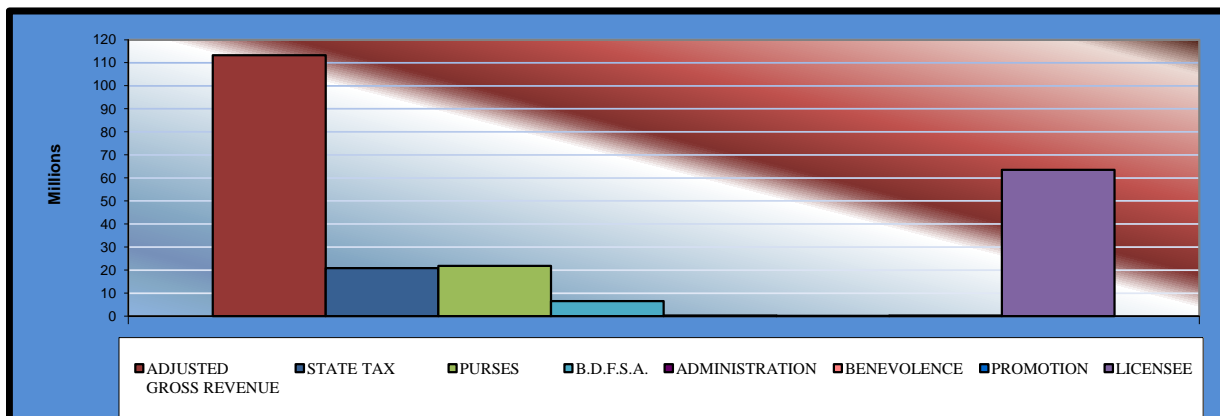
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Comparison of Prior Month and Prior Year Month
December 2016**

| | <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 | \$9,168,683.26 | \$9,001,396.82 | 1.86% | \$9,636,282.13 | -4.85% |
| State Tax | | | | | |
| General Revenue Fund | 296,216.27 | 289,289.17 | 2.39% | 307,801.82 | -3.76% |
| Education Reform | 2,172,252.61 | 2,121,453.91 | 2.39% | 2,257,213.45 | -3.76% |
| Purse Fund | | | | | |
| <u>Purses</u> | | | | | |
| Thoroughbred | 785,339.00 | 774,372.38 | 1.42% | 833,167.25 | -5.74% |
| Quarterhorse | 573,187.07 | 564,570.31 | 1.53% | 702,706.29 | -18.43% |
| Paint & Appaloosa | 63,687.45 | 62,730.04 | 1.53% | 92,490.95 | -31.14% |
| <u>Breeding Development Fund</u> | | | | | |
| <u>Special Account</u> | | | | | |
| Thoroughbred | 177,378.29 | 173,872.32 | 2.02% | 185,800.92 | -4.53% |
| Quarterhorse | 293,258.51 | 288,849.92 | 1.53% | 214,365.09 | 36.80% |
| Paint & Appaloosa | 32,584.27 | 32,094.43 | 1.53% | 9,405.86 | 246.43% |
| <u>Administration</u> | | | | | |
| Thoroughbred | 9,874.02 | 9,725.59 | 1.53% | 10,450.96 | -5.52% |
| Quarterhorse | 8,886.62 | 8,753.03 | 1.53% | 9,405.86 | -5.52% |
| Paint & Appaloosa | 987.40 | 972.56 | 1.53% | 1,045.09 | -5.52% |
| <u>Benevolence</u> | | | | | |
| Thoroughbred | 4,937.01 | 4,862.79 | 1.53% | 5,225.48 | -5.52% |
| Quarterhorse | 4,443.31 | 4,376.52 | 1.53% | 4,702.93 | -5.52% |
| Paint & Appaloosa | 493.70 | 486.27 | 1.53% | 522.53 | -5.52% |
| <u>Promotions</u> | | | | | |
| Thoroughbred | 9,874.02 | 9,725.59 | 1.53% | 10,450.96 | -5.52% |
| Quarterhorse | 8,886.62 | 8,753.03 | 1.53% | 9,405.86 | -5.52% |
| Paint & Appaloosa | 987.40 | 972.56 | 1.53% | 1,045.09 | -5.52% |
| Licensee | \$4,725,409.69 | \$4,645,536.40 | 1.72% | \$4,981,075.74 | -5.13% |



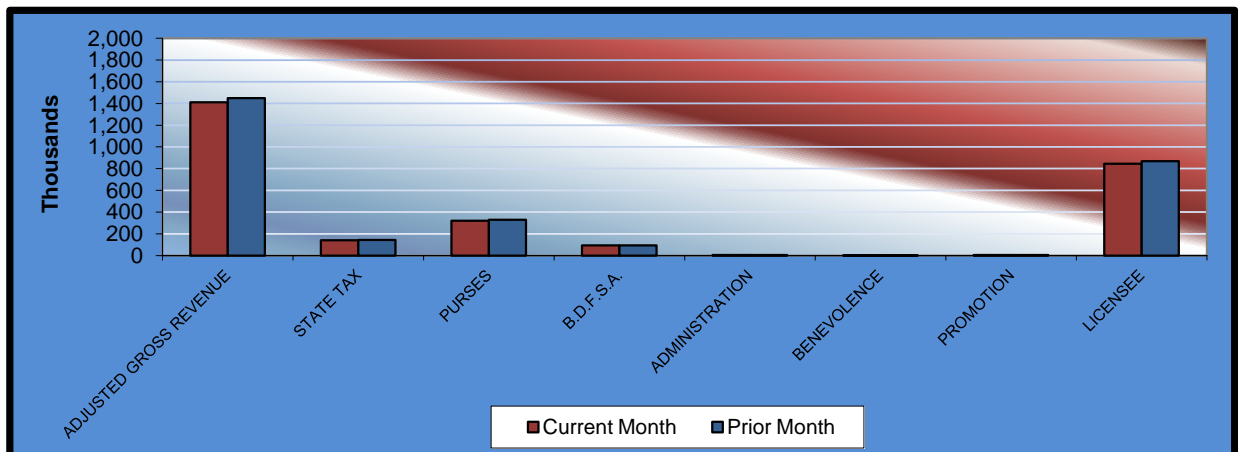
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Year to Date Gaming Totals December 2016

| | <u>TOTAL</u> | <u>WILL ROGERS DOWNS</u> | <u>REMINGTON PARK</u> |
|----------------------------------|-------------------------|----------------------------------|---------------------------|
| Gaming Days This Year | 732 | 366 | 366 |
| Adjusted Gross Revenue | <u>\$113,314,697.43</u> | <u>\$18,306,897.45</u> | <u>\$95,007,799.98</u> |
| State Tax | | | |
| General Revenue Fund | 2,499,963.57 | 219,682.78 | 2,280,280.79 |
| Education Reform | 18,333,066.18 | 1,611,006.98 | 16,722,059.20 |
| Purse Fund | | | |
| <u>Purses</u> | | | |
| Thoroughbred | 11,472,154.49 | 2,171,549.99 | 9,300,604.50 |
| Quarterhorse | 9,152,293.01 | 1,755,245.67 | 7,397,047.34 |
| Paint & Appaloosa | 1,155,130.18 | 195,027.35 | 960,102.83 |
| <u>Breeding Development Fund</u> | | | |
| <u>Special Account</u> | | | |
| Thoroughbred | 2,662,239.71 | 262,083.71 | 2,400,156.00 |
| Quarterhorse | 3,568,661.93 | 435,024.82 | 3,133,637.11 |
| Paint & Appaloosa | 258,309.30 | 48,336.04 | 209,973.26 |
| <u>Administration</u> | | | |
| Thoroughbred | 144,968.22 | 24,960.42 | 120,007.80 |
| Quarterhorse | 130,471.28 | 22,464.25 | 108,007.03 |
| Paint & Appaloosa | 14,496.77 | 2,496.00 | 12,000.77 |
| <u>Benevolence</u> | | | |
| Thoroughbred | 72,484.07 | 12,480.16 | 60,003.91 |
| Quarterhorse | 65,235.61 | 11,232.11 | 54,003.50 |
| Paint & Appaloosa | 7,248.38 | 1,248.02 | 6,000.36 |
| <u>Promotions</u> | | | |
| Thoroughbred | 144,968.22 | 24,960.42 | 120,007.80 |
| Quarterhorse | 130,471.28 | 22,464.25 | 108,007.03 |
| Paint & Appaloosa | 14,496.77 | 2,496.00 | 12,000.77 |
| Licensee | \$63,488,038.46 | \$11,484,138.48 | \$52,003,899.98 |



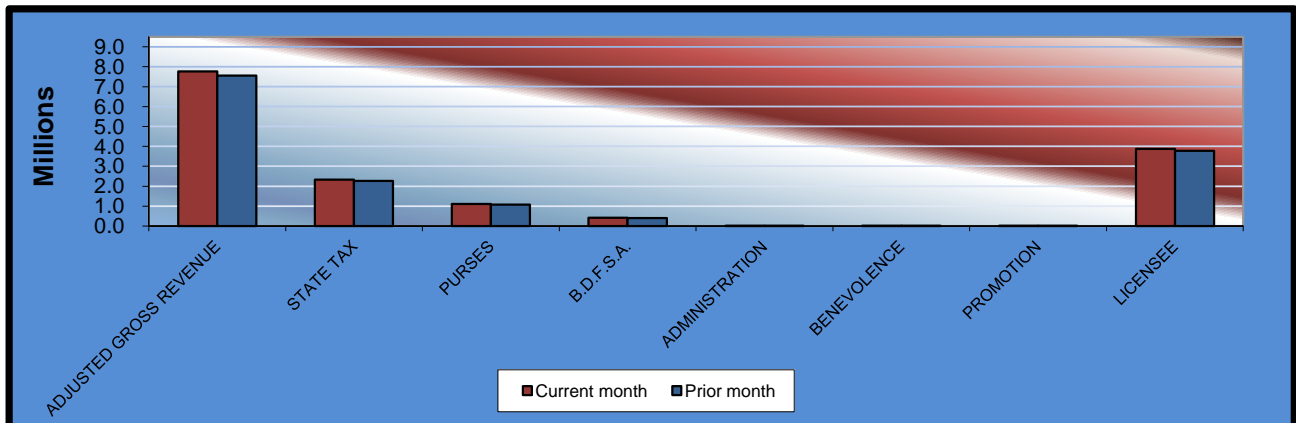
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Will Rogers Downs Revenue
December 2016**

| <u>Will Rogers Downs</u> | <u>CURRENT MONTH</u> | <u>PRIOR MONTH</u> | <u>% CHANGE</u> | <u>December 2015</u> | <u>% CHANGE</u> |
|---------------------------|----------------------|--------------------|-----------------|----------------------|-----------------|
| Gaming Days | 31 | 30 | 3.33% | 31 | 0.00% |
| Adjusted Gross Revenue | \$1,410,680.55 | \$1,448,379.86 | -2.60% | \$1,629,346.79 | -13.42% |
| State Tax | | | | | |
| General Revenue Fund | 16,928.17 | 17,380.56 | -2.60% | 19,552.16 | -13.42% |
| Education Reform | 124,139.89 | 127,457.43 | -2.60% | 143,382.52 | -13.42% |
| Purse Fund | | | | | |
| <u>Purses</u> | | | | | |
| Thoroughbred | 184,093.79 | 189,013.57 | -2.60% | 212,629.76 | -13.42% |
| Quarterhorse | 122,835.01 | 126,117.68 | -2.60% | 194,666.24 | -36.90% |
| Paint & Appaloosa | 13,648.33 | 14,013.08 | -2.60% | 21,629.57 | -36.90% |
| Breeding Development Fund | | | | | |
| <u>Special Account</u> | | | | | |
| Thoroughbred | 22,218.24 | 22,811.98 | -2.60% | 25,662.21 | -13.42% |
| Quarterhorse | 62,845.83 | 64,525.32 | -2.60% | 19,796.56 | 217.46% |
| Paint & Appaloosa | 6,982.86 | 7,169.47 | -2.60% | 2,199.62 | 217.46% |
| <u>Administration</u> | | | | | |
| Thoroughbred | 2,116.02 | 2,172.57 | -2.60% | 2,444.02 | -13.42% |
| Quarterhorse | 1,904.42 | 1,955.31 | -2.60% | 2,199.62 | -13.42% |
| Paint & Appaloosa | 211.60 | 217.26 | -2.61% | 244.40 | -13.42% |
| <u>Benevolence</u> | | | | | |
| Thoroughbred | 1,058.01 | 1,086.28 | -2.60% | 1,222.01 | -13.42% |
| Quarterhorse | 952.21 | 977.66 | -2.60% | 1,099.81 | -13.42% |
| Paint & Appaloosa | 105.80 | 108.63 | -2.61% | 122.18 | -13.41% |
| <u>Promotions</u> | | | | | |
| Thoroughbred | 2,116.02 | 2,172.57 | -2.60% | 2,444.02 | -13.42% |
| Quarterhorse | 1,904.42 | 1,955.31 | -2.60% | 2,199.62 | -13.42% |
| Paint & Appaloosa | 211.60 | 217.26 | -2.61% | 244.40 | -13.42% |
| Licensee | \$846,408.33 | \$869,027.92 | -2.60% | \$977,608.07 | -13.42% |

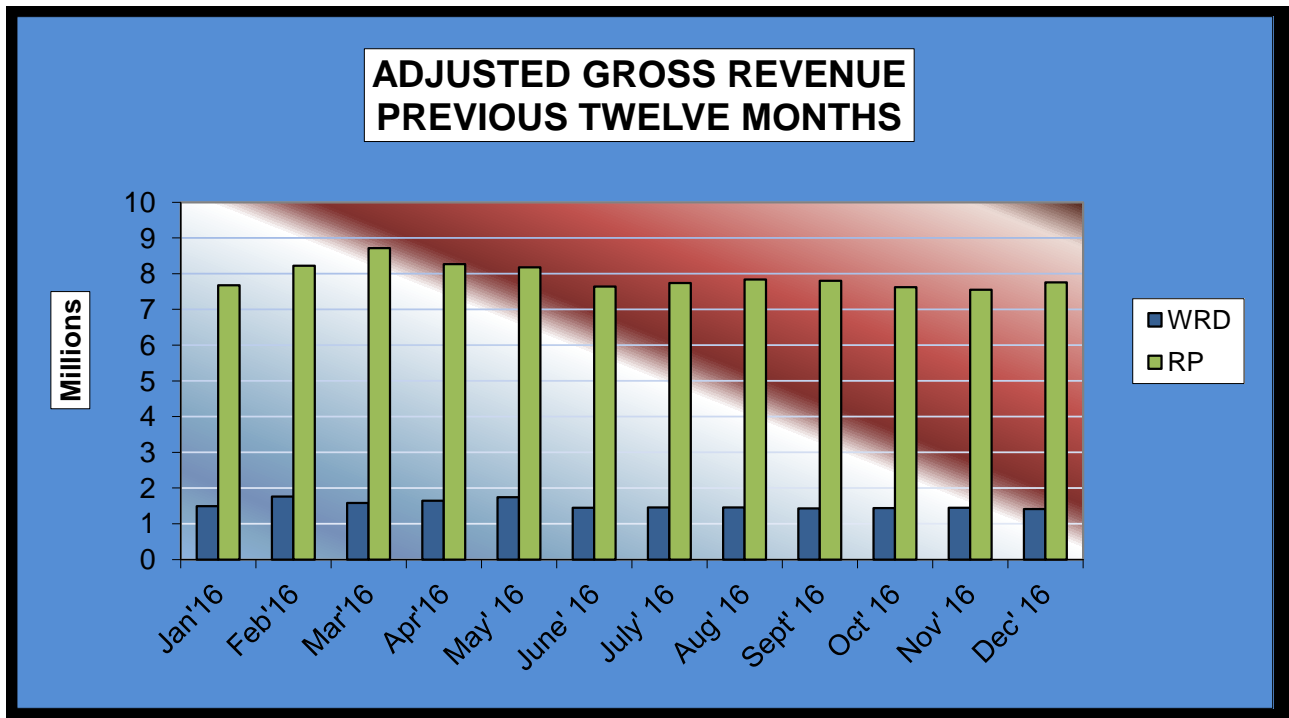


**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Remington Park Revenue
December 2016**

| <u>Remington Park</u> | <u>CURRENT MONTH</u> | <u>PRIOR MONTH</u> | <u>% CHANGE</u> | <u>December 2015</u> | <u>% CHANGE</u> |
|---------------------------|----------------------|--------------------|-----------------|----------------------|-----------------|
| Gaming Days | 31 | 30 | 3.33% | 31 | 0.00% |
| Adjusted Gross Revenue | \$ 7,758,002.71 | \$7,553,016.96 | 2.71% | \$8,006,935.34 | -3.11% |
| State Tax | | | | | |
| General Revenue Fund | 279,288.10 | 271,908.61 | 2.71% | 288,249.66 | -3.11% |
| Education Reform | 2,048,112.72 | 1,993,996.48 | 2.71% | 2,113,830.93 | -3.11% |
| Purse Fund | | | | | |
| <u>Purses</u> | | | | | |
| Thoroughbred | 601,245.21 | 585,358.81 | 2.71% | 620,537.49 | -3.11% |
| Quarterhorse | 450,352.06 | 438,452.63 | 2.71% | 508,040.05 | -11.36% |
| Paint & Appaloosa | 50,039.12 | 48,716.96 | 2.71% | 70,861.38 | -29.38% |
| Breeding Development Fund | | | | | |
| <u>Special Account</u> | | | | | |
| Thoroughbred | 155,160.05 | 151,060.34 | 2.71% | 160,138.71 | -3.11% |
| Quarterhorse | 230,412.68 | 224,324.60 | 2.71% | 194,568.53 | 18.42% |
| Paint & Appaloosa | 25,601.41 | 24,924.96 | 2.71% | 7,206.24 | 255.27% |
| <u>Administration</u> | | | | | |
| Thoroughbred | 7,758.00 | 7,553.02 | 2.71% | 8,006.94 | -3.11% |
| Quarterhorse | 6,982.20 | 6,797.72 | 2.71% | 7,206.24 | -3.11% |
| Paint & Appaloosa | 775.80 | 755.30 | 2.71% | 800.69 | -3.11% |
| <u>Benevolence</u> | | | | | |
| Thoroughbred | 3,879.00 | 3,776.51 | 2.71% | 4,003.47 | -3.11% |
| Quarterhorse | 3,491.10 | 3,398.86 | 2.71% | 3,603.12 | -3.11% |
| Paint & Appaloosa | 387.90 | 377.64 | 2.72% | 400.35 | -3.11% |
| <u>Promotions</u> | | | | | |
| Thoroughbred | 7,758.00 | 7,553.02 | 2.71% | 8,006.94 | -3.11% |
| Quarterhorse | 6,982.20 | 6,797.72 | 2.71% | 7,206.24 | -3.11% |
| Paint & Appaloosa | 775.80 | 755.30 | 2.71% | 800.69 | -3.11% |
| Licensee | \$ 3,879,001.36 | \$3,776,508.48 | 2.71% | \$4,003,467.67 | -3.11% |



Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Prior Twelve Month Graph
December 2016





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