CONTRACT AUDIT

OKLAHOMA HORSE RACING COMMISSION
Audit Report of Gaming Operations
Will Rogers Downs and Remington Park

August 2013

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 2013
September 13, 2013

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 2013. 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,

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Auditor and Inspector Letter</td>
<td>4</td>
</tr>
<tr>
<td>Total Gaming Revenue</td>
<td>5</td>
</tr>
<tr>
<td>Comparison of Prior Month and Prior Year Month</td>
<td>6</td>
</tr>
<tr>
<td>Year To Date Gaming Totals</td>
<td>7</td>
</tr>
<tr>
<td>Will Rogers Downs Revenue</td>
<td>8</td>
</tr>
<tr>
<td>Remington Park Revenue</td>
<td>9</td>
</tr>
<tr>
<td>Prior Twelve Month Graph</td>
<td>10</td>
</tr>
</tbody>
</table>
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. 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 2013.

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,

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

September 13, 2013
## OKLAHOMA STATE AUDITOR & INSPECTOR
### GAMING AT OKLAHOMA HORSE RACING TRACKS
#### AUGUST 2013

<table>
<thead>
<tr>
<th>WILL ROGERS TOTAL</th>
<th>WILL ROGERS DOWNS</th>
<th>WILL ROGERS REMINGTON PARK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaming Days This Month</td>
<td>62</td>
<td>31</td>
</tr>
<tr>
<td>Opening Date</td>
<td>12/09/05</td>
<td>11/21/05</td>
</tr>
</tbody>
</table>

### Adjusted Gross Revenue
- Total: $9,487,663.21
- Will Rogers Downs: $1,536,181.28
- Will Rogers Remington Park: $7,951,481.93

### State Tax
- Higher Education Trust Fund: $256,978.64, $18,434.18, $238,544.46
- Education Reform: $1,884,509.97, $135,183.95, $1,749,326.02

### Purse Fund
**Purses**
- Thoroughbred: $911,632.31, $200,471.65, $711,160.66
- Quarterhorse: $791,376.37, $183,535.27, $607,841.10
- Paint & Appaloosa: $99,559.75, $20,392.81, $79,166.94

**Breeding Development Fund**
- Thoroughbred: $185,212.37, $24,194.86, $161,017.51
- Quarterhorse: $195,783.86, $18,664.60, $177,119.26
- Paint & Appaloosa: $10,124.72, $2,073.84, $8,050.88

**Special Account**
- Administration
  - Thoroughbred: $11,249.69, $2,304.27, $8,945.42
  - Quarterhorse: $10,124.72, $2,073.84, $8,050.88
  - Paint & Appaloosa: $1,124.97, $230.43, $894.54

**Benevolence**
- Thoroughbred: $5,624.84, $1,152.14, $4,472.70
- Quarterhorse: $5,062.36, $1,036.92, $4,025.44
- Paint & Appaloosa: $562.48, $115.21, $447.27

**Promotions**
- Thoroughbred: $11,249.69, $2,304.27, $8,945.42
- Quarterhorse: $10,124.72, $2,073.84, $8,050.88
- Paint & Appaloosa: $1,124.97, $230.43, $894.54

### Licensee
- Total: $5,096,236.78
- Will Rogers Downs: $921,708.77
- Will Rogers Remington Park: $4,174,528.01

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**Graph:**
- Adjusted Gross Revenue, State Tax, Purse, B.D.F.S.A., Administration, Benevolence, Promotion, Licensee

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Page 5
### Gaming Days

<table>
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<tr>
<th></th>
<th>TOTAL</th>
<th>PRIOR MONTH</th>
<th>% CHANGE</th>
<th>PRIOR YEAR</th>
<th>% CHANGE</th>
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<td>62</td>
<td>0.00%</td>
<td>62</td>
<td>0.00%</td>
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### Adjusted Gross Revenue

<p>| | | | | | |</p>
<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$9,487,663.21</td>
<td>$9,041,214.60</td>
<td>4.94%</td>
<td>$9,966,930.50</td>
<td>-4.81%</td>
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### State Tax

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<table>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Higher Education Trust Fund</td>
<td>256,978.64</td>
<td>233,544.20</td>
<td>10.03%</td>
<td>268,181.85</td>
<td>-4.18%</td>
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<td>Education Reform</td>
<td>1,884,509.97</td>
<td>1,712,657.46</td>
<td>10.03%</td>
<td>1,966,666.97</td>
<td>-4.18%</td>
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### Purse Fund

#### Purses

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<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Thoroughbred</td>
<td>911,632.31</td>
<td>886,171.40</td>
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<tr>
<td>Quarterhorse</td>
<td>791,376.37</td>
<td>768,825.64</td>
<td>2.93%</td>
<td>835,603.08</td>
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<tr>
<td>Paint &amp; Appaloosa</td>
<td>99,559.75</td>
<td>96,849.93</td>
<td>2.80%</td>
<td>104,916.81</td>
<td>-5.11%</td>
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</table>

#### Breeding Development Fund

##### Special Account

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Thoroughbred</td>
<td>185,212.37</td>
<td>180,819.33</td>
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<td>Quarterhorse</td>
<td>195,783.86</td>
<td>191,466.01</td>
<td>2.26%</td>
<td>204,673.72</td>
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<td>Paint &amp; Appaloosa</td>
<td>10,124.72</td>
<td>9,849.15</td>
<td>2.80%</td>
<td>10,669.50</td>
<td>-5.11%</td>
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##### Administration

<p>| | | | | | |</p>
<table>
<thead>
<tr>
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<th></th>
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<tbody>
<tr>
<td>Thoroughbred</td>
<td>11,249.69</td>
<td>10,943.49</td>
<td>2.80%</td>
<td>11,855.01</td>
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<tr>
<td>Quarterhorse</td>
<td>10,124.72</td>
<td>9,849.15</td>
<td>2.80%</td>
<td>10,669.50</td>
<td>-5.11%</td>
</tr>
<tr>
<td>Paint &amp; Appaloosa</td>
<td>1,124.97</td>
<td>1,094.35</td>
<td>2.80%</td>
<td>1,185.50</td>
<td>-5.11%</td>
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</table>

##### Benevolence

<p>| | | | | | |</p>
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<thead>
<tr>
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<tbody>
<tr>
<td>Thoroughbred</td>
<td>5,624.84</td>
<td>5,471.75</td>
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<td>5,927.50</td>
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<tr>
<td>Quarterhorse</td>
<td>5,062.36</td>
<td>4,924.57</td>
<td>2.80%</td>
<td>5,334.76</td>
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<tr>
<td>Paint &amp; Appaloosa</td>
<td>562.48</td>
<td>547.18</td>
<td>2.80%</td>
<td>592.75</td>
<td>-5.11%</td>
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##### Promotions

<p>| | | | | | |</p>
<table>
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<tr>
<td>Quarterhorse</td>
<td>10,124.72</td>
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<td>2.80%</td>
<td>10,669.50</td>
<td>-5.11%</td>
</tr>
<tr>
<td>Paint &amp; Appaloosa</td>
<td>1,124.97</td>
<td>1,094.35</td>
<td>2.80%</td>
<td>1,185.50</td>
<td>-5.11%</td>
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### Licensee

<p>| | | | | | |</p>
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<thead>
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</thead>
<tbody>
<tr>
<td>Licensee</td>
<td>$5,096,236.78</td>
<td>$4,906,314.00</td>
<td>3.87%</td>
<td>$5,361,080.42</td>
<td>-4.94%</td>
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![Graph showing Adjusted Gross Revenue and other categories for Gaming at Oklahoma Horse Racing Tracks August 2013](image-url)
GAMING AT OKLAHOMA HORSE RACING TRACKS
AUGUST 2013

<table>
<thead>
<tr>
<th>WILL ROGERS DOWNS</th>
<th>REMINGTON PARK</th>
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<tbody>
<tr>
<td>Gaming Days This Year</td>
<td>486</td>
</tr>
<tr>
<td>Opening Date</td>
<td>12/09/05</td>
</tr>
</tbody>
</table>

Adjusted Gross Revenue
- $76,530,871.74
- $12,929,187.99
- $63,601,683.75

State Tax
- Higher Education Trust Fund
  - Total: 1,343,200.78
  - Remington Park: 1,188,050.53
- Education Reform
  - Total: 9,850,138.94
  - Remington Park: 8,712,370.41

Purse Fund
- Thoroughbred
  - Total: 8,450,009.61
  - Remington Park: 6,980,250.59
- Quarterhorse
  - Total: 7,311,728.44
  - Remington Park: 5,966,138.71
- Paint & Appaloosa
  - Total: 926,556.72
  - Remington Park: 777,046.76

Breeding Development Fund
- Thoroughbred
  - Total: 1,757,818.82
  - Remington Park: 1,580,434.10
- Quarterhorse
  - Total: 1,875,317.13
  - Remington Park: 1,738,477.50
- Paint & Appaloosa
  - Total: 94,226.14
  - Remington Park: 79,021.73

Administration
- Thoroughbred
  - Total: 104,695.67
  - Remington Park: 87,801.89
- Quarterhorse
  - Total: 94,226.14
  - Remington Park: 79,021.73
- Paint & Appaloosa
  - Total: 10,469.57
  - Remington Park: 8,780.19

Benevolence
- Thoroughbred
  - Total: 52,347.84
  - Remington Park: 43,900.93
- Quarterhorse
  - Total: 47,113.03
  - Remington Park: 39,510.84
- Paint & Appaloosa
  - Total: 5,234.78
  - Remington Park: 4,390.08

Promotions
- Thoroughbred
  - Total: 104,695.67
  - Remington Park: 87,801.89
- Quarterhorse
  - Total: 94,226.14
  - Remington Park: 79,021.73
- Paint & Appaloosa
  - Total: 10,469.57
  - Remington Park: 8,780.19

Licensee
- Total: $44,398,396.75
- Remington Park: $36,140,883.95
### Will Rogers Downs

<table>
<thead>
<tr>
<th></th>
<th>CURRENT MONTH</th>
<th>PRIOR MONTH</th>
<th>%</th>
<th>August 2012</th>
<th>%</th>
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<tbody>
<tr>
<td>Gaming Days</td>
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<td>31</td>
<td>0.00%</td>
<td>31</td>
<td>0.00%</td>
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<tr>
<td>Opening Date</td>
<td>12/09/05</td>
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<tr>
<td>Adjusted Gross Revenue</td>
<td>$1,536,181.28</td>
<td>$1,445,513.50</td>
<td>6.27%</td>
<td>$1,712,558.70</td>
<td>-10.30%</td>
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</tbody>
</table>

### State Tax

- Higher Education Trust Fund: $18,434.18 ($17,346.16, 6.27%) vs. $20,550.70 ($150,705.17, -10.30%)
- Education Reform: $135,183.95 ($127,205.19, 6.27%) vs. $150,705.17 ($150,705.17, -10.30%)

### Purse Fund

- **Purses**
  - Thoroughbred: $200,471.65 ($187,497.49, 6.92%) vs. $223,488.91 ($223,488.91, -10.30%)
  - Quarterhorse: $183,535.27 ($171,657.19, 6.92%) vs. $204,607.95 ($204,607.95, -10.30%)
  - Paint & Appaloosa: $20,392.81 ($19,073.03, 6.92%) vs. $22,734.22 ($22,734.22, -10.30%)

- **Breeding Development Fund**
  - Thoroughbred: $24,194.86 ($22,629.01, 6.92%) vs. $26,972.80 ($26,972.80, -10.30%)
  - Quarterhorse: $18,664.60 ($17,456.66, 6.92%) vs. $20,807.59 ($20,807.59, -10.30%)
  - Paint & Appaloosa: $2,073.84 ($1,939.63, 6.92%) vs. $2,311.95 ($2,311.95, -10.30%)

### Administration

- **Thoroughbred**
  - $2,304.27 ($2,155.14, 6.92%) vs. $2,568.84 ($2,568.84, -10.30%)
  - Quarterhorse: $2,073.84 ($1,939.63, 6.92%) vs. $2,311.95 ($2,311.95, -10.30%)
  - Paint & Appaloosa: $230.43 ($215.51, 6.92%) vs. $256.88 ($256.88, -10.30%)

### Benevolence

- **Thoroughbred**
  - $1,152.14 ($1,077.57, 6.92%) vs. $1,284.42 ($1,284.42, -10.30%)
  - Quarterhorse: $1,036.92 ($969.81, 6.92%) vs. $1,155.98 ($1,155.98, -10.30%)
  - Paint & Appaloosa: $115.21 ($107.76, 6.91%) vs. $128.45 ($128.45, -10.31%)

### Promotions

- **Thoroughbred**
  - $2,304.27 ($2,155.14, 6.92%) vs. $2,568.84 ($2,568.84, -10.30%)
  - Quarterhorse: $2,073.84 ($1,939.63, 6.92%) vs. $2,311.95 ($2,311.95, -10.30%)
  - Paint & Appaloosa: $230.43 ($215.51, 6.92%) vs. $256.88 ($256.88, -10.30%)

### Licensee

- $921,708.77 ($869,933.44, 5.95%) vs. $1,027,535.22 ($1,027,535.22, -10.30%)

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**GAMING AT OKLAHOMA HORSE RACING TRACKS**

**AUGUST 2013**

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**OKLAHOMA STATE AUDITOR & INSPECTOR**

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**Thousands**

**Current Month**

**Prior Month**

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**Page 8**
### Remington Park

**Current Month**

- **Gaming Days**: 31
- **Opening Date**: 11/21/05
- **Adjusted Gross Revenue**: $7,951,481.93

**Prior Month**

- **Gaming Days**: 31
- **Opening Date**: 11/21/05
- **Adjusted Gross Revenue**: $7,595,701.10

**% Change**

- **Gross Revenue**: 4.68%
- **Education Reform**: 10.34%
- **Purse Fund - Thoroughbred**: 1.79%
- **Breeding Development Fund - Thoroughbred**: 1.79%
- **Promotions - Thoroughbred**: 1.79%
- **Licensee**: 3.42%

**August 2012**

- **Gross Revenue**: $8,254,371.80
- **Education Reform**: $247,631.15
- **Purse Fund - Thoroughbred**: $738,250.38
- **Breeding Development Fund - Thoroughbred**: $167,151.03
- **Promotions - Thoroughbred**: $9,286.17
- **Licensee**: $4,333,545.20

**% Change**

- **Gross Revenue**: -3.67%
- **Education Reform**: -3.67%
- **Purse Fund - Thoroughbred**: -3.67%
- **Breeding Development Fund - Thoroughbred**: -3.67%
- **Promotions - Thoroughbred**: -3.67%
- **Licensee**: -3.67%

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### State Tax

**Higher Education Trust Fund**

- **Current Month**: $238,544.46
- **Prior Month**: $216,198.04
- **% Change**: 10.34%
- **August 2012**: $247,631.15
- **% Change**: -3.67%

**Education Reform**

- **Current Month**: $1,749,326.02
- **Prior Month**: $1,585,452.27
- **% Change**: 10.34%
- **August 2012**: $1,815,961.80
- **% Change**: -3.67%

---

### Purse Fund

**Purses**

- **Thoroughbred**: $711,160.66
- **Quarterhorse**: $607,841.10
- **Paint & Appaloosa**: $79,166.94

**Special Account**

- **Thoroughbred**: $161,017.51
- **Quarterhorse**: $177,119.26
- **Paint & Appaloosa**: $7,916.64

**Administration**

- **Thoroughbred**: $8,945.42
- **Quarterhorse**: $8,050.88
- **Paint & Appaloosa**: $894.54

**Benevolence**

- **Thoroughbred**: $4,472.70
- **Quarterhorse**: $4,025.44
- **Paint & Appaloosa**: $447.27

**Promotions**

- **Thoroughbred**: $8,945.42
- **Quarterhorse**: $8,050.88
- **Paint & Appaloosa**: $894.54

**Licensee**

- **Current Month**: $4,174,528.01
- **Prior Month**: $4,036,380.56
- **% Change**: 3.42%
- **August 2012**: $4,333,545.20
- **% Change**: -3.67%