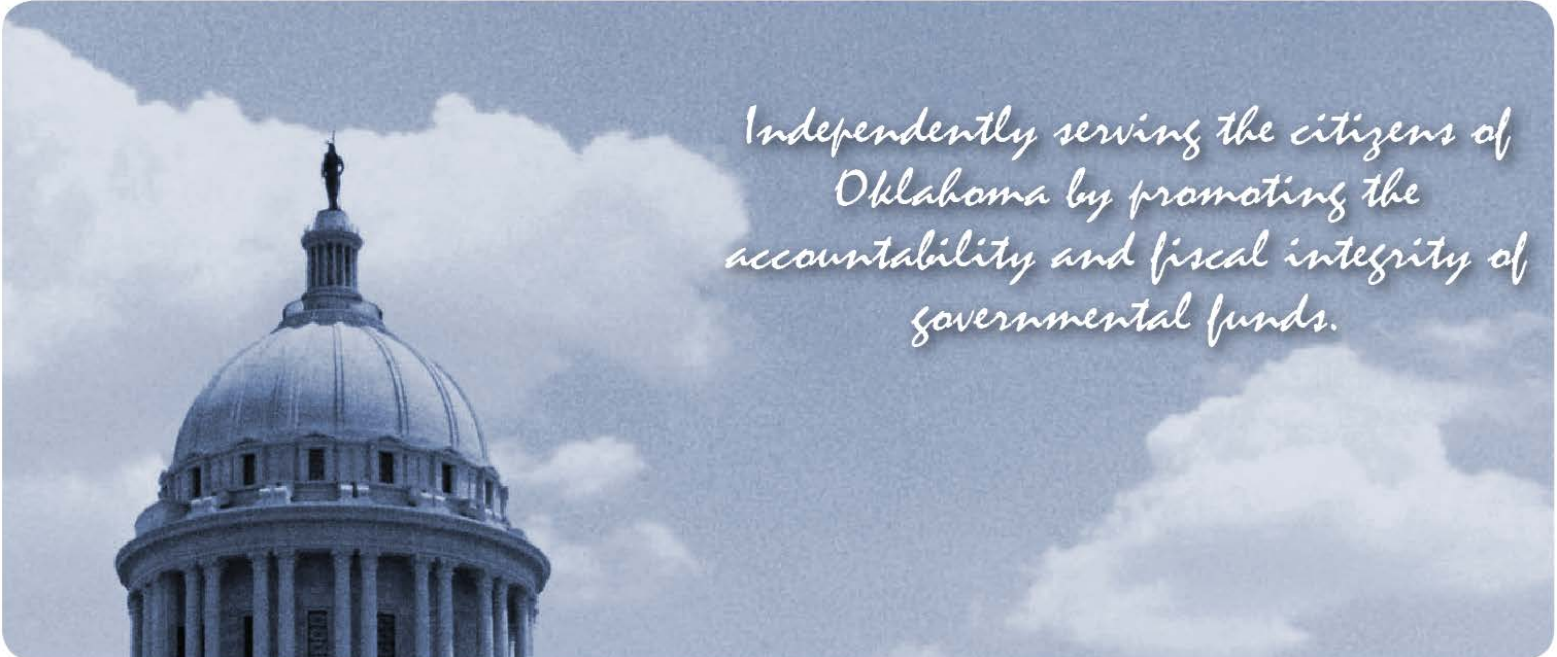


CONTRACT AUDIT

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

October 2017



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

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

November 15, 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 October 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 written in a cursive style.

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 October 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 October 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.

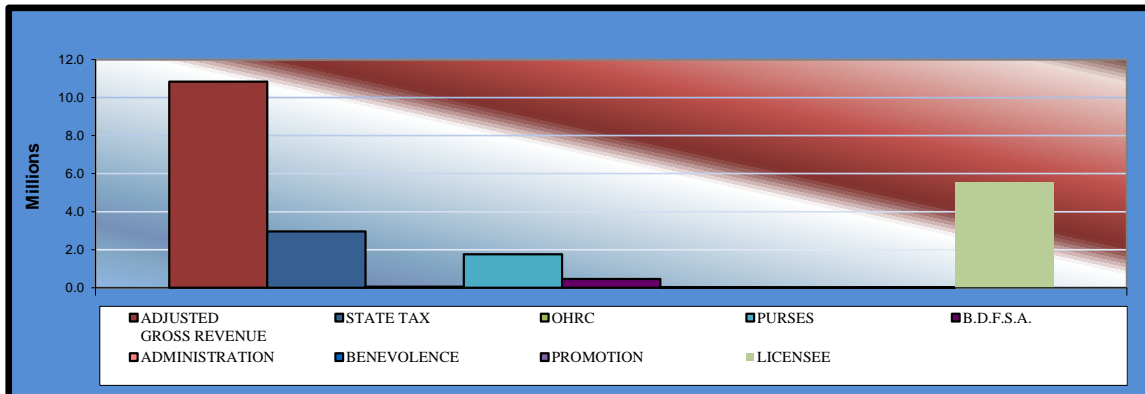
Sincerely,

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

November 15, 2017

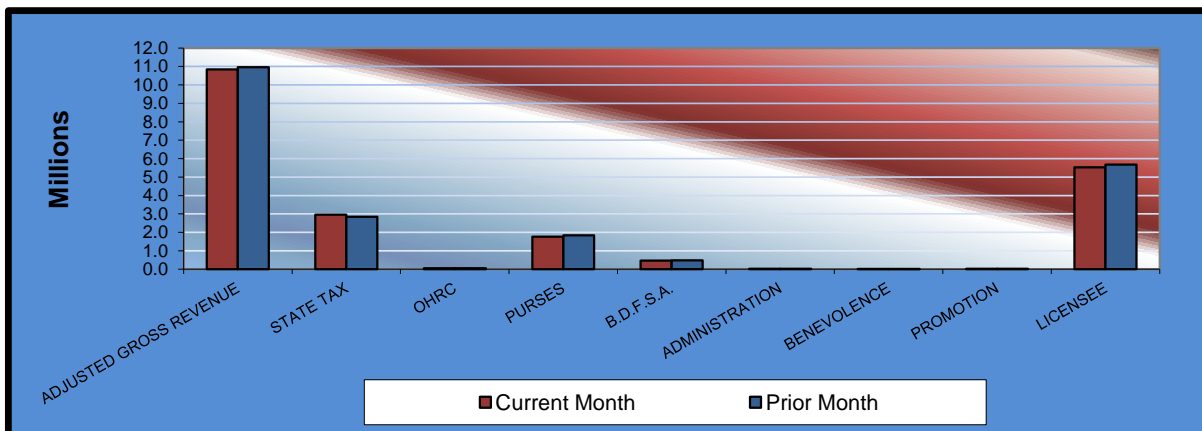
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Total Gaming Revenue October 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Month	62	31	31
Adjusted Gross Revenue	<u>\$10,838,825.10</u>	<u>\$1,443,159.59</u>	<u>\$9,395,665.51</u>
State Tax			
General Revenue Fund	355,561.92	17,317.96	338,243.96
Education Reform	2,607,453.73	126,998.04	2,480,455.69
Oklahoma Horse Racing Commission	54,194.10	7,215.80	46,978.30
Purse Fund			
<u>Purses</u>			
Thoroughbred	905,824.86	186,762.83	719,062.03
Quarterhorse	759,687.74	170,984.70	588,703.04
Paint & Appaloosa	95,543.61	18,998.30	76,545.31
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	208,104.74	22,540.34	185,564.40
Quarterhorse	242,849.00	17,388.26	225,460.74
Paint & Appaloosa	15,849.36	1,932.03	13,917.33
<u>Administration</u>			
Thoroughbred	11,424.92	2,146.70	9,278.22
Quarterhorse	10,282.41	1,932.01	8,350.40
Paint & Appaloosa	1,142.49	214.67	927.82
<u>Benevolence</u>			
Thoroughbred	5,712.46	1,073.35	4,639.11
Quarterhorse	5,141.21	966.01	4,175.20
Paint & Appaloosa	571.26	107.35	463.91
<u>Promotions</u>			
Thoroughbred	11,424.92	2,146.70	9,278.22
Quarterhorse	10,282.41	1,932.01	8,350.40
Paint & Appaloosa	1,142.49	214.67	927.82
Licensee	\$5,536,631.47	\$862,287.86	\$4,674,343.61



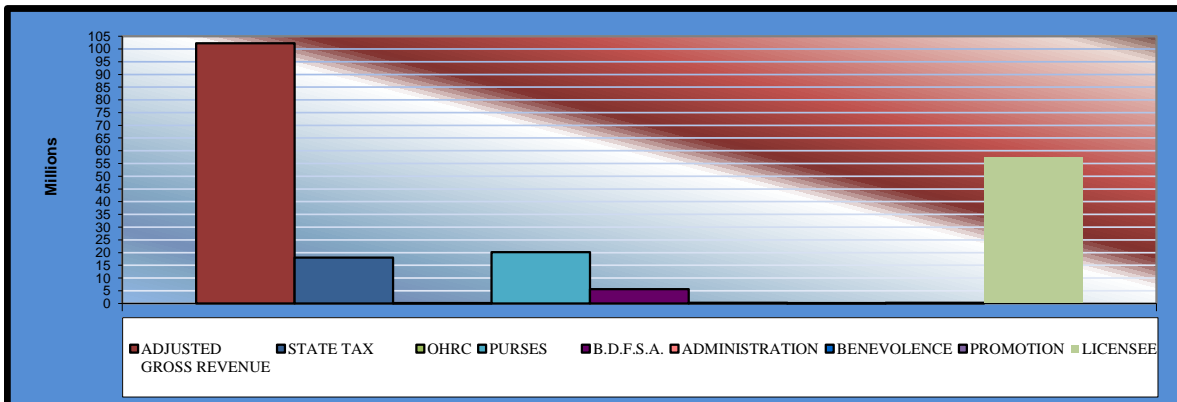
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Comparison of Prior Month and Prior Year Month October 2017

	<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	\$10,838,825.10	\$10,962,814.77	-1.13%	\$9,062,603.03	19.60%
State Tax					
General Revenue Fund	355,561.92	341,779.93	4.03%	291,765.58	21.87%
Education Reform	2,607,453.73	2,506,386.17	4.03%	2,139,614.20	21.87%
Oklahoma Horse Racing Commission					
	54,194.10	54,814.08	-1.13%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	905,824.86	946,858.95	-4.33%	778,513.03	16.35%
Quarterhorse	759,687.74	795,131.96	-4.46%	567,793.19	33.80%
Paint & Appaloosa	95,543.61	99,821.44	-4.29%	63,088.13	51.44%
<u>Breeding Development Fund</u>					
<u>Special Account</u>					
Thoroughbred	208,104.74	216,069.90	-3.69%	175,144.79	18.82%
Quarterhorse	242,849.00	251,504.00	-3.44%	290,498.84	-16.40%
Paint & Appaloosa	15,849.36	16,471.45	-3.78%	32,277.65	-50.90%
<u>Administration</u>					
Thoroughbred	11,424.92	11,927.47	-4.21%	9,781.11	16.81%
Quarterhorse	10,282.41	10,734.73	-4.21%	8,803.00	16.81%
Paint & Appaloosa	1,142.49	1,192.76	-4.21%	978.11	16.81%
<u>Benevolence</u>					
Thoroughbred	5,712.46	5,963.74	-4.21%	4,890.55	16.81%
Quarterhorse	5,141.21	5,367.36	-4.21%	4,401.50	16.81%
Paint & Appaloosa	571.26	596.37	-4.21%	489.06	16.81%
<u>Promotions</u>					
Thoroughbred	11,424.92	11,927.47	-4.21%	9,781.11	16.81%
Quarterhorse	10,282.41	10,734.73	-4.21%	8,803.00	16.81%
Paint & Appaloosa	1,142.49	1,192.76	-4.21%	978.11	16.81%
Licensee	\$5,536,631.47	\$5,674,339.50	-2.43%	\$4,675,002.07	18.43%



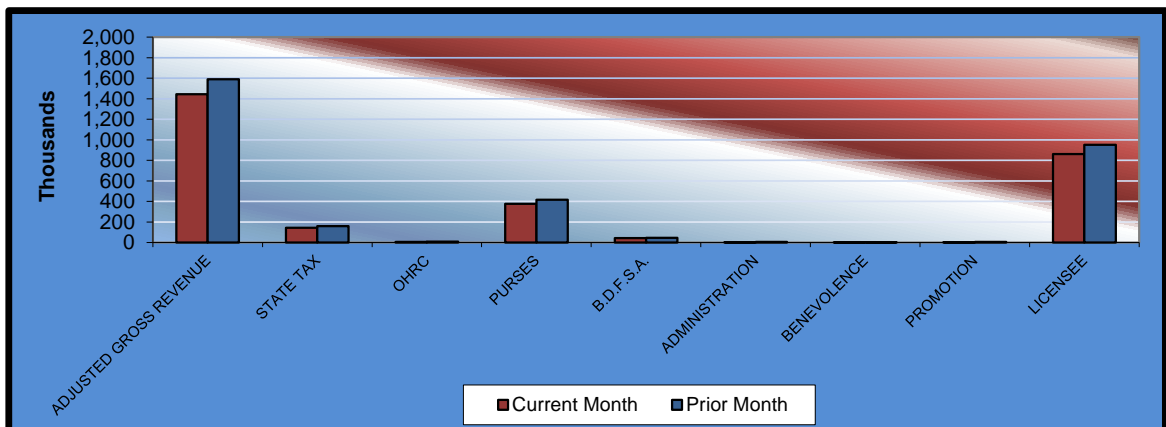
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Year to Date Gaming Totals October 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Year	608	304	304
Adjusted Gross Revenue	<u>\$102,257,525.59</u>	<u>\$15,940,293.44</u>	<u>\$86,317,232.15</u>
State Tax			
General Revenue Fund	2,158,703.93	191,283.56	1,967,420.37
Education Reform	15,830,495.06	1,402,745.79	14,427,749.27
Oklahoma Horse Racing Commission	221,987.09	31,002.73	190,984.36
Purse Fund			
<u>Purses</u>			
Thoroughbred	10,446,047.33	1,855,965.07	8,590,082.26
Quarterhorse	8,633,193.61	1,658,719.86	6,974,473.75
Paint & Appaloosa	1,079,293.72	184,302.20	894,991.52
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	2,440,791.28	223,995.85	2,216,795.43
Quarterhorse	2,964,961.21	213,245.03	2,751,716.18
Paint & Appaloosa	209,390.11	23,693.88	185,696.23
<u>Administration</u>			
Thoroughbred	132,172.71	21,332.93	110,839.78
Quarterhorse	118,955.44	19,199.64	99,755.80
Paint & Appaloosa	13,217.30	2,133.34	11,083.96
<u>Benevolence</u>			
Thoroughbred	66,086.37	10,666.48	55,419.89
Quarterhorse	59,477.72	9,599.82	49,877.90
Paint & Appaloosa	6,608.66	1,066.67	5,541.99
<u>Promotions</u>			
Thoroughbred	132,172.70	21,332.93	110,839.77
Quarterhorse	118,955.44	19,199.64	99,755.80
Paint & Appaloosa	13,217.28	2,133.32	11,083.96
Licensee	\$57,611,798.63	\$10,048,674.70	\$47,563,123.93



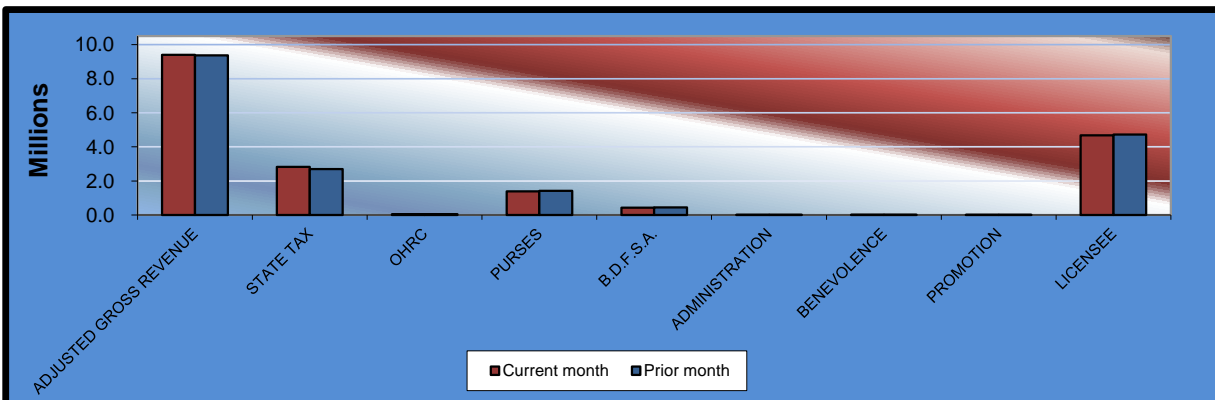
Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Will Rogers Downs Revenue
October 2017

<u>Will Rogers Downs</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>October 2016</u>	<u>% CHANGE</u>
Gaming Days	31	30	3.33%	31	0.00%
Adjusted Gross Revenue	\$1,443,159.59	\$1,590,772.76	-9.28%	\$1,437,005.59	0.43%
State Tax					
General Revenue Fund	17,317.96	19,089.27	-9.28%	17,244.07	0.43%
Education Reform	126,998.04	139,988.00	-9.28%	126,456.48	0.43%
Oklahoma Horse Racing Commission	7,215.80	7,953.86	-9.28%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	186,762.83	205,865.88	-9.28%	187,529.23	-0.41%
Quarterhorse	170,984.70	188,473.76	-9.28%	125,127.26	36.65%
Paint & Appaloosa	18,998.30	20,941.53	-9.28%	13,903.03	36.65%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	22,540.34	24,845.88	-9.28%	22,632.84	-0.41%
Quarterhorse	17,388.26	19,166.82	-9.28%	64,018.60	-72.84%
Paint & Appaloosa	1,932.03	2,129.65	-9.28%	7,113.18	-72.84%
<u>Administration</u>					
Thoroughbred	2,146.70	2,366.27	-9.28%	2,155.51	-0.41%
Quarterhorse	1,932.01	2,129.65	-9.28%	1,939.96	-0.41%
Paint & Appaloosa	214.67	236.64	-9.28%	215.55	-0.41%
<u>Benevolence</u>					
Thoroughbred	1,073.35	1,183.14	-9.28%	1,077.75	-0.41%
Quarterhorse	966.01	1,064.82	-9.28%	969.98	-0.41%
Paint & Appaloosa	107.35	118.31	-9.26%	107.78	-0.40%
<u>Promotions</u>					
Thoroughbred	2,146.70	2,366.27	-9.28%	2,155.51	-0.41%
Quarterhorse	1,932.01	2,129.65	-9.28%	1,939.96	-0.41%
Paint & Appaloosa	214.67	236.64	-9.28%	215.55	-0.41%
Licensee	\$862,287.86	\$950,486.72	-9.28%	\$862,203.35	0.01%

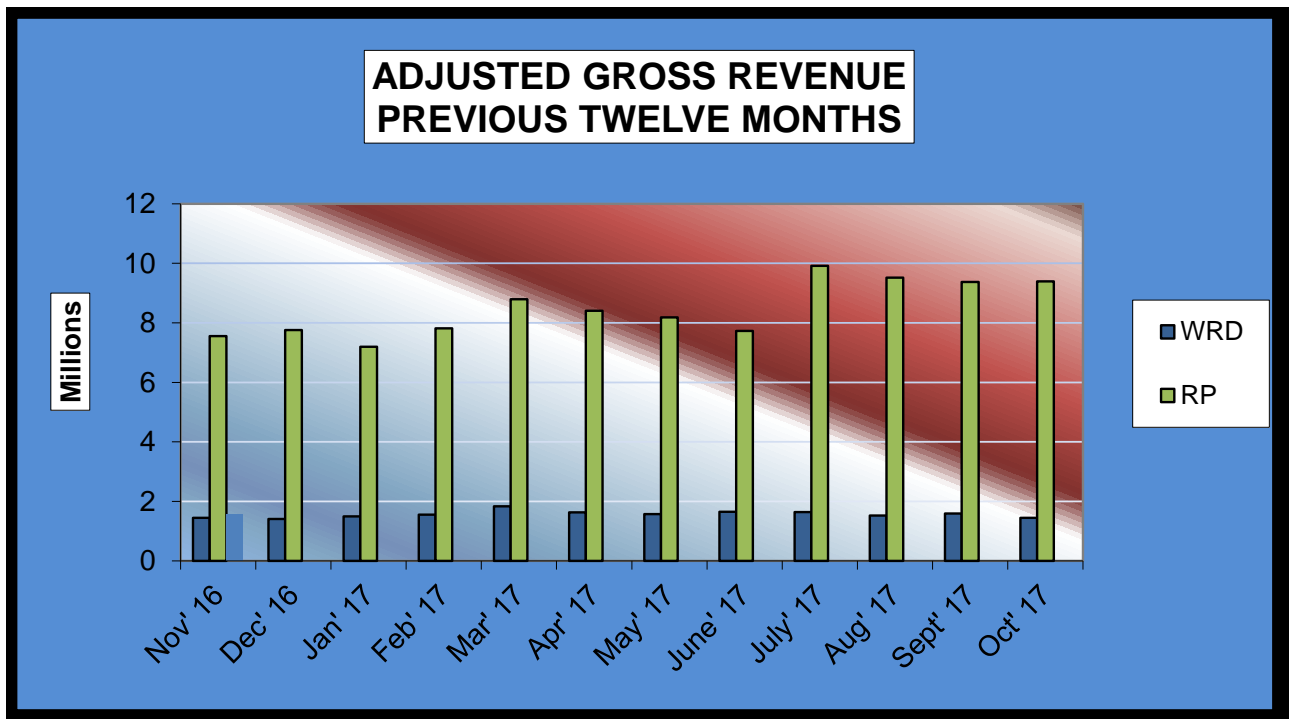


**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Remington Park Revenue
October 2017**

<u>Remington Park</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>October 2016</u>	<u>% CHANGE</u>
Gaming Days	31	30	3.33%	31	0.00%
Adjusted Gross Revenue	\$ 9,395,665.51	\$ 9,372,042.01	0.25%	\$7,625,597.44	23.21%
State Tax					
General Revenue Fund	338,243.96	322,690.66	4.82%	274,521.51	23.21%
Education Reform	2,480,455.69	2,366,398.17	4.82%	2,013,157.72	23.21%
Oklahoma Horse Racing Commission					
	46,978.30	46,860.22	0.25%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	719,062.03	740,993.07	-2.96%	590,983.80	21.67%
Quarterhorse	588,703.04	606,658.20	-2.96%	442,665.93	32.99%
Paint & Appaloosa	76,545.31	78,879.91	-2.96%	49,185.10	55.63%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	185,564.40	191,224.02	-2.96%	152,511.95	21.67%
Quarterhorse	225,460.74	232,337.18	-2.96%	226,480.24	-0.45%
Paint & Appaloosa	13,917.33	14,341.80	-2.96%	25,164.47	-44.69%
<u>Administration</u>					
Thoroughbred	9,278.22	9,561.20	-2.96%	7,625.60	21.67%
Quarterhorse	8,350.40	8,605.08	-2.96%	6,863.04	21.67%
Paint & Appaloosa	927.82	956.12	-2.96%	762.56	21.67%
<u>Benevolence</u>					
Thoroughbred	4,639.11	4,780.60	-2.96%	3,812.80	21.67%
Quarterhorse	4,175.20	4,302.54	-2.96%	3,431.52	21.67%
Paint & Appaloosa	463.91	478.06	-2.96%	381.28	21.67%
<u>Promotions</u>					
Thoroughbred	9,278.22	9,561.20	-2.96%	7,625.60	21.67%
Quarterhorse	8,350.40	8,605.08	-2.96%	6,863.04	21.67%
Paint & Appaloosa	927.82	956.12	-2.96%	762.56	21.67%
Licensee	\$ 4,674,343.61	\$ 4,723,852.78	-1.05%	\$3,812,798.72	22.60%



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





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