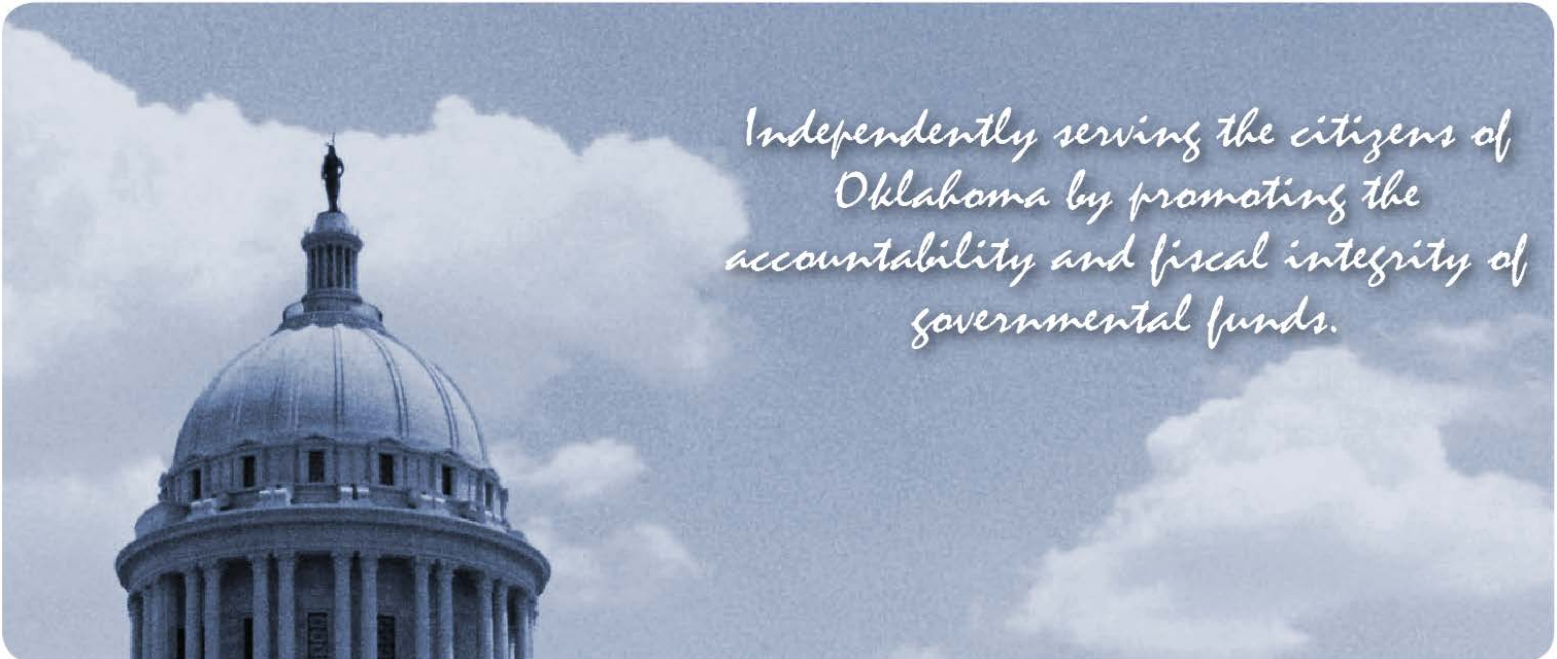


CONTRACT AUDIT

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

June 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
REVISED AUDIT REPORT OF GAMING OPERATIONS
WILL ROGERS DOWNS AND REMINGTON PARK
JUNE 2017**

This publication, issued by the Oklahoma State Auditor and Inspector's Office as authorized by 74 O.S. § 212, has not been printed, but is available on the agency's website (www.sai.ok.gov) and in the Oklahoma Department of Libraries Publications Clearinghouse Digital Collection (<http://digitalprairie.ok.gov/cdm/search/collection/audits/>) pursuant to 65 O.S. § 3-114.



Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

October 16, 2017

**TO THE MEMBERS OF THE OKLAHOMA
HORSE RACING COMMISSION**

Transmitted herewith is the Revised Audit Report of Gaming Operations for Will Rogers Downs and Remington Park for the month of June 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 June 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 June 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 262 B. of the Oklahoma State Statutes, effective July 1, 2017, allows twenty-four hour gaming at gaming facilities. Remington Park is the only gaming facility that has chosen to implement the change. Originally, Remington Park's slot accounting system included gaming revenue from the six-hour time period, midnight to 6:00 AM on July 1, 2017, in the June 30, 2017 Adjusted Gross Revenue. Remington Park has since determined this revenue should be included in the Adjusted Gross Revenue for July 1, 2017 to insure compliance with the new statutes. Therefore, they have adjusted that revenue from June 30, 2017 to July 1, 2017. The corrected June 30, 2017 Adjusted Gross Revenue now only includes gaming revenue through midnight on June 30, 2017. We have reviewed Remington Park's adjustments to the Adjusted Gross Revenue and believe they are reasonable.

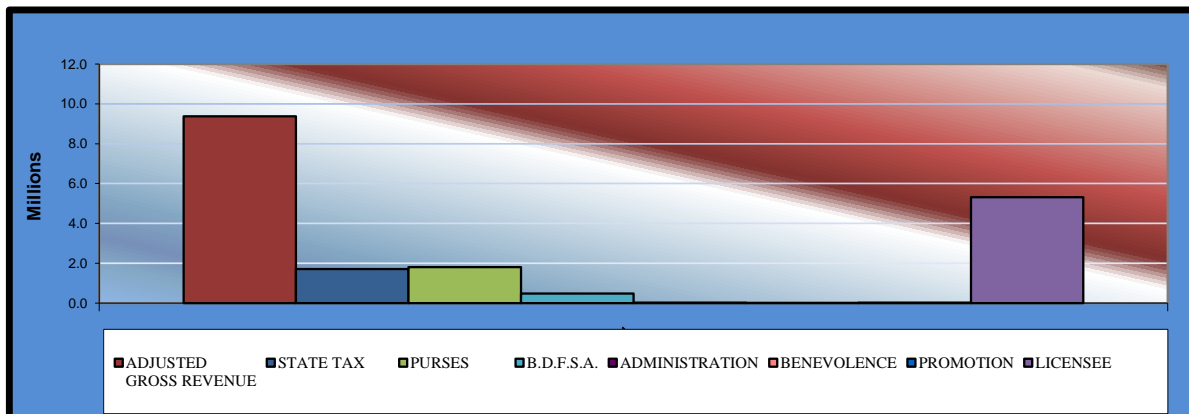
Sincerely,

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

October 16, 2017

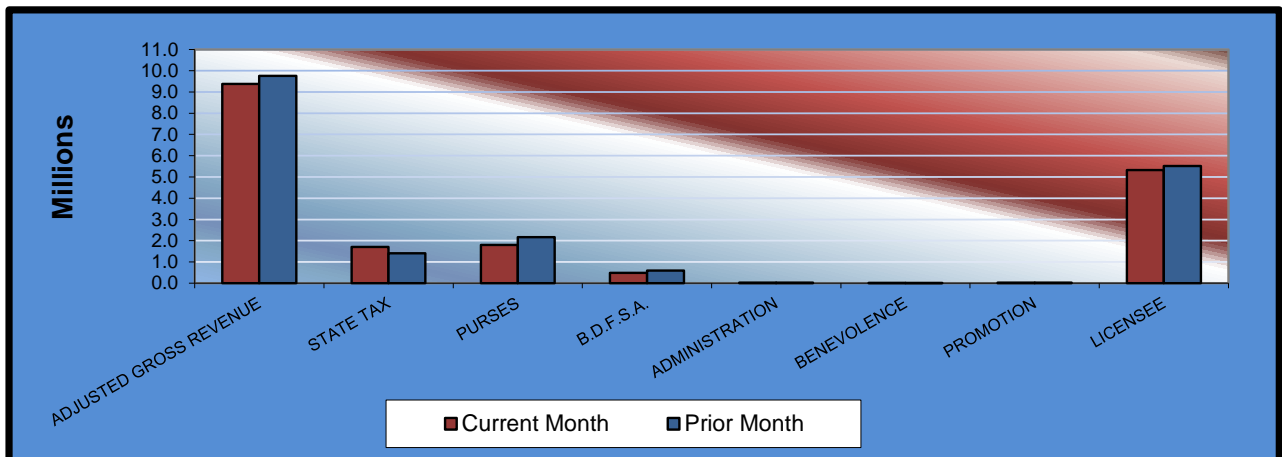
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Total Gaming Revenue June 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Month	60	30	30
Adjusted Gross Revenue	<u>\$9,374,644.32</u>	<u>\$1,648,723.97</u>	<u>\$7,725,920.35</u>
State Tax			
General Revenue Fund	205,206.78	19,784.69	185,422.09
Education Reform	1,504,849.68	145,087.70	1,359,761.98
Purse Fund			
<u>Purses</u>			
Thoroughbred	927,747.28	179,298.75	748,448.53
Quarterhorse	776,913.15	164,151.09	612,762.06
Paint & Appaloosa	97,912.56	18,239.01	79,673.55
Breeding Development Fund			
<u>Special Account</u>			
Thoroughbred	214,787.51	21,639.50	193,148.01
Quarterhorse	251,368.16	16,693.33	234,674.83
Paint & Appaloosa	16,340.91	1,854.81	14,486.10
<u>Administration</u>			
Thoroughbred	11,718.30	2,060.90	9,657.40
Quarterhorse	10,546.47	1,854.81	8,691.66
Paint & Appaloosa	1,171.83	206.09	965.74
<u>Benevolence</u>			
Thoroughbred	5,859.15	1,030.45	4,828.70
Quarterhorse	5,273.24	927.41	4,345.83
Paint & Appaloosa	585.92	103.05	482.87
<u>Promotions</u>			
Thoroughbred	11,718.30	2,060.90	9,657.40
Quarterhorse	10,546.47	1,854.81	8,691.66
Paint & Appaloosa	1,171.83	206.09	965.74
Licensee	\$5,320,926.78	\$1,071,670.58	\$4,249,256.20



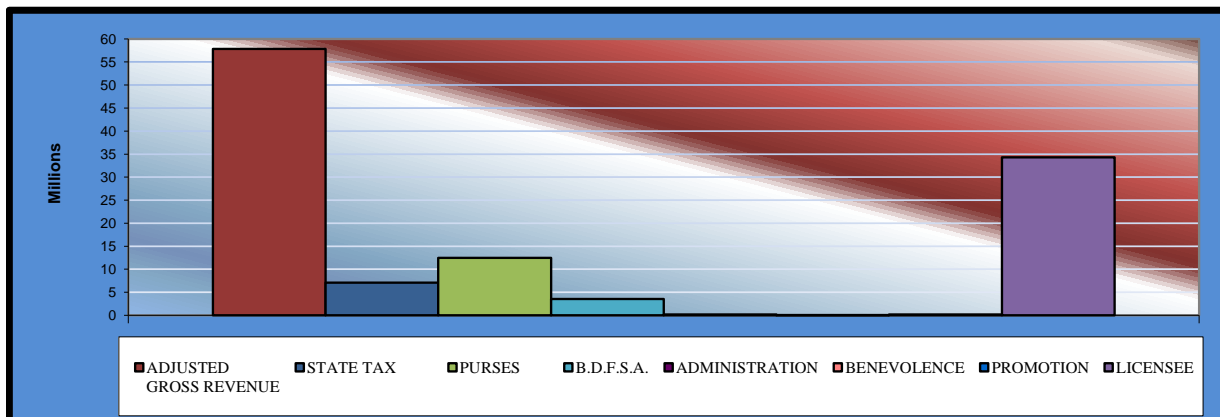
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Comparison of Prior Month and Prior Year Month
June 2017**

	<u>TOTAL</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>PRIOR YEAR</u>	<u>% CHANGE</u>
Gaming Days	60	62	-3.23%	60	0.00%
Adjusted Gross Revenue	\$9,374,644.32	\$9,753,713.90	-3.89%	\$9,087,299.79	3.16%
State Tax					
General Revenue Fund	205,206.78	168,508.86	21.78%	200,733.34	2.23%
Education Reform	1,504,849.68	1,235,731.67	21.78%	1,472,044.53	2.23%
Purse Fund					
<u>Purses</u>					
Thoroughbred	927,747.28	1,114,446.28	-16.75%	897,513.17	3.37%
Quarterhorse	776,913.15	928,944.72	-16.37%	750,034.59	3.58%
Paint & Appaloosa	97,912.56	117,827.05	-16.90%	100,528.26	-2.60%
<u>Breeding Development Fund</u>					
<u>Special Account</u>					
Thoroughbred	214,787.51	264,132.56	-18.68%	210,001.49	2.28%
Quarterhorse	251,368.16	311,776.22	-19.38%	246,728.61	1.88%
Paint & Appaloosa	16,340.91	20,030.82	-18.42%	10,223.21	59.84%
<u>Administration</u>					
Thoroughbred	11,718.30	14,139.27	-17.12%	11,359.13	3.16%
Quarterhorse	10,546.47	12,725.34	-17.12%	10,223.21	3.16%
Paint & Appaloosa	1,171.83	1,413.92	-17.12%	1,135.91	3.16%
<u>Benevolence</u>					
Thoroughbred	5,859.15	7,069.64	-17.12%	5,679.56	3.16%
Quarterhorse	5,273.24	6,362.67	-17.12%	5,111.61	3.16%
Paint & Appaloosa	585.92	706.96	-17.12%	567.95	3.16%
<u>Promotions</u>					
Thoroughbred	11,718.30	14,139.27	-17.12%	11,359.13	3.16%
Quarterhorse	10,546.47	12,725.34	-17.12%	10,223.21	3.16%
Paint & Appaloosa	1,171.83	1,413.92	-17.12%	1,135.91	3.16%
Licensee	\$5,320,926.78	\$5,521,619.39	-3.63%	\$5,142,696.97	3.47%



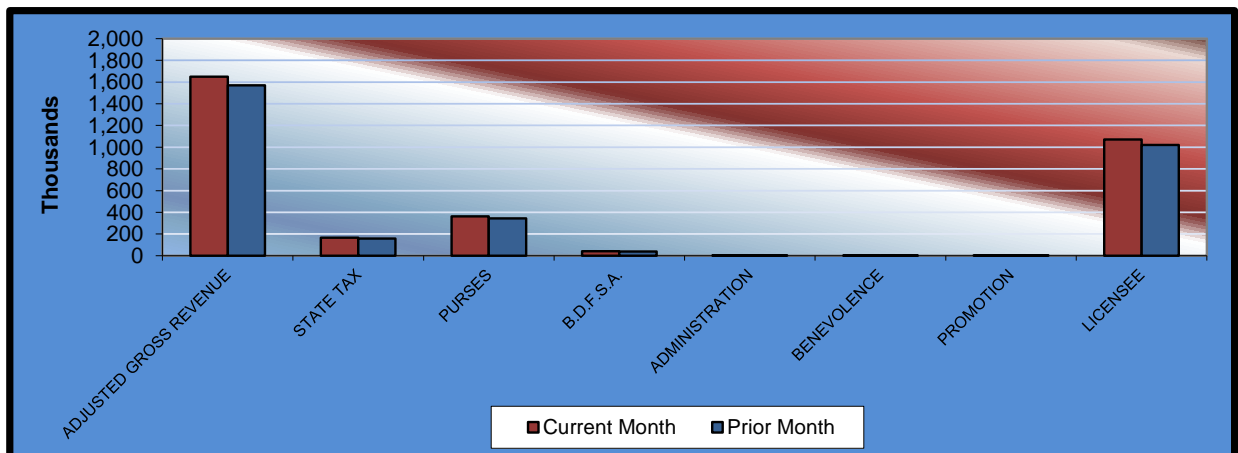
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Year to Date Gaming Totals June 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Year	362	181	181
Adjusted Gross Revenue	<u>\$57,860,104.24</u>	<u>\$9,739,747.39</u>	<u>\$48,120,356.85</u>
State Tax			
General Revenue Fund	851,765.53	116,876.96	734,888.57
Education Reform	6,246,280.55	857,097.75	5,389,182.80
Purse Fund			
<u>Purses</u>			
Thoroughbred	6,495,857.11	1,059,197.55	5,436,659.56
Quarterhorse	5,322,001.34	929,265.27	4,392,736.07
Paint & Appaloosa	662,556.28	103,251.69	559,304.59
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	1,530,843.14	127,834.22	1,403,008.92
Quarterhorse	1,902,028.81	139,063.23	1,762,965.58
Paint & Appaloosa	140,113.70	15,451.45	124,662.25
<u>Administration</u>			
Thoroughbred	82,325.14	12,174.68	70,150.46
Quarterhorse	74,092.62	10,957.22	63,135.40
Paint & Appaloosa	8,232.52	1,217.49	7,015.03
<u>Benevolence</u>			
Thoroughbred	41,162.57	6,087.34	35,075.23
Quarterhorse	37,046.31	5,478.61	31,567.70
Paint & Appaloosa	4,116.26	608.74	3,507.52
<u>Promotions</u>			
Thoroughbred	82,325.13	12,174.68	70,150.45
Quarterhorse	74,092.62	10,957.22	63,135.40
Paint & Appaloosa	8,232.52	1,217.49	7,015.03
Licensee	\$34,297,032.09	\$6,330,835.80	\$27,966,196.29



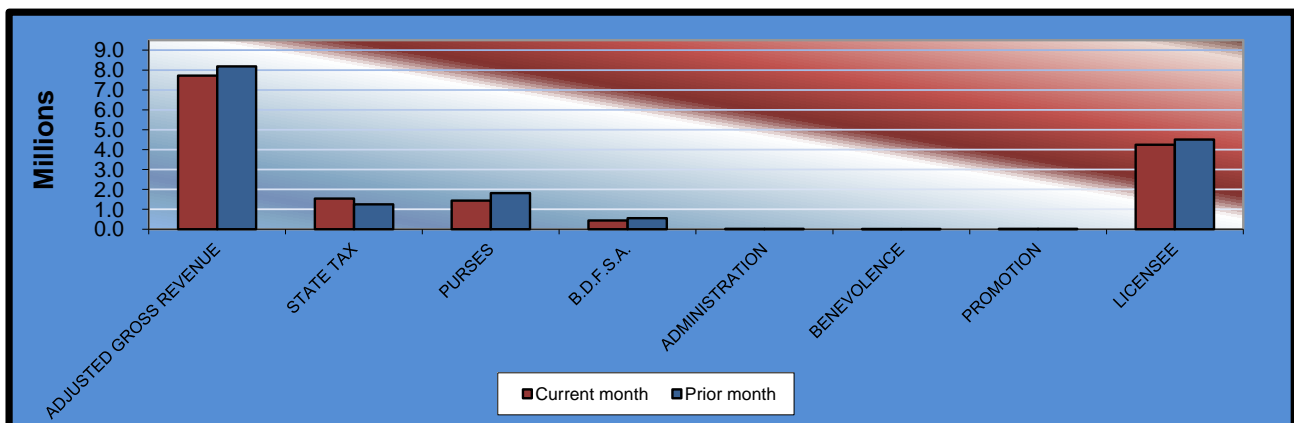
**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Will Rogers Downs Revenue
June 2017**

<u>Will Rogers Downs</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>June 2016</u>	<u>% CHANGE</u>
Gaming Days	30	31	-3.23%	30	0.00%
Adjusted Gross Revenue	\$1,648,723.97	\$1,570,767.45	4.96%	\$1,446,820.86	13.95%
State Tax					
General Revenue Fund	19,784.69	18,849.20	4.96%	17,361.85	13.95%
Education Reform	145,087.70	138,227.53	4.96%	127,320.24	13.95%
Purse Fund					
<u>Purses</u>					
Thoroughbred	179,298.75	170,820.96	4.96%	157,341.77	13.95%
Quarterhorse	164,151.09	156,389.54	4.96%	144,049.10	13.95%
Paint & Appaloosa	18,239.01	17,376.61	4.96%	16,005.46	13.95%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	21,639.50	20,616.35	4.96%	18,989.52	13.95%
Quarterhorse	16,693.33	15,904.02	4.96%	14,649.06	13.95%
Paint & Appaloosa	1,854.81	1,767.10	4.96%	1,627.67	13.95%
<u>Administration</u>					
Thoroughbred	2,060.90	1,963.46	4.96%	1,808.53	13.95%
Quarterhorse	1,854.81	1,767.11	4.96%	1,627.67	13.95%
Paint & Appaloosa	206.09	196.35	4.96%	180.85	13.96%
<u>Benevolence</u>					
Thoroughbred	1,030.45	981.73	4.96%	904.26	13.96%
Quarterhorse	927.41	883.56	4.96%	813.84	13.95%
Paint & Appaloosa	103.05	98.17	4.97%	90.43	13.96%
<u>Promotions</u>					
Thoroughbred	2,060.90	1,963.46	4.96%	1,808.53	13.95%
Quarterhorse	1,854.81	1,767.11	4.96%	1,627.67	13.95%
Paint & Appaloosa	206.09	196.35	4.96%	180.85	13.96%
Licensee	\$1,071,670.58	\$1,020,998.84	4.96%	\$940,433.56	13.95%

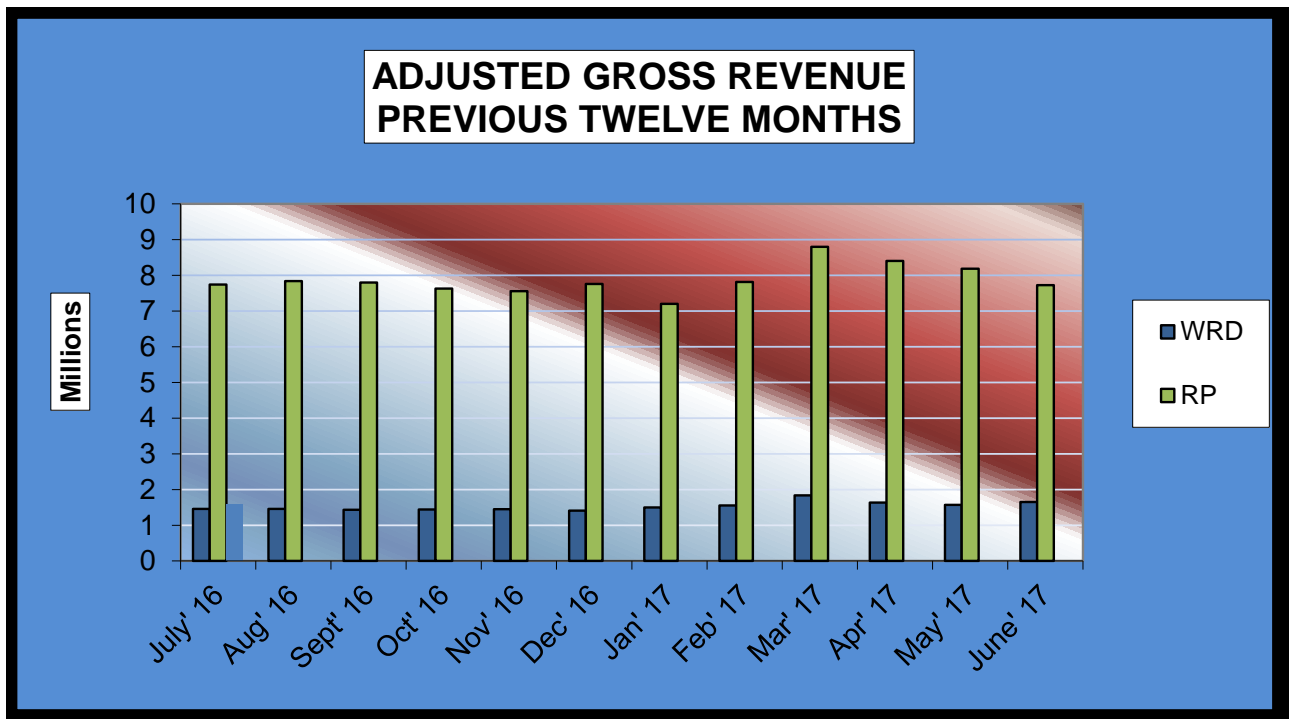


Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Remington Park Revenue June 2017

<u>Remington Park</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>June 2016</u>	<u>% CHANGE</u>
Gaming Days	30	31	-3.23%	30	0.00%
Adjusted Gross Revenue	\$ 7,725,920.35	\$8,182,946.45	-5.59%	\$7,640,478.93	1.12%
State Tax					
General Revenue Fund	185,422.09	149,659.66	23.90%	183,371.49	1.12%
Education Reform	1,359,761.98	1,097,504.14	23.90%	1,344,724.29	1.12%
Purse Fund					
<u>Purses</u>					
Thoroughbred	748,448.53	943,625.32	-20.68%	740,171.40	1.12%
Quarterhorse	612,762.06	772,555.18	-20.68%	605,985.49	1.12%
Paint & Appaloosa	79,673.55	100,450.44	-20.68%	84,522.80	-5.74%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	193,148.01	243,516.21	-20.68%	191,011.97	1.12%
Quarterhorse	234,674.83	295,872.20	-20.68%	232,079.55	1.12%
Paint & Appaloosa	14,486.10	18,263.72	-20.68%	8,595.54	68.53%
<u>Administration</u>					
Thoroughbred	9,657.40	12,175.81	-20.68%	9,550.60	1.12%
Quarterhorse	8,691.66	10,958.23	-20.68%	8,595.54	1.12%
Paint & Appaloosa	965.74	1,217.57	-20.68%	955.06	1.12%
<u>Benevolence</u>					
Thoroughbred	4,828.70	6,087.91	-20.68%	4,775.30	1.12%
Quarterhorse	4,345.83	5,479.11	-20.68%	4,297.77	1.12%
Paint & Appaloosa	482.87	608.79	-20.68%	477.52	1.12%
<u>Promotions</u>					
Thoroughbred	9,657.40	12,175.81	-20.68%	9,550.60	1.12%
Quarterhorse	8,691.66	10,958.23	-20.68%	8,595.54	1.12%
Paint & Appaloosa	965.74	1,217.57	-20.68%	955.06	1.12%
Licensee	\$ 4,249,256.20	\$4,500,620.55	-5.59%	\$4,202,263.41	1.12%



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





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