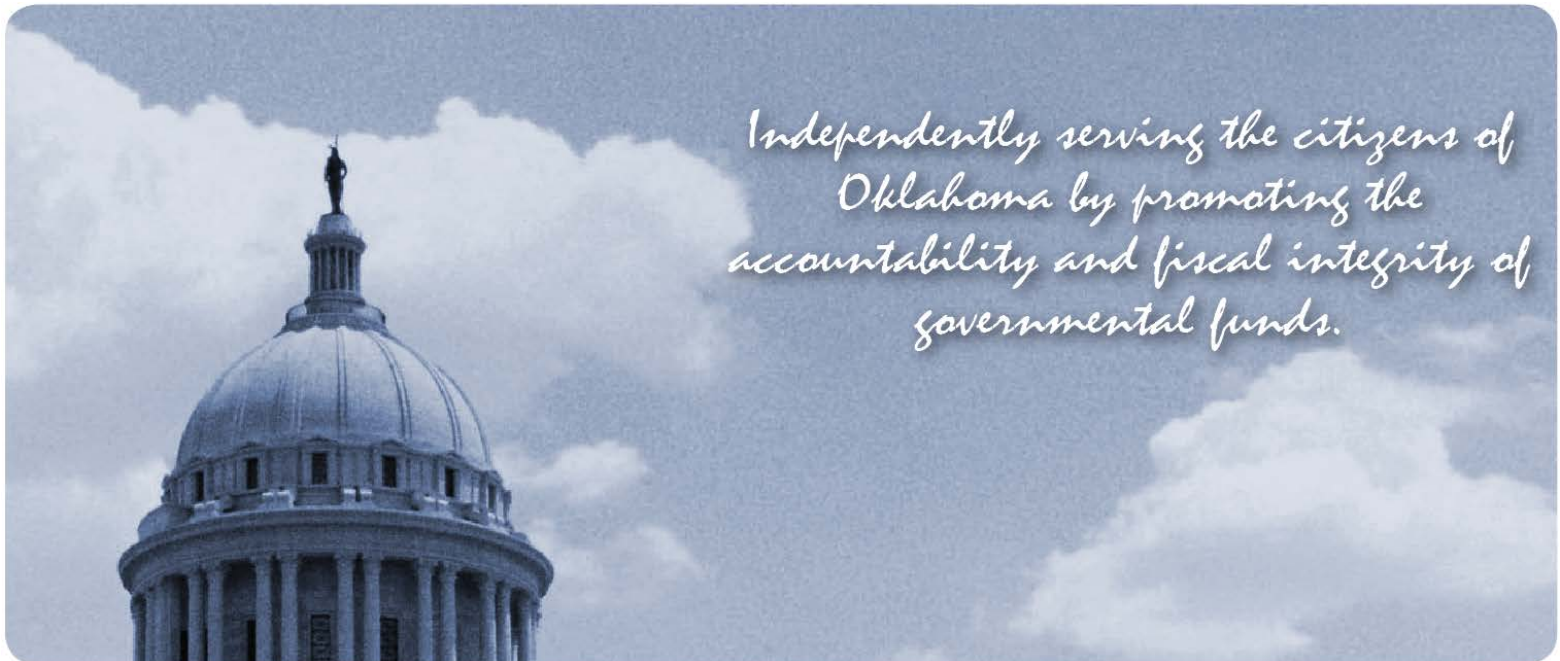


CONTRACT AUDIT

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

September 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
SEPTEMBER 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

October 27, 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 September 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 September 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 September 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 of one half of one percent of the Adjusted Gross Gaming Revenue, which the cost is shared with the Casino and the Horsemen's funds equally. We added a line item in the report as of the July 1, 2017, to track the Oklahoma Racing Commission's dollars.

Sincerely,

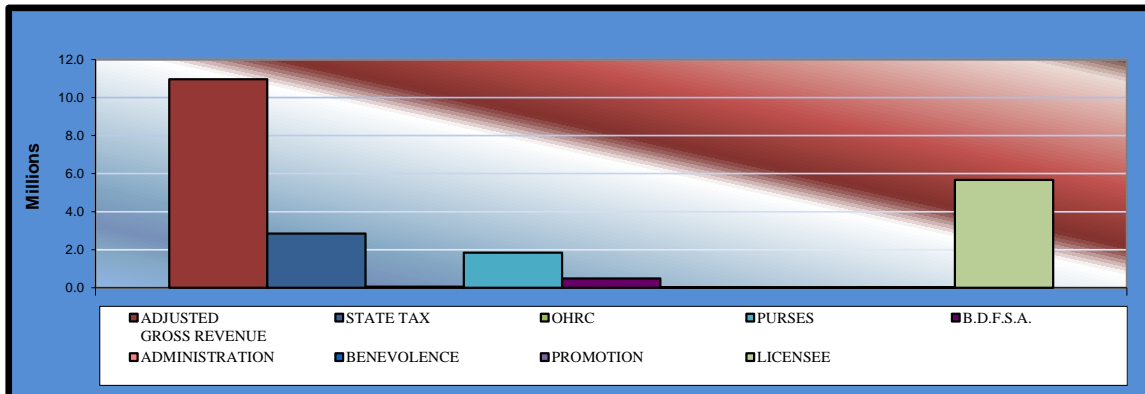
A handwritten signature in blue ink that reads "Gary A. Jones".

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

October 27, 2017

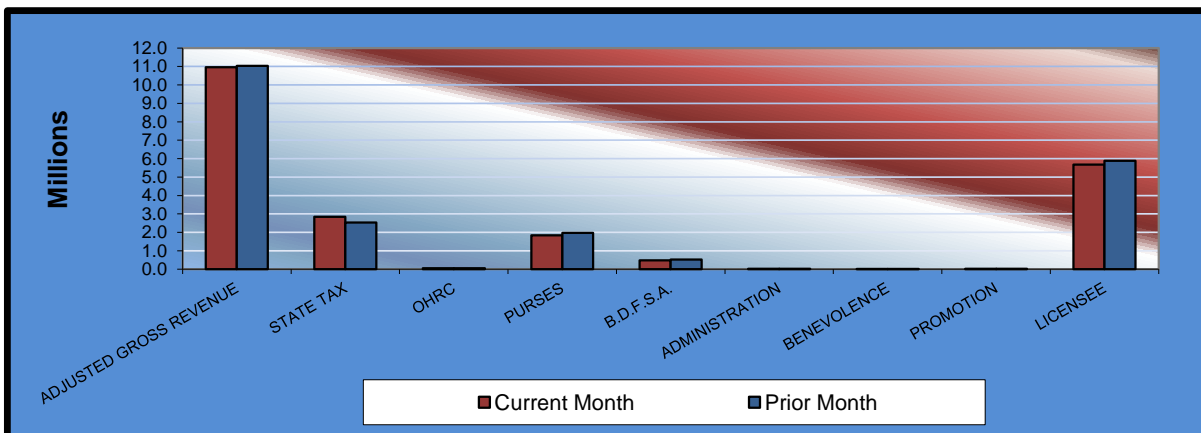
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Total Gaming Revenue September 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Month	60	30	30
Adjusted Gross Revenue	<u>\$10,962,814.77</u>	<u>\$1,590,772.76</u>	<u>\$9,372,042.01</u>
State Tax			
General Revenue Fund	341,779.93	19,089.27	322,690.66
Education Reform	2,506,386.17	139,988.00	2,366,398.17
Oklahoma Horse Racing Commission	54,814.08	7,953.86	46,860.22
Purse Fund			
<u>Purses</u>			
Thoroughbred	946,858.95	205,865.88	740,993.07
Quarterhorse	795,131.96	188,473.76	606,658.20
Paint & Appaloosa	99,821.44	20,941.53	78,879.91
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	216,069.90	24,845.88	191,224.02
Quarterhorse	251,504.00	19,166.82	232,337.18
Paint & Appaloosa	16,471.45	2,129.65	14,341.80
<u>Administration</u>			
Thoroughbred	11,927.47	2,366.27	9,561.20
Quarterhorse	10,734.73	2,129.65	8,605.08
Paint & Appaloosa	1,192.76	236.64	956.12
<u>Benevolence</u>			
Thoroughbred	5,963.74	1,183.14	4,780.60
Quarterhorse	5,367.36	1,064.82	4,302.54
Paint & Appaloosa	596.37	118.31	478.06
<u>Promotions</u>			
Thoroughbred	11,927.47	2,366.27	9,561.20
Quarterhorse	10,734.73	2,129.65	8,605.08
Paint & Appaloosa	1,192.76	236.64	956.12
Licensee	\$5,674,339.50	\$950,486.72	\$4,723,852.78



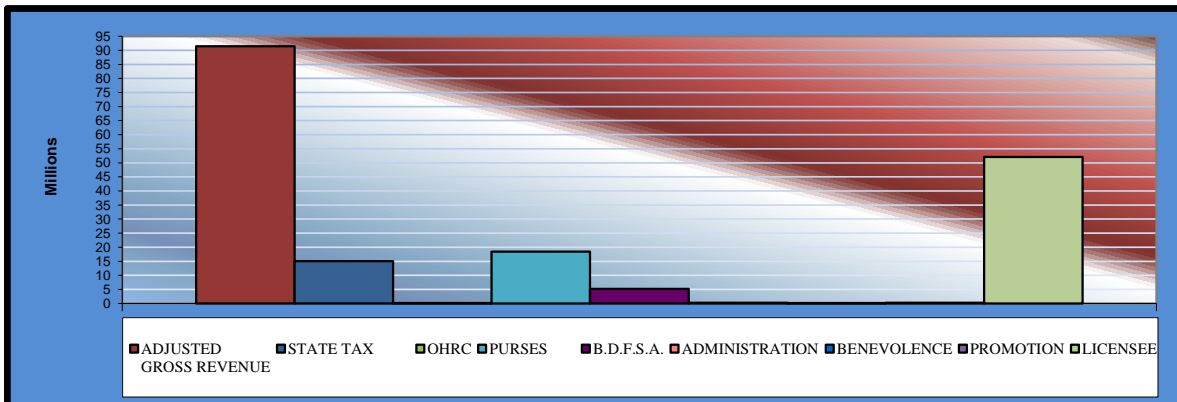
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Comparison of Prior Month and Prior Year Month September 2017

	<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	\$10,962,814.77	\$11,041,742.65	-0.71%	\$9,229,249.76	18.78%
State Tax					
General Revenue Fund	341,779.93	303,802.26	12.50%	263,540.22	29.69%
Education Reform	2,506,386.17	2,227,883.19	12.50%	1,932,628.27	29.69%
Oklahoma Horse Racing Commission					
	54,814.08	55,208.72	-0.71%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	946,858.95	1,017,875.77	-6.98%	846,606.15	11.84%
Quarterhorse	795,131.96	852,450.13	-6.72%	618,857.46	28.48%
Paint & Appaloosa	99,821.44	107,421.53	-7.08%	68,761.94	45.17%
<u>Breeding Development Fund</u>					
<u>Special Account</u>					
Thoroughbred	216,069.90	235,566.11	-8.28%	192,818.52	12.06%
Quarterhorse	251,504.00	275,647.56	-8.76%	316,624.75	-20.57%
Paint & Appaloosa	16,471.45	17,922.66	-8.10%	35,180.53	-53.18%
<u>Administration</u>					
Thoroughbred	11,927.47	12,855.81	-7.22%	10,660.76	11.88%
Quarterhorse	10,734.73	11,570.24	-7.22%	9,594.69	11.88%
Paint & Appaloosa	1,192.76	1,285.58	-7.22%	1,066.07	11.88%
<u>Benevolence</u>					
Thoroughbred	5,963.74	6,427.91	-7.22%	5,330.39	11.88%
Quarterhorse	5,367.36	5,785.12	-7.22%	4,797.34	11.88%
Paint & Appaloosa	596.37	642.79	-7.22%	533.05	11.88%
<u>Promotions</u>					
Thoroughbred	11,927.47	12,855.81	-7.22%	10,660.76	11.88%
Quarterhorse	10,734.73	11,570.24	-7.22%	9,594.69	11.88%
Paint & Appaloosa	1,192.76	1,285.58	-7.22%	1,066.07	11.88%
Licensee	\$5,674,339.50	\$5,883,685.64	-3.56%	\$4,900,928.10	15.78%



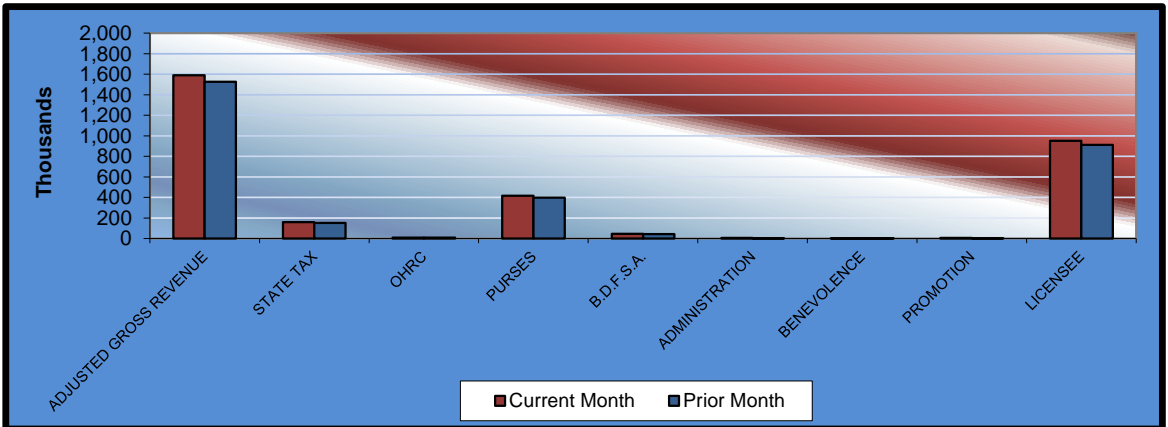
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Year to Date Gaming Totals September 2017

	<u>TOTAL</u>	<u>WILL ROGERS DOWNS</u>	<u>REMINGTON PARK</u>
Gaming Days This Year	546	273	273
Adjusted Gross Revenue	<u>\$91,418,700.49</u>	<u>\$14,497,133.85</u>	<u>\$76,921,566.64</u>
State Tax			
General Revenue Fund	1,803,142.01	173,965.60	1,629,176.41
Education Reform	13,223,041.33	1,275,747.75	11,947,293.58
Oklahoma Horse Racing Commission	167,792.99	23,786.93	144,006.06
Purse Fund			
<u>Purses</u>			
Thoroughbred	9,540,222.47	1,669,202.24	7,871,020.23
Quarterhorse	7,873,505.87	1,487,735.16	6,385,770.71
Paint & Appaloosa	983,750.11	165,303.90	818,446.21
<u>Breeding Development Fund</u>			
<u>Special Account</u>			
Thoroughbred	2,232,686.54	201,455.51	2,031,231.03
Quarterhorse	2,722,112.21	195,856.77	2,526,255.44
Paint & Appaloosa	193,540.75	21,761.85	171,778.90
<u>Administration</u>			
Thoroughbred	120,747.79	19,186.23	101,561.56
Quarterhorse	108,673.03	17,267.63	91,405.40
Paint & Appaloosa	12,074.81	1,918.67	10,156.14
<u>Benevolence</u>			
Thoroughbred	60,373.91	9,593.13	50,780.78
Quarterhorse	54,336.51	8,633.81	45,702.70
Paint & Appaloosa	6,037.40	959.32	5,078.08
<u>Promotions</u>			
Thoroughbred	120,747.78	19,186.23	101,561.55
Quarterhorse	108,673.03	17,267.63	91,405.40
Paint & Appaloosa	12,074.79	1,918.65	10,156.14
Licensee	\$52,075,167.16	\$9,186,386.84	\$42,888,780.32



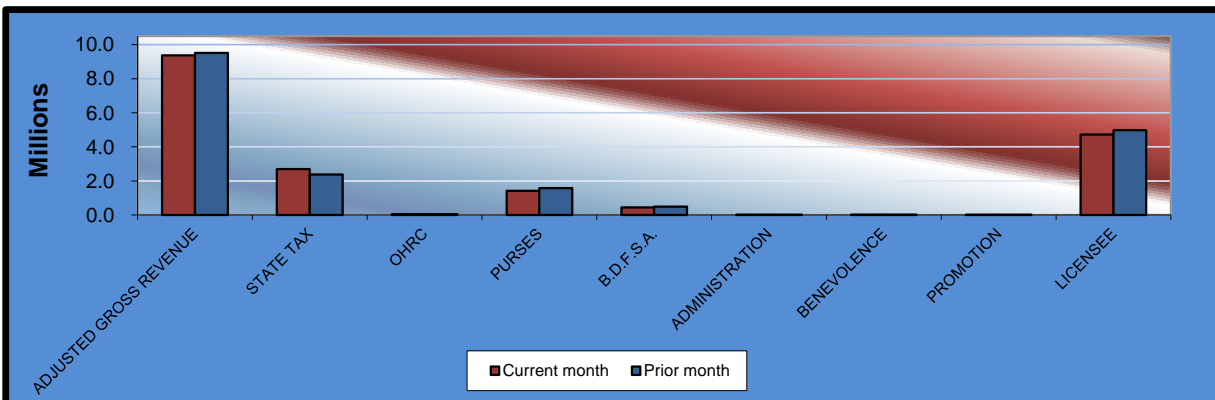
Gaming at Oklahoma Horse Racing Tracks Will Rogers Downs and Remington Park Will Rogers Downs Revenue September 2017

<u>Will Rogers Downs</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>September 2016</u>	<u>% CHANGE</u>
Gaming Days	30	31	-3.23%	30	0.00%
Adjusted Gross Revenue	\$1,590,772.76	\$1,525,001.41	4.31%	\$1,431,353.96	11.14%
State Tax					
General Revenue Fund	19,089.27	18,300.02	4.31%	17,176.25	11.14%
Education Reform	139,988.00	134,200.12	4.31%	125,959.15	11.14%
Oklahoma Horse Racing Commission					
	7,953.86	7,625.01	4.31%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	205,865.88	197,354.24	4.31%	186,791.69	10.21%
Quarterhorse	188,473.76	180,681.21	4.31%	124,635.15	51.22%
Paint & Appaloosa	20,941.53	20,075.69	4.31%	13,848.35	51.22%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	24,845.88	23,818.62	4.31%	22,543.82	10.21%
Quarterhorse	19,166.82	18,374.36	4.31%	63,766.82	-69.94%
Paint & Appaloosa	2,129.65	2,041.60	4.31%	7,085.20	-69.94%
<u>Administration</u>					
Thoroughbred	2,366.27	2,268.44	4.31%	2,147.03	10.21%
Quarterhorse	2,129.65	2,041.60	4.31%	1,932.33	10.21%
Paint & Appaloosa	236.64	226.84	4.32%	214.70	10.22%
<u>Benevolence</u>					
Thoroughbred	1,183.14	1,134.22	4.31%	1,073.52	10.21%
Quarterhorse	1,064.82	1,020.80	4.31%	966.16	10.21%
Paint & Appaloosa	118.31	113.42	4.31%	107.35	10.21%
<u>Promotions</u>					
Thoroughbred	2,366.27	2,268.44	4.31%	2,147.03	10.21%
Quarterhorse	2,129.65	2,041.60	4.31%	1,932.33	10.21%
Paint & Appaloosa	236.64	226.84	4.32%	214.70	10.22%
Licensee	\$950,486.72	\$911,188.34	4.31%	\$858,812.38	10.67%

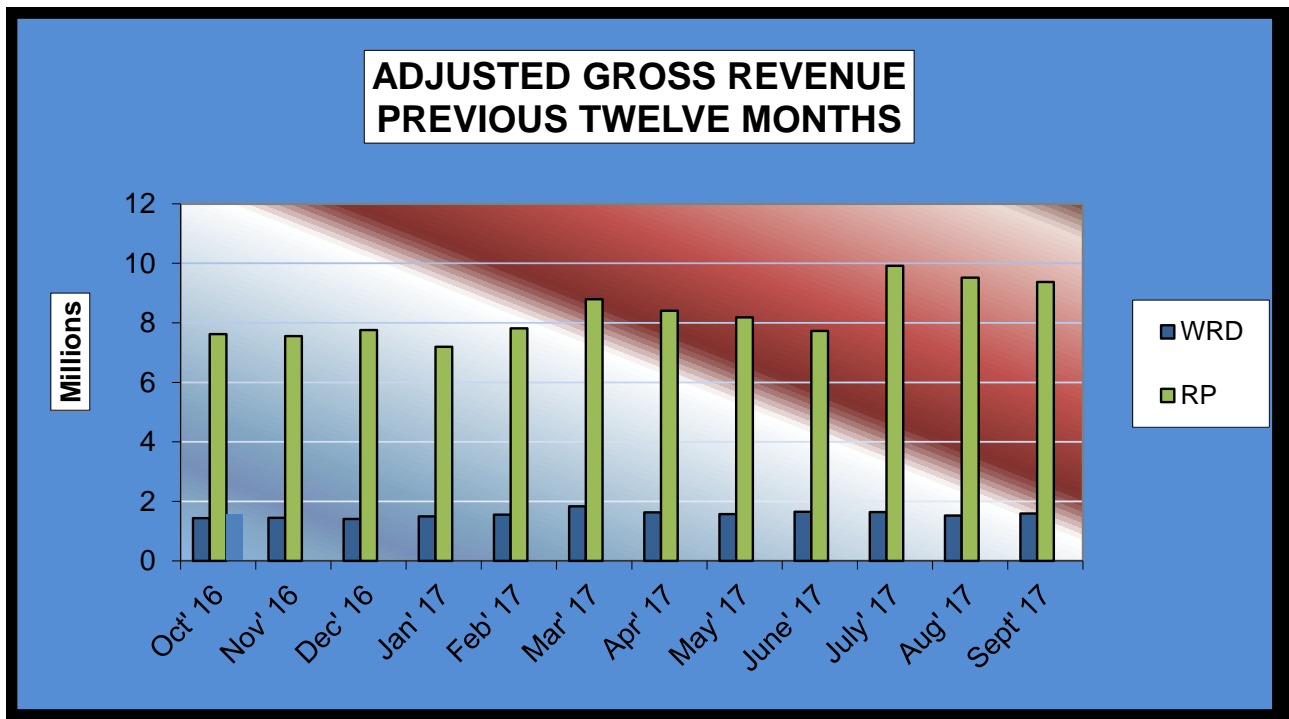


**Gaming at Oklahoma Horse Racing Tracks
Will Rogers Downs and Remington Park
Remington Park Revenue
September 2017**

<u>Remington Park</u>	<u>CURRENT MONTH</u>	<u>PRIOR MONTH</u>	<u>% CHANGE</u>	<u>September 2016</u>	<u>% CHANGE</u>
Gaming Days	30	31	-3.23%	30	0.00%
Adjusted Gross Revenue	\$ 9,372,042.01	\$ 9,516,741.24	-1.52%	\$7,797,895.80	20.19%
State Tax					
General Revenue Fund	322,690.66	285,502.24	13.03%	246,363.97	30.98%
Education Reform	2,366,398.17	2,093,683.07	13.03%	1,806,669.12	30.98%
Oklahoma Horse Racing Commission					
	46,860.22	47,583.71	-1.52%	0.00	100.00%
Purse Fund					
<u>Purses</u>					
Thoroughbred	740,993.07	820,521.53	-9.69%	659,814.46	12.30%
Quarterhorse	606,658.20	671,768.92	-9.69%	494,222.31	22.75%
Paint & Appaloosa	78,879.91	87,345.84	-9.69%	54,913.59	43.64%
Breeding Development Fund					
<u>Special Account</u>					
Thoroughbred	191,224.02	211,747.49	-9.69%	170,274.70	12.30%
Quarterhorse	232,337.18	257,273.20	-9.69%	252,857.93	-8.12%
Paint & Appaloosa	14,341.80	15,881.06	-9.69%	28,095.33	-48.95%
<u>Administration</u>					
Thoroughbred	9,561.20	10,587.37	-9.69%	8,513.73	12.30%
Quarterhorse	8,605.08	9,528.64	-9.69%	7,662.36	12.30%
Paint & Appaloosa	956.12	1,058.74	-9.69%	851.37	12.30%
<u>Benevolence</u>					
Thoroughbred	4,780.60	5,293.69	-9.69%	4,256.87	12.30%
Quarterhorse	4,302.54	4,764.32	-9.69%	3,831.18	12.30%
Paint & Appaloosa	478.06	529.37	-9.69%	425.70	12.30%
<u>Promotions</u>					
Thoroughbred	9,561.20	10,587.37	-9.69%	8,513.73	12.30%
Quarterhorse	8,605.08	9,528.64	-9.69%	7,662.36	12.30%
Paint & Appaloosa	956.12	1,058.74	-9.69%	851.37	12.30%
Licensee	\$ 4,723,852.78	\$ 4,972,497.30	-5.00%	\$4,042,115.72	16.87%



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





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