Version Original **Date submitted** 10/1/2024 Lead Financial Officer: Michael Clark

Lead Administrator: John Chancey

Agency Mission

The Oklahoma Horse Racing Commission encourages agriculture, the breeding of horses, the growth, sustenance and development of live racing, and generates public revenue through the forceful control, regulation, implementation and enforcement of Commission-licensed horse racing and gaming.

Division and Program Descriptions

Note: Please define any acronyms used in program descriptions.

General Operations

A division of the agency that includes the costs of administrative staff and general operation of the Commission. Within this activity of the agency, the following duties are performed by 10 FTE, including but not limited to:

- A. Issuance of Gaming/Racing Organizational and Occupational Licenses
- B. Development, revision and implementation of administrative and Commission Rules of Racing, Regulations and Directives.
- C. Communicating and corresponding with the Governor's office, Legislature and Courts on behalf of the Commission.
- D. Finance, accounting, budget and statistics for agency activities.
- E. Supervision of agency personnel.
- F. Payroll, benefits and record management.
- G. Public relations

Race Day Expenses

A division of the agency that encompasses all Commission activities that incur at Commission-Licensed racing facilities. Within this agency activity, the following duties are performed by 17 FTE:

cense Clerks- A. Perform the actual licensing, fingerprinting, screening of racing rulings through a national computer system database, and digital badge processing of all

- B. Proof all official races for licensure verification of owners, trainers, jockeys, grooms, etc., prior to race participation.
- C. Process daily deposits, daily and monthly reports of occupation licensing activity.
- D. Administer the written portion of the trainers test.
- E. Complete required verifications through the Department of Homeland Security/Immigration and Naturalization Program (SAV)

Stewards- A. Approve certain occupation licenses such as trainers, blacksmiths, etc.

- B. Administer the written portion of the trainers test.
- C. Officiate over all commission-licensed racing facilities for live, simulcast and schooling/training races.
- D. Act as Hearing Officers during Stewards' administrative hearings regarding alleged violations of Commission rules of Racing.
- E. Function as liaison between the Commission, racetrack management, horsemen, and the wagering public.
- F. File daily and end of meet reports with the Commission regarding racing activities at a racetrack.
- G. Hearing Officers regarding gaming licensees applications.

Official A. Provides direct Commission administration and supervision over Commission-licensed practicing Veterinarians and veterinary practices within the Veterinarian racetrack enclosure.

- B. Supervises the administration of all injectables and authorized drugs within the enclosure.
- C. Supervises and administers the Commissions equine drug testing program in the Test Barn.
- D. In cooperation with the Racing Veterinarian, determines the soundness and health of horses prior to racing.
- E. Supervises the health and well-being of all equines within the racetrack enclosure and those horses entering the enclosure.

se Identifier- A. Provides direct Commission administration and supervision of horses entered into a race.

- B. Identifies and verifies horses papers as entered into the race.
- C. Identifies and verifies horses as they are brought to the paddock.
- D. Reviews soundness and health of horses just prior to being saddled and taken to the gate.
- E. Provides expert identification of horses in criminal cases.
- F. Identifies and tattoos horses prior to racing careers.

A division of the agency relating to the activities by the Commission for the operation of such a division within the Commission as mandated by the Oklahoma Horse Racing Act. Within the division, Special Law Enforcements duties are performed by 4 FTE that include:

- A. Investigating organization and occupation license applicants.
- B. Reviewing OSBI and FBI fingerprint reports for criminal records as they may pertain to Commission mandates.
- C. Overseeing and regulating the human and equine drug testing programs.
- D. Maintaining confidential investigation information.
- E. Acting as liaison for the Commission with all local, state and federal law enforcement agencies.
- F. Investigating and monitoring of off-track betting facilities operated by Commission-licensed racetracks.
- H. Investigate illegal pari-mutuel horse racing and gambling operations.

Oklahoma Bred (OBDSFA)

The Oklahoma Breeding Development program is administered by the agency pursuant to a direct mandate from the Oklahoma Horse Racing Act (Title 3A O.S. Section 208.3) Oklahoma Breeding Development activity relates to expenses incurred by the Oklahoma-Bred Official Registering Agency (Registry) and Oklahoma-Bred Claims Registry- A. Registers eligible Oklahoma-Bred racing stock, broodmares, and stallions.

- B. Transfers ownership of accredited Oklahoma-Bred horses as it pertains to the Program and eligibility.
- C. Charts and verifies ownership of accredited Oklahoma-Bred winning/qualifying owners and breeders of accredited Oklahoma-Bred races for payment of purse supplements, stallion and broodmare awards by the Claims Department.
- D. Co-chairs the Oklahoma-Bred Advisory Council.

Claims- A. Records and maintains racing information on all accredited Oklahoma-Bred races.

- B. Proofs and verifies proper ownership of accredited Oklahoma-Bred winners, owners and breeders of accredited Oklahoma-Bred horses participating in Oklahoma-Bred races.
- C. Requests and processes affidavits and W-9 forms for all accredited Oklahoma-Bred winning/qualifying owners and breeders.
- D. Processes and mails all purse supplements and breeders awards.

 Version
 Original

 Lead Administrator: John Chancey
 Lead Financial Officer: Michael Clark

- E. Assists in the preparation and distribution of 1099s.
- F. Co-chairs the Oklahoma-Bred Advisory Council.

Oklahoma- A. Investigates eligibility and location of Oklahoma-Bred broodmares and stallions.

- B. Reviews and updates Oklahoma-Bred Registry Database weekly.
- C. Assists on Oklahoma-Bred Advisory Council

The Oklahoma Breeding Development program is a legislatively-mandated program which encourages the owning, breeding, foaling, training and racing of horses in the State of Oklahoma. As of December 31, 2018, and since 1984, the Oklahoma-Bred Program has paid to owners and breeders of accredited Oklahoma-Bred horses over 133.5 million in purse supplements, stallion and broodmare awards. Oklahoma Breeding Development Fund Special Account funds are not appropriated and do not affect the State's budget. Funding for all purse supplements, stallion and broodmare awards, marketing/advertising, equine research, annual auditing by the State Auditor and Inspector, and payroll for the abovementioned 4 employees derives from breakage, unclaimed tickets and a portion of exotic wagering handle and registration fees as designated by statute.

Gaming Regulation

Gaming Regulation activity relates to the expense incurred by the Commission for the operation of such a division within the Commission as mandated by the Oklahoma Horse Racing Act and the State Tribla-Gaming Act as inacted with the passage of State Question 712 on November 2, 2004. Within this division, specific Law Enforcement and Gaming Regulation duties are performed by 2 FTE, which include:

- A. Investigating organization and occupation license applicants.
- B. Reviewing OSBI and FBI fingerprint reports for criminal records as they may pertain to Commission mandates.
- C. Overseeing, regulate and inventory the gaming machines within the enclosure of the racing facility.
- D. Maintaining confidential investigation information.
- E. Acting as liaison for the Commission with all local, state and federal law enforcement agencies.

IT Consolidation

IT and database staffing, equipment and expenditures.

1 s	taff	memb	oer	pro	vide	d by	уΟ	MES
-----	------	------	-----	-----	------	------	----	-----

		FY'25 Budgeted [Department Fund	ing By Source			
Dept. #	Department Name	Appropriations	Federal	Revolving	Local ¹	Other ²	Total
	eral Operations			\$1,012,047			\$1,012,047
	e Day Expenses			\$1,708,923			\$1,708,923
3000001 Law				\$455,222			\$455,222
4000001 Okla				\$283,130			\$283,130
5000001 Gam	ning Regulation			\$218,217		\$8,000,000	\$8,218,217
8800001 IT C	onsolodation			\$175,734			\$175,734
							\$0 *a
							\$0
							\$0 \$0
							\$0 \$0
							\$0 \$0
							\$0 \$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0
							\$0 \$0
							\$0
							\$0 \$0
							\$0 \$0
							\$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$
							\$0
							\$0
							\$0
							\$0

 Version
 Original
 Date submitted
 10/1/2024

 Lead Administrator: John Chancey
 Lead Financial Officer: Michael Clark

	 -								
Total				\$0	\$0	\$3,853,273	\$0	\$8,000,000	\$11,853,273
									\$0
									\$0

1. Please describe source of Local funding not included in other categories:

2. Please describe source(s) and % of total of "Other" funding if applicable for each department: Participating Tribe Fund

	Balances of Approp	riated Funds from	Prior Fiscal Years			
3-digit Class Fund #	Class Fund Name	GA Bill # and Section #	Fiscal Year of Original Appropriation	Original Appropriation Amount (\$)	Total Expended Amount as of 8/31/2024 (\$)	Balance as of 8/31/2024 (\$)
						\$0
						\$0
						\$0
						\$0
						\$0
		•	Total remaining pr	ior year appropriatio	n balance:	\$0

Report appropriations that have existing balances from all prior fiscal years at the 3-digit class fund number (i.e. 193, 194). Do not report carryover class funds seperately. Include appropriations located in disbursing funds. Report PREP, but not ARPA/SRF, appropriations.

What changes did the agency make between FY'24 and FY'25?

1.) Are there any services no longer provided because of budget cuts?

No

2.) What services are provided at a higher cost to the user?

None at this time

3.) What services are still provided but with a slower response rate?

None at this time

4.) Did the agency provide any pay raises that were not legislatively/statutorily required?

No

Appropriation Increase Review								
	•	propriation Increase to Agency Base Appl			Expenditures			
Appropriation Increase Purpose	FY 2023	FY 2024	Total Amount Received FY 2023-2024	Total Expenditure of Increase as of 6/30/2024	If funds have not been spent, please explain why.			
			\$0					
			\$0					
			\$0					
			\$0					
			\$0					
			\$0					
			\$0					
Total:	\$0	\$0	\$0	\$0				

	F	Y'26 Requested Fu	ınding By Departm	ent and Source			
Dept. #	Department Name	Appropriations	Federal	Revolving	Other ¹	Total	% Change
1000001	General Operations	\$0	\$0	\$1,012,047	\$0	\$1,012,047	0.00%
2000001	Race Day Expenses	\$0	\$0	\$1,708,923	\$0	\$1,708,923	0.00%
3000001	Law Enforcement	\$0	\$0	\$455,222	\$0	\$455,222	0.00%
4000001	Oklahoma Bred	\$0	\$0	\$283,130	\$0	\$283,130	0.00%
5000001	Gaming Regulation	\$0	\$0	\$218,217	\$8,000,000	\$8,218,217	0.00%
8800001	IT Consolodation	\$0	\$0	\$175,734	\$0	\$175,734	0.00%
		\$0	\$0	\$0	\$0	\$0	#DIV/0!
		\$0	\$0	\$0	\$0	\$0	#DIV/0!
		\$0	\$0	\$0	\$0	\$0	#DIV/0!
		\$0	\$0	\$0	\$0	\$0	#DIV/0!
		\$0	\$0	\$0	\$0	\$0	#DIV/0!
		\$0	\$0	\$0	\$0	\$0	#DIV/0!
		\$0	\$0	\$0	\$0	\$0	#DIV/0!
		\$0	\$0	\$0	\$0	\$0	#DIV/0!

	33300 Okianoma nor	oc macing c				
Version Original Lead Administrator: John Chancey				e submitted d Financial Officer:	Michael Clark	10/1/202
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
	\$0	\$0	\$0	\$0	\$0	#DIV/0!
otal	\$0	\$0	\$3,853,273	\$8,000,000	\$11,853,273	0.00

	FY 26 Top Five Operatio	al Appropriated Funding Increase Requests	
Request by		Is this a Timefrai	
Priority	Request Description	Supplemental (One-Time	e or Request Increase
Filolity		Request? (Yes/No) Recurring	g) Amount (\$)
Request 1:			
Request 2:			
Request 3:			
Request 4:			
Request 5:			
		Top Five Request Subtotal:	\$
T-4-1 I	bove FY-25 Budget (including all requests)		

What are the agency's top 2-3 capital or technology (one-time) requests, if applicable?		
	Needed State	Submitted to LRCPC
escription of requested increase in order of priority		or OCAMP?
	Project (\$)	(Yes/No)
Priority 1 N/A		
Priority 2		
Priority 3		

List any requests for new construction from the Legacy Capital Fund						
Description of requested increase in order of priority	Needed State Funding for Project (\$)	Submitted to LRCPC? (Yes/No)				
Priority 1 N/A Priority 2 Priority 3						

Does the agency have any costs associated with the Pathfinder retirement system and federal employees?

N/A

Difference between Top Five requests and total requests:

How would the agency be affected by receiving the same appropriation for FY '26 as was received in FY '25? (Flat/ 0% change)

N/A

How would the agency handle a 2% appropriation reduction in FY '26?

NI/A

 Version
 Original

 Lead Administrator: John Chancey
 Lead Financial Officer: Michael Clark

17/7

Is the agency seeking any fee increases for FY '26?		
Description of requested increase in order of priority	Fee Increase Request (\$)	Statutory change required? (Yes/No)
Increase 1 N/A	nequest (4)	required: (163/140)
Increase 2		
Increase 3		

			Federal Funds				
CFDA	Federal Program Name	Agency Dept. #	FY 25 budget (\$)	FY 24 actuals (\$)	FY 23 actuals (\$)	FY 22 actuals (\$)	FY 24 budgeted FTE (#)
N/A THIS AG	ENCY DOES NOT RECEIVE FEDERAL FUNDING						(#)

Federal Government Impact

1.) How much federal money received by the agency is tied to a mandate by the Federal Government?

N/A THIS AGENCY DOES NOT RECEIVE FEDERAL FUNDING

2.) Are any of those funds inadequate to pay for the federal mandate?

N/A THIS AGENCY DOES NOT RECEIVE FEDERAL FLINDING

 Version
 Original
 Date submitted
 10/1/2024

 Lead Administrator: John Chancey
 Lead Financial Officer: Michael Clark

INVESTIGATION DOES NOT RECEIVE LEDERAL LONDING

3.) What would the consequences be of ending all of the federal funded programs for your agency?

N/A THIS AGENCY DOES NOT RECEIVE FEDERAL FUNDING

4.) How will your agency be affected by federal budget cuts in the coming fiscal year?

N/A THIS AGENCY DOES NOT RECEIVE FEDERAL FUNDING

5.) Has the agency requested any additional federal earmarks or increases?

N/A THIS AGENCY DOES NOT RECEIVE FEDERAL FUNDING

	FY 2025 Budgeted FTE									
Division #	Division Name	Supervisors	Non-Supervisors	\$0 - \$35 K	\$35 K - \$70 K	\$70 K - \$100K	\$100K+			
1000001	General Operations	3	7.5	4.5	3	1				
2000001	Race Day Expenses		16.5	0.5	7	9				
3000001	Law Enforcement	1	3		4					
4000001	Oklahoma Bred		4		4					
5000001	Gaming Regulation		2		1	1				
	·									
otal		4	33	5	19	11				

	FTE History by Fiscal Year							
Division #	Division Name	FY 2025 Budgeted	FY 2025 YTD	FY 2024	FY 2023	FY 2022	FY 2016	
1000001	General Operations	10.5	9.5	10.0	10.0	10.0	8.0	
2000001	Race Day Expenses	16.5	12.5	12.0	12.0	12.0	14.0	
3000001	Law Enforcement	4.0	2.0	4.0	4.0	4.0	4.0	
4000001	Oklahoma Bred	4.0	1.0	4.0	4.0	3.0	4.0	
5000001	Gaming Regulation	2.0	2.0	2.0	3.0	3.0	2.0	
Total		37.0	27.0	32.0	33.0	32.0	32.0	

Performance Measure Review								
	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020			
Gaming Revenue Generated for Education		\$ 27,940,842.00	\$ 27,130,987.00	\$22,555,303.00	\$ 24,317,573.00			
OK Bred Funds paid to Public		\$ 7,804,331.00	\$ 7,691,277.00	\$ 7,540,937.00	\$ 8,295,512.00			
Number of Occupation Licenses Issued		7591	8108	8181	7102			

 Version
 Original

 Lead Administrator: John Chancey
 Lead Financial Officer: Michael Clark

Revolving Funds (200 Series Funds)								
	FY'22-24 Avg. Revenues	FY'22-24 Avg. Expenditures	June '24 Balance					
22500 - OHRC Operational								
Operational Fund	\$3,166,445	\$3,240,413	\$3,027,591					
20500 - OBDSFA Admin								
15% of OBDSFA funds go towards admin to help fund	\$138,114	\$141,297	\$0					
21000 - Law Enforcement Revolving Fund								
<u> </u>	\$84,813	\$80,934	\$251,370					
	_							

FY 2025 Current Employee Telework Summary

List each agency physical location (not division), then report the number of employees associated with that location in the teleworking categories indicated. Use "No specified location" to account for remote employees not associated with a site. Use actual current employees (headcount), not budgeted or actual FTE.

Full-time and Part-time Employees (#)

 Version
 Original

 Lead Administrator: John Chancey
 Lead Financial Officer: Michael Clark

Agency Location / Address	City	County	Onsite (5 days onsite, rarely remote)	Hybrid (2-4 days onsite weekly)	Remote (1 day or less weekly onsite)	Total Employees
2800 N. Lincoln Blvd Suite 101	Oklahoma City	Oklahoma	10			10
1 Remington PI	Oklahoma City	Oklahoma	10			10
20900 S. 4200 Rd	Claremore	Rogers	6			6
4609 E. 21st St	Tulsa	Tulsa	6			6
						0
						0
						0
						0
						0
						0
						0
						0
	Total Agency Em	ployees	32			