



Minutes of
Queensland Racing Limited
Board Meeting



Friday 5 December 2008

Board Room, Queensland Racing
Racecourse Road, Deagon

Meeting Commenced at 8.55 am
Meeting Concluded at 2.55 pm

Board Directors Present:	Bob Bentley	- <i>Chairman</i>
	Tony Hanmer	
	Bill Andrews	
	Bill Ludwig	
Apologies:	Michael Lambert	
In attendance:	Malcolm Tuttle	- <i>Chief Operations Manager</i>
	Jamie Orchard	- <i>Director Integrity Operations</i>
	Adam Carter	- <i>Finance Manager</i>
	Paul Brennan	- <i>Racing Services Manager</i>
	Shara Murray	- <i>Legal Compliance Counsel/ Company Secretary</i>
	Peter Smith	- <i>Licensing and Training Manager</i>
Minutes:	Donna Biddle	- <i>Board Secretary</i>

The Chairman commenced the meeting at 8.55 am.

QRL States Position on International Racing Penalties

The Board of Queensland Racing Limited (QRL) today considered its position in relation to the adoption of penalties imposed by overseas racing authorities

The Board **ENDORSED** the action to be taken on considerations to the granting of a licence to Chris Munce. A Media Statement has been released (attached).

The Chair tabled a letter to be sent to Mr Munce from the Director of Integrity regarding his intentions to be licensed in Queensland.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bill Andrews

Motion to Rescind Previous QRL Board Decisions

The discussion centred on Board members not being comfortable with the Brisbane Race Club (BRC) stabling, however a Board Member put forward a constructive defensive argument to deny approval.

The Board **AGREED** to rescind previous minute of QRL Board Meeting, 1 February 2008 BM#18 and advise BRC that whilst the Board adheres to it's concerns, it will give permission subject to Brisbane City Council and Queensland Government regulations and that approval is subject to QRL Board approval of the structure not being obtrusive or detract to the ambience of Eagle Farm.

SECTION 1 – STANDING ITEMS

1.1 Apologies

An apology was **NOTED** from Mr Michael Lambert.

1.2 Declaration of Conflicts of Interest

The Board **NOTED** Attachment "A".

1.3 Confirmation of Minutes of Queensland Racing Limited BM#27 on 7 November 2008

The Board made the following amendments to the minutes:-

4.1 Operations Update

Second Paragraph, fourth line, replace "the Corbould Park" with "a Sunshine Coast" to now read "a Sunshine Coast Racing Complex".

Third Paragraph, second line, remove the word "that to now read "what advantages they".

Third Paragraph, third line, add "in this venture" after industry.

Third Paragraph, fourth line, replace "race track" with "Gold Coast Racing Complex".

The Board **RESOLVED** that the QRL Board Meeting Minutes of 7 November 2008 with the above amendments be received and confirmed.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bill Ludwig

1.4 Action Sheet

The Board **NOTED** the action sheet.

1.5 Correspondence / Matters for Noting

The Board noted there was no Correspondence in the Agenda.

SECTION 2 – DIRECTORS

2.1 EI Marketing

Mr Hanmer updated the board on the EI Marketing campaign.

The Board **NOTED** the update.

2.2 QTIS600

Mr Hanmer updated the Board brochure racks and brochures are ready to be sent to pubs, clubs and TAB outlets.

Advertising has commenced in MACAIR Magazines.

2.3 Queensland Race Product Co Meeting

The Chairman offered to exit the meeting if there was any conflicting matters. The QRPC Chairman stated that this was a report for noting. The QRPC minutes to be included in QRL Minutes.

Mr Hanmer updated the Board re Queensland Race Product Co Meeting held on Thursday 4 December 2008.

The Board **NOTED** above.

SECTION 3 –9 DEPARTMENTS

3.1 Finance and Wagering Report

QRL recorded a surplus of \$2.5M up \$1.27M on the \$1.2M budgeted surplus for October 08.

Revenue was up \$1.1M on budget. This is due to QTIS registrations being \$603K above budget for the month. The majority of QTIS registrations were budgeted for September 08 but received in October 08.

Product & Program Fee was 3.7% or \$332K above budget for the month. The 1.5% NSW Race Fields legislation (RFL) fee directly impacted QRL by \$420K in October. RFL YTD the impact on QRL \$915K based on the product Co split. YTD for all codes \$1.2M. No revenue has been taken into account for the charge back on Queensland Product.

Expenditure was down \$161K on budget due to variances in Prizemoney \$178K, QTIS \$79K and Consultancy costs \$104K. Prizemoney also consisted of pool transfers of \$185K for October. QTIS paid out at 51% of scheduled TAB races during October. These favourable variances were offset by over spending on Jockey Riding Fee \$123K, Other expenses \$54K and Administration costs \$41K. The Jockey Riding Fee included \$118K accrual for the recently approved increase per ride fee from \$127 per ride to \$140 per ride for September and October. Other expenses included \$39K for the Owners card.

YTD the surplus of \$5.5M is \$3.2M ahead of the budgeted surplus of \$2.3M. YTD total revenue is up \$1.4M on budget. This is mainly due to P&P fee being 2.1% above budget which is already showing the impact of Race Fields legislation. Budgeted P&P fee growth was set at 3%. Interest is also well above budget being \$379K at the end of October.

YTD expenditure is down \$1.8M on budget. Main areas are prizemoney \$629K down on budget, this is because of the pool transfers due to washed out races in July. QTIS is down \$375K and Club capital expenditure is \$541K down on budget.

The Board **NOTED** the Finance and Wagering Report.

3.2 TAB Clubs Financial and Workshop Update

Mr Carter updated the Board on TAB Clubs Financials and Finance Workshop.

The Chairman suggested that Spot Audits be performed on selected race clubs.

The Board **AGREED** that the performance figures be sent to the Chairmen of the following clubs to be distributed to the Committee members of Sunshine Coast Turf Club, Gold Coast Turf Club, Townsville Turf Club and Cairns Turf Club. These four clubs are to be subject to a spot audit.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bill Andrews

3.3 Cairns Jockey Club

Mr Carter and Mr Mathofer updated the board on the current position of the Cairns Jockey Club (CJC). The credit issue has improved since 30 June 2008. CJC now owes \$114K in prizemoney and \$200K is still owing on loan. The CJC Treasurer is looking at a comprehensive review of all costs.

This was **NOTED** by the Board.

3.4 Cairns Amateur Club

The Board **AGREED** that the \$42K debt owed to QRL be written off. QRL Board will not provide any further financial assistance to Cairns Amateur Club. The Board of QRL considers that their latest race meeting as an event and as such should be funded by Qld Events Corp.

MOVED by Mr Bill Andrews **SECONDED** by Mr Bill Ludwig

3.5 Re-election of Directors Under Queensland Racing Constitution

At the last Board meeting, the Chairman sought clarification over board elections. Mr Andrews nominated to stand for re-election. One of the three remaining directors, Mr Ludwig, Hanmer or Lambert, have to stand down under the terms of the QRL Constitution. These 3 directors have all indicated that they would like to remain until their allocated term which expires at the QRL AGM 2010. Mr Bentley nominated Mr Hanmer to speak to the other 2 directors in an attempt to break this impasse. Mr Hanmer subsequently spoke to Mr Ludwig who re-affirmed his intention to remain until 2010. It is Mr Hanmer's intention to do the same. Mr. Hanmer spoke to Mr Lambert during a scheduled break at the TAB Club meeting on 24th November held at Riverview Hotel. At this impromptu meeting Mr Lambert informed Mr Hanmer that he intended to remain at QRL to oversee the Palm Meadows development project and that should this project disintegrate, he would stand down and not seek re-election.

3.6 Chairman's Pool Vehicle

The Chairman left the room for this discussion. The Chair was assumed by Mr Hanmer.

The Board discussed the continuing use of a QRL pool car by the Chairman. Currently the Chairman uses the vehicle on QRL business. The vehicle is available at all times for use by other company personnel and is regularly used in this role. The Board determined that the Chairman should use the pool car at his convenience on the understanding that it continues to be available for other duties as and when required.

3.7 Chairman's Travel Arrangements

Mr Carter asked the Board for a determination on vehicles when the chairman is travelling to and from his home in FNQ. Mr Hanmer pointed out that the Chairman often visited several race clubs in North Queensland. It was not considered practical for the Chairman to leave a vehicle unattended and exposed for long periods of time in FNQ and the Board determined that the Chairman be allowed the discretion to either use hire cars from a rental company of his choice or his own motor vehicle and charge mileage.

MOVED by Mr Bill Andrews **SECONDED** by Mr Bill Ludwig

Mr. Bentley re-entered the room and resumed the role of Chairman. This was **NOTED** by the Board.

4.1 Racing to 2020

Mr Tuttle updated the Board on Racing to 2020

This was **NOTED** by the Board.

4.2 Broadcast Rights and Presentation by Colin Smith of L.E.K.

After a presentation on Broadcast Rights by Colin Smith of L.E.K., the Board **APPROVED** the engagement of L.E.K. subject to the following conditions:

- a) Mr Tuttle to clarify incentive;
- b) when the Analysis is produced, the Board will review;
- c) the QRL Board will meet the costs of the consultancy.

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bill Andrews

4.3 Deagon Training Centre

Mr Tuttle updated the Board in relation to Deagon Training Centre.

The Board **NOTED** the update on the report.

4.4 Size and Scope Study

Mr Tuttle updated the Board in relation to the Size and Scope Study.

The Board **NOTED** the update on the report.

5.1 Licensing Report

Mr Smith updated the Board

Page 1 – Applicant Submission Report – Delete Keith Colgan from list.

A new Show Cause Notice has been drafted to be issued to Mr Butts.

MOVED by Mr Bill Andrews **SECONDED** by Mr Bill Ludwig

That the Board APPROVE that the Licensing Report be adopted.

5.2 Submission to Licensing Committee – Show Cause Notice – Ibrahim El-Issa

The Board debated the issue in respect to a Show Cause Notice

The Board **AGREED** a Show Cause Notice will be issued to Ibrahim El-Issa.

MOVED by Mr Bill Ludwig **SECONDED** by Mr Tony Hanmer

6.1 Integrity Report

Mr Orchard updated the Board on the current status of activities and programs in the Integrity Department.

The Board **NOTED** the update on the report.

6.2 Townsville Turf Club Chair Interview

The Board **AGREED** that a letter should be sent to Townsville Turf Club and ABC Radio addressing the interview.

MOVED by Mr Bill Andrews **SECONDED** by Mr Bill Ludwig

6.3 Bookmakers Telephone Monitoring System

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bill Andrews

*That the Board **APPROVE** the NSW Bookmakers Telephone Monitoring System for the purpose of section 249 of the Racing Act.*

6.4 2009 Audit Plan

MOVED by Mr Tony Hanmer **SECONDED** by Mr Bill Ludwig

*That the Board **APPROVE** the 2009 Audit Plan as required pursuant to section 39(1) of the Racing Act.*

6.5 Minimum Standards

The Board **AGREED** to adopt the proposed minimum standards for race meetings as per Board Paper.

MOVED by Mr Bill Andrews **SECONDED** by Mr Bill Ludwig

7.1 Country Racing Committee Meeting

Mr Andrews chaired the QCRC meeting held on Monday 2 December 2008.

MOVED by Mr Bill Andrews **SECONDED** by Mr Bill Ludwig

*That the Board **APPROVE** the following:*

- a) *The two tiered racing structure and the upgraded status of 28 Non-TAB Clubs as outlined in Yellow in the 2009/10 Race Date and Strategic Club Allocations (Appendix A)*
- b) *2009/10 Race Date allocations by Non-TAB Clubs as outlined in Green (Appendix A)*

- c) *Country Racing Model (Appendix B)*
- d) *Country Racing Policy (Appendix C)*

8.1 Policy Consultation

Page 4 Paragraph 4 to now read:

This policy will provide the mechanisms for the management of all complaints within the industry encompassing; Queensland Racing Limited Employee's, all licensed persons, officials and all persons employed within the horse racing industry.

MOVED by Mr Bill Andrews **SECONDED** by Mr Tony Hanmer

8.2 **Sale of Racecourse Land**

This item was deferred to February Meeting

SECTION 9 – GENERAL BUSINESS


9.1 Letter from Marian Mana

The Chairman tabled a letter received from Ms Marian Mana regarding wheelchair access to several race clubs. Mr Orchard will write a letter in response to Ms Mana.

9.2 Media Release – Australian Bookmakers

The Board **NOTED** a Media Release by Australian Bookmakers re National Race Field Legislation.

This was **NOTED** by the Board.



R G Bentley
Chairman
Dated.....6...1...2...../2009

ATTACHMENT “A”

Mr Bob Bentley

Director of Tattersall's Limited
Director of Sunshine Coast Racing Pty Ltd (ACN 120 875 363)
Director of Australian Racing Board
Chairman of the Australian National Racing Committee

Mr Tony Hanmer

Member of the Sunshine Coast Turf Club

Mr Michael Lambert

Director of RISA
Director of the Trainers Service Centre

Mr Bill Ludwig

Secretary of the Australian Workers' Union (including signing of all correspondence and Industrial Instruments)
Member of the Brisbane Turf Club
Member of the Queensland Turf Club
Board Member of WorkCover Queensland

Mr Bill Andrews

Member of the Brisbane Turf Club
Member of the Queensland Turf Club
Member of the Thoroughbred Breeders Queensland Association.
Member of the Racehorse Owners' Association