



**Minutes of
Queensland Racing Limited
Board Meeting**



Friday 4 July 2008

**Board Room, Queensland Racing
Racecourse Road, Deagon**

**Meeting Commenced at 8:30am
Meeting Concluded at 2:52pm**

Board Directors Present:	Bob Bentley – <i>Chairman</i> Tony Hammer Michael Lambert Bill Ludwig Bill Andrews
In attendance:	Mal 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>
Minutes:	Laura Hains – <i>Board Secretary</i>

The Chairman commenced the meeting at 8.30am.

SECTION 1 – STANDING ITEMS

1.1 Apologies

The Board noted the apology of Mr Bill Ludwig.

1.2 Declaration of Conflicts of Interest

The Board NOTED Attachment "A".

**1.3 Confirmation of Minutes of Queensland Racing Limited BM#22 on
6 June 2008**

The Board made the following amendments to the minutes:-

2.1 Palm Meadows Update*Michael Lambert*

Under matters that need to be addressed - matter 1 be changed to read.

1. Meetings with GCCC officers to gain sufficient information to decide whether to proceed either through normal council processes or seek to proceed through the Project of State Significance process

3.1 Finance and Wagering Report April 2008*Adam Carter*

The finance and wagering minute is to now read.

April 2008 resulted in a surplus of \$626K compared to the budget of \$1 million. QRL surplus YTD in FY 07/08 is up \$6.4 million to \$19.6 million from \$13.2 million YTD in FY 06/07. In April revenue is up \$1.4 million on budget due to the timing of the Training Track Subsidy of \$400K and Magic Millions feature race funds of \$595K. Expenditure is also up \$2.3 million on budget mainly due to unplaced starter rebates for the Magic Millions of \$563K.

Wagering for thoroughbreds in April has decreased -0.58% as compared to the increase in Harness 24.5% and Greyhounds 25.83% for April. QLD Thoroughbreds share of 3 code wagering in QLD is 76.55% and 22.72% of National Thoroughbred wagering.

Product and Program Fee is \$3.75 million or 4.6% down on budget YTD and \$1.82 million or 2.3% down on prior year.

Performance Indicators show that QRL's revenue and operating costs have been affected by the outbreak of EI in all areas. Total additional costs due to EI from 25 August 2007 to 30 April 2008 are \$1.103 million.

Total Project Costs to date for FY07/08 are \$1.616 million.

Total Capital Works contribution costs to date for FY07/08 are \$1.315 million.

The Board APPROVES the April 2008 Finance and Wagering Report.

3.2 Cairns Jockey Club*Adam Carter*

Paragraph four is to now read:

'Forecasts supplied show operating profit for FY 07/08 of \$86,200 and operating profit before depreciation of \$159,554'

4.5 Section 113 – Racing Act 2002*Shara Murray*

The following words be removed from the end of the first sentence - *'and the future problems that will be encountered'*

5.5 Tax Relief – Outline of Approach*Malcolm Tuttle*

The word 'blushed' be changed to '*published*'

The Board **RESOLVED** that the QRL Board Meeting Minutes of 6 June 2008 with the above amendments be received and confirmed.

MOVED by Mr Michael Lambert, **SECONDED** by Tony Hanmer

1.4 Action Sheet*Chairman*

The Board **NOTED** the action sheet.

1.5 Correspondence / Matters for Noting*Chairman*

The Board noted the Correspondence in the Agenda and the following was tabled and discussed:

- ♦ Letters from the QTC and BTC in response to the Chairman's letter concerning the combined Master Planning Process for Doomben and Eagle Farm. – *See attachment "B"*

The Board **RESOLVED** that Mr Bentley respond to both the QTC and BTC correcting information in their letters, in line with QRL's policy and the Board position.

- ♦ Letter from Wayne Milner, Chairman of BTC titled "Open Letter to Members" – *See attachment "C"*

The Board **RESOLVED** that Adam Carter is to contact the BTC and clarify the financial position of the BTC and advise the Board.

ACTION

Adam Carter to ascertain the financial situation of the BTC and advise the Board.

- ♦ Letter from the BTC and QTC re: "Admin Subsidy" – *See Attachment "D"*

The Board discussed the correspondence at length and **RESOLVED** that QRL will continue to pay admin subsidy until the merger occurs, the current policy be amended to continue subsidy until 1 July 2009.

ACTION

Adam Carter to be advised that the administration subsidy will be payable for the full financial year 08/09.

SECTION 2 – DIRECTORS

2.1 Palm Meadows Update

Michael Lambert

Mr Lambert updated the Board on the Palm Meadows development. The following matters need to be progressed to complete the feasibility assessment:

- ◆ Meetings with GCCC Councillors to gain sufficient information to decide whether to proceed either through normal council processes or seek to proceed through the Project of State Significance process.
- ◆ Satisfactory response from the Treasurer in regard to earlier correspondence.
- ◆ Satisfactory 'in-principle' signoff with the Officers on the principles for assessing the hydrological assessment of the development.
- ◆ Completion of the highest and best use valuation of the Bundall site, with input and commercial assessment from Stockland and satisfactory hydrology and traffic assessments
Satisfactory Stockland market assessment of the Palm Meadows commercial development.
- ◆ Agreement with GCTC on the development and its role with the racing component of the development
- ◆ Value management assessment of the racing facilities and a final valuation of the development.
- ◆ Agreement with Treasury on bridging finance of the development

The Board **NOTED** the update provided.

2.2 RISA: Report on Board Meeting

Michael Lambert

Mr Lambert advised that there were three (3) RISA meetings held in Sydney on 19 June 2008.

- 1) First meeting of the Trainers Service Centre
- 2) Meeting of members
- 3) Meeting of the RISA Board

Mr Lambert provided an overview of all three (3) meetings as detailed in the board paper and then provided the following recommendations to the Board:

1. Note the report on RISA and members meetings
2. Agree to put in place actions to enforce the regulatory requirement for horse ownership syndicates to have a AFSL
3. Support the National Race Book product and encourage all TAB clubs to utilise the product
4. Provide in principle endorsement for the adoption of a single national system covering all the IT systems used for PRA's, subject to further work to be undertaken and the execution of a Memorandum of Understanding with RISA on this project.
5. Commission IT to assess the likely major IT software systems development that will need to be undertaken in the next five (5) to seven (7) years.

6. Assess further the benefits of QRL participating in a national bet monitoring system by exploring the matter both with RISA and Racing Victoria
7. Undertake a full assessment of QRL's copyright protections, having regard to the check list to be provided by Allens

The Board made the following comments to three (3) of the recommendations:

5. David Rowan, IT manager has been sought to conduct a review of QRL's IT commitments for the next five (5) years.
6. Mal Tuttle to discuss with Jamie Orchard the Director Integrity Operations the commitment by QRL to this system.
7. Mal Tuttle to explore with Allens the terms of such a review.

The Board added the recommendation below to the list:

8. Explore with ARB and RISA obtaining legal advice on intellectual property on broadcasting rights on racing.

The Board **APPROVED** the recommendations 1- 7 contained within the Board paper with the above comments and added recommendation 8 as detailed above.

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

2.3 Legislation to restructure NSW racing

Michael Lambert

Mr Lambert provided advice to the Board on his understanding of the intent of the revised NSW Race Fields Legislation. *See attachment "F"* Mr Lambert also tabled at the meeting the Racing Legislation Amendment Act 2006. *See attachment "E"*

Mr Lambert advised that he will be meeting with Peter V'Landys the CEO of Racing NSW on Monday 7th July 2008. At this meeting Mr Lambert will attempt to clarify the following issues:

1. Whether Tabcorp (NSW) will have its current 4% fee on NSW TAB turnover replaced with the 1.5% fee on turnover on NSW races
2. How will the stated prime purpose of the legislation, stated to be to impose a fee on free riders, work in the case of corporate book makers and Betfair operating on phone and internet wagering which does not require the wagering entity to access racing information.
3. Is there intended to be uniform 1.5% fee
4. Ability of NSW to impose its fee on interstate wagering entities
5. Implications of the break down of The Gentlemen's Agreement.

Mr Lambert then concluded that while the legislation may have a modest benefit of charging a fee to wagering operators who are currently free riders, the negative impact on the way racing is paid will have major windfall financial impacts, both positive and negative, and will break down The Gentlemen's Agreement with negative consequences for the quality of the National Racing Program.

The Board **AGREED** with Mr Lambert's interpretation of the NSW Legislation.

ACTION

Mr Lambert to update the Board at the next meeting of the issues he intended to clarify with Mr Peter V'Landys CEO Racing NSW.

2.4 Queensland Racing Industry Awards 2008/2009*Tony Hanmer*

Mr Hanmer updated the Board on the Queensland Racing Industry Awards (QRIA) for 2008/2009.

The 2008 QRIA will be held on Thursday 14th August at the Sofitel Hotel Brisbane.

Mr Hanmer advised that due to the Equine Influenza (EI) a somewhat scaled down awards night has been appropriate. Mr Hanmer also advised that 42 tables, 420 person event at \$140.00 per person for a glamorous Black Tie Evening has been confirmed.

Mr Hanmer advised that sponsorship targets have already been met and exceeded, only 2 tables remain to date. The QRIA will be preceded by the QTC EKKA day; the QTC has agreed to give all attendees free entry to this race day.

Mr Hanmer advised that current sponsors will immediately be approached after the 2008 event to ensure continuity is maintained. Gold Class sponsors will also be invited to a race day at Doomben on July 16 and a Golf Day at North Lakes on July 21.

Mr Hanmer advised that a sponsor for alcohol has not been signed as yet but assuming a sponsor is signed the cost should only be approximately \$20K - \$30K.

The Board **NOTED** the update and thanked Mr Hanmer and the communications team for their good work.

2.5 EI Marketing Campaign*Tony Hanmer*

Tony Hanmer updated the Board on the current situation regarding the Equine Influenza Marketing Initiative Fund (EMIF).

Mr Hanmer advised that the State Government via the Racing Office will shortly confirm the allocation of these funds to Queensland Racing, in parallel to this process creative concepts have been produced and a concept is currently being worked up to finality.

Mr Hanmer advised that to ensure commitments are not made until funding is finally approved the programme has been slowed. However, it is anticipated that a further report will be available for the August Board meeting.

The Board **NOTED** the update provided.

2.6 Constitutional Issues (In-Camera) Chairman

Mr David Grace of Cooper Grace and Ward and Mr Orchard of QRL attended the meeting at 11 a.m.

Mr Grace explained the background and requirements to be met prior to a Board resolution being passed calling meetings of Class A members, Class B members and a General Meeting of Queensland Racing Limited.

In particular, Mr Grace noted that each Board member had a conflict of interest in respect of the proposal to amend the Constitution of Queensland Racing Limited as the result of the proposed amendment would be to extend the term of the Board from three (3) years to six (6) years without rotation, provide the Board members with remuneration during the extended period of office and modify the way Board members are selected in future.

Mr Grace advised that a joint opinion has been obtained from Mr David Jackson QC of the Sydney Bar and Mr Andrew Herbert of the Brisbane Bar who have advised that while each Board member has a conflict of interest, there is nothing illegal or contrary to the principles of corporate governance in proceeding in the manner proposed, namely to make a declaration of conflict and, with the benefit of ASIC's declaration, to call a meeting of each class of members and a general meeting to seek the amendment to the constitution. The opinion suggested that extending the period in office of Board members to six (6) years is not excessive and even the longest serving members' period of eight (8) years is acceptable, being on 'the extremity of reason'.

The joint opinion of Mr Jackson QC and Mr Herbert was tabled. *See attachment "G"*

In light of the conflict existing, Mr Grace advised that Board members were prevented from resolving to call the class and general meetings unless either:

1. A quorum of members without a conflict passed the resolution;
2. ASIC makes a declaration allowing the Board to consider the matter despite the conflict; or
3. A general meeting is called to consider the matter.

As neither options 1 nor 3 were feasible, Counsel having recommended that, in the interests of the Directors being seen to be squeaky clean, Directors not take option 3, ASIC had been approached and had made the necessary declaration.

The declaration of ASIC dated 3 July 2008 was tabled. *See attachment "H"*

Each of the following members then signed and tabled a declaration in relation to their conflict of interest :

- Mr Robert Bentley;
- Mr Tony Hanmer;
- Mr Bill Andrews; and
- Mr Michael Lambert

Mr Grace outlined the process for the selection of Board members in future and the manner of conducting the class and general meeting on 6 August 2008. In particular, the importance of each Class A member appointing a proxy (not relying upon the member's representative) to vote at the meeting of Class A members was stressed.

Bill Ludwig then joined the meeting by telephone and Mr Grace repeated the substance of the matters already discussed. In particular Mr Grace outlined the issues relating to the conflict of interest and invited Mr Ludwig to make the declaration in the same terms as the other members. Mr Ludwig made the declaration in those terms.

The Board **RESOLVED** to:

1. Convene a meeting of Class A members of Queensland Racing Limited at 10.30 a.m. on 6 August 2008 to consider the matters set out in the tabled notice of meeting;
2. Convene a meeting of Class B members of Queensland Racing Limited at 11a.m. on 6 August 2008 to consider the matters set out in the tabled notice of meeting; and
3. Convene a General Meeting of Queensland Racing Limited at 11.30 a.m.(or earlier to immediately follow the finish of the Class B Members' meeting on 6 August 2008 to consider the matters set out in the tabled notice of meeting.

The resolution was **MOVED** by Mr Lambert and **SECONDED** Mr Hanmer.

Mr Grace and Mr Orchard then withdrew from the meeting.

SECTION 3 –9 DEPARTMENTS

3.1 Finance and Wagering Report May 2008

Adam Carter

May 2008 resulted in a MTD deficit of \$3M. Revenue is up \$761K due to the Product and Program fee being above budget. QRL surplus is up \$4.2 million from \$12.3 million YTD in FY 06/07 to \$16.6 million YTD in FY 07/08.

MTD Expenditure capital works is down \$123K on budget due to variances in the racing program such as club capital works, Jockey Work Cover and consultancy costs.

Month on month growth in wagering for Queensland shows thoroughbreds increasing for May at 10.75% compared to the increase in Harness 13.14% and Greyhounds 38.00%. QLD Thoroughbreds holding 76.43% of 3 code wagering in QLD and 23.83% of National Thoroughbred wagering.

YTD Product and Program Fee is \$2.94 million or 3.33% down on budget and \$0.963 million or 1.11% down on prior year. Forecasted surplus for FY07/08 is to be approximately \$14M.

Performance Indicators as reported in the Business Plan show that QRL's revenue and operating costs have been affected by the outbreak of EI in all areas. Total additional costs due to EI from 25 August 2007 to 31 May 2008 are \$1.2 million excluding \$457K reimbursement for inoculations from the DPI.

Total Project Costs to date for FY07/08 are \$1.898 million.

Total Capital Works contribution costs to date for FY07/08 are \$1.348 million.

The Board **APPROVED** the May 2008 Finance and Wagering Report.

3.2 Budget - Version (2)

Adam Carter

Mr Carter updated the Board on the Budget for FY08/09. Mr Carter advised that the budget has been developed to complement the Business Plan and new prizemoney initiatives. The Budget incorporates the Racing Program and Administration, Integrity Operations, Racing and Administration, the Deagon Training Facility Project

Mr Carter provided an overview of the QRL project expenditure for FY08/09. The Board made the following comments:

B1 Deagon Development

The Board noted that the amount of \$12 million may not be incurred and is subject to a feasibility study that is still to be prepared and subsequent approval of the Board for the Master Plan.

Synthetic Tracks

The Government Contributions are not recognised on QRL's income statement until tracks are installed. The Board noted that self funding of \$9 - \$10million may be incurred for both Toowoomba and Deagon after the contribution of \$4 M per track Government Funding.

Gold Coast - Palm Meadows

Mr Lambert advised that the only costs to be taken into account in the FY08/09 budget should be the feasibility and consultancy expenses up to \$1 million. However, if the project is to be approved the costs could be up to \$10.8 million.

Sky Channel Broadcast Rights

Mr Tuttle advised that this should be in the vicinity of \$600K not \$1 million.

Oncourse Broadcast Production

Mr Tuttle advised that Mr Lou Bickle is no longer interested in selling the business. This item is to be removed from the proposed project expenditure list.

Rockhampton Jockey Club Course Development

Mr Lambert advised that the proposed upgrade should be captured in the budget as a QRL contribution.

Mr Adam Carter then tabled 'Version 2 budget recommendations' *See attachment "I"*

The Board **APPROVED** the Version 2 Budget recommendations detailing an operating surplus before extraordinary items of \$841K and Net Deficit after extraordinary items of \$8.8M with the exception of recommendation 4 to be deferred to the August Board meeting once further analysis has been done.

MOVED Tony Hanmer **SECONDED** Michael Lambert

3.3 Commercial Horse Assistance Payment Scheme Update *Adam Carter*

Mr Carter updated the Board on the Commercial Horse Assistance Payment Scheme (CHAPS) and the Trainers who currently have outstanding CHAPS monies.

Mr Carter advised the Board that through the CHAPS reconciliation process for CHAPS I, II and III there were a number of underpayments and overpayments where incorrect horse numbers were declared, incorrect statutory declarations or incorrect paperwork submitted. Mr Carter advised that this has resulted with additional payments being made to trainers. A review has been undertaken both internally and by an independent auditor to ensure that the cost recovery of \$360K is in accordance with the Federal Government CHAPS funding guidelines.

Mr Carter detailed the CHAPS I, II & III recovery

1. CHAPS I recovery from initial payment for 31 days - \$268K, 74.3% of total outstanding.
2. CHAPS II recovery \$75K, 20.9% of total outstanding.
3. CHAPS I, II & III recovery \$14K 4% of total outstanding
4. CHAPS 5YO recovery \$3K 1% of total outstanding

Mr Carter advised that QRL is required to abide by the requirement of the Dept. Agriculture, Fisheries and Forestry (DAFF) funding agreement and must recover costs from trainers where the guidelines were not complied with.

Mr Carter advised that the total outstanding CHAPS payment is \$360K. Mr Carter also advised that if Trainers do not repay their debt they will be placed on the forfeit list and will not be able to nominate in accordance with QRL credit terms for trainers. Trainers have been given 60 days from date of invoice to pay the money. Mr Carter sought approval from the Board to grant an additional 4 weeks for trainers to repay the money.

Mr Carter advised that a full review of all outstanding debt as at 30 June 2008 will be provided to the Audit Committee on the 8 August 2008. Mr Carter also advised that if QRL is unsuccessful in recovering the outstanding debt, QRL will incur the outstanding costs on behalf of DAFF and not be reimbursed.

The Board **APPROVED** the additional credit terms of 4 weeks for trainers to repay the outstanding CHAPS money.

ACTION
Adam Carter to update the Board at the next meeting of outstanding CHAPS repayments.

3.4 Risk Management Policy Version (2) *Adam Carter*

Mr Carter presented to the Board a generic guide for the establishment and implementation of the QRL Racing Industry Risk Management Policy Version 2 and processes for both TAB clubs and Non TAB clubs.

The Board **RESOLVED** to approve the policy 'in principle', with the policy to be signed off by the Audit committee in August 2008.

3.5 Event Management Policy Version (2) *Adam Carter*

Mr Carter presented to the Board a generic guide for the establishment and implementation of the QRL Racing Event Management Policy Version 2 and processes for both TAB clubs and Non TAB clubs. The policy compliments the Industry Risk Management Policy.

The Board **RESOLVED** to approve the policy 'in principle', with the policy to be signed off by the Audit committee in August 2008.

4.1 Metropolitan Racing Policy *Malcolm Tuttle*

This Policy was discussed under item *1.5 Correspondence for noting*. The Board **RESOLVED** to keep the current policy until 1 July 2009 subject to a complete review and the outcome of the proposed merger of the QTC and BTC.

4.2 Review of Policy *Chairman*

The Board were advised that the '*Forms Policy*' was due to expire in July 2008. The policy was reviewed by Mr Malcolm Tuttle, Chief Operations Manager and no changes were necessary.

This was **NOTED** by the Board.

5.1 Deagon Development*Malcolm Tuttle*

Mr Tuttle updated the Board in relation to the development of the Deagon Training Centre (DTC)

Mr Tuttle advised that previously the Board has committed to the upgrade of the DTC to include infield stabling and improved training facilities.

Mr Tuttle advised that Nettletontribe has been engaged as the architect. THG Resource Strategists have been engaged to assist with the preliminary stages of town planning. Mr Warren Williams the General Manager of BTC has been engaged to facilitate best practice in relation to track design. The Board was further advised that a meeting was planned with the local Councillor and that the Board could expect to receive further concept drawings at the next meeting.

The Board **NOTED** the updated.

5.2 Business Plan 08/09*Malcolm Tuttle*

Mr Tuttle tabled with the Board the Draft Business Plan 2008/09 Version 3.

The Board discussed the draft plan and recommended that the document be reduced in size by removing the less strategic initiatives.

5.3 Strategic Plan 2008 -2011*Malcolm Tuttle*

This item was deferred to the August 8, 2008 Board Meeting.

5.4 Oncourse Broadcast Production*Malcolm Tuttle*

The Board **NOTED** that Mr Lou Bickle has decided not to offer for sale his Oncourse Broadcast Company.

5.5 Broadcast Rights*Malcolm Tuttle*

Mr Tuttle advised the Board that this project had been progressed on the basis that there will be an aggregation and assignment of Broadcast Rights.

Mr Tuttle advised that subsequent to the Meeting on May 22, 2008 with all TAB clubs, he wrote to them requesting 'in-principle' support, albeit conditional, for the aggregation and assignment of broadcast rights. The replies received to date are attached to the Board paper.

Mr Tuttle advised that QRL has outlined to the clubs that it will fund the engagement of consultants/negotiators that will have primary carriage of the project.

The Board noted Mr Lambert's comments that recent advice to RISA suggested that PRAs may have some ownership of the IP as it relates to Broadcast.

Mr Tuttle undertook to ensure this was qualified prior to progressing with the project on the basis that the Clubs hold primary ownership of the Broadcast.

Mr Tuttle also advised that he and the Chairman have held discussions with TVN, and TVN's advice was that QRL kept their options open. To the extent they had no fundamental objection to the prospect of QRL becoming an equity partner in TVN.

The Board **NOTED** the update.

5.6 Licensing Assistance Group

Malcolm Tuttle

Mr Tuttle sought approval from the Board to contribute \$50K per annum to the Licensee Assistance Association (LAA).

Mr Tuttle advised that on June 22, 2008 he and Mr Bill Andrews met with the current members of the LAA. At the meeting a number of matters were discussed, these include:

- A request for the current constitution of the LAA;
- The role of the Jockeys Assistance Association;
- The structure of the LAA;
- The number of and nature of the meetings held by the LAA; and
- General discussion in relation to the role of the LAA.

Mr Tuttle advised that one of the main issues faced by the LAA is its lack of capacity to raise sufficient funds to make a material difference for distressed licensees. As such, Mr Tuttle proposed that the Board of QRL commit to an annual contribution of \$50K to assist in this regard.

Should the Board agree to commit to this contribution with the first payment in the 2008/09 financial year, Mr Bill Andrews has undertaken to join the LAA with a view to assisting with the role of the association, whilst ensuring that the association conducts its business to an appropriate standard.

The Board **APPROVED** the contribution to the LAA of \$50K per annum and **NOTED** that Mr Bill Andrews will be joining the LAA as a member.

MOVED Tony Hanmer **SECONDED** Michael Lambert.

5.7 Increased Industry funding – Outline of Approach

Malcolm Tuttle

Mr Tuttle sought approval from the Board to engage IER to undertake an exercise that will lead to an approach being made to the Queensland State Government for additional industry funding.

Mr Tuttle advised that IER is a company that is well positioned to prepare a detailed analysis, which could lead to an application for the redirection of wagering tax to the racing industries in Queensland.

Mr Tuttle advised that meetings have been held with the Chief Executive Officers (CEO's) of the QLD Harness and Greyhound codes to confirm their support for an approach to the Government for taxation relief.

Mr Tuttle advised that the financial costs for the work of IER is approximately \$84K.

During an informal discussion with Mr Bob Lette, Chairman of QLD Harness it was suggested that QRL could contribute 50% of the overall cost with Harness and Greyhound 25% each. This has not been formally put to either of the Harness or Greyhound Boards. Mr Tuttle advised that on the basis that QRL accepts this approach the financial impact will be approximately \$42K.

The Board **APPROVED** the engagement of IER and paying 50% of the costs associated with the study.

MOVED Bill Andrews **SECONDED** Tony Hanmer.

5.8 Equine Influenza – Callinan Report

Malcolm Tuttle

Mr Tuttle updated the Board in relation to the Callinan Report, the Federal Government's response, and the Equine Influenza (EI) Class Action proposed by law firm, 'Attwood Marshall'.

Mr Tuttle provided an overview of the proposed action by 'Attwood Marshall', which can be found in the Board paper corresponding to this item.

The Board discussed the item at length and **RESOLVED** that QRL would not pursue the joining of a Class Action or similar at this stage

6.1 Licensing Report

Peter Smith

There were no issues with the licensing report.

The Board **APPROVED** the May 2008 Licensing Report

MOVED by Bill Andrews, **SECONDED** by Michael Lambert

7.1 Sponsorship Policy

David Rowan

Mr Hanmer provided an overview of the paper compiled by David Rowan IT Manager, for the approval of the Board.

The Board reviewed the draft policy provided and made no changes

The Board **APPROVED** the sponsorship policy and **NOTED** it's publication on the QRL intranet site.

7.1 History of Racing in Queensland

Claire Power

Mr Tuttle provided on overview of the paper compiled by Claire Power Senior Communications Officer seeking a decision from the Board to further develop the project to officially record History of Racing in Queensland.

Mr Tuttle advised that to further develop this initiative the following areas will need to be clarified:

- Financial implications including research and staffing
- Duration
- Overall expectation to the form of a project plan

Mr Tuttle sought a commitment from the Board for the amount of up to \$250,000 to be incurred in the 2008/09 financial year.

The Board **APPROVED** the development of the above initiative and a commitment of \$250,000 to be incurred in the FY08/09.

MOVED Tony Hanmer **SECONDED** Bill Andrews

8.1 Regional Seminars

Paul Brennan

Mr Brennan updated the Board on the 12 Regional Seminars recently conducted throughout Queensland from 11 June – 23 June 2008.

Mr Brennan advised that all the seminars went in excess of four (4) hours and during the breaks and at the conclusion, seminar participants had the ability to liaise directly with QRL Board and staff.

In addition to the seminars providing a great opportunity for QRL to interact with stakeholders, Mr Brennan advised that they also acted as a great team building exercise with those staff and Board members in attendance being required to work together to appropriately engage and inform participants.

Mr Brennan asked the Board to note the update and expressed his interest towards discussions on the benefits associated with the conduct of these seminars at two to three year intervals.

Additionally, Mr Brennan recommended that once QRL has revised the governance, funding and race dates model it would be beneficial for the Chairman to attend a number of regional venues to discuss the benefits associated with the revised model, prior to holding discussions with the Queensland Country Racing Committee and Government.

The Board **NOTED** the update provided by Mr Brennan.

8.2 Winter Carnival Update

Paul Brennan

Mr Brennan updated the Board on the racing related performance indicators benchmarked during the Queensland Winter Racing Carnival.

Mr Brennan tabled an updated spreadsheet that provides a three year comparison of off-course wagering and average starters, as well as interstate and overseas participation. *See attachment "J"*

Mr Brennan highlighted that the National racing schedule has been completely disrupted following EI and the draconian quarantine requirements implemented by New Zealand Authorities. It made it nearly impossible for international participants to participate in QLD's Winter Carnival.

Mr Brennan advised that despite the downturn in the above-mentioned areas, wagering has grown by 5.1%.

The Board discussed the need for a better marketing campaign in the lead up to the next Winter Carnival, and in particular a campaign to canvass our New Zealand stakeholders.

The Board **NOTED** the update

8.3 Corbould Park Lights

Paul Brennan

Mr Brennan sought the Board's further approval on the installation of lights at Corbould Park due to an increase in the initial quote.

Mr Brennan advised the Board at the June Meeting that contractors Neil T Fallon Services Pty Ltd should be approved at a cost of \$4.3 million (ex GST). However, since the last Board meeting this cost has risen to an amount of \$ 6 – 7 million.

Mr Brennan advised that due to the increase he has requested Neil T Fallon Services Pty Ltd to separate the quote in three (3) areas: The lighting of,

1. Synthetic Track
2. Course Proper
3. Both

Mr Brennan will then provide this advice to the Board for approval.

Mr Brennan again advised that the Sunshine Coast Racing Trust does not have sufficient funds to facilitate this project and that it is proposed that QRL be responsible for the costs associated with the installation of the lights and that QRL takes additional units in the Sunshine Coast Racing Trust.

The Board **NOTED** the update and await the advice on the break up of costs of the three proposals. Mr Brennan advised that this may be dealt with by way of flying minute, prior to the next Board meeting.

9.0 General Business

Chairman

Gold Coast Turf Club - Renovation of Ground Floor areas of the Club.

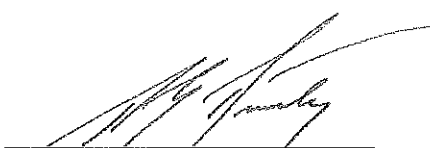
The Chairman tabled correspondence from the Gold Coast Turf Club seeking approval to incur approximately \$843,218.26 plus GST, for renovations to the Ground Floor areas of the Club. *See attachment` "K"*

The Board **APPROVED** the Gold Coast Turf Club to incur the expenditure for Renovations of the Ground Floor areas of the Club.

MOVED Bill Andrews **SECONDED** Tony Hanmer.

MEETING CONCLUDED AT 2:52PM

CONFIRMED AS A TRUE RECORD.



R.G. Bentley
Chairman

Dated...../...../2008

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