



Minutes of
Queensland Racing Limited
Board Meeting



Friday 5 September 2008

Board Room, Queensland Racing
Racecourse Road, Deagon

Meeting Commenced at 9:50am
Meeting Concluded at 2:50pm

**Board
Directors
Present:**

Bob Bentley – Chairman
Tony Hanmer
Michael Lambert
Bill Ludwig
Bill Andrews

In attendance:

Malcolm Tuttle – Chief Operations Manager
Jamie Orchard – Director Integrity Operations
Adam Carter – Finance Manager
Ron Mathofer – Business Analyst
David Rowan – IT Manager

Minutes:

Donna Biddle – Board Secretary
Debbie Toohey – Legal Administration Officer/Appeals Secretary

The Chairman commenced the meeting at 9:50am.

SECTION 1 – STANDING ITEMS

1.1 Apologies

There were no apologies.

1.2 Declaration of Conflicts of Interest

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

1.3 Confirmation of Minutes of Queensland Racing Limited BM#23 on 4 July 2008

The Board made the following amendments to the minutes:-

5.5 Broadcast Rights

The last paragraph is to now read:

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

1.3 Confirmation of Minutes of Queensland Racing Limited BM#24 on 8 August 2008

The Board made the following amendments to the minutes:-

2.1 Palm Meadows Update

Dot point 3 - remove dot point *'The Project is not viable at this stage in the market'*

Change sentence *'..... to be undertaken by Stockland'* to *'..... to be undertaken on Bundall.*

2.2 Charging for Product: NSW Field Selection

Second Paragraph, the word *'August'* becomes *'next'*. This item to be added to Action Sheet

2.4 Marketing Campaign

Second Paragraph, the word *'\$450,000'* becomes *'\$583,000'*.

3.1 Finance and Wagering Report June 2008

First Paragraph, second line, the word *'result'* becomes *results'*. *'of QRL'* to be removed from sentence.

3.3 QJA Increase Riding Fee Submission

Third Paragraph, **'RECOMMENDED'** becomes **'DETERMINED'**

4.1 Policy on Formation and Management of Clubs

Second Paragraph, *'recommended'* becomes *'determined'*

4.2 Townsville Turf Club

Fourth Paragraph, Remove (1) from start of Paragraph

Fifth Paragraph, Change numbered points to (1) and (2)

(1) is to now read:

- (1) Following the rescission of item 4.2 of 7 December 2007, that the Board of QRL advises the Club that it intends to further consider the sale of Cluden Park land and to request more information and documentation.

5.1 Deagon Development Plan

Second paragraph becomes:

Mr Tuttle advises that he has had preliminary discussions with Brisbane City Council and the Local State Member for Deagon. A scheduled meeting will be held with Council Town Planners during August.

8.1 Corbould Park Lights & Stable Project

Stable Project

First paragraph. Remove *'Caloundra City Council'* and replace with *'Sunshine Coast Regional Council'*.

Second paragraph, second line, 'inhabitation' becomes 'habitation'.

Third paragraph, second line. Commence new sentence with 'The Board'.

Third paragraph, second line. 'should be' to be inserted after the word 'funding'.

General

First paragraph, 'improvement' becomes 'facilities'. Remove 'real' from third line.

9.0 General Business

Donation Policy

'Mr Bentley' becomes 'The Chairman'.

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

*That the minutes of the August Board Meeting of 8 August 2008 be **ADOPTED** subject to the above changes.*

1.4 Action Sheet

The Board **NOTED** the action sheet.

1.5 Correspondence / Matters for Noting

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

1. Flying Minute – Resolution to engage 'Senior Counsel' or 'Other Legal Services' to act on QRL's behalf in relation to the CMC's Investigation of allegations of impropriety conduct by QRL.

This was **NOTED** by the Board.

SECTION 2 – DIRECTORS

2.1 Palm Meadows Update

Michael Lambert/Malcolm Tuttle

Mr Lambert updated the Board on the Palm Meadows development with the following:

- Mr Lambert advised the Board that Stockland was still to finalise some work to assist with the market assessment of the possible commercial developments at both Palm Meadows and Bundall. This work is also required for the Highest and Best use valuation of Bundall.
- It was also outlined that once the information was available from Stockland it would be used by Tract for the Master Plans and then inputted by PwC into the financial model. Mr Lambert outlined that there would be some minor costs incurred for this work but that it needed to be undertaken to enable the Board to make a final decision on the project.
- The Board was advised that a series of meetings were arranged for Mr Lambert and Mr Tuttle on Thursday September 11, 2008 with Stockland, Tract, PWC and Treasury.
- Mr Lambert and Mr Tuttle will present a final report at the October/November Board meeting.

2.2 Marketing Campaign

Mr Hanmer updated the Board re Marketing Campaign launch. Original launch date in Rockhampton on 28 September 2008 has been cancelled and 4 October 2008 has also been cancelled. No further date has been set as yet.

The Board **NOTED** the update.

2.3 Broadcast Rights

Mr Tuttle updated the meeting re conflict of interest for Allen Arthur Robinson as they are also acting for Sky but they could undertake a copyright health check on behalf of our organisation.

Subject to the advice received from Allen Arthur Robinson, the TAB Clubs will be advised of any outcome.

This was **NOTED** by the Board.

2.4 QRIA 08/09

Mr Hanmer advised the meeting the QRIA 08/09 Awards night was a success and was \$1000 under budget. Issues that need to be considered for next year's event:

- Horse of the Year – More focus and anticipation needs to be built up for this award next year.
- Farrier Award – This award was left out in error on the night – Farrier's were very keen for this award to be acknowledged.
- Sponsors need to be more involved over the whole year.
- Ticket price to be increased next year to \$160.00.

The Board **NOTED** the updates.

2.5 RISA August Board Meeting

The Board noted the following report provided by Mr Michael Lambert on outcomes from the August RISA Board meeting.

The **Trainers Service Centre** has been migrated from NSW Racing to RISA with a manager appointed. It is anticipated that through the transfer of the financial services licence to RISA that access to a licence will be a valuable service to horse ownership syndicates.

The evaluation of the Victorian **Bet Monitoring System** was underway in consultation with the PRAs. RISA is considering the purchase of the system.

Copyright Compliance is an area in which RISA has been active to ensure that racing information is protected. Mr Tuttle outlined to the Board that it was his intention to engage Allens Arthur Robinson to undertake a similar review on behalf of QRL.

Mr Lambert reported good progress on the **New Product Prices** that have been introduced by RISA with all wagering entities other than IAS Bet signed up.

NSW and SA have introduced **Race Fields Legislation** to take effect from September 1, 2008.

2.6 Race Fields Legislation

The Chairman updated the meeting re legislation currently in all states. Legislation will be discussed at Queensland Cabinet meeting on Tuesday 9 September 2008. Queensland Racing Limited will be consulted following the release of legislation from Cabinet.

2.7 Bill Carter Allegations

This matter was discussed "in camera".

SECTION 3 –9 DEPARTMENTS

3.1 Finance and Wagering Report June 2008

Mr Carter provided the Board with information relating to the financial and wagering performance and results for the month ended 31 July 2008.

For the month of July, QRL recorded a surplus of \$1.218M up \$953K from the \$265K budgeted surplus.

Revenue was up \$194K on Budget. Due to the increased interest received, investments resulted in favourable variance of \$121K.

Expenditure was down \$759K on budget due to pool transfers in prizemoney totalling \$277K. The Jockey Riding Fee was also \$178K under budget due to a number of race meetings being abandoned due to wet weather. During July, there were 2 lost TAB meetings and 5 lost non-TAB meetings due to weather.

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

3.2 Approval of Industry Insurance for FY0809

Mr Carter advised the Board that premiums for Professional Indemnity Insurance have increased on prior year due to an increase in the Limit of Indemnity that has doubled from \$10M to \$20M. To note the ATA has obtained a premium refund based on the reduction of activity due to Equine Influenza.

The total cost comparison on figures quoted which Inc Premium, Stamp Duty, U/Writing fee and brokerage is a 12.2% on prior year.

The Board **APPROVED** payment of the invoice.

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

That the board **APPROVE** the payment of Trainers Public Liability, Professional Indemnity and Personal Accident Insurance Invoice including Invoice 482497 for \$747,470.70

3.3 Approval of QRL Financial Statements for 30 June 2008

The following Annual Financial Statements were tabled by the Audit Committee and recommended for adoption:

- Queensland Racing Limited
- Queensland Product Co
- Sunshine Coast Trust

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

*That the Board **APPROVE** the audited accounts as presented and **AUTHORISE** the Chairman to sign the accounts.*

4.1 Brisbane Racing Precinct Development

Mr Lambert stated to the meeting that, in his opinion, QRL should have representation on the BRC Steering Group. The Chairman agreed that this would be a good outcome under normal circumstances, however QRL does not have the qualified resources available and the makeup of the BRC Steering Committee has the possibility of placing QRL in a compromising situation.

The Chairman advised as an alternative, that QRL should set the parameters and outcomes that QRL expected to be achieved for the industry. The outcomes of the commercial development need careful consideration and these should be left to experienced property consultants to advise the Board of QRL.

The Chairman asked Mr Tuttle to document the required QRL outcomes and circulate to the Board, prior to forwarding to the BRC Development Committee.

*The Board **APPROVED** the formulation of a document of outcomes required by QRL and **AGREED** that the engaging of a quantity surveyor be commissioned when the final outcomes of the BRC have been reduced from a wish list to a practical proposition.*

4.2 Deagon Development

Mr Tuttle updated the meeting of the main issues. A letter has been sent to Ms Amanda Cooper, Bracken Ridge Ward Councillor and Mr Campbell Newman, Lord Mayor, Brisbane City Council re QRL plans for the Deagon Development.

Ms Vicky Darling, State Member and Ms Victoria Newman, Deagon Ward Councillor, attended a meeting Thursday 4 September 2008. Ms Darling suggested that QRL should meet with Mr Andrew Fraser, Minister, re Deagon development.

Mr Tuttle advised the Board that the Equine development will move on to the application stage independently of any commercial development on the eastern side, but with a holistic approach on the master planning of the overall development.

4.3 RISA – Single National System

Mr Tuttle updated the meeting and asked for the Board's approval to enter into a MOU for the first stage of the work towards establishing a single national system.

The Board **APPROVED** entering into an MOU with RISA

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

*That the Board **APPROVE** the signing of a MOU with RISA*

5.1 Licensing Report

The Board **APPROVED** the Licensing Report

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

*That the board **APPROVE** the Licensing Report as presented without change*

6.1 Integrity Report

Mr Orchard advised the Board of the current status of activities and programs in the Integrity Department. In particular, Mr Orchard noted that:

- The success rate in appeals is quite good for the year to date in the Racing Appeals Tribunal but that the trend in appeals at the First Level Appeals Committee continues to be poor.
- One Steward has declined to accept the Steward's rotation transfer. A letter has been sent stating that as he has refused to move, it is assumed that he has effectively resigned.
- The Inquiry into the lifting of the embargo without an Official Trial has been set down for the beginning of October. The Steward involved has been directed to attend to give relevant evidence.

The Board **NOTED** the report.

6.2 Review of Recent Reports on Integrity in the racing industries in NSW and Victoria

Mr Orchard updated the Board re Review of Recent Reports on Integrity in the Racing Industries in NSW and Victoria

The Board **AGREED** to the following changes:

Page 7 – Board Recommendations

1. The introduction of a requirement on Bookmakers to time record each bet in the relevant lodger;
- 3 A submission being put to the Office of Racing for a legislative amendment which would have the effect of replacing the First Level Appeals Committee (FLAC) with a Disciplinary and Appeals body; and
- 4 A Chairman and Deputy Chairman of the FLAC be appointed and responsibility for determining the constitution of particular panels vested in the Chairman.

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

*That the Board **APPROVE** Points 1, 3 and 4.*

The Board discussed the need to undertake a comprehensive review of the Racing Act.

6.3 Amendment to Local Rule of Racing 118A

Jamie Orchard

Local Rule of Racing 118A be amended to the following:

A Bookmaker or Bookmaker's Clerk working in a licensed Bookmaker's business at a racing venue shall not have in their possession or use a mobile phone, or any device capable of receiving or transmitting information other than phone/phones or any device approved by Principal Racing Authority.

It is also recommended that the Board resolve that Stewards may approve the use of a computer by bookmakers to access the internet in circumstances in which the bookmaker is fielding at a Non-TAB meeting in which a fluctuation service is not provided on condition that prior to using the internet the bookmaker provides a declaration to Stewards to the effect that:

- The internet is to be used solely to access a service providing fluctuations directly from APN or through www.liveoddstv.com;
- No email sites are to be accessed;
- No betting is permitted through any online betting site (which would be in contravention of the Racing Act and the Rules of Racing in any event); and
- The computers used by bookmakers must be available for review by Stewards and Betting Supervisors at any time during or after the race meeting.

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

*That Local Rule of Racing 118A be **APPROVED***

7.1 History of Racing

Mr Rowan updated the Board on the History of Racing Project. The Board agreed that detailed research will be needed and Mr Rowan and Mr Tuttle are to compile a short list of suitable persons to act as reviewers.

The Chairman requested that both he and Mr Andrews have input into the selection process.

The Chairman suggested that Mr Rowan address the Country Racing Forum re History of Racing Project

8.0 General Business

8.1 Gold Coast Turf Club – Proposals for Approval

Two proposals have been received from the Gold Coast Turf Club (GCTC). The Board discussed the proposals. Mr Lambert inquired to the economics of proceeding with any improvements to the GCTC's infrastructure when the Palm Meadows development is under consideration.

The Chairman advised that the extensions and renovations applied for were necessary for the GCTC to continue and in relation to the Skyline Restaurant, the alterations will produce extra revenue for the Club. The Chairman also advised that he had had the opportunity to inspect the two proposed renovations and in his opinion, the request was sensible.

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

*That the Board **APPROVE***

- (1) *that the Proposed Extension to the Club's Skyline Restaurant and Corporate Box \$54,864.55; and*
- (2) *Renovation of Ground Floor Members areas \$414,969.50.*

8.2 Sunshine Coast Turf Club Annual Report

The Sunshine Coast Turf Club Annual Report was tendered to the meeting for general information.

8.3 Townsville Turf Club

Mr Ludwig inquired as to the status of the development of the Townsville Turf Club (TTC). The Chairman advised that a letter had been prepared advising the TTC that further information is required and the letter will be posted today. Ms Murray tabled the letter to the TTC for Board members (letter attached).

8.4 Interstate Forfeit List Debts

Mr Andrews requested Mr Carter's advice on the interstate debts on the forfeit list. Mr Carter advised that this had been a concern for a period of time as interstate Principle Racing Authorities were not recognising debts outside their jurisdictions. The Board agreed that Mr Tuttle should write to the ARB and request that a National rule be formulated to cover licensed person's debts irrespective of State Jurisdictions.

ACTION: *Mr Tuttle to write this letter.*

8.5 TAB Financial Workshop

Mr Carter advised the Board that he planned a 2 day workshop to be held 24 and 25 November. The Board discussed the option of including Day 1 as CEO/CFO and Day 2 to include the Chairpersons of TAB Clubs. The Board discussed both options and it was agreed that inclusions of Chairpersons in a financial conference would detract rather than add to the effectiveness.

Agenda items will be:

- Workplace, Health, Safety and Environment
- Developments
- QRL Strategy
- Race date program

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

Meeting closed at 2.50pm

Confirmed as a true record.



R.G. Bentley
Chairman

Dated.....5...../.....9...../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