

Board Meeting News

April 2007



Dear Regions/Members

As advised last month the Board of Swimming New Zealand are trialling a more effective means of communicating the activities of the Swimming New Zealand Board. The feedback on last month's Board Meeting News confirmed that rather than getting meeting minutes a more 'Plain English' descriptive communication of the Board meetings written specifically for Regions and other observers is more effective in keeping the membership informed of Board activities.

The Swimming New Zealand Board has worked very hard over the past two years with the support of SPARC to operate in a best practise manner. SPARC consider the SNZ Board to be effectively governing not managing the organisation.

Please feel free to contact me if you have any questions and or any suggestions on the change in communication format.

Swimming New Zealand Board Meeting 1st April 2007 Melbourne

WORLD CHAMPIONSHIPS BOARD ATTENDANCE

After the World Championships in 2005 the Swimming New Zealand Board collectively decided to plan their next family holidays around the 2007 World Championships. They were very keen to watch and support our National Team at a key pinnacle competition. The Board funded themselves entirely (including Flights, Accommodation, Meals and Competition Tickets) as they did not feel Swimming New Zealand should pay anything towards their trip. The Board took the opportunity to also hold their April board meeting while in Melbourne.

The trip was a fantastic opportunity to network with Swimming Australia full board, FINA Bureau members and CEO's and Directors of other nations. It also offered the special opportunity to invite the Swimming Australia Chairman and CEO to participate in the meeting with the full board. This was a very successful initiative as detailed below.

The Board also took it upon themselves to personally sponsor a small function for the parents and supporters of the New Zealand Team. They felt it was something they wanted to give back to the Swimming community. This was certainly a generous gesture and displays their commitment to SNZ extends well beyond their already extensive volunteer service and duties as Board members. The parents and supporters appeared to enjoy the opportunity to mix with the Board and Directors were keen to learn more on issues confronting the families of our national team.

BOARD MEETING

BOARD ONLY TIME

Normally each Board meeting begins with 45 minutes of 'Board Only Time' where the board can discuss any feedback, issues, concerns about the organisation's performance without a formal meeting structure. Items such as the CEO's performance are covered without the presence of management. This is a valuable opportunity for the Board and considered best practise governance. On this occasion as the Board members had been together at the World Championships for several days most issues had already been aired, so the time was shortened to formally confirm the CEO's half year performance review process outcome. The Board is pleased to confirm their full support for the CEO and appreciate the extensive efforts he is making to deliver to a challenging plan.

Board Meeting News

April 2007



STRATEGY

1. Swimming Australia Guests

Swimming Australia Limited (SAL) CEO Glenn Tasker and President Neil Martin were invited and discussed with the Board the following;

- The key challenges facing SAL going forward
- SAL view of FINA and Oceania and how SNZ can assist SAL
- Ways in which our respective organisations can work closely together

Murray Coulter thanked Glenn and Neil for over an hour and a half of their valuable time and acknowledged the tremendous relationship between the two organisations. The opportunity to freely and openly discuss each other's business was invaluable and SNZ looks forward to a continuance of the very positive relationship into the future. Glenn and Neil were also appreciative of the opportunity and confirmed their continued support and cooperation with SNZ as we both try to deliver the best swimming services to our communities.

2. Audit, Finance and Risk

A very clear strategy from the board has been to invest in programme development and organisational capability over the past few years. The board approved a budgeted deficit of \$40 000 this financial year. Management are working very hard to try and ensure we meet this target. However, in the Not for Profit sector income is in many cases only approved and/or applied for annually making long term planning a challenge. This is not a new issue, but makes the budget approved by the Board a dynamic operating framework subject to review should assumptions or actual figures change over time relative to when the budget is approved. With some income still outstanding (and under budgeted levels from various sources) SNZ management have been requested to take a very conservative approach to expenditure in the last three months of this financial year.

3. High Performance Budget

The Board discussed the High Performance Plan Budget and the implications on the programme due to a shortfall in anticipated income. The base High Performance investment with SPARC was negotiated in 2004 through until 31st December 2008 to provide some level of certainty to the programme through an entire Olympic cycle; this longer funding horizon has been considered a major breakthrough for our plan. This base level of funding is secure. SPARC's approach to major sports like ours has been to seek performance in exchange for targeted investment. Part of the structure for doing this has been to combine a base level of funding with a smaller portion (approximately 25%) of 'at risk' funding which can be earned at a nominated pinnacle event each year by meeting agreed performance targets. The targets have been negotiated in advance with SPARC by our High Performance team based on considerable analysis of data and in line with the strategic initiative of closing the gap on the rest of the World.

SNZ has performed exceptionally and earned the maximum of these 'at risk' payments at the previous two pinnacle competitions (2005 World Championships and the 2006 Commonwealth Games), when other sports have faced well publicised loss of 'at risk' funding. Unfortunately at the 2007 World Championships, despite the tremendous performance of our team, we were unable to secure the full value of our 'at risk' payment.

As mentioned above, the base funding is secure but the Board has asked for the High Performance Program to be modified in the ensuing 6-9 months to reflect the reduced level of income. The original budget has assumed the full level of 'at risk' funding would be earned and anticipated programme expenses aligned to that expectation. The Board confirmed that the High Performance Programme must operate a balanced budget, as other stakeholder groups cannot afford to subsidise it. Whilst HP programme funding will need to be reduced in future initiatives there remains strong support for continuance of the range and scope of activity generally. The Board is

Board Meeting News

April 2007



conscious of the additional pressure this expense puts on swimmers and their families especially where 'user' pays content is increased and has asked the High Performance programme to both balance its income to expenditure and seek new opportunities for funding support for specific initiatives. The Board has previously prioritised the needs of the highest performers and this will continue although the same level of support may not be possible.

4. Independent Director

The board have reviewed the skill sets required for a second independent director to complement the existing skill set available to the Board in line with our strategic initiatives and goals. The Board have approached several people; all have either been either unsuitable or unavailable to join the board due to their current commitments. The Governance Committee has been requested to continue the search with urgency.

5. Consolidated Independent Report Recommendations – Status

The Board received a report from the CEO indicating progress on all the items listed in the various independent reports and reviews conducted on SNZ in 2003/4. The vast majority of actions/recommendations have been completed. Murray Coulter commented the Board, CEO and staff should proud of the work undertaken as it is a further indication of solid progress building capability. The Board asked the CEO to ensure the report was shared with SPARC to show both progress of SNZ and to close the loop on the process they initiated. Regional Associations are welcome to receive a copy from the CEO upon request.

6. Swimming New Zealand Business Plan

The CEO presented the draft business plan for 2007/08. Due to time constraints it was agreed the SNZ Business Plan discussion be completed offline.

GENERAL BUSINESS

7. Melbourne World Championships Team

The board acknowledged the outstanding work from our National Team at the World Championships both in and out of the pool.

8. FINA Merit Certificates

The Board wanted to recognise Ross Bragg, Jo Davidson and Lesley Huckins whom received Merit Certificates from FINA. The board acknowledged their efforts and level of attainment.

9. SNZ AGM

SNZ AGM date has been set for Sunday 16th September 2007.

10. Update Conflict of Interests Register

There were no updates to the register of Directors conflicts of interest.

11. Risk Management

The risk management framework was reviewed and accepted.

12. Regional Forum Planning May 26th May 2007

The Board work shopped the forum agenda and suggested ideas for inclusion which meet the feedback for more input from Regions with an emphasis on best practice sharing and collation of inputs from the stakeholders at a Regional level. The CEO will coordinate and advise Regions of their roles in the next few weeks.

Board Meeting News

April 2007



13. No Exceptions High Level Review

An independent high level review of the SPARC no exceptions policy was received by the board. This review assessed the current capability of our organisation to fairly integrate and consider the needs of disabled people as swimmers or officials and administrators. Some minor modifications to our Constitution and operations have been proposed and will be worked through over the next 6 months.

14. Reports

Staff management reports including financials were received by the board

NEXT BOARD MEETING (27th May 2007 - Wellington)

- Board Performance Review
- Board Skills Review
- Approval of Business Plan
- Draft Budget Presented
- Strategic Plan Review

Kind regards

Paul Veric
Chief Executive

Swimming New Zealand
Phone +64 4 801 4884
Fax +64 4 801 6270
Mobile 027 422 2232

www.swimmingnz.org.nz