

Warmest Greetings from our home on the Ohio River.

I left this piece of paradise on Thursday October 31 for a regular drive to the Westchester Hilton Hotel in Rye Brook, New York. I took my time, made it a 9 hour drive and enjoyed the fall colors all along the drive. For our panel 69 and 70 delegates, this will be the site of our 70<sup>th</sup> General Service Conference. We could have a GSO travel agency in place for arranging your tickets in time for this conference, so you are cautioned to maybe look at alternatives, but delay making any travel commitments (buying tickets, etc.) until I know more. It would be advisable to make family and work arrangements for the week of April 19-25, 2020. Further, some discussions are in process to maybe arrange a trip into New York City and visiting the GSO for the Friday meeting and then a building visit. ***Nothing is arranged yet***, but that would mean arriving at the hotel on Thursday, April 16. Another possible event still not nailed down, is a bus visit to many historical AA sites in New York City on Saturday. And finally, we are also considering a possible trip to Stepping Stones on Saturday April 25, which would then mean a departure from the Conference to home either much later Saturday or maybe Sunday. Typically, any hotel nights outside of the Conference are your responsibility. That would then mean that hotel costs for Thursday and Friday before and Saturday after would be the responsibility of the individual if someone was to stay there from Thursday before through to Sunday after the Conference. Please feel free to contact me with any questions or clarifications. Yes, the expenses for the conference (travel, meals, hotel and similar expenses) are paid for by Alcoholics Anonymous, not the individual delegates.

Enough of that. I was there for the business of Alcoholics Anonymous. Friday was for meetings of both the AA Grapevine, Inc. and AA World Services, Inc. boards. I am a director on the Grapevine, so that kept me busy all day Friday. Jon, our editor, was in Houston for the Corrections conference so we only had his written report, and all is well in his part of the Grapevine universe. Nivia, the new associate editor for La Viña was present and represented the publishing group quite well. She had served us as the outreach manager and had done a marvelous job. She did share an email to a user enumerating her help with consolidating Grapevine usernames and passwords. I think I have three that could be unified and if you are interested, I'll share her note.

The combined GV/AAWS shopping experience is still being addressed, and the change to the new ERP program has contributed to some delays. There is still hope to have the entire store, billing and shipping in place by mid-2020 – think International Convention in Detroit as the target launch. Shipping charges remain a huge obstacle, and it has to be solved.

Grapevine on You Tube is roaring forward – check it out. There are some audio stories with user photos for the video, and our explanatory videos posted there as well. AAWS is envious of our progress. We also spent a fair amount of time discussing the developing issue of prisons and jails moving away from paper books and magazines towards tablets and digital reading materials. There are a number of companies providing tablets and services to these institutions and it is complicated by some contracting with states and some with individual institutions. We, the Grapevine Board, decided to contract first with American Prison Data Systems (APDS) at the suggestion of our consultant and with the approval of our attorneys. AAWS is also expected to follow the same contract path. We continue to look at other services and there are so many complications but that is our job to make sure that our Fellowship has the tools to take our books and magazines into those institutions. We are also contracting with a company called Ingram to provide electronic versions of our books and magazines to those companies as well as libraries, retail and global book distributors. Yes, these companies get a commission on sales, Ingram gets 10%, but it is an area where we get no business right now.

The title of the actual Grapevine magazine will be changed to “AA Grapevine The International Journal of Alcoholics Anonymous”. This will be on two lines on the cover, and will match the actual title of

the corporation. In the past it had that exact same title, but was changed to Grapevine since it was mailed without a separate cover or black bag and members asked to remove AA from the cover. On the subject of our magazine, we are considering the possibility of making the magazine larger (8x10 or so) and wonder how the fellowship feels about that – larger type, generally more readable. Comments are welcome. Finally, Grapevine offers free shipping in November and December so get your Christmas shopping done soon – books, calendars, pocket planner and more. I'll attach a page of finances at the end understanding that the ERP system was not at full steam by meeting time, so we didn't get as much information as usual.

First thing Saturday morning found me in the Trustees Committee on the General Service Conference. I am a member of this committee. We had a pretty full agenda, most of which is addressing potential agenda items and working on items from past conference actions. Our first item was a request from an individual to change the occurrences of He, Him and His from steps three, seven and eleven and replace them with God. We declined to forward this to the Conference since there were not a significant number of requests to make this change and also noted that such a change would require the approval of three quarters of all of the known groups around the world who respond to the inquiry. We then discussed the reporting of polls taken between conferences. We decided to recommend that there be a listing of Conference Advisory actions taken between conferences and that the 2019 poll be reported in this new section in the 2020 Conference Report, noting the date of the action. Next, we discussed the subcommittee addressing items not forwarded to the Conference and how we might better deal with the approval of visitors to the Conference. Our subcommittee work, including myself, has had some meetings and have more scheduled with the hope of a complete report by January 2020. The sub-committee addressing the equitable distribution of workload has developed some suggestions and will forward their report to the Conference. Next we discussed the updates of the Service Manual and learned that any actions from the Conference will be added, by publications, into this revision. I am one of many who will review and comment on the proposed revisions which will be sent to the Conference in January. Of interest as well was we discussed the Delegates Only Meetings and clearly agreed that these meetings can discuss anything except those items currently in Conference committees. There are no other restrictions, and these meetings, in the past, have brought forward items which have become Advisory Actions. The last thing I'll mention on this committee is the suggestion that we develop a form to assist in the presentation of potential Conference agenda items to include things as what is the suggestion, what problem will it solve, how much would it cost, any background and more. This was a busy committee and more actions will come in January.

Later Saturday morning put us into our GSB Trustees committee on International Conventions and Regional Forums. I am a member of this committee. Our first part was Regional Forums. We held two more Forums in the past few months, West Central in North Dakota and Southwest in Houston. In both cases the attendance was around 400 total with about 200 first time attendees. What are we doing that keeps those who have attended in the past from attending more? If we have 200 new folks, the return attendees should be maybe 500 or so rather than 200 if we were offering a good reason to return. The video intended to help show what happens at the Forum is nearly complete. We saw a near final version with lots of ECR footage included. Yes, I could recognize Shyrl's voice, Robert's sneakers and the back of Rick's head, but the anonymity of those in the video was well protected.

We then moved on to the International Convention and lots of discussion with the early problems with housing. Plenty of rooms are still available. There was apparently a problem when someone asked for a room for Thursday and Friday only and none was available, that short stay problem is addressed. Plenty of scooters and transportation for those need these services will be available. There will be Detroit Tigers baseball games every day during our convention, including fireworks on the 4<sup>th</sup> at the end of the

Tigers game. The Big Meetings will be in the Lion's stadium across the street, and since the Tigers had such a bad year last year, some are hoping that their poor performance continues and their crowds will be small – Cynthia, sorry about that last comment. Speaking about the Big Meetings, I will be the chair of the Friday night speaker portion of the program, after Michelle hosts the opening Flag ceremony. When you register early, you will receive your badge and any books you ordered by mail before you come to Detroit. There will be kiosks around where you can then get your badge holder and lanyard scattered around the convention center so you will not have to go to registration to get those things this year. Finally, the web site FAQs on the Convention will be updated to address the various issues which have surfaced since September 9, 2019 opening.

I attended the Trustees Nominating committee as an observer since I also chair the Grapevine committee on Nominating and Governance, and I was concerned as to the disposition of our nominations. To further explain, the General Service Board approves any recommendations from any committee and Trustees Nominating is a committee of the General Service Board. Both AAWS and Grapevine forward any proposed nominations to Trustees Nominating for their action and their eventual proposals to the General Service Board. The General Service Conference can then disapprove any and all proposals brought forward by the GSB. So, Grapevine proposed that Cindy F be nominated to serve as a Nontrustee Director, that Josh E be nominated as a General Service Trustee and Grapevine Director and Francis G (Northeast Regional Trustee) be nominated as a Director on Grapevine to replace me. All three actions were moved forward to the GSB and those names will then be forwarded to the Conference. The committee also discussed and has not yet resolved whether consultants and appointed committee members have a right to vote in Trustee Committees. More research and discussion is needed. Finally, the committee discussed and forwarded the thought of using electronic voting for the selection of Trustees to the Conference committee on Policy and Admissions.

Sunday morning, I sat in on the Trustees committee on Archives. It turns out that this was November 3, the anniversary of the opening of the Archives at GSO, plus it was also a way to celebrate Archives month (October) and the 20<sup>th</sup> anniversary of Michelle M's joining GSO on November 1, 1999. The committee discussed an issue of delegates requesting background from previous General Service Conferences, which is complicated as years ago delegates only got background for their committee alone, not for all committees. Further, some background is marked for committee only and all that leads to a practice (not policy) of denying any such requests. This question was moved to January for further discussion. The committee also approved an update on the policy on loans. Then they looked at a request to produce a book containing all discontinued pamphlets. The committee declined to consider this for two reasons, first that all discontinued pamphlets are available from the Archives right now, and second, the book would need constant revisions as more pamphlets are discontinued.

My second Sunday meeting is Finance and Budgetary, I serve as a member of this committee as well. The treasurer reported that the Defined Benefit committee met earlier this weekend and that the funds are strong and quite satisfying to our actuarial and consultants. There were no midyear budget adjustments and AAWS did not have to draw down any funds for the 8<sup>th</sup> floor improvements. AAWS reported that the renovations should be done by February 2020 and costing closer to \$ 750,000 rather than the budgeted \$1,000,000. Grapevine reported that there will be some adjustments to La Viña charges due to revisions of past allocations of various Grapevine employee's time to La Viña activities.

I think this is enough and I'll attach GV and AAWS Q3 financials as reported to the GSB. Please note they are not audited, and without complete data from the new and not your fully functioning ERP system.

Yours in Service, Mark

of 31 CDs to MP3s completed; GSO Accessibilities/LIM desk purchased 500 copies of the October 2019 GV Accessibilities issue; metadata initiative ongoing under the direction of the Production coordinator; ongoing planning of email blasts through circulation vendor; working with vendor tracking traffic on new La Vina store page.

A.A. Grapevine Financial Report

CIRCULATION	Sep-19 ACTUAL YTD	Sep-19 BUDGET YTD	VARIANCE ACTUAL VS BUDGET	Sep-18 ACTUAL YTD	VARIANCE 2019 ACT VS 2018 ACT
GV MAGAZINE	66,618	68,480	(1,862)	67,510	(892)
GV ONLINE	3,053	3,979	(926)	3,471	(418)
GV SUB APP	2,022	3,068	(1,043)	2,008	144
GV TOTAL CIRC.	71,693	75,524	(3,831)	72,989	{1,296}

FINANCIAL ACTIVITY	Sep-19 ACTUAL YTD	Sep-19 BUDGET YTD	VARIANCE ACTUAL VS BUDGET	Sep-18 ACTUAL YTD	VARIANCE 2019 ACT VS 2018 ACT
NET MAGAZINE	979,499	1,059,928	(80,429)	1,013,891	(34,392)
NET OTH PUBLISHING ITEMS	434,912	477,722	(42,810)	398,639	39,273
RESERVE FUND INTEREST	23,418	15,000	8,418	15,000	8,418
TOTAL INCOME	1,437,829	1,552,650	{114,821}	1,424,530	13,299
	ACTUAL YTD	BUDGET YTD	ACTUAL VS BUDGET	ACTUAL YTD	2019 ACT VS 2018 ACT
EDITORIAL	512,830	600,501	(87,671)	503,032	9,798
CIRCULATION & BUSINESS	871,850	887,360	(15,510)	737,358	134,492
GENERAL & ADMINISTRATIVE	199,211	177,388	21,823	138,252	60,959
TOTAL COST & EXPENSES	1,583,891	1,665,249	{81,358}	1,378,642	205,249
NET INCOME	(146,062)	(112,599)	{33,463}	45,888	(191,950)

La Vina Financial Report:

CIRCULATION	Sep-19 ACTUAL YTD	Sep-19 BUDGET YTD	Variance ACTUAL VS BUDGET	Sep-18 ACTUAL YTD	Variance 2019ACT VS 2018 ACT
LV TOTAL CIRC.	10,177	9,548	629	9,649	528

FINANCIAL ACTIVITY	Sep-19 ACTUAL YTD	Sep-19 BUDGET YTD	VARIANCE ACTUAL VS BUDGET	Sep-18 ACTUAL YTD	VARIANCE 2019 ACT VS 2018 ACT
NET MAGAZINE	65,059	51,595	13,464	62,283	2,776
NET OTH PUBLISHING ITEMS	12,599	9,813	2,746	12,324	235
TOTAL INCOME	77,618	61,408	16,210	74,607	3,011
	Sep-19 ACTUAL YTD	Sep-19 BUDGET YTD	VARIANCE ACTUAL VS BUDGET	Sep-18 ACTUAL YTD	VARIANCE 2019 ACT VS 2018 ACT
EDITORIAL	112,543	115,427	(2,884)	106,135	6,408
CIRCULATION & BUSINESS	70,872	66,078	4,794	61,091	9,781
GENERAL & ADMINISTRATIVE	5,063	4,281	782	4,233	830
TOTAL COST & EXPENSES	188,478	185,786	2,692	171,459	17,019
NET INCOME	(110,860)	(124,378)	13,518	(96,852)	(14,008)

Board Committee Activity:

Nominating and Governance Committee: The Nominating and Governance committee chair reported the committee met on September 26 and discussed General Service trustee and nontrustee director nominations to be forwarded to Trustees' Nominating for consideration. The committee is also finalizing edits to the new Director's Handbook.

Outreach Committee: The Outreach committee chair reported the committee has not met since August 22. The committee was asked to review director's event presentations to establish consistency in messaging to the fellowship.

Finance and Budget Committee: The Finance and Budget committee chair reported that the committee met on October 29 and discussed September 2019 financials as well as pending translation requests.

Ad hoc Strategic Planning Committee: The Ad hoc Strategic Planning committee chair reported that the committee met on August 13, September 4 and October 25. The committee discussed the minutes and actionable items from the September 13, 2019 Strategic Planning session.

**GSO Financial Results**  
**Nine Months Ended September 30, 2019**  
**(All figures In thousands)**

**SUMMARY**

	Nine Month 2019 Budget	Nine Month 2019 Actual	Nine Month 2018 Actual	Variance To Budget
Revenues	\$13,148	\$13,489	\$13,000	•\$341
Operating Expenses	<u>13,503</u>	<u>14,115</u>	<u>12,839</u>	(612)
Total Income	(\$355)	(\$626)	(\$162)	(\$271)

**REVENUE**

**Literature:**

	Nine Month 2019 Budget	Nine Month 2019 Actual	Nine Month 2018 Actual	Variance To Budget
Net Sales	\$11,118	\$10,929	\$10,640	\$189
Manufacturing	2,380	2,203	2,149	(177)
Shipping, WH, Supplies	<u>1,420</u>	<u>1,434</u>	<u>1,321</u>	<u>14</u>
Gross Profit- Literature	\$7,318	\$7,292	\$7,170	(\$26)

**Contributions:**

	Nine Month 2019 Budget	Nine Month 2019 Actual	Nine Month 2018 Actual	Variance To Budget
	\$5,831	\$6,197	\$5,831	\$366

**EXPENSES**

**Personnel Expenses:**

	Nine Month 2019 Budget	Nine Month 2019 Actual	Nine Month 2018 Actual	Variance To Budget
Salaries	\$5,853	\$5,766	\$5,506	(\$87)
Payroll Taxes	460	467	429	7
Insurance	1,040	1,014	952	(26)
Retirement Expense	<u>1,399</u>	<u>1,390</u>	<u>1,374</u>	(9)
Total	\$8,752	\$8,637	\$8,262	(\$115)

**Other Operating Expenses:**

	Nine Month 2019 Budget	Nine Month 2019 Actual	Nine Month 2018 Actual	Variance To Budget
Other Expenses	\$4,751	\$5,477	\$4,577	\$726