

October 6, 2023

2023 Fall Committee Meeting

Delegate's Report

Since my last report in September, I've had the pleasure to present report backs at two additional districts. Thanks to Districts 41 (Elmhurst) and District 40 (Wheaton) for the invitation and warm welcome. As of today, I have NO more scheduled districts visits, although I will be at the AI-Anon conference tomorrow as well as the East Central Regional Forum in November. I am of course still more than happy to visit districts (for whatever topics are asked for) all the way up to December 31st!! And speaking of December 31st, I'd like to take this opportunity to congratulate all the Panel 74 trusted servants who were elected last month, especially Erik & Lisa, and wish them all the best of luck in their new roles. I think I speak for everyone when I say it looks like Area 20 is in great hands for Panel 74!!!

AGENDA ITEMS-

It's hard to believe but planning for the next (74th) General Service Conference is in full swing and as such, the list of PRELIMINARY proposed Agenda Items (PAI's) will be sent out to the fellowship approximately 1-2 weeks following the conclusion of the General Service Board weekend meeting on Oct 27th. Compared to last year when there were 184 preliminary proposed agenda items, the number this year is expected to be closer to 100.

Prior to the meeting of the General Service Board on October 27th, all conference delegates will meet with their respective Conference Committees to discuss their committees' proposed agenda items, and offer feedback to the Trustees Committees on the proposed items. Since I serve on the Finance committee, I have only been made aware of the following FINANCE proposed agenda items.

5 Develop ways to communicate the **cost of services** to the Fellowship. This would include a comprehensive, annual, "member's eye view" list of costs for services provided by the GSB, AAWS/GSO, and the AA Grapevine, and be included alongside any financial information released to the Fellowship, including but not limited to, the Picnic Table Slides and Final Conference Reports. The costs per service would also include any associated salary costs, employee benefits, legal fees, IT costs. etc.

6 A re-commitment to the return of the **Reserve Fund to 9 - 12 months of current operating expenses** that takes into account prudence, cost savings, and utmost priority given to essential services that reach the still suffering alcoholic. This would include a timeline and roadmap to rebuild the Reserve Fund when it falls below 9 months, keeping in mind its spiritual value to the Fellowship. Previous policy to not set a lower limit on the fund would remain the same so funds are available when deemed absolutely necessary.

41 The General Service Board develops **supplemental reporting focused on the actual costs of the various service items we provide**, with an initial draft being brought back to the Conference Committee on Finance for review at the 75th General Service Conference.

48 On Awakening Group moves, due to perceived financial secrecy, diminished transparency and incomplete communication from the GSB, that the **Delegates from the 93 Areas be given the same "detailed" financial information that many other GSC members receive (GSB, AAWS Board, GV Board and Management of GSO) and that the detailed financials be delivered by the 21st of each month** for the previous month, thereby fostering a fully informed fellowship, and helping the Groups of Alcoholics Anonymous to have the access required to truly maintain and fully retain it's (Concept One) Final Responsibility and Ultimate Authority of and for the society they own.

52 Provide all Delegates in the US and Canada with **monthly year-to-date detailed financial statements**.

including income statement, balance sheet, and cash flow statement, versus budget, for GSB/AAWS/Grapevine/ La Vina, combined, for the previous month by the 15th of the month, every month, so the Delegates can provide those reports to the Fellowship, to show the Fellowship how their money is being spent and managed by the GSB, as there is a great need for more complete and timely financial reporting to the Fellowship with our Reserve Fund down -\$5 million, or -28% in the past four years from 2018 to 2022, as our GSB refuses to reduce costs to allow us to pay back the \$5 million borrowed from the Reserve Fund without the need to create new literature to pay back the loan (plain language Big Book).

There will be more info on agenda items in my Winter Assembly report.

FINANCES (As of Aug 31, 2023)

Revenue is very slightly less than budget. Total operating revenue is 1% less than the year to date (YTD) budget. Also, expense is very slightly over budget. Operating expense before depreciation is 1% greater than the YTD budget due to hotel expenses for meetings being greater than budgeted. **Overall, our year-to-date revenue and expenses are essentially as planned**. The YTD operating surplus before depreciation is \$227,077, which is about \$225,000 less than budgeted. As of September 18, we have \$1,131,836 in invoices from vendors which have not been scheduled for payment. In addition, over the next 30 days, we have scheduled vendor payments and payroll obligations totaling \$1,466,195. As of September 18, operating cash on hand is \$434,273 which represents 1.26 weeks of 2023 budgeted operating expenses.

Revenue

- YTD contributions are \$6,559,954. This represents 99% of the YTD budget of \$6,650,000 and is \$159,031 (2%) less than last year.
- YTD gross literature sales are \$9,997,774. This represents 99% of the YTD budget of \$10,070,000 and is \$1,862,672 (23%) more than last year. The variance to budget is due to greater than expected sales in March in anticipation of the April 3 price increase and strong sales since.
- YTD literature gross margin is \$4,964,088 which is 99% of the YTD budget of \$5,035,000 and \$1,393,994 (39%) more than last year.
- YTD cost of goods sold (COGS) of \$5,107,384 which is 51.1% of gross sales compared to a YTD budget of 48.0% and 46.4% last year. After being flat for two months, COGS as a % of gross sales increased in August due to a large paper purchase.

Expense

- YTD salary expense is \$5,314,725, which is 95% of the YTD budget of \$5,584,258 and \$423,105 (9%) more than last year. The variance to budget is due to open positions. The variance to last year is due to new positions in Legal, Licensing, and Intellectual Property and Language Services.
- YTD employee benefits expense is \$1,412,624 which is 105% of the YTD budget of \$1,347,372 and \$176,036 (14%) more than last year.
- YTD professional fees expense is \$1,062,251 which is 93% of the YTD budget of \$1,136,757 and is \$94,117 (10%) greater than last year.

Reserve Fund (2023)

- As of July 31, the assets in the reserve fund total \$13,135,226. After subtracting the \$573,012 Grapevine subscription liability, the reserve fund balance is **\$12,562,214**. This represents **7.26** months of 2023 budgeted G.S.O., Grapevine, and La Viña operating expenses of \$20,766,137.

Reserve Fund (2022) From last year's report

As of June 30, the reserve fund balance net of Grapevine subscription liability is **\$12,892,600**, which represents **7.57** months of 2022 G.S.O., Grapevine, and La Viña reforecast expenses.

GSO STAFF CHANGES

Many (but not all) of the staff members on various desks at GSO have rotated. A new Staff assignment listing was previously sent to the Area and can also be found [here](#). Of particular interest, Jeff W. has now retired as Staff Coordinator and Racy J. has assumed that role.

LITERATURE

Work continues on the selection of stories for the 5th edition Big Book, and we are likely still a couple of years away from the 5th edition being published.

The Plain and Simple Big Book translation project is also proceeding with a final **draft** being talked about for review by conference delegates at next year's conference!

Respectfully submitted-

Chris D.
Delegate
Panel 72/Area 20

I have not submitted any new expenses since my last report, so my year-to-date expenses remain at \$2696.26.