

## Northern Illinois Area 20

Unity - Service - Recovery

December 11, 2021

Hello Everyone,

Welcome to our last assembly in 2021.

I would like to thank you for allowing me to serve as your Delegate for the past two years. It truly has been an honor and privilege and I am very grateful to you. I have missed seeing you in person however, hopefully in the near future we will meet to face to face.

Effective immediately, please send contribution checks to:

Post Office Box 2407

James A Farley Station

New York, NY 10116-2407

On to business: From the 4<sup>th</sup> quarter report:

The Board approved a recommendation from the trustees' International Committee to withdraw from coordinating the 27th World Service Meeting (WSM) Theme: "A.A. in the Digital Age" currently scheduled to be held October 1 - 7, 2022 in Tokyo Japan. Based on the continued unpredictability of the pandemic and financial concerns the General Service Board is unable to support a **physical destination/hybrid meeting**.

The Board approved a recommendation from the trustees' International Committee that the General Service Board propose to the 27th World Service Meeting (WSM) that the General Service Office U.S./Canada coordinate the 27th WSM (currently scheduled October 1 - 7, 2022 in Tokyo Japan) **to be held virtually only**, and financed by WSM delegate fees and the WSM Fund.

### Conference

The design, planning and implementation of the Equitable Distribution of Workload (EDW) process has overwhelmed the Conference assignment. Helpful guidance, dedicated service, innovative approaches, and lots of hard work are resulting in many short-term successes along the way while numerous related and additional aspects of the assignment's support of the Conference are impacted. **By September 15, the Conference desk received 178 proposed agenda items forms**, some on the same items, which were all processed and forwarded to the appropriate committee/board for the fourth quarter

General Service Board weekend.

### **Corrections**

The new **Corrections Correspondence System (C.C.S.)** launched September 28, 2021. The new C.C.S. provides an expedient process whereby we can match volunteers and persons in custody automatically and manually, obtain statistics and reports, and generate personalized letters that can be sent via email to outside A.A. members and via postal mail to persons in custody. **Since the launch, 267 were paired that for a myriad of reasons had been sitting in the old system.**

**Progress on Google Ads for Professionals:** The staff secretary provided an update that work is underway between the C.P.C. and P.I. staff assignments crafting draft language to create one new campaign with multiple ad sets for the professional community. The committee looks forward to a progress report at the January 2022 meeting.

### **Public Service Announcements (PSAs):**

**Progress report on two new PSAs and updates to audio PSAs:** The committee discussed the post-production efforts of the two 2021 Conference-approved PSAs. The committee secretary reported that the target distribution date and press release was November 2021. The committee looks forward to a progress report on the broadcast distribution and tracking of the two PSAs at the January 2022 meeting.

**Reserve Fund report:** As of September 30, 2021 the Reserve Fund balance net of Grapevine subscription liability is **\$12,806,277**, which represents **8.48 months** of G.S.O. and Grapevine expenses. (**Target is 9-12 months.**) The balance includes the \$250,000 the G.S.B. voted in July to transfer to the Reserve Fund. We are currently in a multi-year process of transferring the funds of the Reserve Fund from one bank to another. Since most of our funds are in CDARs we are transferring the money as CDARs mature. (CDARS=The Certificate of Deposit Account Registry Service is a for-profit service run by the Promontory Interfinancial Network)

**G.S.O. financial results:** The committee reviewed the G.S.O. unaudited financial results for September 30, 2021. Gross literature sales year to date are \$8,613,803 which is 76% of the 2021 budget of \$11,400,000 and \$1,477,745 more than last year. September gross sales were \$746,519, the first time since June that monthly sales did not exceed \$1 million. Gross sales are averaging \$957,089 per month compared to a budget of \$950,000 per month. To meet the budget, monthly gross literature sales need to average \$928,732 over the last three months of the year.

Contributions year to date are \$7,416,647, which is 74% of the 2021 budget of \$10,000,000 and \$293,439 more than this time last year. Contributions are averaging over \$824,072 per month compared to a budget of \$833,333 per month. Monthly contributions have declined from \$940,632 in July to \$762,965 in August to \$736,734 in September. To meet the budget, monthly contributions need to average \$861,118 over the last three months of the year.

Total operating expense for the period ending September 30, 2021, is \$11,543,559 which is 73% of the budget amount of \$15,887,354 and \$512,887 less than last year. 2021 includes depreciation while 2020 does not. If depreciation is added to 2020, total operating expense in 2021 is \$652,671 less than last year. Payroll and benefits year to date are \$6,978,975, which is 73% of the budget amount of \$9,518,557 and \$567,919 less than last year.

The combination of the above revenues and expenses resulted in G.S.O. reporting a preliminary surplus of \$1,448,089. This compares to a budgeted surplus of \$747,312 and a deficit of \$612,104 at this time last year.

The G.S.O. financial report was accepted by the committee.

Progress report on preliminary G.S.O. 2022 Budget: The 2022 budget process followed the model of the 2021 reforecast process where senior managers were asked to develop budgets for their functional areas with the guidance and support of the finance team. For 2022, at the request of the C.F.O. and with support of finance, G.S.O. Staff supported the first phase of the iterative budgeting process by providing budget information related to Conference driven projects on their respective assignments. While G.S.O. Staff have played an increased role, primary responsibility for the development of the budgets lies with the General Manager who informed this first phase. The next and final step toward making the budget a true group conscience is to integrate the A.A.W.S. and G.S.B. Boards into the process.

The first iteration of the budget resulted in a deficit which must be closed. Toward this end, we are proposing special Board meetings devoted solely to the budget.

The board accepted the October Finance department report highlighting the following information as of September 30:

The CFO expressed concern that the monthly contributions have declined from \$940,632 in July to \$762,965 in August to \$736,734 in September. In order to meet the budget, it is hoped that monthly contributions might average \$861,118 over the last three months of the year.

Gross literature sales are \$8,613,803 which is 76% of the 2021 budget of \$11,400,000 and \$1,477,745 more than last year. Gross literature sales are averaging \$746,519 per month so far this year. September gross sales were \$746,519, and for the first time since June did not exceed \$1 million. Payroll and benefits are \$6,978,975, which is 73% of the budget amount of \$9,518,557 and \$567,919 less than last year.

Total operating expense is \$11,543,559 which is 73% of the budget amount of \$15,887,354 and \$512,887 less than last year. 2021 includes depreciation while 2020 does not. If depreciation is added to 2020, total operating expense in 2021 is \$652,671 less than last year.

Surplus for the first nine months of 2021 is \$1,448,089 compared to a budget surplus for the year of \$747,312 and a deficit of \$612,104 at this time last year. Adjusted to include

depreciation, the 2020 deficit was \$751,888. The surplus is attributable primarily to greater than budgeted literature sales.

In keeping with the goal of transparency, the trustees and non-trustee directors will start to receive a monthly finance report.

The Finance Committee chair opened the meeting by handing the CFO a bequest of \$10,000 from a deceased long-time sober AA member who shared her home group for thirty years. "She loved AA and the AA service structure." The mindset of prudence is with the thought of these types of contributions and bequests and how every dollar is spent.

**Grapevine financial results:** For the period ending September 30, 2021. Average paid circulation of the Grapevine magazine was 65,975. This compared with a budget of 67,658 and 2020 actual of 68,982.

Total income for the first nine months of the year was \$1,500,920 which is \$402,655 more than budgeted and \$270,313 more than the \$1,230,607 achieved in 2020.

Total costs and expenses of the magazine for the first nine months were \$1,221,103, which were \$115,347 lower than budgeted and \$229,715 less than the \$1,450,817 in 2020.

After adding interest earned, there was a net income for the period ending September 30, 2021, of \$279,817 compared to a budgeted net loss of \$238,185.

The Grapevine financial report was accepted by the committee.

**La Vina results:** For the unaudited results for September 30, 2021, average paid subscriptions for La Vina were 6,392 compared to 5,675 budgeted and 7,500 in September 2020. Income from magazine sales was \$48,801 compared with a budget of \$19,647. After deducting the costs and expenses of \$308,821, a shortfall between revenue and expenses of \$260,021 resulted for this service activity. This compares with a budgeted shortfall of \$288,515 and a shortfall of \$269,648 for 2020. The shortfall for the La Vina service activity has been funded by a transfer from the General Fund of the G.S.B.

The La Vina financial report was accepted by the committee.

- **Financially AA Grapevine is trending ahead of budget and ahead of prior year on sales of both subscriptions and literature.** Costs are under both budget and prior year.
- **La Vina is trending ahead of budget on subscriptions** and on budget for costs which are below the year prior.
- The AA message is certainly seeing growth in where and how it is carried. Additional outreach via Instagram and our new Podcast have generated fantastic traffic increases to both

website and store. Website traffic increased by 20,000 new users since July and is holding at over 72,000 as of September. Store traffic increased from 7,893 to 10,424, to 15,064 over July into August into September.

- 5200 people have listened to the Podcast. The Instagram account for AA Grapevine has 4,752 follows as of today, and has had 110,000 impressions to date. La Vina's Instagram has just over 500 followers and is trending interestingly at about 10% of the English version which is comparable to what we see in print and online.
- Outreach through our partner Ingram has added \$122,283.88 YTD sales in physical and digital books.  
Prayer and Meditation is proving to be a popular success. We have sold 4,079 at our online store and 757 through Ingram.
- Thanks to the fantastic cooperation of the Corrections Desk and Grapevine Staff we are now receiving directly the list of inmates who have reached out to help from AA and can report that we are officially at a deficit of carry the message subscriptions. We received a list of over 2000 requests from the Corrections desk, and have only 1,200 English Carry the Message Grapevine Subscriptions and 401 La Vina subscriptions in the pool. **So please report out to those that contributed their subscriptions are making it to prisoners and the need for more is real.**

The **Publishing department** has returned to the workplace, settling into the new 8<sup>th</sup> Floor workspace, effective October 1, 2021.

"Small Orders" (under \$25) total gross sales are \$85,744. Compared throughout years 2019-2021 small orders during the same timeframe from 2019-2020 was a 94% increase (\$35,319) in gross sales, 2020-2021 was an 18% increase (\$12,820) in gross sales. Small orders increased during the shipping pilot.

Orders placed by Intergroups and Central Offices, total gross sales are \$1,997,247. Compared throughout years 2019-2021 IGCOs' orders during the same timeframe from 2019-2020 there was a 14% decrease (\$203,478) in gross sales, 2020-2021 there was a 65% increase (\$784,731) in gross sales. IGCO orders increased during the shipping pilot.

The Publishing department noticed the increase in Big Book orders compared to the same timeframe. Combined sales for hardcover and soft cover Big Books 2019 - 2021 in English, French and Spanish. There has been a total decrease of 18% during 2019 - 2020, and an increase of 27% from 2020 - 2021.

Incredibly grateful to have served,  
Marilyn F.  
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