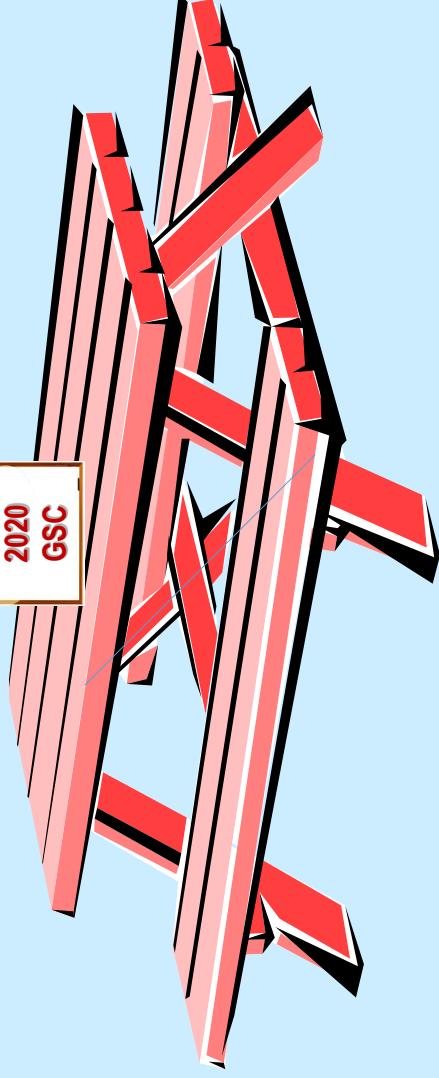


AROUND THE PICNIC TABLE

Menzel
Finance
2020
GSC



Leslie Backus
Class A (nonalcoholic) Trustee
General Service Board Treasurer

2019 FINANCIAL HIGHLIGHTS

- ❖ 7th Tradition of Self-Support – \$8.86 million set another record, up 5.71% from 2018
- ❖ AAWS publishing profits – \$9,36 million down 1% from 2018, used to cover shortfall between 7th Tradition and Cost of Services, resulting in net GSO loss of \$379,665
- ❖ Grapevine subscription levels decreased 2% in 2019. 2019 results were a loss of \$44,461 thousand
- ❖ General Fund support of La Viña service activity – \$289,314 thousand
- ❖ Reserve Fund – \$16.2 million resulting in ratio of 9.2 months

2019 FINANCIAL HIGHLIGHTS

- ❖ Due to many issues with the transition to the new ERP system the audit on the financial results for 2019 has not been completed. The audit should be completed and reviewed by the Audit Committee by May 30th.
- ❖ There may also be several versions of 2019 Income Statements for AAWS and the Grapevine. A final audited version of the financials will be included in the Final Conference Report.
- ❖ So if you see a few numbers that don't quite match don't worry the Finance Department and Marks Paneth, our independent auditors, are working to make sure the final audited financial for 2019 are correct.

2020 Budgets – Where Are They?

- ❖ Budgets for 2020 are also being reviewed and updated
- ❖ COVID-19 has had such a dramatic effect on the economy and how we are doing business that the budgets that were prepared in January are no longer relevant
- ❖ NetSuite, the new ERP, will make future budgets easier to prepare, once we get the “bugs” out

2019 FINANCIAL HIGHLIGHTS - DRAFT

Amounts in \$	2019 ACTUAL	2019 BUDGET	COMPARED TO 2019 BUDGET	2018 ACTUAL	COMPARED TO 2018 ACTUAL
GENERAL SERVICE OFFICE					
7 th Tradition Contributions	8.86 M	8.38 M	\$478,760 (5.71%) increase	8.39 M	\$478,760 (5.71%) increase
Literature Profits	9.36 M	9.77 M	\$416,250 (4.26%) decrease	9.45 M	\$93,860 (1%) decrease
Net Income	(0.3) M	0.5 M	0.8 M (62%) decrease	.4 M	.1 M (20%) decrease
GRAPEVINE & LA VINA					
Average Circulation	71,182	76,086	4,904 (6.5%) decrease	72,300	1,126 (15%) decrease
Net Income (Loss)	(44 K)	(135 K)	91 K (67%) increase	(149) K	107 K (39%) better
General Fund support of La Viña service activity	289 K	166 K	123 K (74%) increase	148 K	141K (94%) increase
RESERVE FUND					
Coverage Ratio	9.2 months	9.4 month ⁴	Decrease of 0.4 months (7%) months	9.7 Months	.2 months decrease
M – millions; K – thousands					

2019 Financial Results – What Happened?

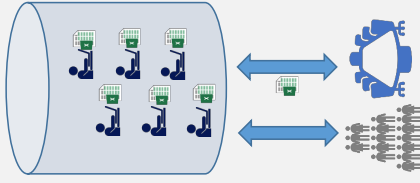
- ❖ The 2019 GSO Budget showed a net profit of \$501,221 but the actual for 2019 is a loss of \$379,655
- ❖ Income was \$62,512 less than budgeted and expenses were \$943,388 more than budgeted
- ❖ Expenses for Contracted Services and Professional Fees were higher than expected
 - Professional Fees were \$317,653 over budget, in large part due to contract reviews. AAWS is in the process of implementing a new way to review contracts which is both cost efficient and less time consuming
 - Contracted Services were \$831,948 over budget, in large part due to the implementation of NetSuite, the new ERP System

What is an ERP?

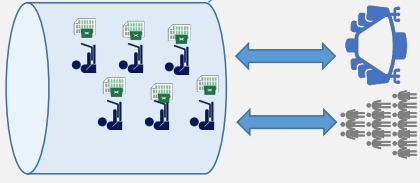
ENTERPRISE RESOURCE PLANNING SYSTEM BRINGING IT ALL TOGETHER

Our Traditional Approach

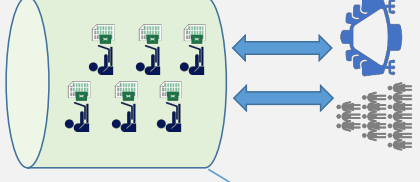
Group Records



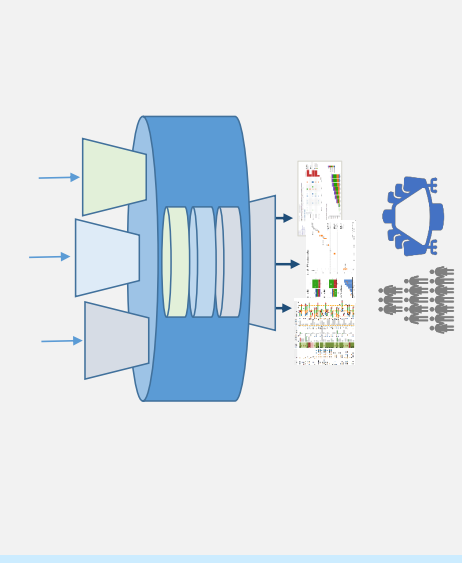
Literature Orders



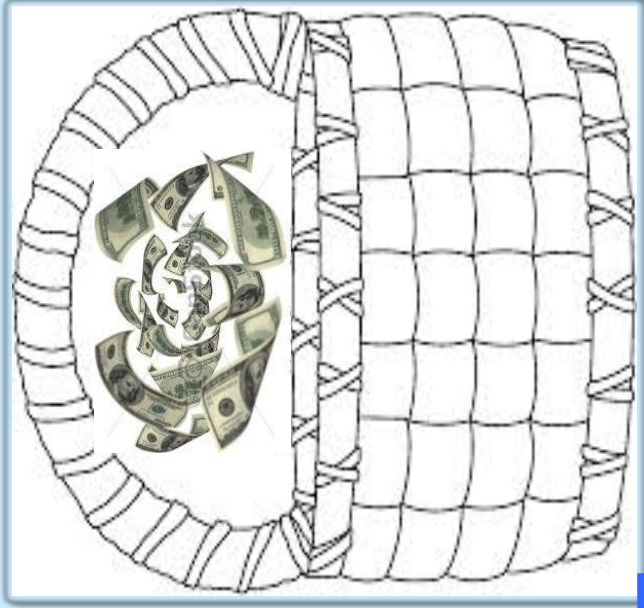
Contributions



Enterprise Resource Planning System (ERP)

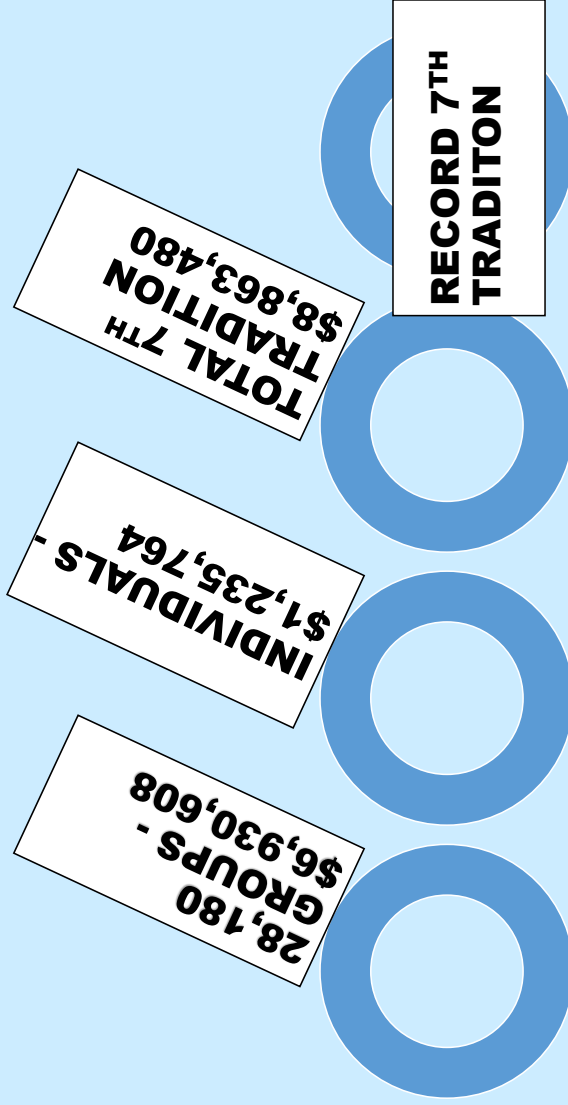


GRATITUDE



7TH TRADITION

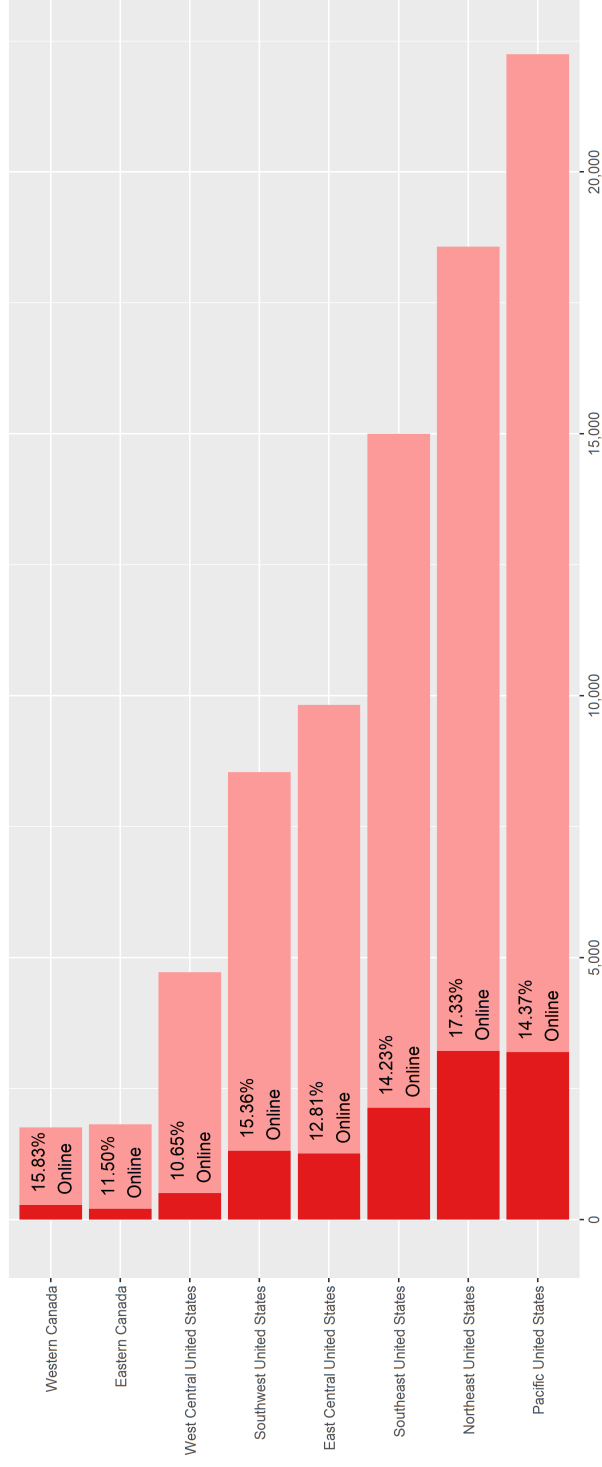
7TH TRADITION – 2019 – \$8.86 MILLION



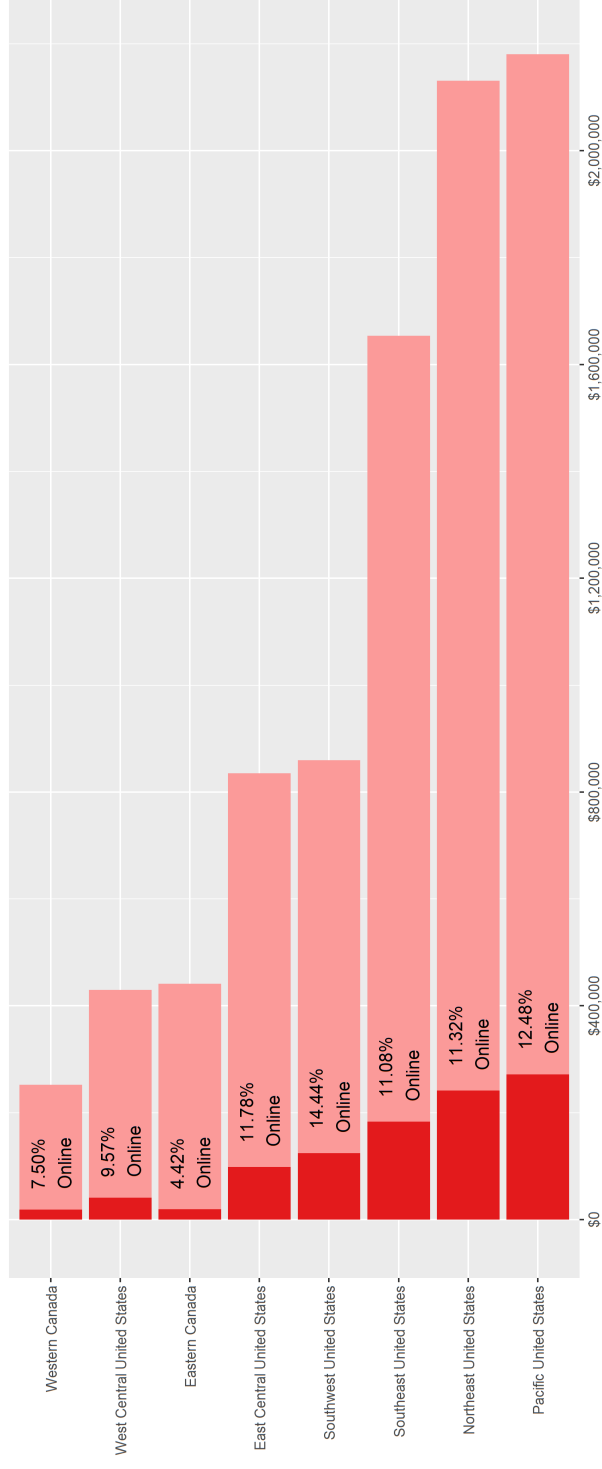
2019 HIGHLIGHTS

- ❖ **28,180 Groups made \$6.9 million of 7th Tradition contributions**
 - **Represents 40.6% of total groups**
 - **\$245.715 average group contribution**
- ❖ **Individuals, Memoriam & Special Meetings contributed \$1.3 million of 7th Tradition contributions**
- ❖ **Total 7th Tradition contributions were \$8.86 million**

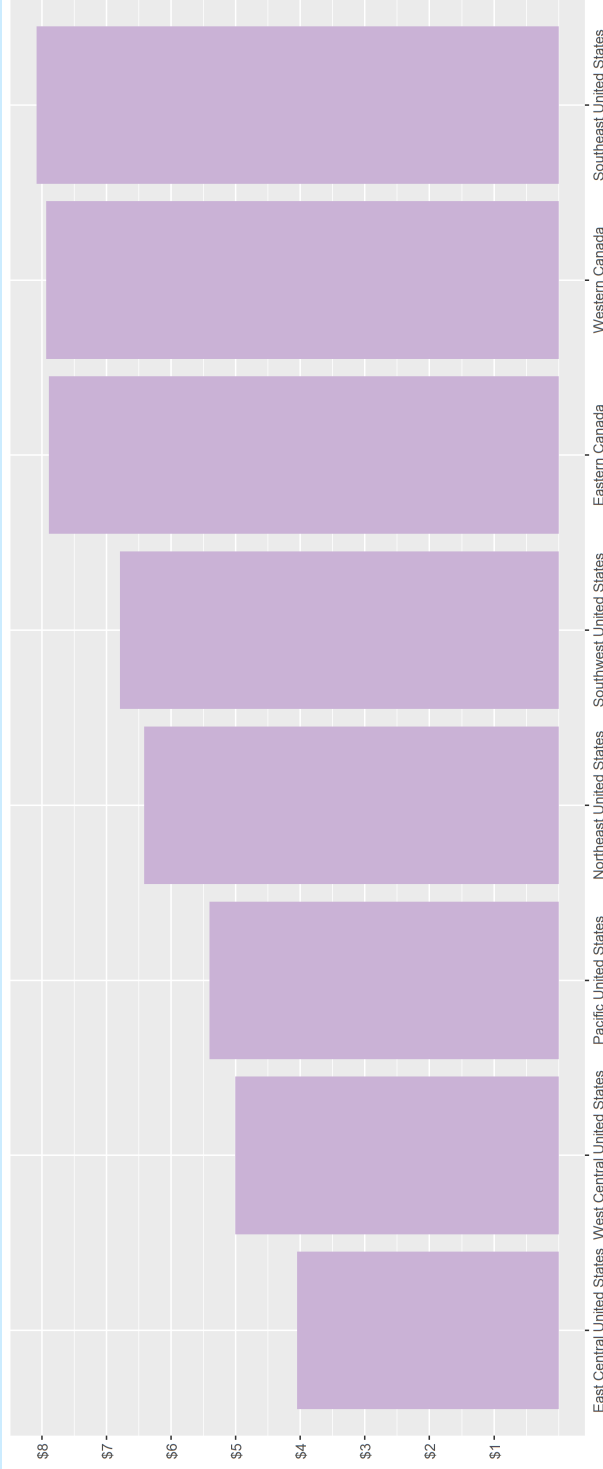
7th Tradition Contributions Number Received by Region



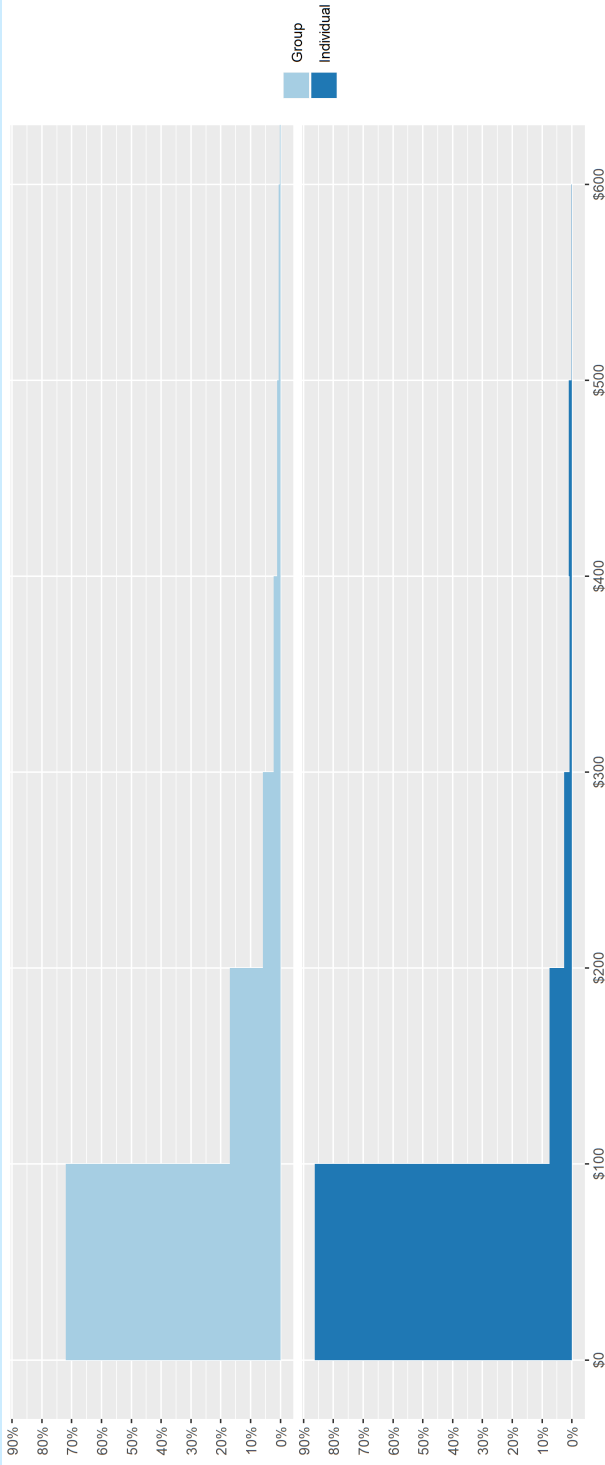
7th Tradition Contributions Regional Impact by Value (USD)



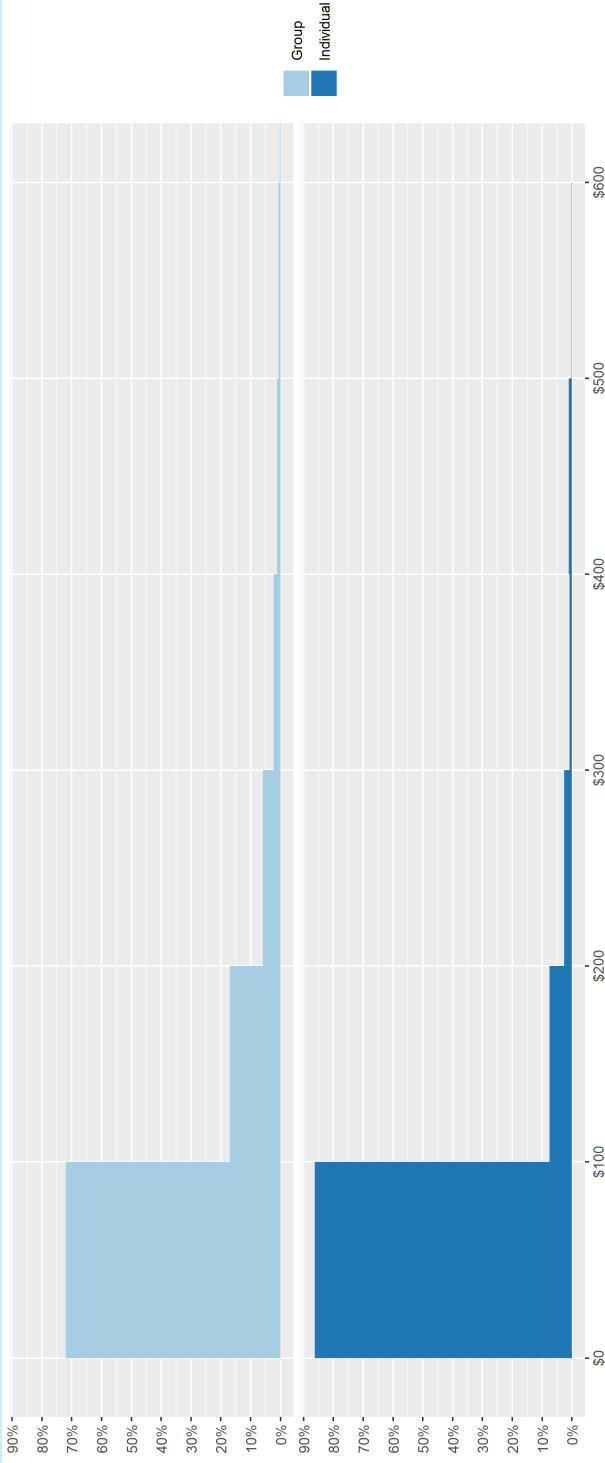
7th Tradition Contributions Regional Per Capita



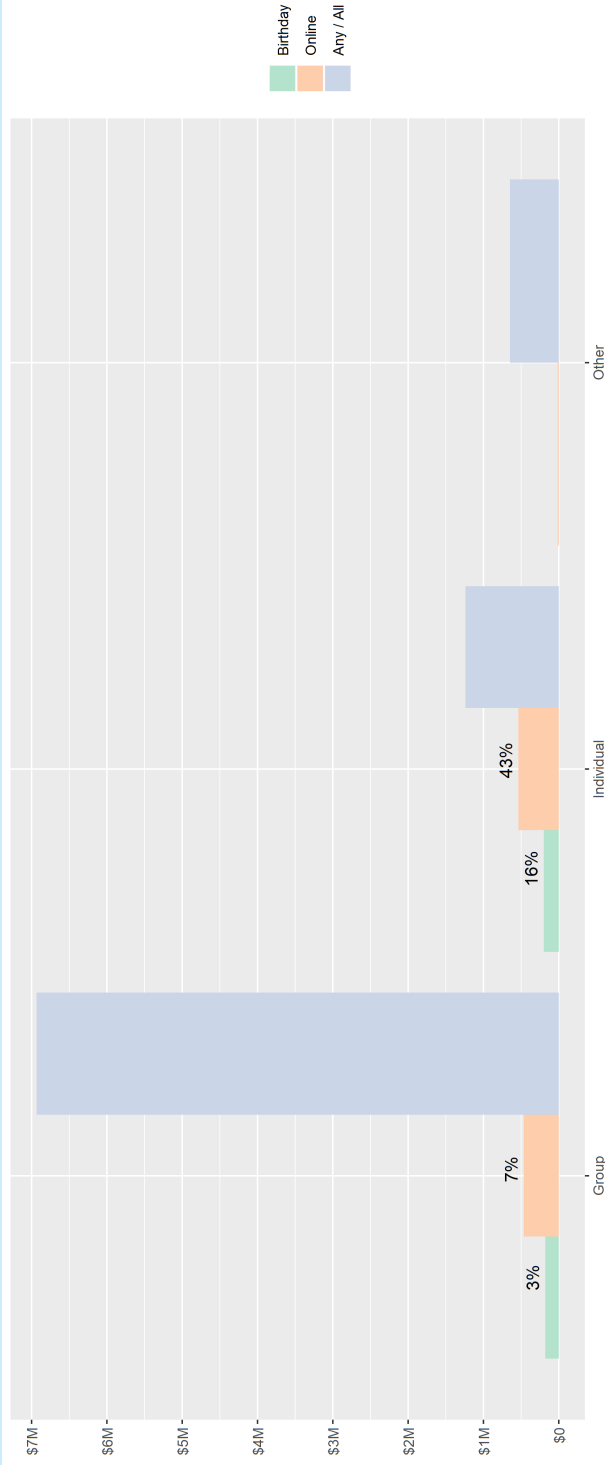
Distribution of Received Contributions



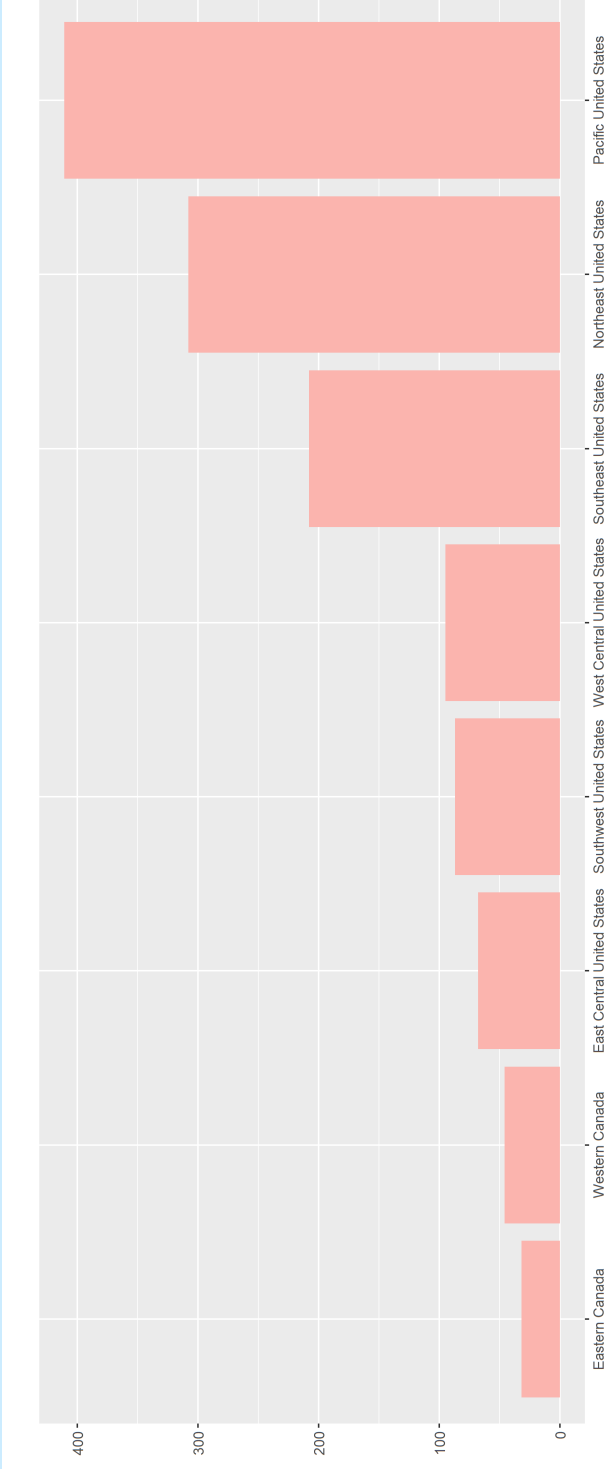
Distribution of Received Contributions



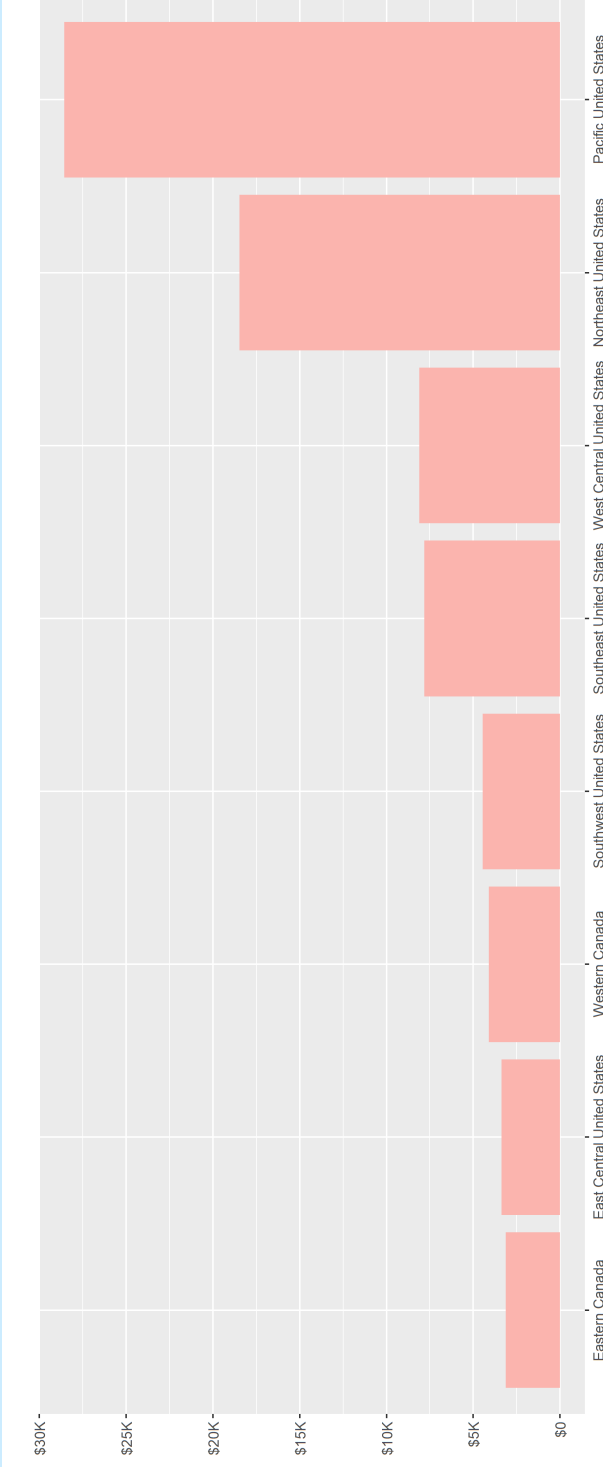
7th Tradition Contributions Impact by Value (USD)



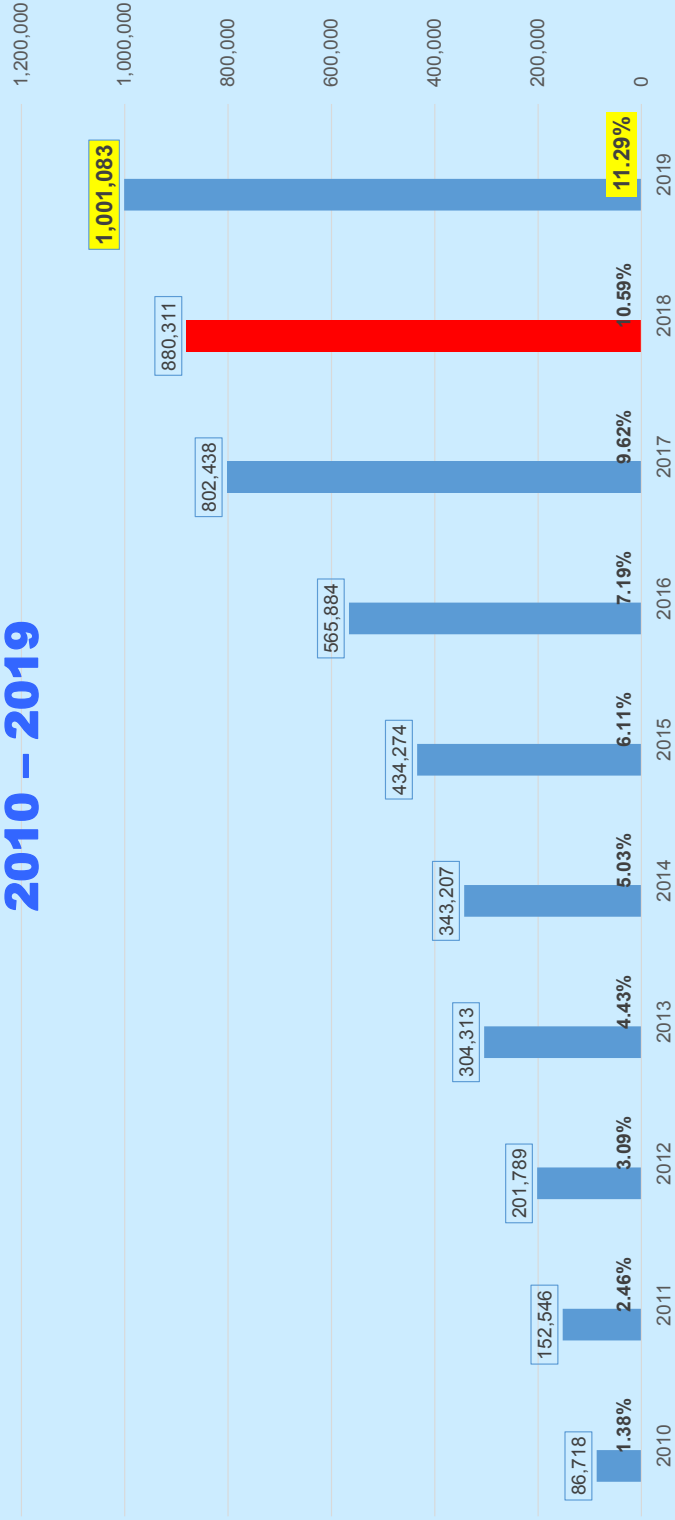
“\$8.04” Contributions Number Received by Region



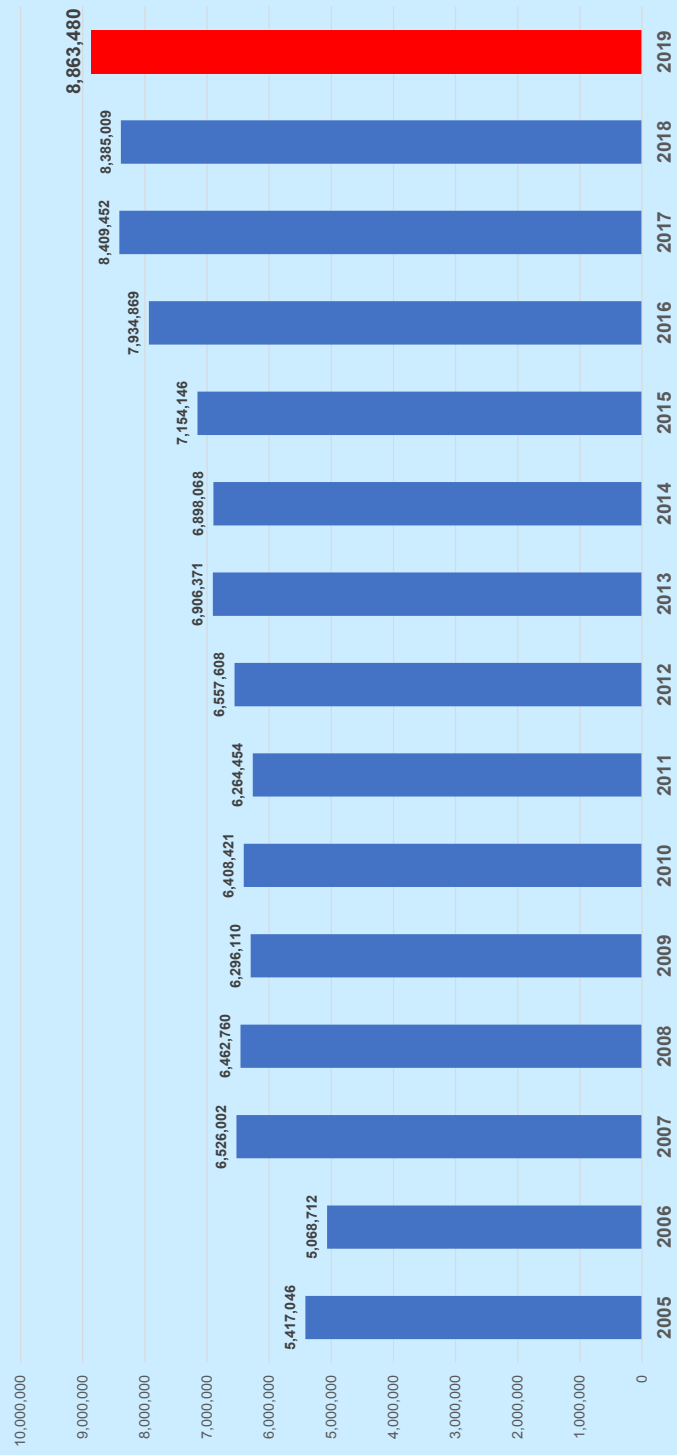
“\$8.04” Contributions Regional Impact by Value (USD)



GROWTH OF ON-LINE CONTRIBUTIONS 2010 – 2019



7TH TRADITION SELF-SUPPORT – 2005 – 2019



A DOLLAR IS NOT WHAT IT USED TO BE

1935: \$1.00



Remember inflation
when deciding upon
your

7th Tradition

Self-Support

Contributions for:

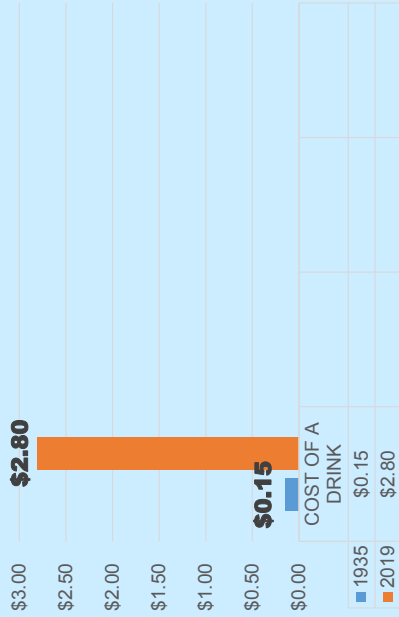
- Group Meetings
- Online Recurring Contributions
- Birthday Gifts
- November Gratitude Month

2019: \$18.84



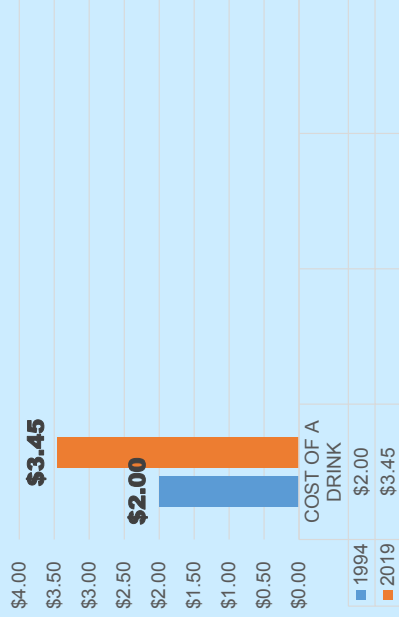
INFLATION CALCULATOR COST OF A DRINK OVER TIME

Bill W. & Dr. Bob



■ 1935 ■ 2019

Average Delegate's Sobriety – 25 Years



■ 1994 ■ 2019