

The WSEA 92 Finance Committee moves that a contribution in the amount of \$15,000.00 be sent to the General Service Board.

BACKGROUND

GSO's Financial Position: *In 1954 A.A.'s Board of Trustee established a reserve fund whose principal purpose is to provide the financial resources necessary to continue the essential services of GSO and the Grapevine for up to a year in the event of an unexpected and substantial reduction in the normal revenues of the organization. As we all know, this unexpected and substantial reduction of normal revenues materialized leaving the General Service Board in a position to have to draw from the reserve.*

In a letter dated October 7, 2020, addressed to the General Service Conference from the General Manager of the General Service Office, it was stated the General Service Board authorized a drawdown of \$1.5 million from the reserve fund by A.A. World Services, Inc. to cover cash flow requirements in the 4th quarter of 2020. Previously, in May, A.A.W.S. drew down \$3 million to address the sudden emergency situation related to the severe drop in revenue that was seen in March and April. The groups have responded with breathtaking generosity in their Seventh Tradition contributions but publishing revenue was well below budgeted levels. Whereas the general service office expenses of rents, compensation/benefits and publishing expenses remained so the quality of literature production or delivery of services were not interrupted.

Area 92's Financial Position

Actual 2020: Annual contributions for 2020 were \$34,022.85 (compared to \$39,125.19 in 2019). Expenses for 2020 were \$16,386.00 (compared to \$48,061.70 in 2019). This leaves the area with an ending bank balance (net income) of \$31,467.67 as of December 31, 2020. The majority of Area expenses are a result of meeting in person i.e., registration costs, meals, mileage, and lodging for our trusted servants. However, since March 2020 our meetings have been virtual via Zoom because of COVID-19 which substantially reduced our expenses.

Budget 2021: The budgeted contributions for 2021 are estimated at \$37,536 and expenses are estimated at \$28,739 resulting in a projected cash balance of approximately \$8,797 at the end of 2021. In the past 6 years our average beginning balance has been approximately \$9,889.00.

As a result

COVID-19 has had a most devastating financial effect on GSO. The members, groups, and districts of Area 92 have continued to be very generous with their contributions the past year despite the unprecedented circumstances. For this reason and reduced expenses, Area 92 is in a financial position to be able to help support the General Service Board by sending this contribution.

If this motion passes, we will be fulfilling Bill W's vision and our obligation of supporting our world services who continue maintaining the vital services to the still suffering alcoholic during these unprecedented times.

If this motion does not pass, we will have more than ample funds which goes against our Seventh Tradition to accumulate funds for no stated A.A. purpose.

Finance impact: this motion would be funded through the generous contributions made by the members, groups, and districts of Area 92 in 2020..

Attach:

- 2020 Budget vs Actual Report
- 2021 Budget
- Copy of letter from GSO to the Board