

## 2009 G.S.O. Budget

These budget highlights describe the "OPERATIONS" of the General Service Office—which comprises A.A. World Services (the Publishing operation) and the General Fund (Service activities)—and the Grapevine Operations. They exclude any activities reported separately in the Reserve Fund, Convention Fund, Post Retirement Fund or the Capital Projects Fund.

**Income:** The 2009 budget projects gross sales of \$13,900,000. Unit sales are expected to be approximately flat when compared with 2008. The increase in revenue will be derived from an increase in selected selling prices effective July 1, 2009. While reviewing and recommending the 2009 budget, the A.A.W.S. Board considered that revenue and expense assumptions ultimately affect the long term fiscal health of the General Service Board and its Reserve Fund.

Manufacturing costs are budgeted approximately 6% higher than actual 2008 costs and even with the 2008 budget. While we are anticipating higher paper and manufacturing component costs, our publishing department has done a very good job shopping and negotiating. Royalties are budgeted at \$50,000 this year. There are only 2 remaining recipients.

Shipping and warehousing costs are budgeted approximately 6% higher than the 2008 results as well. The effect of oil prices on the 2009 results will be interesting to see.

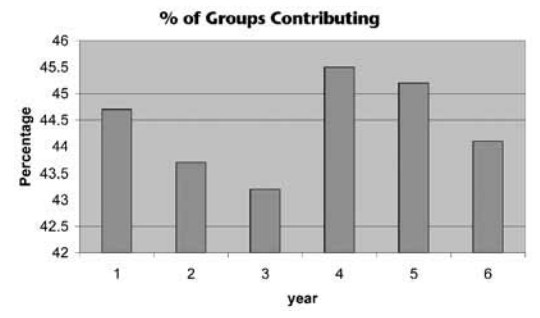
After subtracting manufacturing costs, royalties and shipping expense, gross profit is budgeted at \$7,729,900 or 57%. Gross profit has been budgeted about \$780,000 greater than 2008, a direct result of the increase in prices. The 57% gross profit percentage anticipated for 2009 compares with 55.9% for 2008. It should be recognized that as we continue to strive to have literature available throughout our Service Structure in the Spanish and French languages as well as English, lower print runs in non English languages usually result in higher production costs. We strive to have the same selling prices regardless of the manufacturing cost. The result is that lower gross profit margins for low volume items affect the overall gross profit percentages.

The table below reflects the Gross Profit Percentages from 2006 through the estimated for 2009.

2006	2007	2008	2009 Budget
58.8%	56.8%	55.9%	57.0%

Even though Contribution revenue has shown positive movement for the last several years, total budget and 2007 receipts as well. Your GSO was hit hard during the last quarter of 2008, as was the country at large. Prudence dictates that actions have been necessary to control costs and reinforce the revenue stream so as to provide sufficient funds to continue providing services. Trusted Servants continue to explore methods to reduce the costs of operations as well as assess the services supplied.

Contributions received for 2008 were less than the 2008



**Contributions:** Contributions received for the year 2008 were \$63,000 (1%) less than 2007. For 2009, contributions have been budgeted at \$6,500,000, an increase of approximately 1%.

During 2008, contributions from groups and individuals of \$6,325,180 were \$203,000 (3%) less than budget and \$56,000 (1%) less than 2007. Contributions received from World Service Meeting countries toward the World Service Meeting International literature fund amounted to \$137,600, approximately \$7,000 less than 2007. In total, contributions received for 2008 were just over \$6,462,700.

The % of Groups Contributing chart reflects the approximate percentage of the AA groups that choose to list with the General Service Office that have participated in the 7<sup>th</sup> Tradition by contributing to the General Service Office.

**Total Operating Revenue** for the 2009 is anticipated at \$14,233,900, an increase of approximately \$800,000 due to the increase in selling prices.

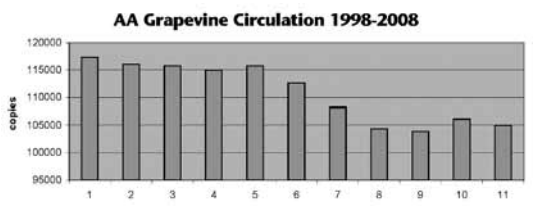
**Total Operating Expenses** for 2009 have been budgeted at \$13,332,700, approximately \$360,000 or 2.6% less than 2008 expenses but even with the 2008 budget.

The 2009 G.S.O. budget anticipates an excess of revenue over expense for 2009 of \$900,000 and is intended to assist in maintaining the Reserve Fund at approximately a nine-month level. This compares with an actual loss of \$275,000 for 2008 and the 2008 adjusted net income of \$180,800.

## 2009 Grapevine Budget

The 2009 Grapevine Budget calls for an average circulation of 100,000, 7,000 copies less than the 2008 budget and approximately 5,000 copies less than the 2008 paid circulation of 104,993. Circulation for the last 11 years is depicted in the chart below.

**Income:** Magazine income of \$2,003,734 is expected, which is \$72,000 less than 2008. Other Publishing Income from books, cassette tapes, and miscellaneous items is budgeted at \$941,409, \$182,150 higher than 2008.



**Total Gross Profit:** Combining the magazine and other publishing items, a gross profit of \$1,705,728 is budgeted for 2009. This compares with \$1,740,417 achieved for 2008 and the 2008 budget of \$1,825,968.

**Total Operating Expenses:** Total Operating Expenses for 2009 are budgeted at \$1,939,286, \$5,800 less than the 2008 expenses of \$1,945,073.

**Net Income (loss):** For 2009 the Grapevine anticipates a loss of \$167,358. This compares with a 2008 budgeted profit of \$3,200 and an actual loss from operations of \$138,456.

## 2009 La Viña Budget

Following the 1995 General Service Conference Advisory Action #7, the publication of the Grapevine magazine in Spanish was approved by the Grapevine Board of Directors and the trustees' Finance Committee of the General Service Board. Recognizing this publication as a new venture, both boards were to review the financial impact on the Fellowship and the progress of circulation and continue to monitor the viability of this venture. In 2001 the General Service Board recommended and the 2001 Conference approved that the La Viña magazine continue to be published by the Grapevine but Funded by the General Service Boards, General Fund instead of continuing to draw funds from the Reserve Fund.

For 2009, La Viña expects a gross profit on the magazine of \$20,916, compared with \$22,611 achieved in 2008. Circulation for 2009 is estimated at 10,000, approximately 400 fewer than the 10,400 average for the year 2008 and 1,000 fewer than the 2008 budget. Other Publishing income is estimated at \$38,558, which after deducting cost of product of \$9,529, expects to contribute \$29,029 to revenue. Total costs and expenses are estimated at \$145,720 for 2009, approximately \$24,566 higher than 2008. The 2009 budget projects a net loss of \$95,775, \$19,500 higher than the 2008 loss of \$76,260. To date losses of approximately \$1,210,000 have been incurred.

## 59th General Service Conference

*Our Commitment to Carry A.A.'s Message — Enthusiasm and Gratitude in Action*

NEW YORK, May 2, 2009 – The 59th General Service Conference of Alcoholics Anonymous in the U.S. and Canada met at the Crowne Plaza Times Square, New York, April 26-May 2.

“This week will be a very busy and spiritually moving experience,” said Joe B. (Mid-Southern, California), the Conference delegate chair, summing up the experience of A.A.’s annual General Service Conference in a nutshell. “We will start early and end late. There may be a time or two during the week that you may (or may not) find it hard to see how our Higher Power is working through us to make the decisions we must make for our Fellowship as a whole, through the exciting tedium and clearly confusing avalanche of information that all of us must digest to reach an informed conscience of the 59th General Service Conference.”

The Conference officially opened Sunday afternoon with the roll call by G.S.O. general manager, Phyllis H., after greetings from the delegate chair, the Keynote address by trustee-at-large/U.S., Dorothy W., and a general review of the week to come. Conference members then took up the vital committee work at the heart of the Conference as they attended their first committee meetings to address the agenda items each committee had been assigned.

Sunday evening, Conference members and guests gathered for the Conference opening dinner, which was followed by an open A.A. meeting chaired by Joan R. (Hudson/Mohawk/Berkshire, New York) and led by Martin A. (Western Ontario).

Speakers were: Ken B. (trustee), JoAnne N. (Northern Minnesota), Rick W. (G.S.O. staff), Robert H. (South Carolina), and Roberta L. (A.A.W.S. director).

This year’s Conference was chaired by Phyllis H., G.S.O. general manager, Leonard Blumenthal (nonalcoholic) trustee, and Joe B., delegate chairperson. Doug R., G.S.O. staff, was the Conference coordinator.

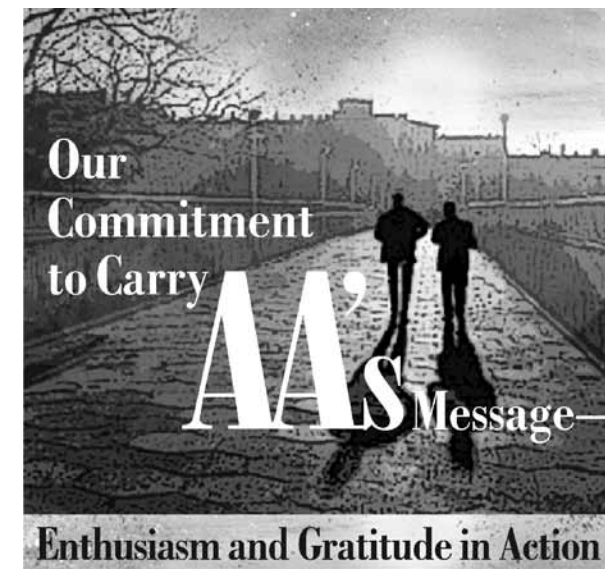
Three observers to this year’s Conference were: Claudio T., trustee-at-large, Brazil; Plinio B., general manager, G.S.O. Colombia; and Mario V., trustee, General Service Board of Colombia.

New York Intergroup hosted a Hospitality Suite for early arrivals, and throughout the week New York A.A. and Al-Anon members arranged tours and activities for the delegate spouses and guests. Events included visits to Ellis Island, the United Nations, the Brooklyn Museum of Art and the Brooklyn Botanic Gardens.

Tuesday afternoon all Conference members and their guests took the subway uptown for a visit and tour of the General Service Office and the Grapevine. As usual, the Archives was the hit of the afternoon.

For those who like to begin the day with an A.A. meeting, the GSC Serenity Group met every morning at 7:30 with each day’s topic based on a reading from A.A. literature. The meeting was chaired by Martin A. (Western Ontario).

The main focus of the Conference is on the deliberations of each of the 13 Conference committees, and it is during the committee meetings that the major work of the Conference is done. After a joint meeting with corresponding trustees’ committees, the



Conference committees review material and recommendations, weigh and discuss various issues and come up with recommendations which may result in Conference Advisory Actions (Highlights of Advisory Actions, p. 3).

Among the agenda items reviewed at this year’s Conference: The Cooperation With the Professional Communities Committee reviewed a draft video directed to professionals in the Employment/Human Resources field, and Finance discussed aspects of self-support. The Literature Committee reviewed revisions of two pamphlets: “A.A. for the Native North American” and “The A.A. Member—Medication and Other Drugs.” The Public Information Committee reviewed current television P.S.A.s (Public Service Announcements) and assessed the need for new ones. Archives explored various ways to make A.A.’s Archives and history more readily available to the Fellowship, and Treatment Facilities reviewed the revised video *Hope: Alcoholics Anonymous*.

Of special interest at the Conference this year were presentations on the 20th World Service Meeting, held in New York City, October 2008,

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and, while it is still over a year away, excitement is growing about A.A.'s 75th Anniversary celebration at the 13th International Convention, July 1-4, 2010, in San Antonio, Texas.

Wednesday afternoon trustee elections were held. The new Southeast regional trustee will be Eleanor N., of South Carolina, replacing Howard L.; East Central regional Robert M. will be followed by Pamela R., of Michigan; and the new trustee-at-large/U.S. will be Don M. of Louisiana, filling the spot previously held by Dorothy W. New general service trustees are George M., of Michigan, who will be a director on the A.A.W.S. Board, and Don M., of Colorado on the Grapevine Board.

Delegate chairperson of the 2010 General Service Conference will be Lowell L. of Pennsylvania; alternate chairperson will be Betsy G., of Texas.

Also rotating at the end of the Conference was Leonard Blumenthal, L.L.D., who has served on the General Service Board since 2000, and as board chair since 2005. Assuming the responsibilities of chairman of the board is Ward B. Ewing, D.D., of New York City, who has been a Class A trustee since 2004. The new Class A (nonalcoholic) trustees are Frances Brisbane of New York and Corliss Burke, Yukon.

After the final committee reports had been given, the resulting Advisory Actions recorded and the final presentation delivered, the Conference was officially closed on Friday afternoon with the Serenity Prayer in three languages, led by Sylvain L., NW Quebec in French; Antonio R., Puerto Rico in Spanish; and Helon H., Mississippi in English.

Saturday morning Conference members gathered for the last time at the closing brunch, a bittersweet time of farewell talks by rotating trustees: Paul C. and Ray M., general service trustees; Dorothy W., trustee-at-large/U.S.; Herb Goodman, Class A (nonalcoholic) trustee; Howard L., Southeast regional; Bob M., East Central regional; and Leonard Blumenthal, chairman of the General Service Board.

Then it was time to return home and begin preparations for the 60th General Service Conference—for the process goes on for 365 days—in the regions, areas, districts and, most of all at the top of the triangle, your home group.

## ■ In Remembrance

John S. of Fort Washington, Maryland, passed away in the first week of April 2009. A Panel 47 delegate from Area 13, District of Columbia, John was one of A.A.'s beloved trusted servants. Sober for over 21 years, John was elected general service trustee in April 2007 and was chairperson of the A.A.W.S. Board from May 2008 until his death. John also served the Fellowship as a nontrustee director on the A.A. Grapevine Board from 2003 to 2007.

Retired in 2005, John had been a researcher and professor at several universities, and, in addition to his A.A. general service experience, gave his time on a number of local and national boards. John had many outside interests, including American art, pottery and glassware collecting, furniture restoration and refinishing, and was a contract bridge instructor.

Constantly involved since his early sobriety, John was a power of example to many throughout the Fellowship. "John's dedication and service to Alcoholics Anonymous will be remembered by all who knew him," said John K., Northeast regional trustee and a colleague on the A.A.W.S. board. "His leadership and sensitivity will be greatly missed."

## ■ Estimates of Groups and Members as of January 1, 2009<sup>1</sup>

	Groups	Members
United States	55,244	1,248,394
Canada	4,849	93,986
Sub-Total	60,093	1,342,380
Correctional facilities <sup>2</sup>	1,585	39,964
Internationalists	3	36
Lone Members		235
Total	61,681	1,382,615
Outside U.S.& Canada <sup>3</sup>	55,092	702,510
Grand Total	116,773	2,085,125

1. The General Service Office does not keep membership records. The information shown here is based on reports given by groups listed with G.S.O., and does not represent and actual count of those who consider themselves A.A. members.

2. U.S. and Canada only.

3. We are aware of A.A. activity in more than 180 countries, including 60 autonomous general service offices in other lands. Annually we attempt to contact those G.S.O.s and groups that request to be listed in our records. Where current data is lacking we use an earlier year's figure.

## ■ 2009 Conference Advisory Actions and Additional Considerations

Conference Advisory Actions represent recommendations made by the standing committees and approved by the Conference body as a whole; or recommendations discussed and voted upon by all Conference members during general sessions. Some Advisory Actions and a few additional committee considerations appear below in condensed form. A complete list will be published in the *Final Conference Report*.

### Advisory Actions

**Floor Action**—that the revised 59th Conference pamphlet, "The A.A. Member—Medications and Other Drugs," be returned to the trustees' Literature Committee for additional discussion and report back to the 2010 Conference Committee on Literature.

**Agenda**—that the theme for the 2010 General Service Conference be "Practicing A.A.'s Principles—the Pathway to Unity."

**Cooperation With the Professional Community**—that the video segment directed to professionals in the employment/human relations field to be streamed on G.S.O.'s A.A. Web site be approved.

**Corrections**—that the trustees' Committee on Corrections undertake a revision of "It Sure Beats Sitting in a Cell," and that a draft or a progress report be brought back to the 2010 Conference Committee on Corrections.

**Finance**—that the trustees' Finance Committee gather input from the Fellowship on the following for review by the 2010 Conference Committee on Finance: a) If we continue to use literature profits to partially fund services, should there be a limit? b) If there is a limit how do we continue to pay for services if there is a shortfall in contribution?

**International Conventions/A.A. Regional Forums**—that an anonymity-protected photograph of the flag ceremony be taken at the 2010 International Convention; that an encrypted, anonymity-protected Internet broadcast of the 2010 International Opening Flag Ceremony be approved.

**Literature**—that the revised draft pamphlet "A.A. for the Native North American" be approved; that the trustees' Literature Committee undertake a thorough review of the pamphlet "Questions and Answers on Sponsorship" and eliminate or revise outmoded ethnic, cultural and vocational references. The committee looks forward to reviewing a progress report or a revised draft pamphlet at the 2010 Conference; that the title of the pamphlet "44 Questions" be changed to "Frequently Asked Questions About A.A."; that a Special Needs recovery pamphlet for newcomers or prospective members be developed and that stories be solicited from members with various special needs.

**Policy/Admissions**—that the General Service Board develop a procedure for the submission of Concept V minority appeals to the

General Service Conference and bring a draft to the 2010 Conference Policy/Admissions Committee for their review; that the General Service Board develop a plan for the General Service Conference to conduct an inventory of itself that includes a planning committee consisting of representatives of delegates, trustees, directors, nontrustee directors, and staff, and that a progress report be presented to the 2010 Policy/Admissions Committee.

**Public Information**—that the updated pamphlet "A Message to Teenagers..." containing selected text and graphics from the current "Too Young?" pamphlet, be approved with minor changes; that the wall poster for young people with information about Alcoholics Anonymous be approved with minor changes; that a new A.A. television public service announcement be developed for review by the 2010 Conference Committee on Public Information, at a cost not to exceed \$40,000, and that full faces of actors portraying A.A. members not be shown in this P.S.A.; that the revised script for "Combination Radio P.S.A.s on CD," omitting P.S.A. #15, be approved with minor changes, and recorded at a cost not to exceed \$20,000.

**Report and Charter**—that various suggested changes be made to *The A.A. Service Manual/Twelve Concepts for World Service*.

**Treatment Facilities**—that the revised video *Hope: Alcoholics Anonymous* be approved; that the committee's scope be expanded to include service to Special Needs/Accessibilities committees and that the name of the committee be changed to the Conference Committee on Treatment Facilities/Special Needs/Accessibilities.

**Trustees**—that in light of the extensive confidential information in the trustees' election résumés, that résumés of all election candidates would no longer be made available to all Conference members immediately prior to the Conference trustees' election session. Distribution of trustees résumés at the Conference would be limited to only voting delegates and members of the Conference Committee on Trustees and the trustees' Committee on Nominating. The résumés of the elected trustees would be distributed to all Conference members immediately after the election session.

### Additional Considerations

**Archives**—requested that the trustees' Archives Committee create a report to be forwarded to the 2010 Conference Archives Committee on the feasibility of developing a format (e.g., PowerPoint® presentation) for a self-guided tour of G.S.O.'s A.A. Archives to convey the experience of visiting G.S.O. and the Archives, for those who have not yet visited the General Service Office in New York.

**Grapevine**—considered a request that "The 2007 Conference Advisory Action recommending that 'the A.A. Grapevine and La Viña include a section on the medical, legal, and social aspects of alcoholism, with an appropriate disclaimer' be rescinded" and after lengthy and thoughtful discussion took no action.