

**ALCOHOLICS ANONYMOUS  
INTERIM FINANCIAL UPDATES  
AREA ASSEMBLIES  
MARCH AND APRIL 2024 (PRE 74 GSC)**

**PRESENTED BY  
KEVIN J PRIOR, CFA, CPA  
CLASS A (non-alcoholic) TRUSTEE AND TREASURER  
GENERAL SERVICE BOARD OF AA**

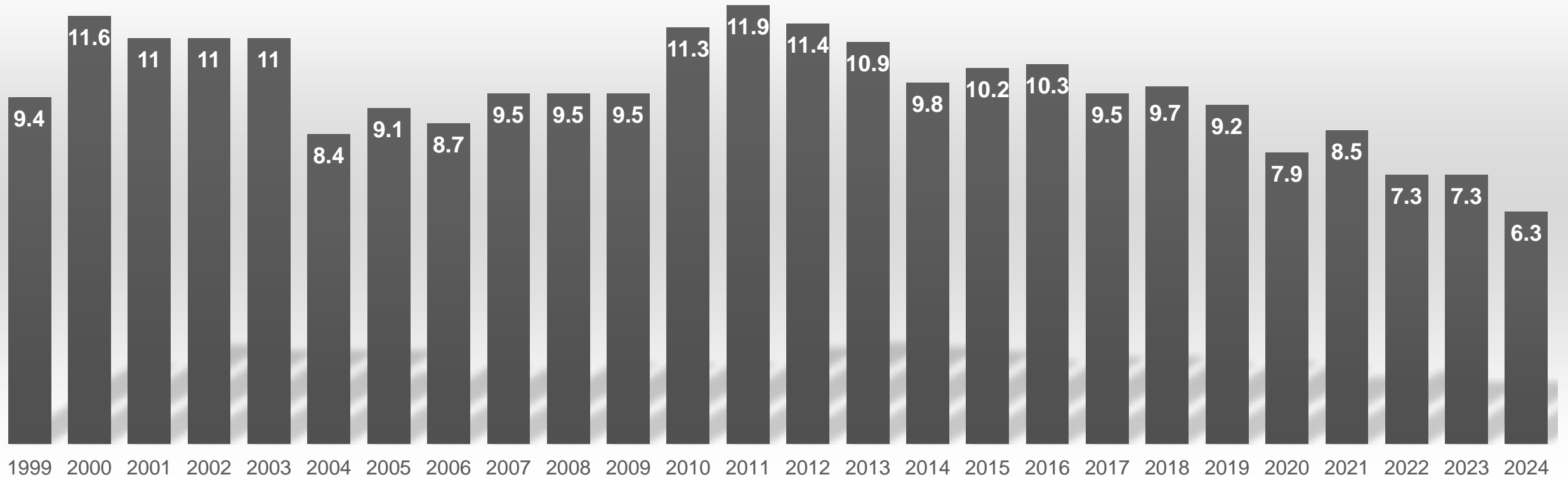
**AAGV INFO PROVIDED BY DAVID S, GENERAL  
SERVICE TRUSTEE AND AAGV TREASURER**

# TOPICS

- 1. RESERVE FUND**
- 2. AA GRAPEVINE 5-YEAR PLAN**
- 3. 2024 BUDGETS**
- 4. CONTRIBUTIONS**

# RESERVE FUND

# RESERVE FUND RATIO NUMBER OF MONTHS COVERAGE 1999 – 2024



# Reserve Fund Rollforward Since 2020

	GROSS RESERVE	NET RESERVE
BEGINNING BALANCE (1/1/2020)	\$ 17,678,273	\$ 16,204,773
EARNINGS (2020 – 2023)	676,089	676,089
REDUCTION IN FUNDING PERCENTAGE OF AAGV SUBSCRIPTION LIABILITY (2021 – 2024)	(933,500)	0
COVID WITHDRAWAL (2020)	(4,000,000)	(4,000,000)
REINVESTMENT (2021)	250,000	250,000
GRAPEVINE APP BUILD (2023)	(500,000)	(500,000)
GRAPEVINE FUNDING – YEAR 3 FUNDING OF 5-YEAR PLAN (2024)	(564,652)	(564,652)
WORKING CAPITAL – GSB/AAWS (2024)	(500,000)	(500,000)
ENDING BALANCE (2/1/2024)	\$ 12,106,210	\$ 11,566,210

- 1. Reduction in GV Funding Percentage – if publications were wound down, only about 34% of unearned subscription revenue would be needed to fulfill those remaining Grapevine issues**
- 2. Reduction in GV Funding percentage funded operating shortfalls during the transition to the digital app**
- 3. 2024 funding for GV operations in line with Grapevine 5-year plan**
- 4. \$500k for AAWS/GSB finances increases in publications inventory 2022-2023 and eliminates delinquencies in payables to vendors**

# **WHEN CAN RESERVES BE REBUILT?**

**JAN 2024 SHOULD BE THE END OF THE DRAW  
CYCLE.**

**YEAR 4 (2025) OF GRAPEVINE PLAN IS CASH FLOW  
POSITIVE**

**AAWS/GSB STABLE AND MAY HAVE FUNDS TO  
REINVEST AS SOON AS Q4 2024**

**REPEAT NO ADDITIONAL DRAWS EXPECTED OR  
PLANNED**

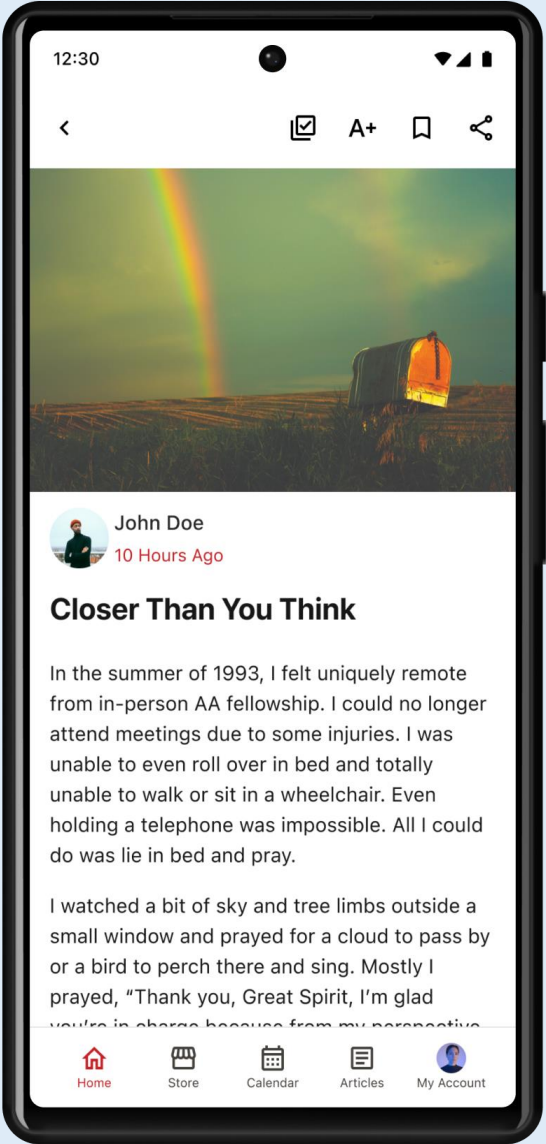
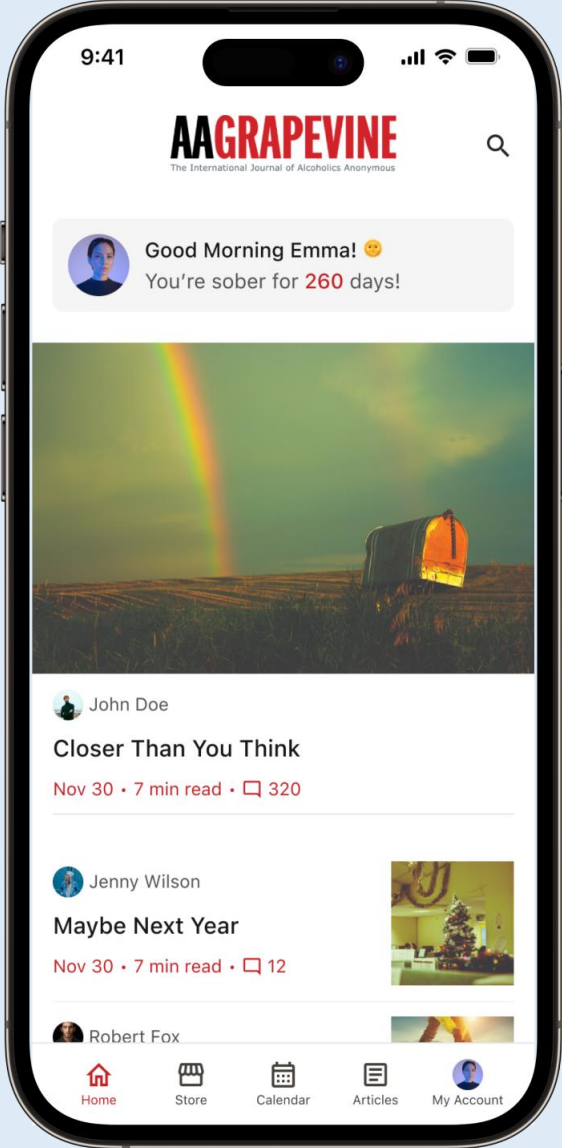
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# **GRAPEVINE 5-YEAR PLAN**

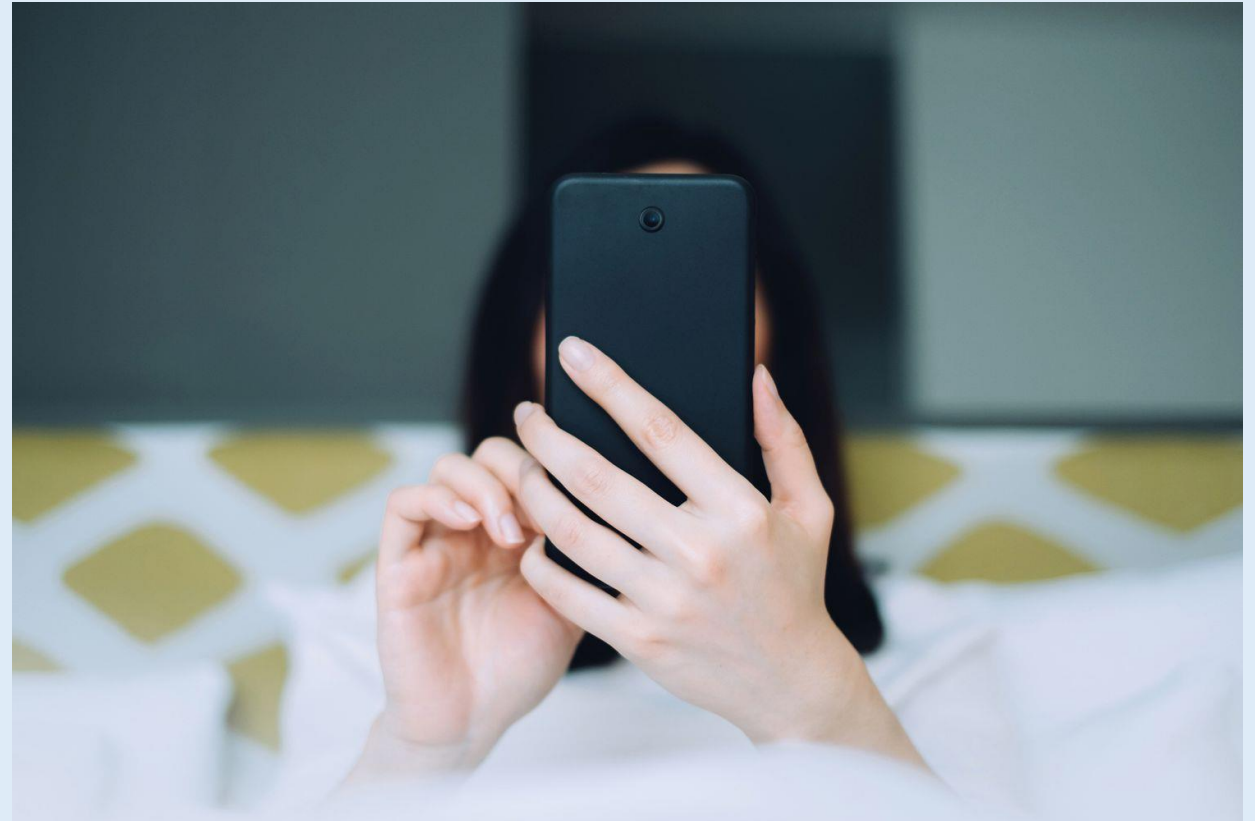
# Grapevine App 5-Year Plan (2022-2026)

SENY Delegate's Day  
of Sharing  
March 2, 2024



# Meeting readers where they are

- Daily reading habits of North Americans
  - Newspapers and magazines 11 minutes
  - Smart Phone 3 hours plus
  - 84% of households have at least one smartphone
  - Average person looks at their smartphone every 5 ½ minutes.
- New York Times Example
  - Print subscriptions 740,000
  - Digital Subscriptions 9,300,000
- Entertainment Weekly, InStyle, Eating Well, Health, and Parents went all-digital in 2022.



# Changing our Thinking, Keeping Tradition

- Print continues as flagships for traditional subscribers to Grapevine and La Viña, Corrections, H&I, groups and for 12<sup>th</sup> Step work.
- Invest our finances, time and resources in the infrastructure and staffing for digital delivery of content and services.



# AA Success in mobile digital delivery

- AA Grapevine podcast
  - 750,000+ downloads to date
  - 92% using mobile devices
  - In top 5% of all podcasts
- Meeting Guide app
  - Currently 768,500 total users
  - 750,000 active users
- Instagram, Grapevine and La Viña
  - Over 13,000 followers





# Funding the app project

- Cash from Grapevine's Subscription Liability Fund
- Cost cutting:
- GSB Investments from Reserve Fund

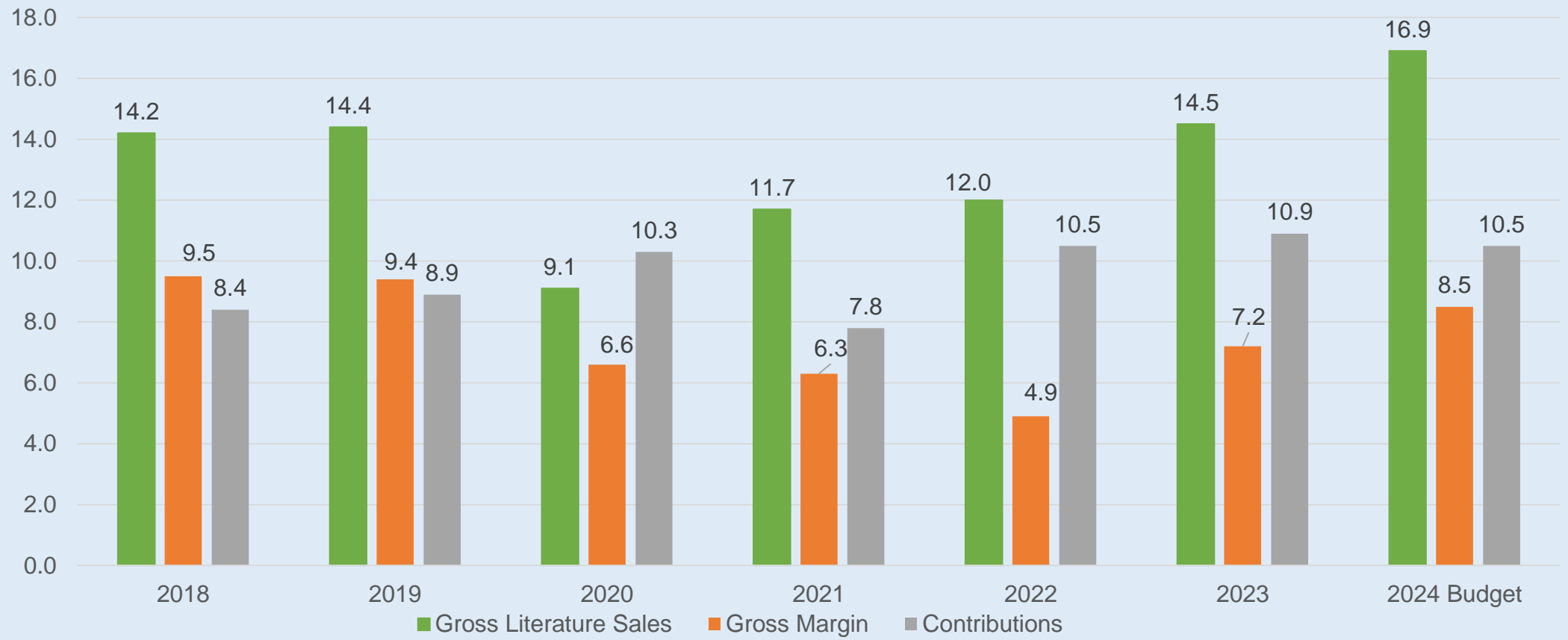
# 2024 Budget vs. Five Year Plan Comparison

<b>Grapevine</b>	<b>2024 Budget</b>	<b>2024 Five Year Plan</b>	<b>Variance 2024 Bud vs. 2024 Five Year Plan</b>
<b>Circulation</b>			
GV Magazine (All Formats)	51,594	42,500	9,094
GV App	10,069	28,000	(17,931)
<b>Total Circulation</b>	<b>61,663</b>	<b>70,500</b>	<b>(8,837)</b>
<b>Financial Activity</b>			
<b>Total Subscription Income</b>	<b>\$ 2,284,693</b>	<b>\$ 2,232,500</b>	<b>\$ 52,193</b>
<b>Total Gross Margin</b>	<b>\$ 1,907,115</b>	<b>\$ 2,027,473</b>	<b>\$ (120,358)</b>
<b>Total Costs &amp; Expenses</b>	<b>\$ 2,499,287</b>	<b>\$ 2,599,126</b>	<b>\$ (99,839)</b>
Miscellaneous Income	9,600	7,000	2,600
<b>Net Income (Loss)</b>	<b>\$ (582,572)</b>	<b>\$ (564,653)</b>	<b>\$ (17,919)</b>

# 2024 BUDGETS



# AAWS/GSB REVENUE DISTRIBUTION (2018 – 2024) (Dollars in Millions)



# AAWS/GSB

- Contributions are budgeted at the same level as 2023 budget, though total contributions for 2023 were 4% above this level;
- Gross literature sales assume the same volume of sales as 2023, with only the full-year impact of the 2023 price increase favorably impacting revenue. There is NO revenue budgeted from any titles not already approved in full by the General Service Conference.
- A slight positive margin before depreciation, which is a non-cash expense.
- Expense growth was carefully managed via an iterative budget process with more than 6 versions, in which the final version included 6% lower expenses than the initial version. The AAWS Board and Trustees Finance and Budgetary Committee, along with GSO Staff met extensively over the last four months to collaborate in making these reductions.

# AA GRAPEVINE

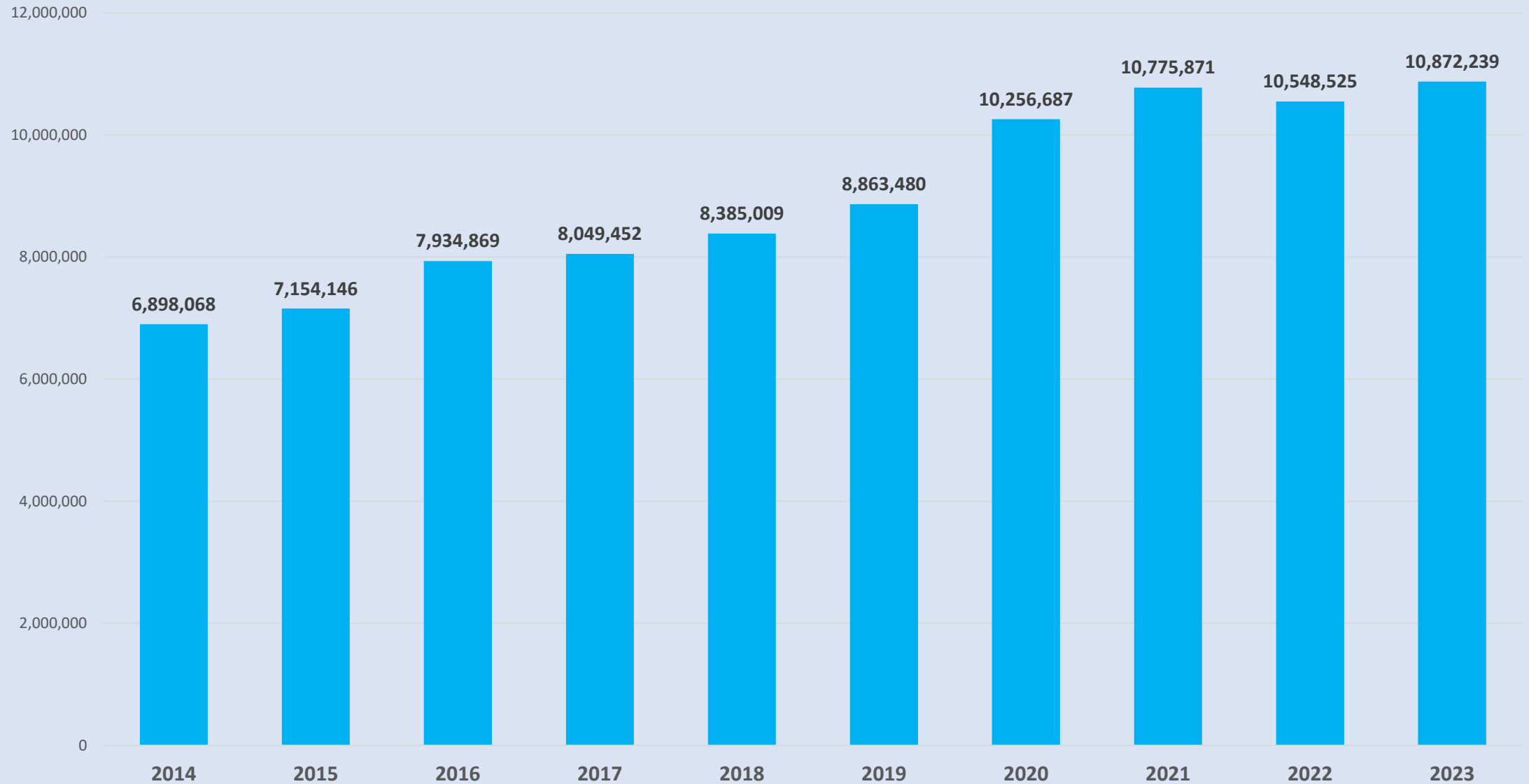
- In response to the need to migrate from a print subscription model to a digital subscription model, the AAGV Board developed a 5-year plan (2022 – 2026) that was reviewed by the Trustees Finance and Budgetary Committee at its January 2023 meeting. Grapevine's 2023 results (Year 2) and 2024 Budget (Year 3) are in-line with this plan. Accordingly, years 2 and 3 called for capital and operating investments into Grapevine operations and in building the Grapevine and LaViña apps. Years 4 (2025) and 5 (2026) of the plan call for Grapevine to be cash flow positive.
- LaViña expenses have been reduced and the net shortfall covered by the General Service Board has been reduced from the 2023 Reforecast of \$754,451 to the approved 2024 budgeted level of \$569,511.

# CONTRIBUTIONS

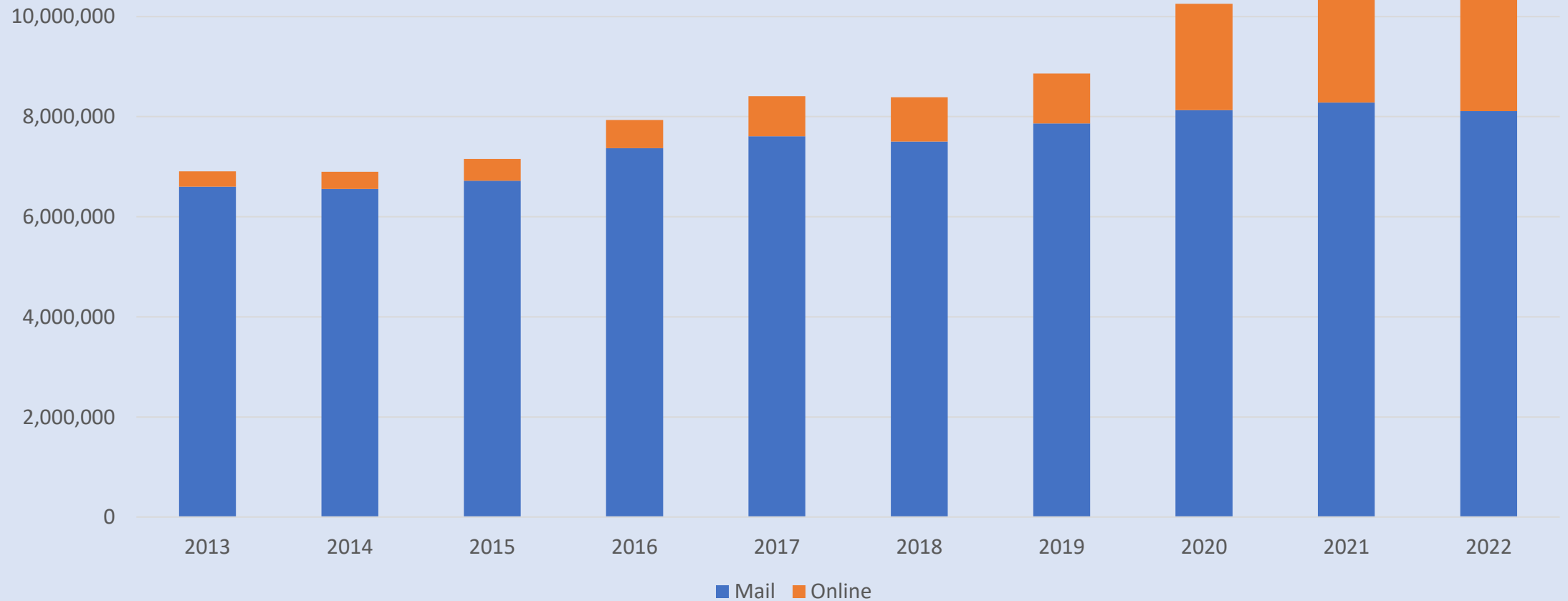
# GRATITUDE – 7<sup>TH</sup> TRADITION



# 7<sup>TH</sup> TRADITION SELF-SUPPORT – 2013 – 2023

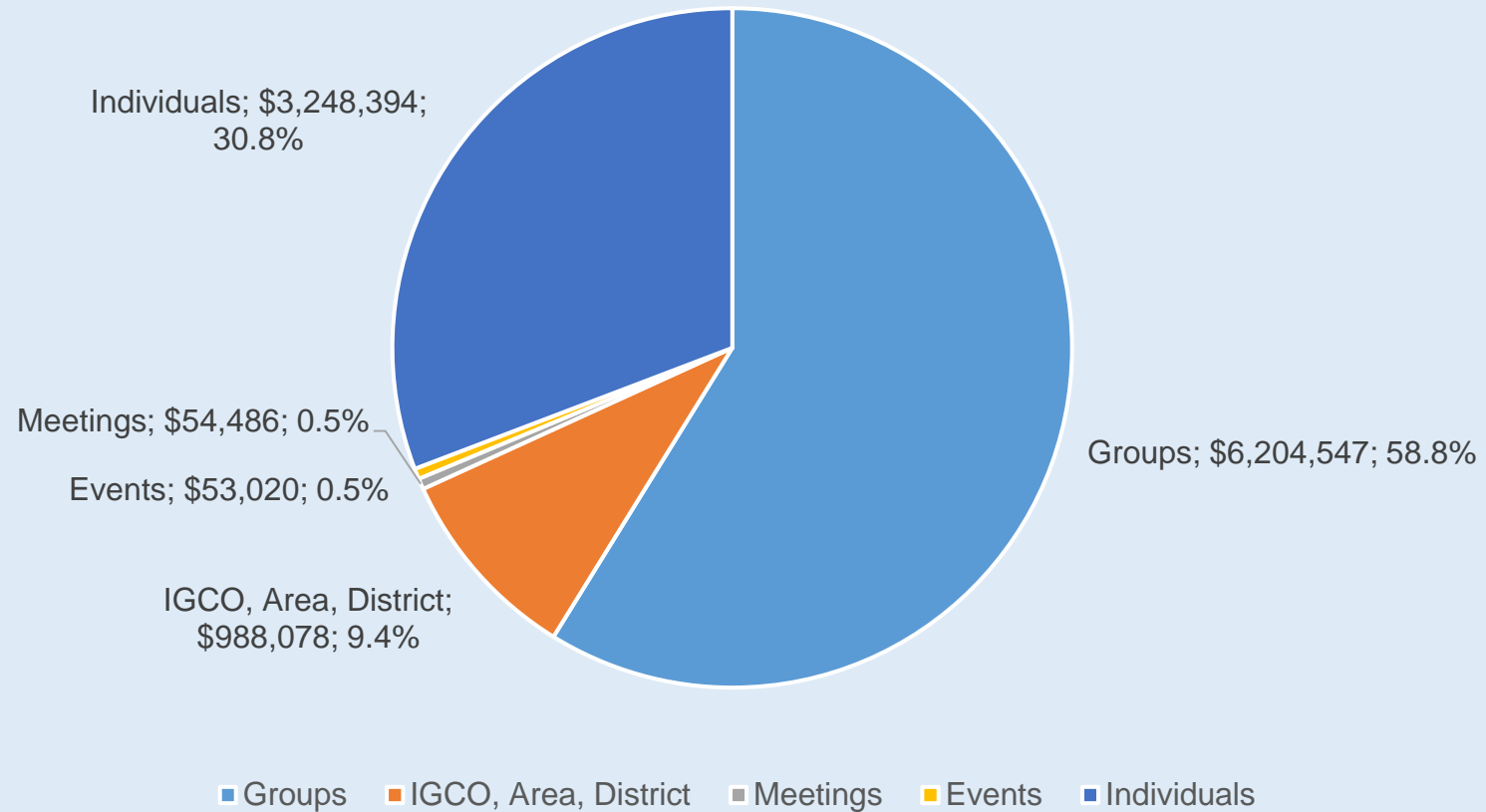


# GROWTH OF ON-LINE CONTRIBUTIONS 2013 – 2022



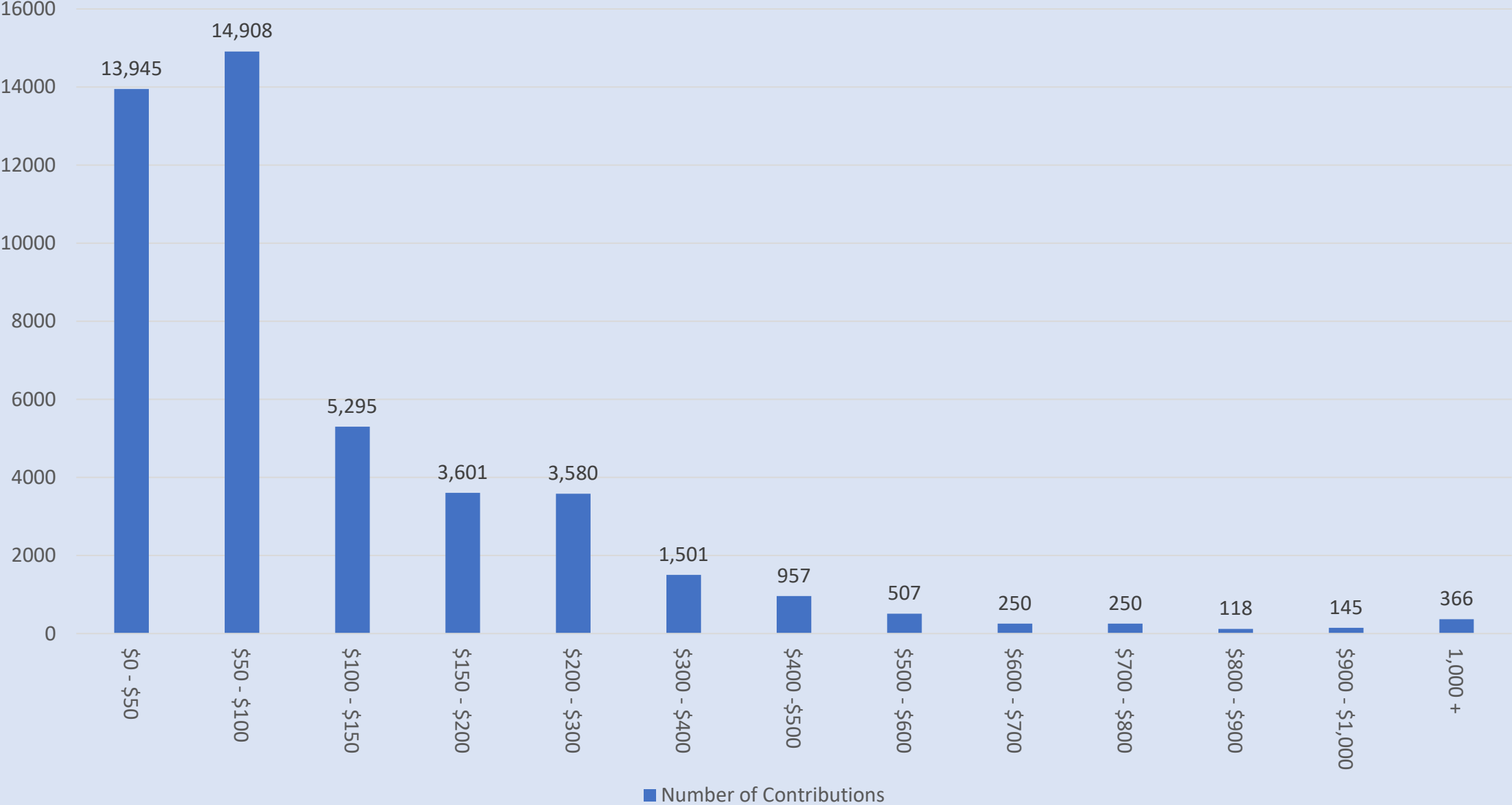
A mail contribution costs \$5.60 to process. An online contribution costs \$2.93 to process, a \$2.67 savings.

# CONTRIBUTIONS BY TYPE OF CONTRIBUTOR (2022)

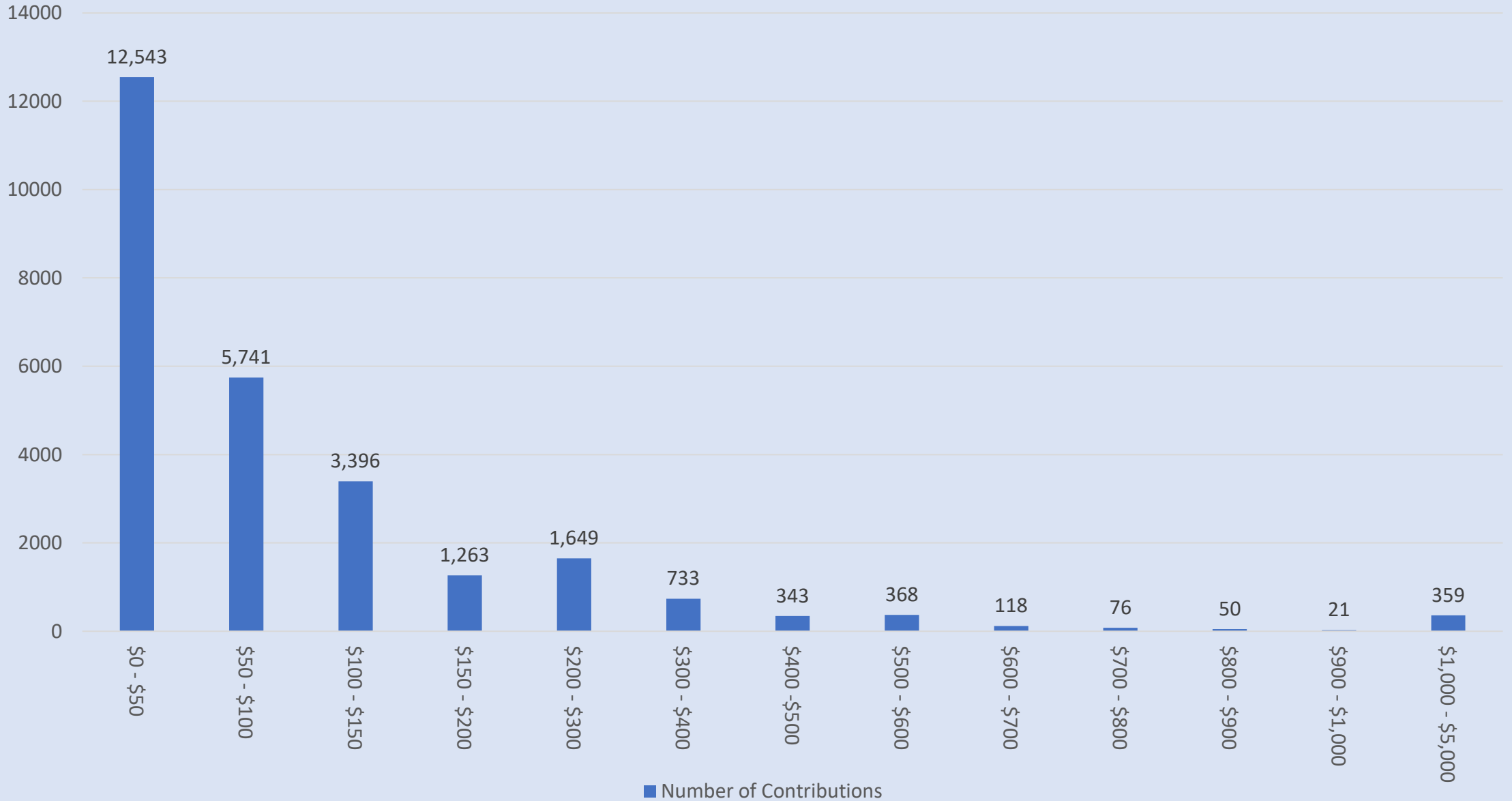




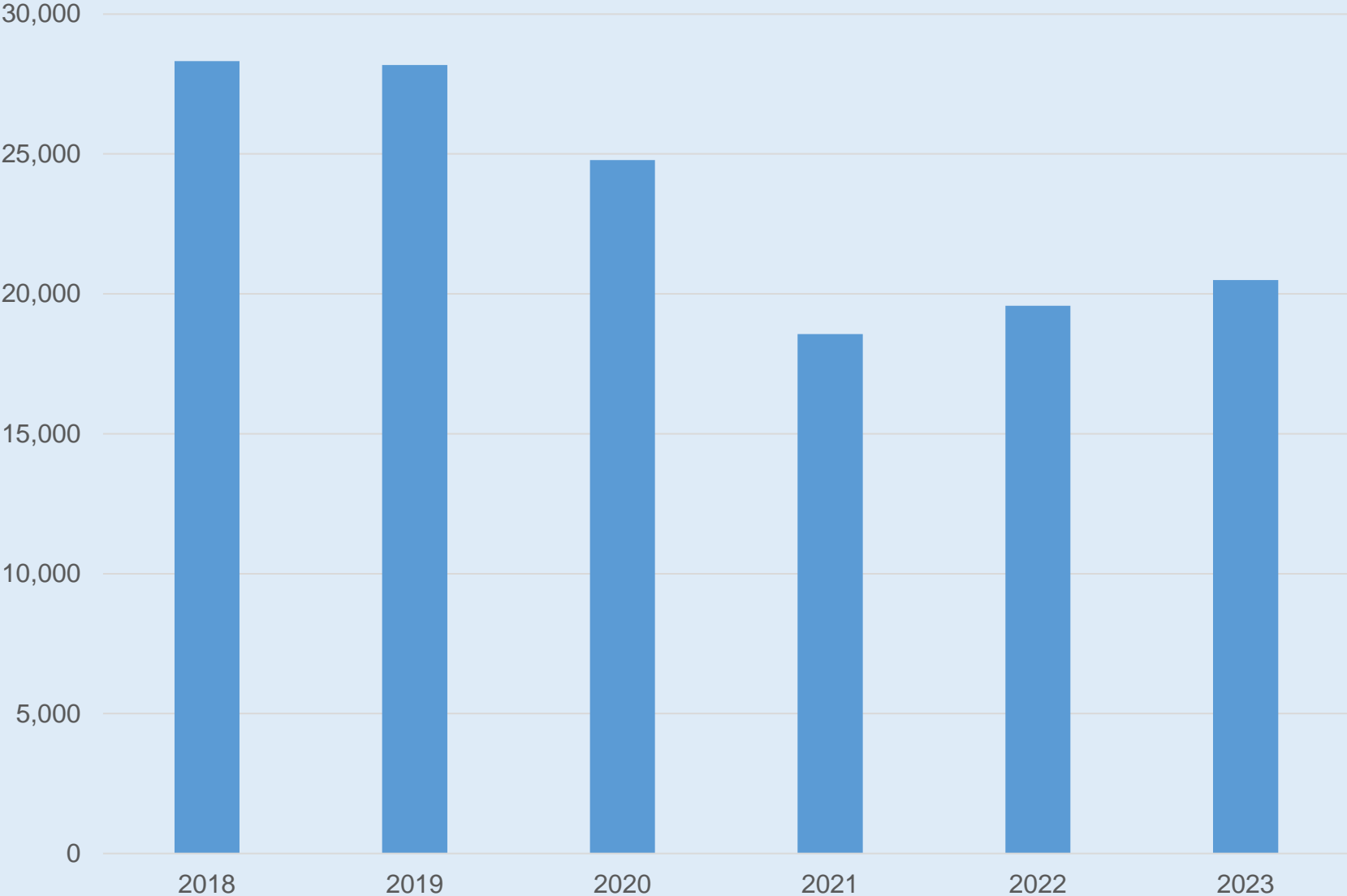
# Group Contributions by Value (2022)



# Individual Contributions by Value (2022)



# NUMBER OF GROUPS CONTRIBUTING



# THROUGH OUR OWN SELF-SUPPORT

