

Area 59 Finance Subcommittee



EPGSA Budget Proposal Panel 71

Fiscal Year 2021 (December 1, 2020 – November 30, 2021)

2021 Budget Overview

The Finance Subcommittee has dedicated much time to categorizing and analyzing historical data, to better understand past trends and project future budget needs. The last few years' budgets were analyzed to determine the starting point for this year, with adjustments made where estimates vs. actuals differed by a significant amount. Due to the great uncertainty of budgeting during a pandemic, areas will be noted as to drastic changes in previous budgets.

The Finance Subcommittee continued the practice of breaking out the Area Quarterly Meetings as well as the Interpreter and Translation expenses being charged to each event for transparency.

In addition, there are several changes to the budget to reflect the additional Ad hoc Subcommittees as well as the BTG Coordinator position.

We respectfully submit our budget proposal and motions for your review.

Finance Subcommittee Members

Tara L., Chair (District 35) Steve C., Secretary (District 39)
Andrew C. (District 43) Scot K. (District 65)
Mike Q. (District 24)

Dan B., Area Treasurer and Subcommittee Advisor

2021 Budget Motions (to be voted upon after budget presentation):

1. The Finance subcommittee unanimously recommends that Area 59 contribute \$400 to the General Service Office in addition to the Delegate's minimum General Service Conference fee of \$1,800.

The fully incurred cost for a Delegate to attend the 2021 GSC will be \$2,200, with a minimum fee of \$1,800. The additional \$400 is to cover the balance of the full cost, a long-standing practice of Area 59 that demonstrates the Area's commitment to honor the 7th Tradition of self-support.

Note: This item is included in the 2021 budget proposal and is identical to last year's motion.

2. The Finance subcommittee unanimously recommends that Area 59 adopt its 2021 Budget Proposal.

Please see detailed budget documents on the following pages.

Profit & Loss Budget vs. Actual

December 2020 through November 2021

	Dec '20 - Nov '21	Budget	\$ Over Budget	% of Budget
Income				
40000 · Contributions	0.00	81,924.39	(81,924.39)	0.0%
41000 · Sales	0.00	265.00	(265.00)	0.0%
43200 · Interest - Money Market	0.00	30.00	(30.00)	0.0%
Total Income	0.00	82,219.39	(82,219.39)	0.0%
Expense				
60100 · Area Office Expense	0.00	15,000.00	(15,000.00)	0.0%
60200 · Delegate Officer Expense	0.00	4,000.00	(4,000.00)	0.0%
60300 · Alternate Delegate Officer Exp	0.00	1,600.00	(1,600.00)	0.0%
60400 · Chair Officer Expense	0.00	3,500.00	(3,500.00)	0.0%
60500 · Secretary Officer Expense	0.00	3,000.00	(3,000.00)	0.0%
60600 · Treasurer Officer Expense	0.00	2,500.00	(2,500.00)	0.0%
60700 · Officer at Large Office Expense	0.00	2,000.00	(2,000.00)	0.0%
60750 · Tech Servant Expense	0.00	1,900.00	(1,900.00)	0.0%
60800 · Archivist Office Expense	0.00	2,500.00	(2,500.00)	0.0%
60900 · Past Delegate Office Expense	0.00	1,000.00	(1,000.00)	0.0%
61100 · Archives Committee Expense	0.00	4,200.00	(4,200.00)	0.0%
61200 · Correctional Fac. Comm. Expens	0.00	5,170.00	(5,170.00)	0.0%
61300 · Treatment Facilities Comm. Exp	0.00	5,120.00	(5,120.00)	0.0%
61400 · CPC Committee Expense	0.00	1,500.00	(1,500.00)	0.0%
61500 · Finance Committee Expense	0.00	1,000.00	(1,000.00)	0.0%
61600 · Grapevine Committee Expense	0.00	3,030.00	(3,030.00)	0.0%
61700 · PI Committee Expense	0.00	4,000.00	(4,000.00)	0.0%
61900 · Structure Committee Expense	0.00	4,500.00	(4,500.00)	0.0%
62000 · Literature Committee	0.00	1,500.00	(1,500.00)	0.0%
64200 · Digital Comms Committee	0.00	2,500.00	(2,500.00)	0.0%
64100 · Technology Committee	0.00	4,950.00	(4,950.00)	0.0%
61350 · BTG Coordinator	0.00	2,600.00	(2,600.00)	0.0%
62200 · Mini I Event Expense	0.00	1,600.00	(1,600.00)	0.0%
62300 · Mini II Event Expense	0.00	1,600.00	(1,600.00)	0.0%
62600 · Pre-Conference Event Expense	0.00	300.00	(300.00)	0.0%
62700 · Convention Event Expense	0.00	5,000.00	(5,000.00)	0.0%
62800 · Share a Day Event Expense	0.00	100.00	(100.00)	0.0%
63200 · Area Inventory Expense	0.00	1,600.00	(1,600.00)	0.0%
63300 · DCM Orientation/Mini Planning	0.00	100.00	(100.00)	0.0%
63500 · NERAASA	0.00	250.00	(250.00)	0.0%
63600 · NERD	0.00	50.00	(50.00)	0.0%
63700 · Area Qtrly Meeting Expense	0.00	2,500.00	(2,500.00)	0.0%
64400 · Other Expense	0.00	325.00	(325.00)	0.0%
65100 · Bank fees	0.00	400.00	(400.00)	0.0%
65300 · Accounting fees	0.00	875.00	(875.00)	0.0%
65600 · Web hosting	0.00	2,600.00	(2,600.00)	0.0%
66100 · Sales tax - PA	0.00	120.00	(120.00)	0.0%
Total Expense	0.00	94,490.00	(94,490.00)	0.0%
Net Ordinary Income	0.00	-12,270.61	12,270.61	0.0%
Net Income	0.00	-12,270.61	12,270.61	0.0%

Cash Flow Forecast

- The Cash Flow Forecast shows the beginning bank balance, applies the budgeted items, and ends with an estimated bank balance for fiscal year end.
- It is a useful tool in understanding how the “bills get paid” – we do not wait for contributions to come in before spending money, so the starting balance offsets what we know will come later.
- The Structure of Area 59 targets a 30% prudent reserve, based on the actual expenses of the prior two fiscal years.
- The Cash Flow Forecast will be updated to match the actual FY21 Budget, once the budget numbers are approved.
- The primary goal of including the Cash Flow Forecast is to provide a high-level overview of where the Area stands financially.

ESTIMATE OF CASH FLOW AREA 59
Finance Subcommittee Mar 2021

PANEL 71
Tara L., Chair

		<u>2020 Cash Actual</u>	<u>2021 Cash Forecast</u>	<u>2022 Cash Forecast</u>
		<u>12/1/2019</u>	<u>12/1/2020</u>	<u>12/1/2021</u>
Assets				
Operating Account	10050	21,149	53,797	43,145
Prudent Reserve	10051	29,286	29,304	29,304
Opening Cash Balance		50,434	83,101	72,449
Income				
Income Actual	4xxxx	80,318		
Income Forecast	4xxxx		82,219	83,864
Income Adjustment to Ca:	4xxxx	-	750	
Income		80,318	82,969	83,864 (2% increase)
Expense				
Expense Actual	6xxxx	(47,297)		
Expense Forecast	6xxxx		(94,490)	(97,325) (3% increase)
Expense Adjustment Forecast			868	
Expense		(47,297)	(93,622)	(97,325) (3% increase)
Less Prudent Reserve				
Less Prudent Reserve	10051	29,286	29,304	29,304
Less Add'l Prudent	10051	-	-	-
30% Reserve		29,286	29,304	29,304
Estimated Available Operating Funds		54,169	43,145	29,684

Area 59 Finance Subcommittee

Budget Narrative for EPGSA Budget Proposal

Fiscal Year 2021 (December 1, 2020 – November 30, 2021)



EASTERN PENNSYLVANIA
GENERAL SERVICE ASSEMBLY
www.area59aa.org

Income

40000 · Contributions

\$81,924.39 Projected Income.

41000 · Sales

\$265 Projected Inventory Sales.

43200 · Interest Money Market

\$30 Projected Income.

Expenses

60100 · Area Office Expense

\$15,000 projected expense includes:

- Delegate's expense to attend the General Service Conference. (See detail below).
- Archives storage space rental.

60116 · Area - Gen Svc Conference (Note: part of Area Office, not an actual budget line item.)

\$2,200 cost of Delegate to attend General Service Conference, including Area's voluntary contribution.

- Separate motion raised for additional contribution above \$1,800 minimum fee.

Note on Officer Expenses (below): Officer line items are to be used for any expense incurred that is not broken out separately elsewhere in the budget. All expenses related to such items (example NERAASA) should be charged to that event, not the individual officer line item. Quarterly Meetings (including Pre-Area Meetings) have a budget line for improved transparency in reporting.

60200 · Delegate Officer Expense

\$4,000 Delegate budget includes costs for attending all conferences and conventions.

Note: General Service Conference expense is included separately in Area Office 60110.

60300 · Alternate Delegate Officer Expense

\$1,600 Alternate Delegate budget includes cost to attend Area events and request for new printer

Note: includes costs incurred being the Young People in AA (YPAA) liaison, which requires more travel.

60400 · Chair Officer Expense

\$3,500 Chair expense includes:

- \$2000 for costs incurred for Area travels, etc.
- \$1500 for computer and printer

60500 · Secretary Officer Expense

\$3,000 Secretary expense includes workshops, district meetings, overnight accommodations and orders via Staples.

60600 · Treasurer Officer Expense

\$2,500 Treasurer expense includes:

- Postage, mailing, supplies related to contributions, etc.
- Costs incurred for Area travel.
- Costs to cover QuickBooks management

60700 · Officer at Large Office Expense

\$2,000 OAL expense includes:

- Cost incurred for travel to Area Events, etc.
- Includes purchase of supplies for Area events and forums/workshops.

60750 · Technology Servant Expense

\$1,900 projected expense for travel to Area events, etc., including maintenance of Area audio-visual equipment.

60800 · Archivist Office Expense

\$2,500 projected expense for travel to Area events, etc.

60900 · Past Delegate Office Expense

\$1,000 The Past Delegate line item covers:

- Past Delegates' travel to Area events, only when invited to participate by the Delegate.

Note: Travel is expected to be limited due to pandemic restrictions; therefore, historical data was used to determine the current budget.

Note on Subcommittees (below): Each subcommittee's line item will be used for all costs incurred while performing work on behalf of the subcommittee. Members should submit expenses in a timely manner for items such as: travel to workshops while representing the subcommittee, mileage, tolls and parking, literature and supplies, materials for displays, etc.

61100 · Archives Committee Expense

\$4,200 projected expense includes travel, mileage, etc.

- This covers monthly expenses for travel to the current Archives workspace and continued investigation of new workspace alternatives.

61200 · Corrections Committee Expense

\$5,170 projected expense includes:

- \$1000 to attend annual Corrections Conference, if in-person.
- \$2,000 for new display rack for literature (BTG will likely be providing literature to various facilities as well).

- \$1700 for Big Books, Grapevines.
- 10% added from previous year's budget at request of the committee

61300 · Treatment/Accessibilities Committee Expense

\$5,120 projected expense includes:

- New displays, racks and literature; expenses related to co-hosted BTG workshops with Corrections and mileage, postage, etc.

61400 · CPC Committee Expense

\$1,500 projected expense includes:

- \$1,000 display updates, literature and supplies.
- \$500 for travel, mileage and miscellaneous expenses.

61500 · Finance Committee Expense

\$1,000 projected expense includes:

- Literature for displays, 7th Tradition packets, green cards, etc.
- Costs for printing, copying, etc. related to Gratitude Month cards and other items.
- Travel, mileage, workshop attendance and miscellaneous expenses.

61600 · Grapevine Committee Expense

\$3,030 projected expense includes:

- \$2,589 for literature and supplies, including new displays.
- \$150 for travel, mileage and related expenses. This includes the PA state convention in August.
- \$300 for interpreter.

61700 · PI Committee Expense

\$4,000 projected expense includes:

- \$2,000 for literature, supplies, postage, copying, miscellaneous.
- \$2,000 for travel, mileage, workshops, etc.

61900 · Structure Committee Expense

\$4,500 projected expense includes:

- \$2,950 for literature, supplies, postage, copying, miscellaneous, including shipping of new structure manuals.
- \$1,550 for mileage, travel, workshops, etc.

62000 · Literature Committee Expense

\$1,500 projected expense includes:

- \$1,000 for books, pamphlets, supplies and costs related to distribution of Area "WE" newsletter.
- \$500 for travel, mileage and workshops.

64200 · Digital Comms Committee Expense

\$2,500.00 projected expense includes website redesign.

64100 · Technology Committee Expense

\$4,950.00 projected expense includes:

- \$2450 for travel, mileage, etc.

- \$2500 for website redesign

61350 · BTG Coordinator Expense

\$2,600.00 projected expense includes

- Travel to conferences, postage, mileage, etc.

62200 · Mini I Event Expense

\$1,600 covers hall rentals, food, supplies, etc. for one of two Delegate's Conference Report and Mini-Assembly.

Note: This event is budgeted for an in-person event. Should the event be virtual, costs will be less.

62300 · Mini II Event Expense

\$1,600 covers hall rentals, food, supplies, etc. for one of two Delegate's Conference Report and Mini-Assembly.

Note: This event is budgeted for an in-person event. Should the event be virtual, costs will be less.

62600 · Pre-Conference Event Expense

\$300 covers the costs necessary for the virtual event.

62700 · Convention Event Expense

\$5,000 projected expense, based on 2019/2020 costs and assumes in-person event attendance:

- Cost for all Area Officers, Archivist, and Tech Servant for lodging, meals and supplies
Mileage and other costs come out of their respective budgets.
- ASL and Spanish interpreters.

62800 · Share-a-Day Event Expense

\$100 projected cost, based on the event being virtual.

Note: Area's Share-a-Day expense will be less this year, since the event is being held virtually and Area is contributing to SEPIA for hosting the event.

62900 · NERF Event Expense

This event was held virtually this year and no cost was associated with attendance.

63200 Area Inventory Expense

\$1,600 projected expense, based on average of past expenses and assuming an in-person event.

63300 · DCM Orientation/Mini Planning Expense

\$100 covers the Interpretation needed for the event hosted virtually.

63500 · NERAASA Event Expense

\$250 projected expense includes cost for Area Officer attendance. Held virtually this year.

63600 · NERD Event Expense

\$50 projected expense for Delegate and Alternate to attend Northeast Regional Delegates Weekend (NERD), which helps prepare first-year Delegates and Alternates for the upcoming General Service Conference. Held virtually this year.

63700 · Area Quarterly Meeting Expense

\$2,500 projected expense includes:

- Facility, food, supplies, etc.
- Area officer expenses, including any Pre-Area Meeting expenses.
- Spanish interpretation and mileage.

Note: This assumes that one meeting is virtual; the following three are in-person.

64400 · Other Expense

\$325 projected expense for liability insurance.

65100 · Bank fees

\$400 projected bank expense. Cost slightly increased due to online contribution PayPal fees during the pandemic.

65300 · Accounting fees

\$875 projected expense for accountant to prepare the Area 59 tax returns.

65600 · Web Hosting and Web Servant Expense

\$2,600 projected expense includes work performed to maintain the Area web site and hosting fees and that the assistant web servant position will absorb work hours rather than add additional hours.

Note: Estimate based on average of past expenses.

66100 · Sales tax – PA

\$120 projected expense for literature sales tax.