

MBAIAA Emergency IGR Meeting Minutes

February 4, 2025 7:00 p.m. via Zoom

(Meeting ID **856 9515 9821**, Password **32755**)

Meeting called to order at 7:00 p.m.

Serenity Prayer

12 Traditions read by Leslie D.

Attendance : Debbie B., Leslie F., Oliver F, Chris L., Kate K. , Phil E., Maggie W, Chuck D. Ashley Gibson, Brady S., Eloise, Glenn, Gregg R, Jasmin, Jeff, Joe C, Karen S, Kelly S., Leslie D, Marcia S, Mack S. Michael R Ray A, Robert Isom, Kathy S., Katherine J.

[Approval of January IGR minutes tabled until February 11th meeting due to time restrictions and the importance of this “special” meeting.](#)

Chairperson’s Report (Kate)

Good evening!

My name is Kate Kennedy, and I’m an alcoholic, and your 2025 Intergroup Chairperson.

Thank you for giving me the opportunity to serve the local AA community in this way: I am alternately confident and terrified about the year ahead.

However: together we can do what we cannot do alone. I hope our combined efforts will ensure success in our mission of carrying the message to alcoholics who are still suffering.

I’d like to welcome our new office administrator, Oliver, and our new officers this year : Debbie B., our recording secretary (who has volunteered but needs to be voted in), and Chris L., our new treasurer. We also have a new men’s 12 step phone list chair, Philip, and one new IGR at large, Leslie F. Thank all of you who are willing to volunteer.

Tonight, we will take a hard look at the financial records from the past few years and talk about corrective actions. I’m sorry that this is not going to be good news. On the positive side we do have a plan to correct the problems and prevent future issues as much as possible.

In his report, Chris will provide some details about past failures to make necessary tax payments and file returns; the consequences; and a proposal for fixing the damage. A vote by the Intergroup Reps will be required to pay for the services of a CPA qualified in working with non-profit corporations. This vote will take place at the emergency IGR meeting starting at 7 PM.

Please hold your questions until after Chris finishes his report.

Committee reports may be tabled until the IRG meeting next Tuesday, February 11, 2025, depending on time needed for financial and office reports.

This is a great opportunity to practice the principles in all our affairs, and to try to base decisions we will make on AA's 12 traditions as much as possible. Please make every effort to avoid assigning blame, as hard as that may be. We all make mistakes.

Treasurer's Report (Chris L.)

Overview of the situation, and steps to be taken to remedy the concern (See attached page 5)

Income: \$6,419.90

Expenses \$15,884.18

Net Loss – **\$9,467.28**

Current Prudent Reserve \$31,825.86

Balance : Operating Expense Account \$5,000.

Chris L. asked for any questions or comments from the group.

There was concern expressed about how this situation could have happened. Oliver and Chris both explained that what happened in the past was a combination of several things. The double-check procedures that had been in place in the past were not continued. Our job now is to move forward and deal with the current situation. Turnover in the steering committee members, no audit team in place, no questions asked, resulted in everyone believing that it was "business as usual". There is no indication that these errors were intentional.

Glen and Mark S and others said they did not receive the agenda packet and it was suggested that anyone not receiving the agenda packet, put their email address in the chat.

Office Administrator's Report (Oliver)

We have successfully transitioned over to QuickBooks Online starting on January 1, 2025. QuickBooks Desktop will remain active until it is no longer needed for accounting purposes (i.e. possible incoming CPA)

The entire literature and pamphlets collection in the office has been inventoried. We are currently working on revising the system so that going forward we will purchase literature wholesale and charge sales tax on sales.

Several anomalies/errors were found while looking back at the December transactions in QuickBooks. They are as follows:

1. In the December 2024 P&L, the group contributions were misreported. A Venmo

deposit was recorded in QuickBooks for \$513.08, when the actual deposit was \$335.56.

2. A chip purchase for \$107.94 was made and paid on 12/23 but no entry was made into QB so the purchase was not in the P&L. I added a check into QB.
3. Comcast was paid \$193.54 on 12/24 but no entry was made in QB, so it was not in the P&L. I added a check into QB.
4. There are duplicate entries in the Group Contributions list because multiple entries were made in QuickBooks for some contributions over the year. This means that the Contributions by Group report do not accurately reflect the total contribution 2024.
5. No QuickBooks entries were made for the Prudent Reserve account since 10/27/23.

Going forward these kinds of issues should no longer occur. QuickBooks Online links directly with our Chase accounts so any activity will always be accounted for and included in reports.

Oliver F. asked if there were any questions regarding his report:

Brady S. asked what the treasurers could do going forward from here to ensure there are no future discrepancies with group contributions.

Kate K. suggested that when a group submits monies to the Central Office, treasurers should get a receipt. There was then some discussion about “group” contributions being listed by group “name” verses by City.

Oliver F. reminded the group that Pay Pal takes a percentage when anyone uses that format to contribute to the Central Office and that we also use Zelle along with Venmo for many of our group accounts.

We need host groups for the birthday meetings! So far, we still have **nine slots open**. We also need volunteers to cover shifts on Tuesdays and Thursdays. Ending on a happy note, we have new copies of the Plain Language Big Book available in the office! I expect them to sell quickly.

Old Business : Time Permitting

1. IGR's at large still needed (how many?) **3 additional IGR's at Large still needed.**
2. Budget committee to meet prior to the February 11 IGR meeting.

New Business :

1. Motion to approve hiring KSP Consulting (item 6 in Potential Liabilities report) **A motion was made and seconded to approve KSP Consulting (CPA firm) and the vote was 18 Yes , Zero No votes .**

2. Motion directing that the practices followed prior to 2016 be reinstated, including the hiring of a CPA to prepare and file the annual financial returns going forward. (see items 8 and 9 in the Potential Liabilities report). [The vote to return to practices followed in the past was also unanimously approved.](#)
3. The approval by the IGR's in attendance to accept [Debbie B. as recording secretary and Chris L. as treasurer](#) was also voted on. There were 17 yes votes, zero no votes and Mark S. abstained from voting.

Committee reports were tabled until next weeks meeting.

Birthday Meeting: Saturday, February 22, 2025 7:00 p.m. Monterey High Cafeteria Host Group:
Good Morning Carmel Speaker: TBD [Need groups to step up and volunteer to host a Birthday meeting. We have 9 open slots to be filled.](#)

7th Tradition observed via venmo@aamonterey

Next SC Meeting – Tuesday, March 4, 2025 at 6:00 p.m. via Zoom

Next IGR Meeting- Tuesday, [February 11, 2025](#) at 7:00 p.m. via Zoom Serenity Prayer Adjourn

Meeting Minutes by Debbie B.

MBAIAA Potential Liabilities & CPA Fee allocation

Reported on February 4, 2025 by Chris L., MBAIAA Treasurer

1. Over the past 8 years, **beginning in 2016** when our previous office administrator was hired, our annual financial returns were not filed with the IRS, The Franchise Tax Board, and The California Attorney General's office as required by law.
2. As a result, in 2020, after 3 consecutive years of non-filing, the State of California and the IRS notified MBAIAA of pending revocation of tax-exempt status, and after issuing several notices and still no returns filed, **our tax-exempt status was revoked in 2020.**
3. MBAIAA also failed to file payroll tax returns for the past 3 to 4 years. The State of California has been securing payment for estimated taxes and penalties but returns still need to be filed and more taxes are likely still owed to the State. **The IRS has informed us of a large past-due balance** related to payroll tax returns that were filed prior to 2022.
4. In addition to the back taxes and interest that are due, the State and the IRS charge significant late fees for failure to file.
5. In your agenda packet, you will see an engagement letter from **KSP Consulting, a Certified Public Accounting firm specializing in Non-Profits**. We require the services of a professional in order to competently work through the process of requesting reinstatement of our non-profit status and preparing the necessary returns, forms, and statements of reasonable cause. We may also be utilizing the CPA's services for catching up with the payroll tax filing by reviewing our payroll history with state and federal agencies and advising us on how to correctly re-create the quarterly and annual payroll tax returns which were not filed.
6. I am recommending the Steering Committee vote on a motion to approve hiring KSP Consulting.
7. A member of our local AA community who **is an attorney has offered pro-bono legal assistance to help us**, in coordination with KSP Consulting, to **negotiate the waiving of any late fees** that would normally be charged by the agencies.
8. We discovered that several practices that had been followed prior to 2016 were not followed by the central office administrator these past 8 years, such as:
 - a. Using a CPA to prepare and file the annual financial returns. **(aprox \$800-\$1,000)**
 - b. Completing annual audits of the finances.
 - c. Informing the Steering Committee of any significant issues, financial or otherwise, that need to be addressed.
9. *I am recommending the Steering Committee approve a motion directing that the above practices be reinstated, including the hiring of a CPA to prepare and file the annual financial returns going forward.*

MBAIAA IGR Meeting Minutes
February 11, 2025, 7:00 p.m. via Zoom
(Meeting ID 856 9515 9821, Password 32755)

Call to order

Serenity Prayer

Introductions (Roll Call) In Attendance : Debbie B, Oliver F, Karen S, Kate K, Phillip E, Maggie W, Glen W, Mary S, Freddy B, Cindy A, Gregg R, JoAnn R, Mark F, Chris L, Esther, Kathy S, Melanie Y, Leslie F, Marcia S, Esther, Jasmin, Katherine J, Brandy, Jeff, Cindy A, Joe C, Michelle, Mark S, Kathy K

12 Traditions- Mark S.

Chairperson's Report (Kate K.)

"Good evening! My name is Kate. I'm an alcoholic. My report tonight is short: I hope we will get caught up with committee reports as well as having an update on the intergroup financial situation. Also, I will put the central office administrator's and my contact information into the chat so that any who would like topics added to our monthly agendas may easily do so in advance of our meetings.

Thank you for letting me be of service!

The minutes from the January meeting and from the Emergency IGR meeting on February 4th, were approved by the IGR's. All yes votes, zero no votes and one IGR abstained.

Treasurer's Report – January 2025 (Chris L.)

- Update on financial condition of MBAIAA / CPA recommendations
- Budget Committee

Income	\$6,419.90	
Expenses	\$15,884.18	
Net Income/Loss	-\$9,467.28	
Current Prudent Reserve (as of 1/31/25)	\$31,825.86	
Operating Account (as of 1/31/25)		\$5,000

Chris L. explained that he is working with the CPA to get our non-profit status back. He also pointed out the loss for the month and said that will probably continue unless we increase our donations within the groups. We could use help getting our Prudent Reserve built back up since the State of California has been billing us for unpaid sales taxes, including penalties and interest for not filing. We are hoping with the help of the CPA and an attorney familiar with non-profits, that the IRS fines and penalties can be waived as long as we show "good faith" in filing these back tax returns. Other questions that surfaced during this discussion was the potential liability to the members of the steering committee during the time period that taxes were not filed. Payroll taxes, registration with the Attorney General of CA and other non-profit filing obligations were not met. Questions surfaced about how to present this information/situation to the meeting groups the IGR's represent.

There are still many unknowns as to when these situations will be resolved. It was suggested that the talking points that would help were those things that were covered in the Emergency meeting last week. The Intergroup is in the process of correcting some financial situations that have occurred over the past - several years. This situation came about for multiple reasons. Checks and balances that had previously been in place were not continued after Maggie left in 2016. Using a CPA to file annual taxes was discontinued. Annual audits and Steering Committee approval of expenses were not in place. We will file back taxes and look for other ways to increase cash flow such as increasing the cost of literature sold from the Central Office and including charging sales tax on items sold.

Many good questions and comments came from the group including a question about D & O (Directors and Officers) insurance (Not in place presently.) - We now have a strong steering committee in place that will continue to work to rectify these issues. We just have to give the process time and not issue blame to any specific people or groups. We have learned from the past and we will get out of this situation as soon as possible with support from our fellowship , practicing our AA principles.

Office Administrator's Report (Oliver)

- The liability insurance policy has been updated to include the current locations for in-person meetings.
- A few modifications were made to operations at Central Office:
 - a. All central office online account passwords were updated for security purposes.
 - b. Book prices now include sales tax in the price.
 - c. Sales and contribution transactions in QuickBooks now include an attachment of the scanned receipt. The receipt number is now used as a reference number.
 - d. All receipts included in a deposit will now be attached to the deposit slip.
- We need groups to host the birthday meetings! So far, we have GMC scheduled for this month and Mighty Muffins for September. Seniors in Sobriety volunteered to take October and the Men's Stag group also will take an open month. Oliver asked the IGRs to email him to fill other open months for Birthday Meetings.
- The office could use some more volunteers for Tuesday and Thursday mornings. Kate has been covering Tuesdays which leaves Thursday mornings open for coverage. Oliver also committed to getting a February newsletter on the website.

- Please see the flyers included in your meeting packet for upcoming events:

Feb 15: Salinas Valley Blues & BBQ

Feb 17: Monday Night Serenity 41st Anniversary

Mar 8: MBAR Business Meeting

Mar 16: MBAR St. Patrick's Potluck & Meeting

Committee Reports

- IGRs at Large- Leslie F. had no report. No other IGRs at Large were present.
- PI/CPC- Maggie W. reported that PI/CPC is making great strides including getting doctors in the area quick access to materials/videos. Big Books are now available in all libraries, hotels, and churches. A business card was created that has a QR code linking the Monterey Intergroup website on one side of the card and the Salinas intergroup website on the other side. Books are going out to Vet Clinics. The PI/CPC committee will have an information table at an upcoming event for seniors
- Men's and Women's 12 Step Phone List Chairs Mary S. reported that out of the 52 calls received and made by the answering service in January; one woman didn't get to talk to someone. Phillip E. is working on a sign-up sheet adding Spanish speaking volunteers on the Men's call sheet. He is also making an instruction sheet for the next person who volunteers for this position which includes auditing the phone list every 6 months to keep it current. Both chairs mentioned needing a list of the answering service numbers so that when volunteers see this number, they will know that it is coming from an AA call.
- H & I – Cindy A – reported that volunteers are needed and to call her with any questions. 831-917-1804. Mark F – Men's jail coordinator. 925-890-5457.
- General Service Liaison- None present / no report

Old Business

- IGR Group Inventory Meeting – Mark S. suggested that the fellowship answer 12 questions, not just the IGR's or just to "look at the list". He would like to put the list into the next newsletter. He also suggested that the IGRs have an "in person" meeting
- Suggest: Mark S. submitted the 12 questions that the Group Inventory committee has agreed upon (attached). He asked the IGRs to share the questions with their groups in case they have questions or suggestions for the representative to bring to the Group Inventory meeting. The meeting date and location has yet to be decided but will be in person, probably on a Saturday.
- Mark S. suggested the IGRs consider meeting in person instead of on Zoom. Tabled until next month.
- Three new IGR at Large members needed! What they do.. / Bylaws (Kate) Victoria, Leslie and Chuck are the current IGRs at Large, but we still need 3 more IGR's at large (see By-Laws Article VII, Section 3). Information about what IGRs at Large do can be found in the reformatted bylaws on our website (thank you, Debbie, for the reformatting work).

New Business

- Intergroup documents update (Kate) Multiple guidelines, policies, and documents at Central Office need to be updated. Kate K. will work on these.
- Audit Committee (Kate) Joe C. Needs IGRs at large on committee per bylaws, aim for early July audit. [See bylaws Article X section 5.](#)

Birthday Speaker Meeting February 22, 7 pm, Monterey High School Cafeteria

Host Group: Good Morning Carmel - Speaker: Ashley

Next IGR Meetings:

Steering Committee. March 4, 2025, 6 PM / Zoom ;
IGR. March 11, 2025, 7 PM / Zoom

Intergroup 7th Tradition : via venmo@aamonterey or zelle info@aamonterey.org

Closed with Serenity Prayer

Meeting Minutes submitted by : Debbie B.

Monterey Bay Area Intergroup Alcoholics Anonymous

Statement of Activity

January 2025

	TOTAL
Revenue	
BIRTHDAY MEETINGS	
50-50 Raffle	243.00
7Th Tradition	259.00
Book Raffle	80.00
Total BIRTHDAY MEETINGS	582.00
GROUP CONTRIBUTIONS	
Group Contributions	4,344.22
Total GROUP CONTRIBUTIONS	4,344.22
INTEREST INCOME	0.27
LITERATURE SALES	70.94
OTHER CONTRIBUTIONS	
Personal	1,292.92
Total OTHER CONTRIBUTIONS	1,292.92
REFUNDS	
Other	119.99
Total REFUNDS	119.99
Total Revenue	\$6,410.34
GROSS PROFIT	\$6,410.34
Expenditures	
BIRTHDAY EXPENSES	190.45
Bday cof-supply	80.34
Bday rent	1,019.55
Total BIRTHDAY EXPENSES	1,290.34
COMPUTER & SOFTWARE	1,615.77
DELINQUENT SALES TAX	4,054.01
INSURANCE	140.00
Workmans Comp	1,365.48
Total INSURANCE	1,505.48
INTERNET SERVICES	
Internet access	417.55
Total INTERNET SERVICES	417.55
LITERATURE	851.94
MISCELLANEOUS	0.00
OFFICE SUPPLIES	131.60
Payroll	2,978.40
Payroll Expenses	
Taxes	166.50
Wages	1,800.00
Total Payroll Expenses	1,966.50
RENT	1,000.00

Monterey Bay Area Intergroup Alcoholics Anonymous

Statement of Activity

January 2025

	TOTAL
SPEC. EVENTS EXPENSES	
Holiday Banquet	72.59
Total SPEC. EVENTS EXPENSES	72.59
Total Expenditures	\$15,884.18
NET OPERATING REVENUE	\$ -9,473.84
NET REVENUE	\$ -9,473.84

Monterey Bay Area Intergroup Alcoholics Anonymous Group Contribution Summary

January 2025

	<u>Contributions Jan 2025</u>
ATTITUDE ADJUST FRI - 689020	91.20
BIG BOOK 2001 - 147780	56.40
BIG SUR GROUP - 134290	68.00
C.V REFLECTIONS - 689541	60.00
C.V. WOMEN'S - 139741	31.80
Carmel Beach Meeting	85.00
CARMEL MEN'S STAG - 133250	65.50
CARMEL THURSDAY NIGHT - 410695	117.51
CIRCLE OF GRATITUDE - 615222	30.00
GOOD MORNING CARMEL - 609541	691.92
MARINA WOMEN AA - 646831	78.00
MEN'S STAG - NOON - 666557	185.50
MONDAY SERENITY GROUP 143994	44.00
Not A Theory	37.77
On Awakening 60001	730.80
OTTER GROUP - 673398	25.00
Rebellion Dogs	499.25
SENIORS IN SOBRIETY - 656847	98.40
Sunday 630 117525	38.00
SUNDAY BIG BOOK STUDY - 626750	56.55
sunrise Zoom	408.00
THE MIGHTY MUFFINS - 139739	203.38
TOPIC TAG - 715756	71.40
WILD WOMEN - NOON - 611018	73.20
WOMEN'S 12 & 12 STUDY - 617313	176.40
WOMEN'S BIG BOOK STUDY - 699822	210.00
YOUNG PEOPLE'S GROUP - 652314	111.24
TOTAL	<hr/> \$ 4,344.22