

SEPIA
Statement on Prudent Reserve
February 2024

SEPIA has within their financial guidelines to keep a prudent reserve of funds on hand to cover future expenditures. The guidelines establish a range of 8-12 months of the previous year's actual expenses. Currently we are holding reserves that equal 13.3 months of expenses.

The budget for this fiscal year takes these excess reserves into account. The current year budget includes critical website and office systems upgrades in addition to the regularly occurring office and 12 step committee expenses. By the end of this fiscal year, it is projected that our prudent reserve will be at 10.5 months, which is within the acceptable range outlined in the financial guidelines.

The finance committee monitors the prudent reserve balances on a quarterly basis and regularly communicates with the steering committee on any excess reserves.

Since between 75-90% of our net revenues are from individual and group contributions, and these are also included in our current year budget, it is our recommendation that groups continue their current policies on contributions to SEPIA.