DNS-OARC 2020 Treasurer's Report

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OARC33 AGM

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DNS-OARC Financials

- 2019 Financial Statements once again audited with clean bill of health:

    - https://indico.dns-oarc.net/event/34/attachments/756/1302/2019_Financial_Statements.pdf

    - $27k deficit on $728k revenue (down from 2018)

    - expenses similar to 2017, 2018

    - 2019 was a challenging year financially, but year-end deficit of $27k was less than $50k OARC31 forecast

- 2020 YTD/Budget figures are for Jan-Aug $(^2/_3\text{rds})$

- 2020 is looking like a good year despite pandemic

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2019 Financial Challenges

- Was effectively zero net growth in paying new Members, some downgrades

- Revenue was around 90% of budget target

- Expenses managed to be on-budget

- OARC31 was expensive with sponsor shortfall

- Deficit and capital equipment investment backlog led to (slightly) net negative assets at end of year

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Financial Overview

	2018	2019	2020 YTD	2020 Budget
Income	$774k	$727k	$639k	$602k
Expenses	$750k	$754k	$476k	$494k
Assets	$373k	$446k	$673k	
Cash	$312k	$332k	$531k	$340k

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Income Summary

	2018	2019	2020 YTD	2020 Budget
Member fees	$594k	$599k	$464k	$472k
Donations	$25k	$6k	$45k	$57k
Workshops	$119k	$90k	$33k	$31k
Projects, Grants	$36k	$32k	$97k	$42k
TOTAL	$774k	$727k	$639k	$602k

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Expenditure Summary

	2018	2019	2020 YTD	2020 Budget
Contractors	$517k	$527k	$337k	$359k
Capital Equip	$22k	$15k	$15k	$18k*
Co-location	$25k	$22k	$15k	$15k
Workshops	$94k	$77k	$74k	$63k
Travel	$59k	$77k	$20k	$39k
Other	$33k	$36k	$15k	$0k
TOTAL	$750k	$754k	$476k	$494k

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2020 Has been "Atypical" !

- Subscription revenue has been steady
  - no paying Member losses or growth
  - fee increase helped a lot
  - couple of new/upgraded Diamond Members
- Strategy of pursuing more grant/donation/project revenue has been successful, to the tune of $131k (20% of revenue)
- Effectively no travel/event expenses or sponsorship Q2-4
- Major capital investment catch-up
  - ~$100k for new data store
  - * *not included in previous table*
- A ~$100k surplus is possible. Given uncertain economic times, it seems prudent to post this to reserves
- We have modeled what worst case scenarios of running OARC on a no-income or hibernation basis would look like, and believe we could continue for 6-12 months if necessary

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Long-Term Financial Targets

- Aim for $900k revenue by end 2021
  - at least 10% of which should come from diversified services
- Cash reserves of 6 months' worth of operations by end 2022
- Ideally 10% surplus per year towards reserves
- Reserves Policy:
  - https://www.dns-oarc.net/files/policies/reserves-policy.pdf
- Currently on-track to meet these targets

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