

FINANCIAL ANALYSIS REPORT

# Denton Community Market

EIN: 27-1833382 | Denton, TX | 501(c)(3)

Prepared: June 10, 2026 | Source: IRS Form 990 via ProPublica Nonprofit Explorer

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## 1. Organization Overview

<b>Legal Name</b>	Denton Community Market
<b>DBA / In Care Of</b>	Kati Marie Trice Gen Ptr
<b>EIN</b>	27-1833382
<b>Location</b>	Denton, TX (PO Box 3057, 76202)
<b>Tax-Exempt Since</b>	October 2017
<b>Form Type</b>	501(c)(3) — Arts, Culture & Humanities / Multipurpose
<b>Primary Officer</b>	Deauhijela Jackson, President
<b>Paid Preparer</b>	Anderson Spector & Co PC, 222 E McKinney Ste 100, Denton TX
<b>Mission</b>	Contribute to the vitality, livability, and community spirit of Denton by creating a public gathering space supporting local artists, craftspeople, farmers, and food producers.

## 2. Multi-Year Financial Summary (2019–2024)

Fiscal Year	Revenue	Total Expenses	Net Income / (Loss)	Net Assets
2019	\$122,361	\$118,556	+\$3,805	\$7,405
2021	\$127,081	\$103,429	+\$23,652	\$49,127
2022	\$143,000 (est.)	—	—	\$79,901
2023	\$177,237	\$158,340	+\$18,897	\$98,798
<b>2024</b>	<b>\$223,319</b>	<b>\$251,804</b>	<b>(\$28,485)</b>	<b>\$70,313</b>

Note: 2022 net assets from prior-year balance sheet reference; full filing not reviewed. 2020 filing not available on ProPublica.

### **Key Observations:**

Revenue grew steadily from \$122k (2019) to \$223k (2024) — nearly 82% growth over five years, which is strong for a small community nonprofit. However, 2024 marks the organization's **first deficit year on record**, with expenses exceeding revenue by \$28,485. Net assets declined from \$98,798 to \$70,313. The org remains solvent but is burning reserves.

### 3. Expense Breakdown — 2024 vs. 2023

Expense Category	2023	2024	Change (\$)	Change (%)
Salaries & wages	\$47,261	\$54,128	+\$6,867	+15%
<b>Advertising &amp; promotion</b>	<b>\$35,025</b>	<b>\$70,687</b>	<b>+\$35,662</b>	<b>+102%</b>
Art & music coordinator	\$18,100	\$17,200	-\$900	-5%
Performer expenses	\$15,406	\$19,400	+\$3,994	+26%
Sound engineer	\$7,600	\$11,220	+\$3,620	+48%
<b>Merchant &amp; bank fees</b>	<b>\$4,518</b>	<b>\$29,073</b>	<b>+\$24,555</b>	<b>+543%</b>
Market expense	\$6,440	\$10,681	+\$4,241	+66%
<b>Photographer</b>	<b>\$2,450</b>	<b>\$7,200</b>	<b>+\$4,750</b>	<b>+194%</b>
<b>Promotional items</b>	<b>\$874</b>	<b>\$9,252</b>	<b>+\$8,378</b>	<b>+959%</b>
Office expenses	\$3,211	\$3,568	+\$357	+11%
Insurance	\$1,234	\$426	-\$808	-65%
<b>Miscellaneous</b>	<b>\$261</b>	<b>\$2,550</b>	<b>+\$2,289</b>	<b>+877%</b>
Postage & shipping	—	\$238	—	—
Professional fees / contractors	\$12,484	—	—	—
<b>TOTAL</b>	<b>\$158,340</b>	<b>\$251,804</b>	<b>+\$93,464</b>	<b>+59%</b>

Rows highlighted in red represent the most anomalous year-over-year increases relative to revenue growth of 26%.

### 4. Marketing & Promotion Spending — Deep Dive

Component	2023	2024	% of 2024 Total Expenses
Advertising & promotion (Line 12)	\$35,025	\$70,687	28.1%
Promotional items (Sched. O)	\$874	\$9,252	3.7%
Photographer (Sched. O)	\$2,450	\$7,200	2.9%
<b>TOTAL marketing-related</b>	<b>\$38,349</b>	<b>\$87,139</b>	<b>34.6%</b>

Marketing-related spending consumed **34.6% of all 2024 expenses** — up from ~24% in 2023. For a community farmers market nonprofit with \$223k in revenue, spending \$87k on marketing is disproportionate and warrants explanation. Key questions: Who specifically is receiving these payments? Are any payees related to board members or officers? What deliverables are associated with each expenditure?

## 5. Flags & Areas of Concern

### ■ HIGH PRIORITY

- **Merchant & Bank Fees — 543% increase (\$4,518 → \$29,073):** Merchant processing fees typically scale proportionally with card transaction volume. A 543% jump while revenue grew only 26% is structurally unexplained. This could indicate a processor change with unfavorable terms, fees being misclassified here, or payments that do not represent legitimate processing costs. Receipts and processor statements should be requested.
- **Advertising & Promotion — 102% increase (\$35,025 → \$70,687):** The single largest expense category at 28% of all spending. The 990 does not identify who was paid. No vendor names, contracts, or deliverables are disclosed. This warrants a detailed accounting of every payment — agency name, amount, and output received.
- **Promotional Items — 959% increase (\$874 → \$9,252):** Nearly a 10x jump in one year with no corresponding revenue spike that would justify a major merchandise or promotional push. What items were purchased and for what purpose?
- **Photographer — 194% increase (\$2,450 → \$7,200):** A \$7,200 photography expense is substantial for an org this size. Is this a single vendor? Is the photographer affiliated with any board member or officer?

### ■ GOVERNANCE CONCERNS

- **No written conflict of interest policy (Part VI, Line 12a = No):** Required best practice for 501(c)(3)s. Particularly concerning for a market org where board members may also be vendors. The org does note in Schedule O that transactions involving officers require board approval with affected member abstaining — an informal procedure — but this is not a substitute for a written policy.
- **No written whistleblower policy (Part VI, Line 13 = No):** Absence of whistleblower protections reduces accountability and may discourage reporting of financial irregularities.
- **No document retention policy (Part VI, Line 14 = No):** Without a document retention policy, there is no guarantee that financial records, contracts, and receipts are being preserved appropriately.
- **No public governing documents (Part VI, Section C, Line 19):** The org reported 'No documents available to the public.' Most 501(c)(3)s make bylaws and key policies publicly available as a transparency measure. This is not legally required but is a significant governance gap.

## 6. What Appears Appropriate

- ✓ **All board members and officers are unpaid (\$0 compensation)** — 6 directors, all volunteer.
- ✓ **Minimal liabilities (\$1,470)** — the org carries virtually no debt.
- ✓ **No related-party transactions reported** — Lines 25a, 25b, 26, 27, 28a-c all answered No.
- ✓ **990 filed on time** — filed November 17, 2025 for fiscal year ending December 2024.
- ✓ **Professional tax preparer engaged** — Anderson Spector & Co PC, a Denton TX firm.
- ✓ **Board reviews and approves the 990 before filing** (Schedule O, Line 11a = Yes).
- ✓ **Compensation process uses independent review** (Lines 15a and 15b = Yes).
- ✓ **11 paid employees and 40 volunteers** — reasonable staffing for this org size and revenue.
- ✓ **Program services are the primary revenue source (57%)** — org earns most of its income through market operations, not just donations, indicating real programmatic activity.

## 7. Year-Over-Year Pattern Summary

Issue	2019	2021	2023	2024
Conflict of interest policy	—	—	No	No
Whistleblower policy	—	—	No	No
Document retention policy	—	—	No	No
Net income / (loss)	+\$3,805	+\$23,652	+\$18,897	(\$28,485)
Marketing as % of expenses	~20%	~22%	~24%	~35%
Merchant/bank fees	—	—	\$4,518	\$29,073
Photographer expense	—	—	\$2,450	\$7,200

The governance gaps are longstanding — not new in 2024. The financial concerns, however, are concentrated in 2024 and represent a meaningful break from prior-year patterns. The marketing spend has been creeping upward as a percentage of expenses since 2019, but the 2024 jump is disproportionate. The merchant/bank fee spike appears entirely new.

## 8. Recommended Questions for the Organization

If conducting due diligence as a donor, funder, board candidate, or oversight body, the following questions should be directed to Denton Community Market leadership:

### Merchant & Bank Fees

- Who is the organization's merchant processor(s) in 2024?
- Please provide monthly processor statements for January–December 2024.
- What accounts for the increase from \$4,518 (2023) to \$29,073 (2024)?
- Were there any processor changes or one-time fees in 2024?

### Advertising & Promotion

- Please provide a complete list of all vendors paid under this category in 2024, with amounts.
- Are any of these vendors affiliated with board members, officers, or their family members?
- What specific campaigns, deliverables, or outputs were produced?
- Who authorized each expenditure and through what process?

### Photographer (\$7,200)

- Who was engaged for photography services in 2024?
- Is this individual affiliated with any board member or officer?
- What deliverables were received (events covered, images produced)?

### Governance Policies

- Why does the organization not have a written conflict of interest policy?
- Is the board aware that written conflict of interest, whistleblower, and document retention policies are standard best practice for 501(c)(3)s?
- Will the organization commit to adopting these policies?

### 2024 Deficit

- What is the board's plan to return to operating surplus in 2025?
- Are the elevated 2024 expense levels expected to continue, or were they one-time?

## 9. Source 990 Filing References

Year	Form Type	Filed	ProPublica URL
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2024	Form 990	Nov 17, 2025	<a href="https://propublica.org/nonprofits/organizations/271833382">propublica.org/nonprofits/organizations/271833382</a>
2023	Form 990-EZ	Nov 13, 2024	<a href="https://propublica.org/nonprofits/organizations/271833382">propublica.org/nonprofits/organizations/271833382</a>
2021	Form 990-EZ	Nov 15, 2022	<a href="https://propublica.org/nonprofits/organizations/271833382">propublica.org/nonprofits/organizations/271833382</a>
2019	Form 990-EZ	Nov 4, 2020	<a href="https://propublica.org/nonprofits/organizations/271833382">propublica.org/nonprofits/organizations/271833382</a>

To download the original 990 PDFs: visit the ProPublica URL above, scroll to the relevant fiscal year, and click the 'PDF' button next to each filing. Attach these source documents alongside this analysis report for a complete record.