

Ace Makerspace FYE2027 Annual Budget Considerations

Development of Annual Budget Cycle 2026-2027

Last edited: June 18, 2026



Outline:

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Fiscal Year & Budget Basics

Ace Fiscal year runs from July 1 – June 30.

FYE is the acronym for Fiscal Year Ending.

- Last Fiscal Year (FYE 2025): July 1 2024 to June 30 2025
 - IRS Form 990 filed on May 12, 2026 (prior to extension deadline on May 15, 2026)
- This Fiscal Year (FYE 2026): July 1 2025 to June 30 2026
 - 990 Filing due on November 15, 2026 (extension deadline on May 15, 2027)
- Next Fiscal Year (FYE 2027): July 1 2026 to June 30 2027

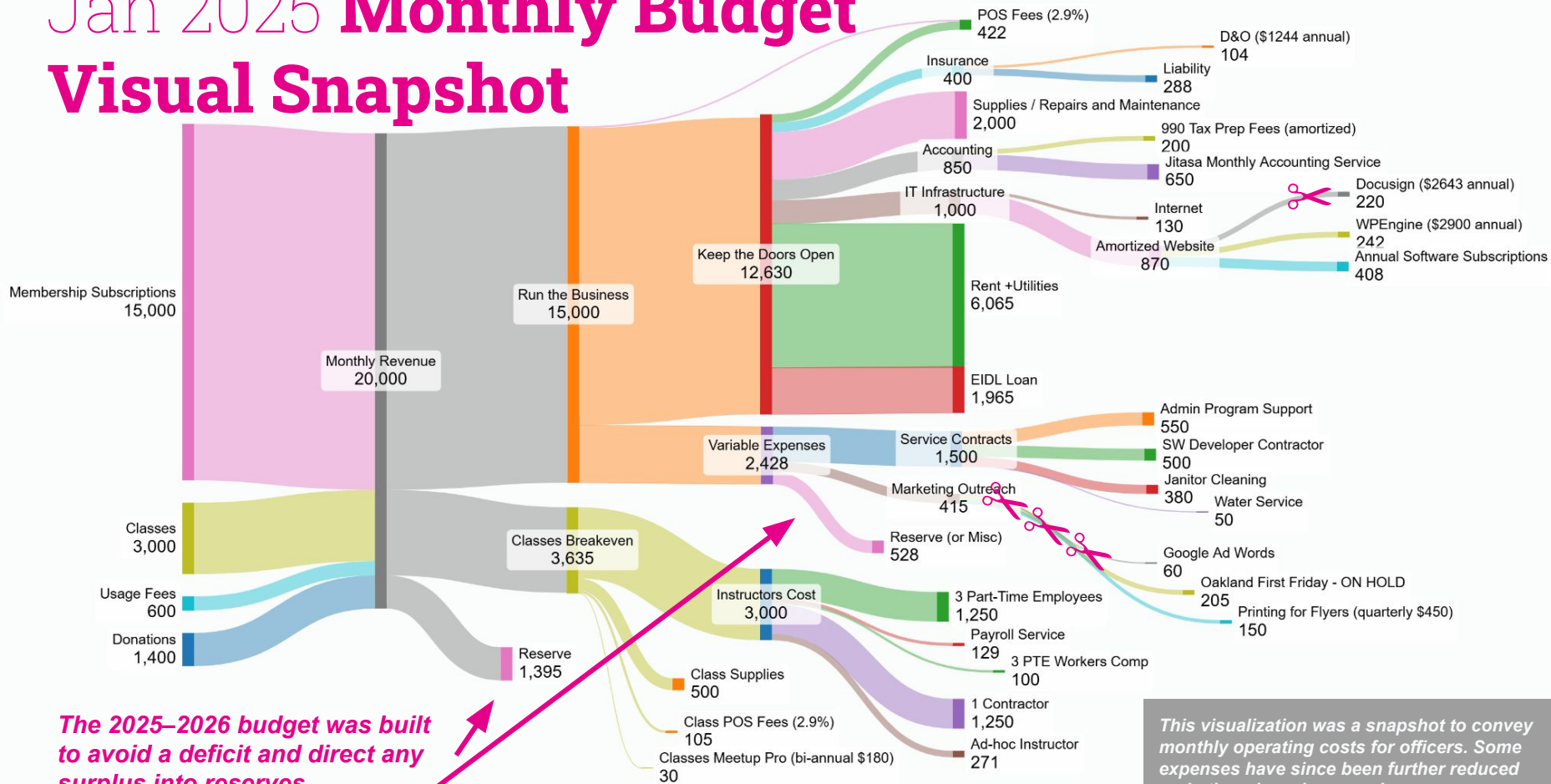
Budget Basics

- *The budget reflects the priorities we set to support our members and mission.*
- Board-approved reserve policy established January 15, 2026
- Monthly financials reviewed at each Board meeting
- Ongoing focus on budget vs. actual performance
- Finance Advisory Committee (FAC) invited to Board meetings quarterly

Looking back:

Reviewing FYE2025 and FYE 2026 Budget Considerations

Jan 2025 Monthly Budget Visual Snapshot



The 2025–2026 budget was built to avoid a deficit and direct any surplus into reserves.

This visualization was a snapshot to convey monthly operating costs for officers. Some expenses have since been further reduced and others have increased.

Looking Back at Budget Process for this Fiscal Year FYE2026

May 2025 FAC Guidelines for Budget Process

Budget projections for income should continue to be very conservative.

- Do not use income budget assumptions that include individual and corporate contributions or grants.
- Be very conservative with income projections for membership income.

✓ Continue austerity measures:
keeping expenses minimal without compromising member experience.

✓ Continue to allocate surplus to operational reserve.

✓ Prioritize growing the operational reserve for increased financial stability.

Looking Back at Goals set in May 2025

2025's Shift from “reactive” to “strategic”

1. Stabilize membership 
 - a. 80-82 monthly members bringing in more than average \$15,300
 - b. 10 yearly members (on average bringing in at least \$1,500)
2. Build 3-month reserve 
 - a. Exceeded \$20,000 goal set for mid-2025 
 - b. Operating Reserve Ratio = 12% and recommended level is 25%
3. Grow membership base by 20% 
 - a. adding 18-20 new members, which is about what was lost since Oct/Nov 2024
 - b. 10% churn, members leaving and new members joining
4. Reintroduce paid support capacity 
 - a. More Than Giving monthly average from 2025 January to April \$1300 for 22 hours/month
 - b. More Than Giving makerspace support increased in 2025 July to 30 hours/month
5. Reinvest in tools & member benefits  (room for improvement for CNC, Metal, 3D Printing)

Budget Priorities:

**Prioritizing Our
Members and Mission
in the FYE2027 Budget**

FYE2026 Board-Approved Strategic Priorities

1. Maintain Safe, Reliable 24/7 Access 
 - Keep Ace open for members and classes
2. Support Responsible Tool Use 
 - Provide Certification Classes
3. Ensure Financial Stability 
 - Avoid budget deficit
 - Maintain accountability and financial stewardship
4. Preserve Access & Inclusion 

FYE2027 Budget Guidelines

Maintain a balanced budget and avoid a deficit.

- Budget income projections should continue to be conservative.
- Budget income projections are separate from fundraising goals.

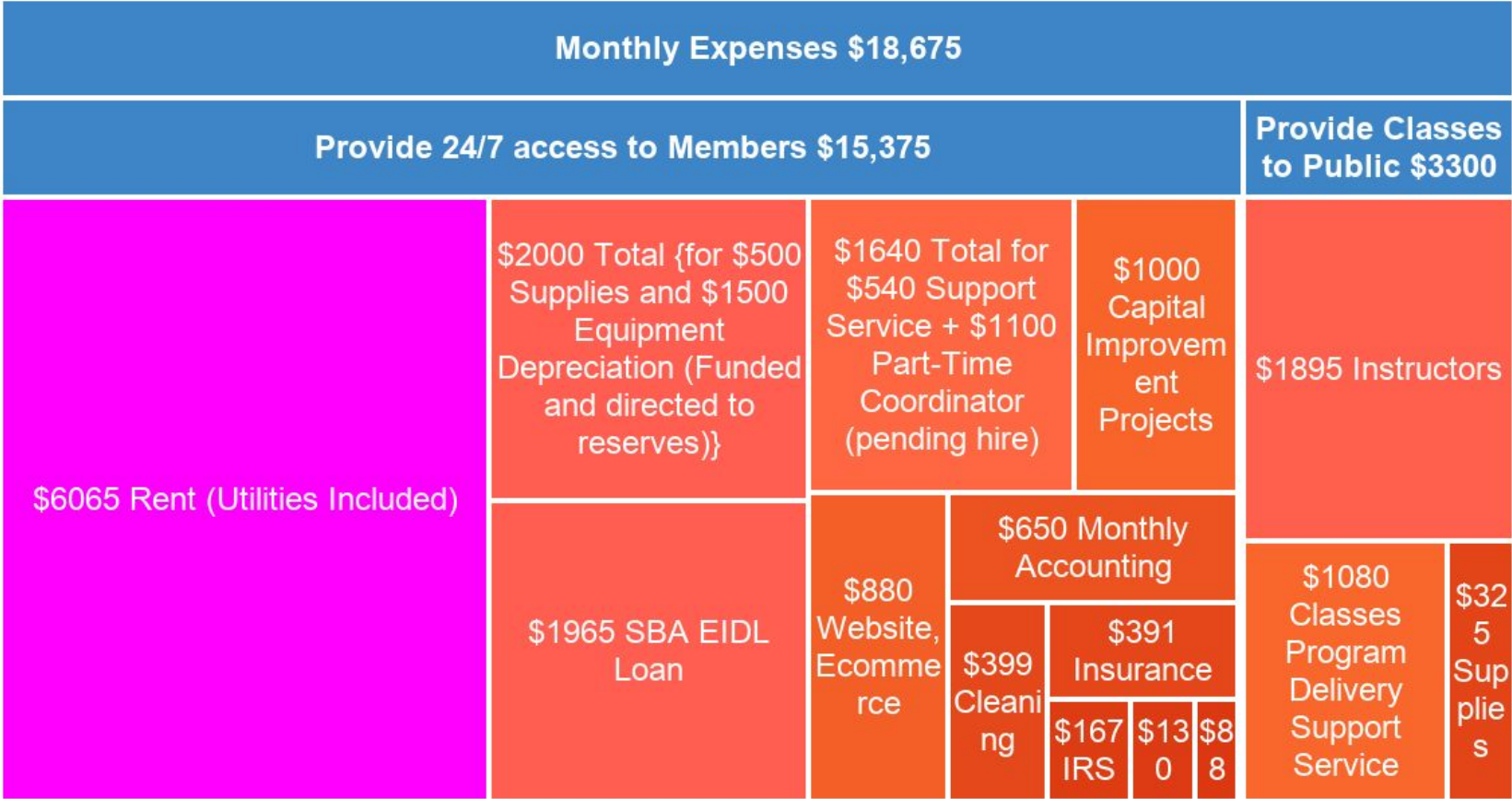
Invest in equipment maintenance and equipment replacement.

- Implement funded depreciation
 - *(cash contribution to equipment replacement reserve that matches noncash depreciation).*

Improve member experience and ensure sustainable operations.

- Increase paid support, i.e. contract services tied to ROI expectations.
- Decrease volunteer burnout; reduce risk; increase compliance coverage.
- Ensure essential operations have continuity in coverage.

2026 Ace Makerspace Expenses Tree Map Visualization



Little Room Left to Trim Expenses

Ace Makerspace provides members a “self-serve” makerspace model.

Ace Makerspace relies on contracted services for bookkeeping, class scheduling, etc.

Ace Makerspace relies on volunteer efforts.

1. Salaries (approved increase to \$2200/month for pending part-time hire)
 - a. Ace employs part-time instructors who are compensated for their instructional time.
 - b. Ace Makerspace does not employ onsite staff. Pending part-time hire would be remote.
2. Subscriptions (monthly previously \$1100 reduced to \$880)
 - a. Ace Financial Officers have been reviewing and reducing subscriptions.
 - b. Further reduction requires up front investment in alternatives or tradeoffs, for example increase in manual tasks.
3. Supplies, Equipment, Tools (monthly pre-approved \$2000, average \$450)
 - a. Ace Makerspace has relied on aging equipment and in-kind donations.
 - b. Ace Officers recommend investing in equipment and tools to better meet our mission.
 - c. Capitalization threshold is \$1000, so these expenses are equipment and tools <\$1000.

FYE2027 Financial Assessment Guidelines

Maintain financial discipline

- Monthly close and reporting by contract accounting team
- Monthly officer review of financials, cash flow, debt obligations, and budget-to-actual performance
- Board receives financial status and recommendations each month at regular board meetings

Build long-term sustainability

- Fund depreciation as cash flow permits
- Direct operating surpluses to reserves
- Invest in equipment maintenance and planned replacement

Support mission success

- Track and achieve key success metrics that improve member experience
- Align financial decisions with the nonprofit makerspace mission and long-term viability

FYE2027 Budget Proposal:

**The FYE2027 Budget
is closely based on
the FYE2026 Budget**

Proposed FYE2027 Budget (Monthly Average)

The proposed budget generates a positive average surplus of \$261 per month.

Budgeted Income: \$19,850

- Set Budgeted Donations Income to \$0
- Set Budgeted Grants Income to \$0
- Set Budgeted Membership Income to \$16,500
 - Same since Feb 2026 when set to \$16,500; increased from May 2025 set to \$15,000
 - Minimum 83 members per \$200 monthly rate.
- Set Budgeted Class Income to \$3,000
 - Stayed the same as 2025-2026 budget cycle
- Set Usage Fees to \$300
 - Laser fees, CNC fees
 - Space rentals by partners
- Set Non-Inventory Sales to \$50

Budget conservatively and avoid relying on uncertain fundraising revenue.

Avoid Budget Deficit:

Income > Expenses + Loan Principal Payment

Budgeted Operating Expenses: \$18,604

- Set Supplies to monthly average+10% = \$500
 - Supplies includes consumables and tools and equipment less than \$1000 capitalization threshold.
 - Board gives pre-approval spend to officers up to \$2200 in a month for Supplies. Officers will track cash flow. Variances will be reviewed by Board.
- Set Contracted Services to current prices.
 - Update budget when Contract Services increase price.
- Set Subscriptions to \$880
 - Per Ace Financial Officers analysis as of May 2026.
- Set Depreciation to \$1066 (*optimistic target \$1500*)
 - Depreciation is based on accounting schedule.
 - Depreciation will be funded per cash flow surplus.
- Set Payroll Taxes to 14% of Salaries = \$310
 - Note: Unemployment tax rate is max of 6.2%
- Set Monthly Interest on EIDL Loan to \$980

EIDL Loan Principal Payment: \$985

- *Not an operating expense per accounting standards*

Budgeting Process for 2026-2027 Fiscal Year

Proposed process for Approving the 2026-2027 Budget

- Ace Officers updated FAC-generated list of operational risks by May 21.
- Initial review of proposed budget held at the May 21st board meeting:
- FAC will review the proposed Budget for 2026-2027 drafted by Ace Financial Officers and pre-reviewed by the Board.
 - Note that budget is based on previous year expenses, FAC list of operational risks and FAC recommendation for conservative income projections.

Goal: Budget Approval Prior to Start of Next Fiscal Year on July 1 2026

- Approve Budget at Regular Board Meeting scheduled per bylaws on Thursday, June 18th, 2026 at 6pm prior to annual board elections

Appendix:

**Additional
Budget Detail**

Initial Proposed FYE2027 Budget

Annual Budgeted Income: \$247,800

→ Monthly \$20,650

Annual Budgeted Expenses:

\$223,245

→ Monthly \$18,604

Principal Portion of Loan: \$985

Income > (Expenses + Loan)

✓ NO BUDGET DEFICIT

This proposed budget was further reduced per latest actual financial reporting on membership income decline beginning in May 2026.

See Wiki for Final Board-Approved
Budget for 2026-2027 Fiscal Year

	JUL 2026	AUG 2026	SEP 2026	OCT 2026	NOV 2026	DEC 2026	JAN 2027	FEB 2027	MAR 2027	APR 2027	MAY 2027	JUN 2027	TOTAL
Revenue													
5100 Program Sales & Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
5110 Program Service Fees	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	3,300.00	\$39,600.00
5120 Membership Fees	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	\$204,000.00
5140 Usage Fee	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	300.00	\$3,600.00
Total 5100 Program Sales & Fees	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	20,600.00	\$247,200.00
5400 Revenue From Sales	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
5410 Non-Inventory Sales (net)	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	\$600.00
Total 5400 Revenue From Sales	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00	\$600.00
Total Revenue	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$247,800.00
GROSS PROFIT	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$20,650.00	\$247,800.00
Expenditures													
7200 Salaries & Related Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
7210 Salaries & Wages	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	\$26,400.00
7240 Payroll Taxes	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	480.00	\$5,760.00
7250 Payroll Service Fees	164.00	164.00	164.00	164.00	164.00	164.00	164.00	164.00	164.00	164.00	164.00	164.00	\$1,968.00
7290 Worker's Comp	133.50	133.50	133.50	133.50	133.50	133.50	133.50	133.50	133.50	133.50	133.50	133.50	\$1,602.00
Total 7200 Salaries & Related Expenses	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	2,977.50	\$35,730.00
7500 Contract Service Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
7520 Accounting	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	650.00	\$7,800.00
7540 IT Consultants	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	\$7,200.00
7560 Instructional Services	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	1,200.00	\$14,400.00
7570 Program Support Services	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	1,620.00	\$19,440.00
7580 Tax Preparation Services	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	\$2,000.00
Total 7500 Contract Service Expenses	5,070.00	4,070.00	4,070.00	4,070.00	4,070.00	4,070.00	5,070.00	4,070.00	4,070.00	4,070.00	4,070.00	4,070.00	\$50,840.00
8100 Nonpersonnel Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
8110 Supplies	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	2,200.00	\$26,400.00
8115 Food & Refreshments	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	\$1,200.00
8120 Telephone & Internet	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	130.00	\$1,560.00
8170 Subscriptions	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	880.00	\$10,560.00
Total 8100 Nonpersonnel Expenses	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	3,310.00	\$39,720.00
8200 Facility Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
8210 Office & Storage Rent	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	6,065.00	\$72,780.00
8230 Repairs & Maintenance	399.00	399.00	399.00	399.00	399.00	399.00	399.00	399.00	399.00	399.00	399.00	399.00	\$4,788.00
8250 Depreciation & Amortization	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	1,066.00	\$12,792.00
Total 8200 Facility Expenses	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	7,530.00	\$90,360.00
8400 Other Program Specific Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
8410 Education Support	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	325.00	\$3,900.00
8420 Outreach Program Expenses	55.00	55.00	55.00	55.00	55.00	375.00	55.00	55.00	55.00	55.00	55.00	375.00	\$1,300.00
Total 8400 Other Program Specific Expenses	380.00	380.00	380.00	380.00	380.00	700.00	380.00	380.00	380.00	380.00	380.00	375.00	\$4,875.00
8500 Other Business Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
8510 Interest Expense	980.00	980.00	980.00	980.00	980.00	980.00	980.00	980.00	980.00	980.00	980.00	980.00	\$11,760.00
8520 Insurance - Non-employee Related	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	400.00	\$4,800.00
8560 Merchant Fees	775.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	\$7,425.00
8580 Business Taxes & Licensing Fees	40.00	10.00	100.00	10.00	10.00	10.00	10.00	10.00	10.00	100.00	10.00	10.00	\$330.00
Total 8500 Other Business Expenses	2,195.00	1,990.00	2,080.00	1,990.00	1,990.00	1,990.00	2,040.00	1,990.00	1,990.00	2,080.00	1,990.00	1,990.00	\$24,315.00
Total Expenditures	\$21,482.50	\$20,257.50	\$20,347.50	\$20,257.50	\$20,257.50	\$20,577.50	\$21,307.50	\$20,257.50	\$20,257.50	\$20,347.50	\$20,257.50	\$20,252.50	\$245,840.00
NET OPERATING REVENUE	\$ -812.50	\$392.50	\$302.50	\$392.50	\$392.50	\$72.50	\$ -657.50	\$392.50	\$392.50	\$302.50	\$392.50	\$397.50	\$1,960.00
Other Revenue													
9100 Donated Goods & Services Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
9110 In-Kind Professional Services - Revenue	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.63	\$2,000.00
Total 9100 Donated Goods & Services Revenue	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.63	\$2,000.00
Total Other Revenue	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.63	\$2,000.00
Other Expenditures													
9400 Donated Goods & Services Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00
9410 In-Kind Professional Services - Expenses	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.63	\$2,000.00
Total 9400 Donated Goods & Services Expense	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.67	166.63	\$2,000.00
Total Other Expenditures	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.67	\$166.63	\$2,000.00
NET OTHER REVENUE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NET REVENUE	\$ -812.50	\$392.50	\$302.50	\$392.50	\$392.50	\$72.50	\$ -657.50	\$392.50	\$392.50	\$302.50	\$392.50	\$397.50	\$1,960.00

List of Key Monthly Bills and Expenses

Purpose	Expense	Amount	Type	Budget Note
Makerspace	Rent for 4 Suites in 6050 Lowell Street Building	\$6,065	FIXED	Rent has not increased since 2019; incl. utilities
Makerspace	SBA (Loan term ends in 2050 and interest is 2.75%)	\$1,965	FIXED	\$1965 monthly = \$980 interest + \$985 principal
Makerspace	Monthly Accounting	\$650	FIXED	Per Service contract can increase annually by 5%
Makerspace	990 Tax Preparation and State Filings (<i>amortized</i>)	\$167	FIXED	\$2000 Annual Service contract could increase 5%
Makerspace	Cleaning (Monthly on 4th Friday mornings)	\$399	FIXED	Service contract could increase in future 5-10%
Makerspace	Annual Insurance: General Liability; D&O (<i>amortized</i>)	\$391	FIXED	Renewals could increase in future
Makerspace	Monthly Internet	\$130	FIXED	
Makerspace	Subscriptions (<i>amortized to monthly</i>)	\$880	FIXED	Website, ECommerce, Accounting SW, other
Makerspace	Supplies	\$500	Variable	Board set Supplies monthly pre-approval to \$2.2k
Makerspace	Water Bottle Service (Clean Fab & Coworking)	\$88	Variable	
Makerspace	More Than Giving (Service for Makerspace Support)	\$540	FIXED	Service cost could increase 10%
Education	More Than Giving (Service for Class Scheduling)	\$1080	Variable	Service cost could increase 10%
Education	Materials	\$325	Variable	
Education	Instructors (employee and contractor)	\$1895	Variable	
<i>"Key" means not ALL expenses</i>			<i>Business licenses, processing fees, other</i>	

Proposed Monthly Budget

Approximation

