DEFICIT ELIMINATION PLAN

Due to significant increases in operating costs, and low enrollment, combined with a lack of adequate budgetary controls, the General Fund has incurred an excess of expenditures over revenues. As a result, the General Fund has an unassigned fund deficit of $470,222 at June 30, 2025. These conditions and events give rise to the assessment of substantial doubt about the Academy's ability to continue for a reasonable period of time after June 30, 2025. Management's plans to reduce the deficit existing at June 30, 2025 include the following:

Strategies:

1. Budget Review and Reallocation:

-Conduct a comprehensive audit of all current expenditures.

- Identify non-essential expenses and reduce or eliminate them.
- Reallocate resources to core educational programs and services that directly benefit.

2. Increase Revenue:

- Explore additional funding opportunities, including grants, partnerships with local businesses, and community fundraising initiatives,
- Assess and adjust fee structures for extracurricular activities and programs to enhance revenue without overburdening families.

3. Cost-Saving Initiatives:

- Implement energy-saving measures in school facilities to lower utility costs
- Encourage staff to identify and report inefficiencies within the district operations that can be streamlined.

Enrollment and Marketing:

- Develop marketing strategies to attract new students to the district, emphasizing the quality of education and available programs,

Strategies (Continued):

- Strengthen community engagement and outreach programs to inform families about enrollment options.

5. Staffing Reviews:

- Analyze staffing levels and consider potential reductions, reassignments, or hiring freezes where feasible while ensuring educational quality is maintained,
- Consider opportunities for shared services with neighboring districts to reduce costs.

6. Regular Monitoring and Reporting:

- Establish a timeline for regular budget reviews and progress reports to the school board and the community.