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## AUTHORIZING EXPENDITURES FOR SCHOOL BUS REPLACEMENT

**Policy Reference:** OE-6, Financial Administration  
OE-7, Asset Protection

**Background Information:**

On February 17, 2014, Dr. Rick Maxey presented a proposed bus replacement cycle to the Board at the budget workshop. To maintain the current fleet, the 2014-15 proposed budget included the replacement of 8 regular buses and 2 activity buses for a total cost of \$840,000.

On May 19, 2014, the Board authorized the utilization of undesignated/unassigned fund balance to purchase 10 buses in the amount of \$840,000. This coupled with the 10 buses included on the 2014-15 approved budget, allowed the district to purchase 20 buses in the current year.

**Purpose:**

Although four more months remain in the current fiscal year, the most recent projection indicates that we will have a surplus of \$5.2 million. We are seeking authorization to place orders for 10 buses in the current year. As the delivery lead time is typically 120-150 days, the actual delivery of the buses will be this summer.

In addition, the 2015-16 proposed budget includes funding for 10 buses. Upon approval, the district will be able to update the fleet by a total of 20 buses in 2015-16.

**For Further Information:** Please contact John Gardner at 488-6896 or by e-mail at [jgardner@horrycountyschools.net](mailto:jgardner@horrycountyschools.net)

**Recommendation:**

It is recommended that the Board authorizes the utilization of Undesignated/Unassigned Fund Balance in the amount of \$840,000 to purchase 10 buses in the current fiscal year.

**Estimated Project Cost:**

**The cost is expected to be approximately \$840,000**

**Recurring    Non-recurring X**  
**Funding Sources: General Fund**