
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 (*attached*). To maintain the current fleet, the 2014-15 proposed budget includes the replacement of 8 regular buses and 2 activity buses for a total cost of \$840,000. Also at that meeting, John Gardner reported that the potential for a \$2 million surplus existed for the current fiscal year due to a combination of additional tax revenue, state funding, and the historical savings derived from vacancies.

Purpose:

Although two more months remain in the current fiscal year, the most recent projection indicates that we will have a surplus of \$4.5 million. We are seeking authorization to place the orders for the buses in the current year **and** reduce the 2014-15 budget by the \$840,000 amount.

For Further Information: Please contact John Gardner at 488-6896 or by e-mail at jgardner@horrycountyschools.net

Recommendation:

It is recommended that the Board authorizes the utilization of Undesignated/Unreserved 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