

**PALESTINE INDEPENDENT SCHOOL DISTRICT  
1007 E. PARK AVENUE  
PALESTINE, TEXAS 75801**

**OFFICIAL COMMUNICATION**

**Date: February 22, 2018**  
**To: Board of Trustees**  
**From: David Atkeisson, Director of Business Services / CFO**  
**Subject: Bus Purchase**

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As you may recall, we have written the purchase of two route buses into the current year budget. However, we have recently been made aware of a grant from the Texas Commission on Environmental Quality (TCEQ) that will provide for a payment to the district of up to \$50,000 per bus for up to 5 qualified buses to be scrapped and replaced, essentially reducing the cost of each new bus by half. We have identified 5 buses that we believe qualify for the program.

Because time is of the essence due to the funds being available on a first-come-first-served basis and because the district increased its unrestricted fund balance by more than \$700,000 at the end of the last fiscal year, I would like to pay for the entire purchase out of fund balance. We are working on quotes now, but our total out of pocket cost should be no more than \$250,000. Our plan would be to replace the funds in the fund balance by not having to purchase route buses over the next two to three years.

Respectfully submitted,



David Atkeisson  
Director of Business Services/CFO