

June 12, 2020

Marshall County Fiscal Court  
1101 Main St  
Benton, KY 42025

Re: Building Code Enforcement Budget FY 2021

To the Marshall County Fiscal Court,

The members of the Marshall County Building Code Enforcement Board convened on June 4, 2020 in order to review and discuss a proposed budget for the operation of the Building and Electrical Office. Upon review it is our belief that a budget shortfall may be anticipated in fee receipts. Consequently this would lead to not being able to cover the operating cost of the Office. The Building Office operates on a fee based model, generated from the building and electrical permits. The contracts the Fiscal Court approved allows for 20% of the collected fees to be allocated for the operation of the Office. The anticipated cost of operating the office is approximately \$52,000.00 based on our historical records. This does not include the cost of inspectors, this is the cost to operate the office only. Given this 80 /20 model approved by the Fiscal Court the budget for total receipts will need to be \$260,000, not \$143,300 as indicated by the first reading of the budget. In previous years the office has been able to operate on the fees collected and has not required additional funding from outside sources.

Our current mechanism that is in place to subsidize the projected shortfall is the Interlocal Agreement. The board members have expressed a concern that it may not be appropriate to ask the municipalities we represent to fund a budget shortfall based upon a budget that has not been accurately calculated due to the contract terms for inspection services developed and engaged by the Fiscal Court.

As to the projection of receipts for Fiscal Year 2021, it is the opinion of this board that the residential work within the county will remain unchanged from previous years, but a reduction is expected in commercial and the associated electrical. How much of a reduction is unknown, however the COVID19 shutdowns are anticipated to have an adverse effect on the commercial construction market for the next several months to year.

As the appointed board members it is our responsibility to notify the Marshall County Fiscal Court and the municipalities we represent and to direct attention that results in a budget accurately reflecting the previous yearly costs of operating the Building and Electrical Office. Please let us know if further information is required. Thank you for your time and attention in this matter, it is greatly appreciated.

Respectfully,



The Marshall County Building Code Enforcement Board  
Bill Gibson, Chairman