

City of Plano
Building, Planning, & Zoning

To: City Council

From: Tom Karpus 

Date: June 25, 2014

Re: Insurance Services Office, Inc. (ISO) Survey

Every five years ISO conducts a survey evaluating the effectiveness of a community's building code enforcement department. Insurers may use the grading classification given to a community to provide rating credits to individual property insurance policies.

The latest ISO survey was conducted last month and the results have just been returned to us. I am happy to say that Plano has improved to a Class 4 for both residential and commercial construction.

Attached is the executive summary of the ISO report and a graph showing the distribution of grading levels in Illinois. Please note that there are no Class 1 communities in the State of Illinois, and very few in the entire country.

Section 1 Executive Summary

Not all communities have rigorous building codes, nor do all communities enforce their codes with equal commitment. Yet the effectiveness of local building codes can have a profound effect on how the structures in your community will fare in a hurricane, earthquake, or other natural disaster.

Studies conducted following recent natural disasters concluded that total losses might have been as much as 50% less if all structures in the area had met current building codes. Building-code enforcement can have a major influence on the economic well-being of a municipality and the safety of its citizens. Insurance Services Office (ISO) helps distinguish amongst communities with effective building-code adoption and enforcement through comprehensive program called the Building Code Effectiveness Grading Schedule (BCEGS®).

ISO is an independent statistical, rating, and advisory organization that serves the property/casualty insurance industry. ISO collects information on a community's building-code adoption and enforcement services, analyzes the data, and then assigns a Building Code Effectiveness Classification from 1 to 10. Class 1 represents exemplary commitment to building-code enforcement. The concept behind BCEGS is simple. Municipalities with well-enforced, up-to-date codes demonstrate better loss experience, and their citizens' insurance rates can reflect that. The prospect of minimizing catastrophe-related damage and ultimately lowering insurance costs gives communities an incentive to enforce their building codes rigorously.

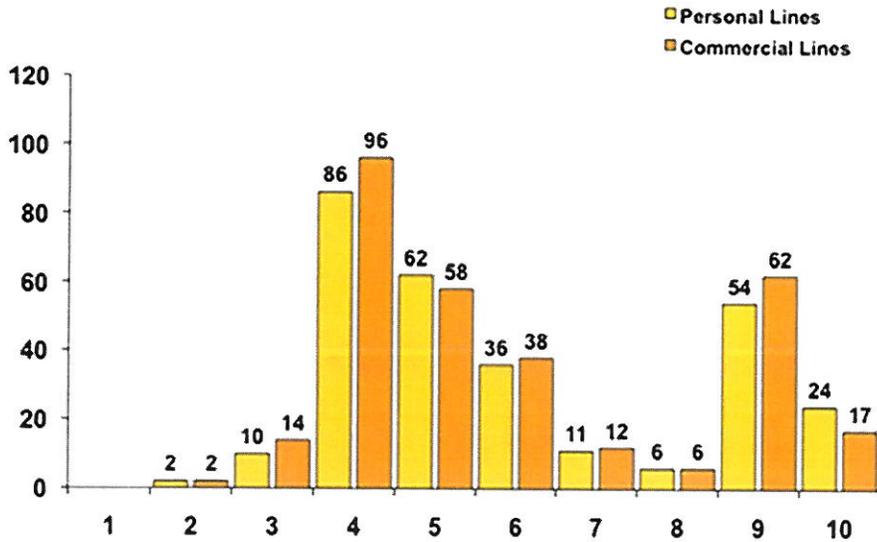
The following management report was created specifically for Plano based on a BCEGS survey conducted on 5/13/2014. This report can help you evaluate your community's building-code enforcement services utilizing benchmarking data collected throughout the country. The report is designed to give your management team an expanded prospective for dealing with the important issues surrounding effective building code enforcement. This is accomplished through comparisons of your code enforcement to that of others in your area and state. The analysis goes further to allow you to compare your jurisdiction to others across the country with similar permit, plan review and inspection activity. ISO thanks you for your participation and we encourage you to take advantage of the information contained in this report to assist in making decisions regarding the level of code enforcement best suited for Plano.

The survey conducted has resulted in BCEGS class of 4 for 1 and 2 family dwellings and a class 4 for all other construction. More information regarding how this recent survey compares to previous surveys is provided below.

Illinois

Distribution of Communities by BCEGS Class Number within Classification

view another state:



The personal lines classification addresses building code adoption and enforcement for 1- and 2-family dwellings. The commercial lines classification is for all other buildings.