

Memorandum

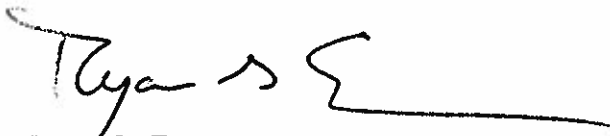


Date: February 13, 2009

To: Dr. Elba Garcia, Chair
and Members of the Public Safety Committee

Subject: Insurance Services Office (ISO)

The Public Safety Committee will be briefed on the Insurance Services Office (ISO) on Tuesday, February 17, 2009.



Ryan S. Evans
First Assistant City Manager

Attachment



Dallas Fire-Rescue

INSURANCE SERVICES OFFICE (ISO)

**Joseph Vasquez
Assistant Chief
Special Projects**

February 17, 2009



Purpose

- Insurance Services Office (ISO) Update
- Last review for Dallas – 1999
- City of Dallas received a Class “2” Rating
- Next review – 2010/2011
- Preparation for the next review is underway



What is ISO?

- In February 1998, Texas Department of Insurance (TDI) adopted the ISO Public Protection Classification (PPC) as the basis for rating municipal fire protection capabilities
- The ISO is an independent statistical rating and advisory company that serves the property and insurance industry
- ISO also collects information and evaluates a community's fire protection services

Regulatory Agency

- Texas Department of Insurance (TDI)
- Headed by Commissioner of Insurance
- Mike Geeslin appointed by the Governor
- Responsible for regulating the insurance industry and setting premium rates for Texas cities



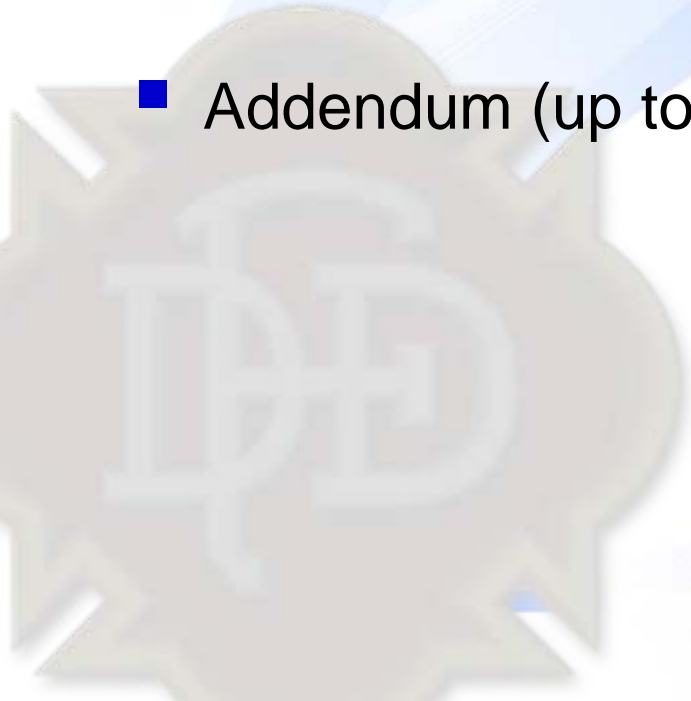
What is the Public Protection Classification (PPC)?

- The PPC is the system used by the ISO in all 50 states to rate or grade the fire protection services of local communities
- Services are rated on a scale of 1 – 10, with 1 being the best
- Ratings are performed every 10 – 12 years



ISO Rating Evaluation

- Receiving and processing fire alarms
- Fire Department
- Water Supply
- Addendum (up to 5 extra points)



Addendum Explanation

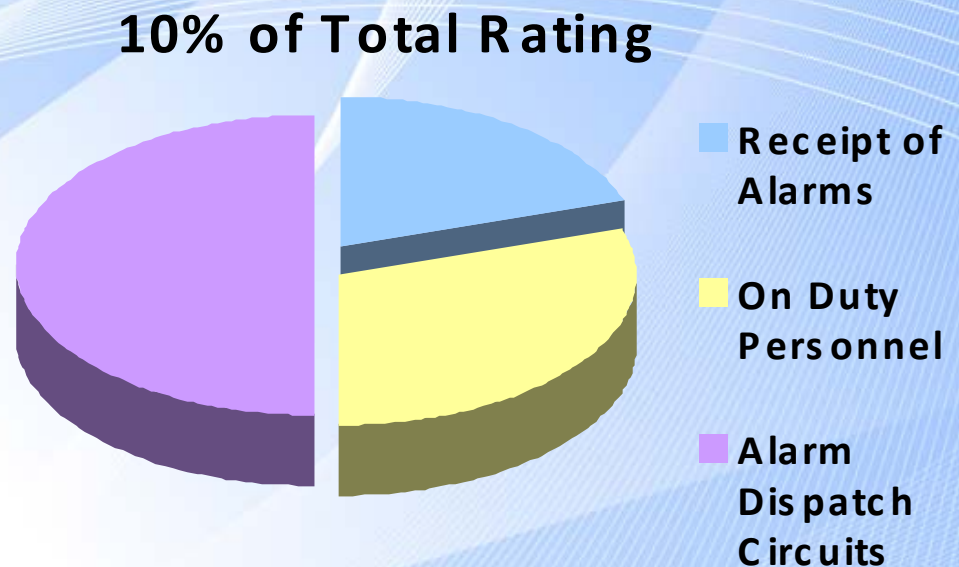
- Inspectors
- Inspections
- Investigators
- New Construction



Fire Alarms

10% of Total Rating

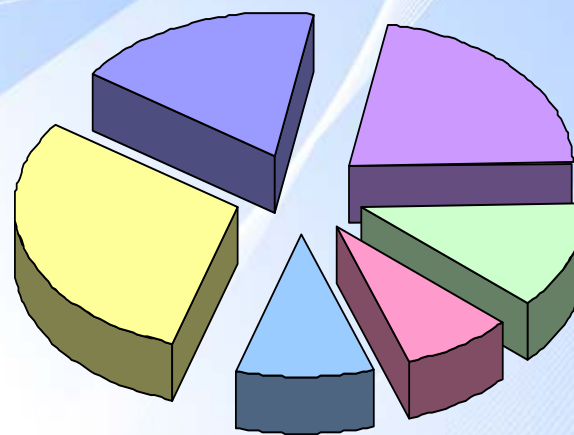
- Receipt of Alarms – 20%
- On Duty Personnel – 30%
- Alarm Dispatch Circuits – 50%



Fire Department 50% of Total Rating

- Engine Companies – 22%
- Ladder Companies – 12%
- Distribution of Companies – 8%
- Pumper Capacity – 10%
- Apparatus Staffing – 30%
- Training – 18%

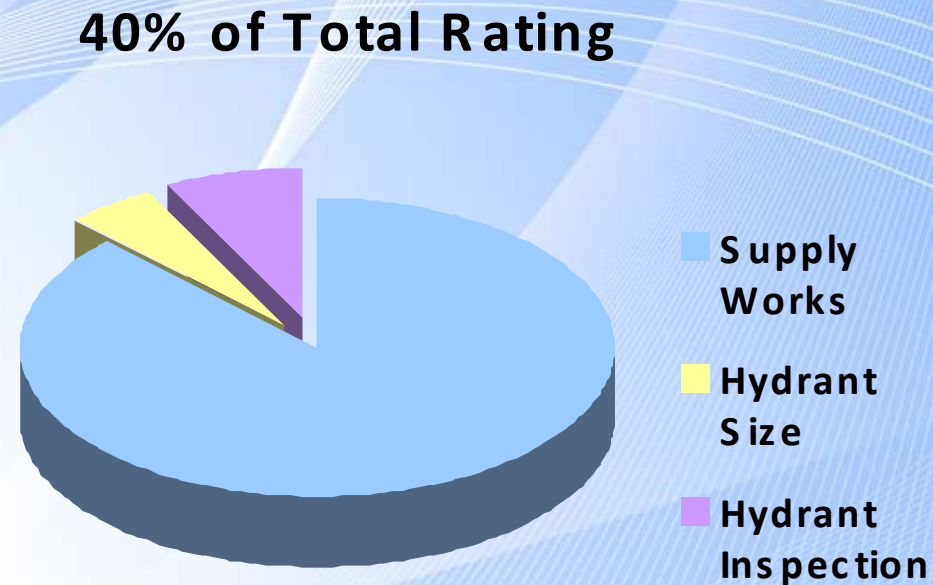
50% of Total Rating



- Engine Companies
- Ladder Companies
- Distribution of Companies
- Pumper Capacity
- Apparatus Staffing
- Training

Water Supply 40% of Total Rating

- Supply works, fire flow and distribution of hydrants – 87.5%
- Hydrant size, type and distribution – 5%
- Hydrant inspection and condition – 7.5%



Public Protection Class

<u>Class</u>	<u>Percentage</u>
1	90% +
2	80 – 89.99%
3	70 – 79.99%
4	60 – 69.99%
5	50 – 59.99%
6	40 – 49.99%
7	30 – 39.99%
8	20 – 29.99%
9	10 – 19.99%
10	0 – 9.99%



Texas Cities PPC

Class 1

El Paso

Frisco

Houston

Plano

Mesquite

Class 2

Arlington

Cleburne

Dallas*

Lewisville

Longview

Pasadena

San Marcos

Sugar Land

Ft. Worth

Waxahachie

Class 3

Brownsville

Farmers Branch

Lubbock

Midland

Orange

Temple

* 1999 Review

Index City PPC

Austin – 2

Baltimore – 2

Dallas – 2

El Paso – 1

Fairfax County VA – 3/9

Other Cities:

Baltimore – 2

Philadelphia – 1

Ft. Worth – 2

Houston – 1

Miami-Dade County – 4

Phoenix – 2/9

San Antonio – 3

Dallas ISO

- In 1999, ISO rated Dallas – Class 2
- Improvements since 1999:
 - Fire Department
 - Water Supply
 - Receiving and processing fire alarms



Dallas 1999 Rating

	ACTUAL	MAXIMUM
Fire Alarms	9.90%	10%
Fire Department	36.84%	50%
Water Supply	36.92%	40%
Divergence*	<3.74%>	5%
Fire Control Addendum	3.73%	
Totals	83.67%	

- * Divergence is a reduction in credit to reflect a difference in the relative credits for water distribution and water supply

Benefits to Community

- Potential reduction in insurance rates
- Helps communities to manage and mitigate risk
- Lower ISO rating attracts business and development
- Helps communities plan and budget improvements



Current Challenges to a Rating of 1

Review will determine:

- Number of inspectors
- Number of inspections performed
- Frequency of hydrant maintenance and flow testing
- Adequate Truck and Engine company distribution
- Number of reserve Trucks and Engines and equipment carried
- Training facilities and their use

Moving Forward

- An expert in this area can significantly increase chances for an improved rating:
 - Complex three part process:
 - Gathers information and provides a report with focus areas
 - Prepares the pre-survey packet
 - Assists Department during ISO field representative's assessment
 - An expert is familiar with ISO (speaks the language of ISO)
 - Cost: Approx. \$120K (will be submitted in FY09/10 Budget)

Summary

- Dallas is currently rated Class 2
- Fire and Water, as well as response processing, have improved since last rating in 1999:
 - Increased number of fire stations
 - Increased number of fire hydrants
 - New CAD system
 - Increased number of inspections/Inspectors
 - Our goal is to move to a Class “1” rating

Questions?

