



INSURANCE SERVICES OFFICE (I.S.O.) RATING UPDATE

DS-22-083

June 21, 2022

Background and Findings

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- The Insurance Services Office, or ISO for short, is an insurance advisory organization that provides statistical and actuarial information to businesses. ISO focuses on property/casualty insurance, including both personal and commercial lines. Its customers include insurance companies, actuaries, agents and brokers, and government entities, such as fire and building code departments.

Background and Findings

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- ❑ 1971 – created when several rating bureaus consolidated and formed a non-profit association of insurers.
- ❑ 1993 - ISO was reorganized as a for-profit independent corporation.
- ❑ 2008 - created a new company called Verisk.
- ❑ 2009 - Went public and became a wholly-owned subsidiary of Verisk. As a subsidiary of a public company, ISO is no longer controlled by insurers.

Background and Findings

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- ❑ There are *MANY* divisions and products offered by ISO.
- ❑ Fire Protection & Water Supply are the most relevant to a municipal government.
- ❑ Fire Departments in Texas are evaluated every 5-7 years and provided a rating.

Background and Findings

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- All ISO recommendations are reviewed by the Texas State Fire Marshal (TSFM) who has ultimate authority over the issuance of an ISO class rating.
- The rating scale is as follows:
 - 90 & Above – Class 1
 - 80 – 89.99 - Class 2
 - 70 – 79.99 - Class 3
 - 60 – 69.99 - Class 4
 - 50 – 59.99 - Class 5
- Killeen Fire Department was last evaluated in August 2014 and received a score of 90.68 resulting in the highest (Class 1) designation

Background and Findings

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Rating Criteria for 2022:

| Emergency Communications |
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| Credit for Emergency Reporting (CER): Credit for Telecommunicators (CTC): Credit for Dispatch Circuits (CDC): |
| Points for ECC: |
| Fire Department |
| Evaluation of Engine Companies (CEC): Credit Reserve Pumpers (CRP): Pump Capacity (CPC): Credit Ladder/Service (CLS): Equipment on Reserve Ladder-Service (CRLS): Deployment (CD): Company Personnel (CCP): Training (CTC): Texas State Training Credit (CTT): Operational Considerations (COC): |
| Points for FD: |
| Water Department |
| Capability of Water System (CSS): Credit for Hydrants (CH): Credit for Inspection and Flow Testing (CIT): |
| Points for WD: |
| Community Risk Reduction |
| Fire Prevention Code and Enforcement (CPCE): Public Fire Safety Education (CFSE): Fire Investigation (CIP): |
| Points for CRR: |

Background and Findings

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- ❑ The Killeen Fire Department is currently being evaluated by ISO.
 - ▣ Started in March 2022
 - ▣ Expected Completion in September 2022
- ❑ ISO only focuses on Fire Incident Response and Water Supply.
- ❑ Accreditation is separate and focuses on the entire organization including community programs, response, & Emergency Medical Services.
 - ▣ Plan to seek accreditation in next 4-5 years.