



August 22, 2016

Dear Citizens:

RE: Insurance Services Office (ISO) Inspection

The City was notified earlier this year that the Insurance Services Office (ISO) had completed an inspection of the city for a proposed change in the Public Protection Classification (PPC) to the Texas Department of Insurance and the State Fire Marshal. The recommendation made by the Insurance Service Office, based on the grading of the city in the latest inspection, was for the city's classification to be changed from the current Class 04/10 rating to a Class 02/2X rating. The State Board of Insurance and the State Fire Marshal have reviewed the information provided by the Insurance Service Office and have approved the recommendation with the date of this change to be effective on July 1, 2016.

Local insurance agent Ned Polk offered the following comment:

“Local property owners should be pleased with news of the City’s recent upgrade to Fire Protection Class 2, and the effect it will have on many property owners’ insurance rates. The Protection Class (PC) rating is figured by the Insurance Service Office (ISO), and fire departments, including ours, go through a rigorous survey to determine the PC grade from 10 to 1. Historically, very few cities receive a Class 1 rating, as the requirements are simply too difficult to attain. We are proud of our Corsicana Fire Department, and City Management as well, for their success in meeting ISO’s stringent requirements.”

The Public Protection Classification (PPC) program recognizes the efforts of communities to provide fire protection services. Some insurance companies use the PPC information to help establish fair premiums for insurance. By offering economic benefits for communities that invest in their firefighting services, the PPC program provides additional incentives for improving and maintaining public fire protection. The PPC program also provides help for fire departments and other public officials as they plan, budget and justify improvements. The most significant benefit of the PPC program is the effect on fire losses, the better the fire protection, the lower the fire losses. This results in lower insurance rates.

Sincerely,

Chuck McClanahan
Mayor