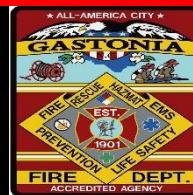




AN INTRODUCTION TO THE NC RESPONSE RATING SYSTEM SURVEY



AND WHY IT MATTERS



A LITTLE HISTORY...

Formed in the early 1970s, the Insurance Services Office became an advisory and rating organization used by the property / casualty insurance industry to help provide statistical and actuarial services.

These services were used to develop insurance programs and to assist insurance companies in meeting various state regulatory requirements.

A LITTLE HISTORY...

One such benefit of this data collection over time has been the ability to “predict” a community’s fire protection service capability.

This capability is provided in the form of a “rating” that helps not only the insurance industry have some idea of their loss potential but also serves to inform citizens as to the level of services available in the community in which they live.

A LITTLE HISTORY...

On July 1, 2000; the North Carolina Department of Insurance became the agency responsible for the fire insurance rating of municipalities / fire districts with less than 100,000 population.

The NC Office of the State Fire Marshal (OSFM), is the division within the Department of Insurance that administers the fire insurance ratings program.

NC RESPONSE RATING SYSTEM SURVEY (NCRRSS)...

The fire suppression rating schedule in North Carolina is known as the NC Response Rating System and is determined through a comprehensive evaluation or “survey”.

The purpose of the NCRRSS is to outline the criteria for evaluating the fire prevention and fire suppression capabilities of individual communities or fire protection areas and to ultimately develop a Public Protection Classification for property insurance rating.

NC RESPONSE RATING SYSTEM SURVEY (NCRRSS)...

The schedule measures the major elements of a fire protection area's fire prevention and fire suppression systems.

The fire suppression component evaluates how those systems address reported structure fires and gives procedures and formulas for developing the measurements into a Public Classification number on a relative scale 1 (best) to 10, with 10 representing less than the minimum recognized protection.

NC RESPONSE RATING SYSTEM SURVEY (NCRRSS)...

- Let's Put This in Perspective...

North Carolina Fire Service 2018

Fire Departments	1,237
Fire Districts	1,528
Municipal Districts	372
Rural Fire Districts	1,156
Non-profit corporations	997



NC RESPONSE RATING SYSTEM SURVEY (NCRRSS)...

- Let's Put This in Perspective...

North Carolina Fire Service 2018

Fire District Ratings

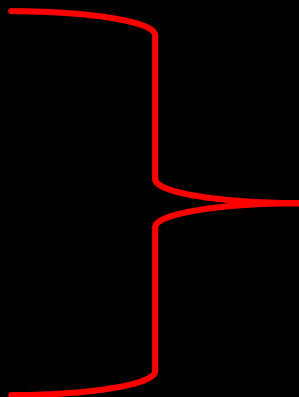


NC RESPONSE RATING SYSTEM SURVEY (NCRSS)...

Some Examples of Importance of the NCRSS:

- To a Community Planner
 - Street Layouts, subdivision / development location(s)
- To a Fire Chief
 - Documenting needs – fire stations, personnel, equipment
- To a Water Superintendent
 - Provide data for needed services, expansion needs, and growth projections
- To a Business / Home Owner
 - Factors impacting insurance rates, projected costs of commercial operations

AVERAGE INSURANCE PREMIUMS...

- For a typical wood frame home with smoke alarms valued at \$100k
 - Average premiums will range from: (based on 3 providers in Wake County)
 - Class 10 = \$739
 - Class 9 = \$632
 - Class 8 = \$536
 - Class 7 = \$560
 - Class 6 = \$535

Approximately **\$200** spread
 - Class 5 – 1 = Primarily affects commercial property insurance premiums not typical homeowners policy

DOES IMPROVING YOUR PROTECTION CLASS RATING AFFECT YOUR CITIZENS?

■ YES!

- Average % Drop in premiums will range from:
 - Class 10 to 9 = 19.49
 - Class 9 to 8 = 9.33
 - Class 8 to 7 = 11.52
 - Class 7 to 6 = 13.74
 - **Class 10 to 6 = 43%**

GASTON COUNTY FIRE SERVICE...

- 26 Fire Departments provide service to the estimated 210,000+ Citizens of Gaston County
- 23 In-County Departments
- 3 Out-of-County Departments
- Nearly 26,350 calls for service in 2017
- Approximately 600 to 700 active fire fighters

**SUPPORT YOUR LOCAL
FIRE DEPARTMENT...**

Thank You!

