VISION:
PROTECTING THE HEALTH, SAFETY, AND WELFARE OF PEOPLE BY CREATING BETTER BUILDINGS AND SAFER COMMUNITIES.

MISSION:
PROVIDING THE HIGHEST QUALITY CODES, STANDARDS, PRODUCTS, AND SERVICES FOR ALL CONCERNED WITH THE SAFETY AND PERFORMANCE OF THE BUILT ENVIRONMENT.
Dear Code Council Members,

It has been a great privilege to interact with so many of you and to celebrate the outstanding accomplishments of you, our members, and the International Code Council in the past year. Your Board continues to be focused on making sure the organization is financially sound as it pursues its goals of code development, professional enhancement and informing our communities regarding the best approaches to building safety and sustainability.

After my election last year as President of the Board, I asked several Board members to join with industry in a new Code Development Review Ad Hoc Committee (CDRAC). The CDRAC serves as an important forum to review and propose the next steps to make sure we continue to offer a process that is fair and inclusive. We also moved forward to select a Sustainable Building Technology Committee to develop Public Version 1.0 of the International Green Construction Code, with thousands of downloads and hundreds of public endorsements from individuals and organizations. We have hosted Public Comment Hearings and will issue Public Version 2.0 in November.

We also focused on the best use of Board committees, streamlining our structure where it made sense and acknowledging the appropriate level of focus we can bring to the many issues challenging us. I have enjoyed establishing relationships with my counterparts at some of our sister organizations. These enhanced relationships are, and will continue to, yield increasing benefits during these stressful economic times.

Throughout the year, the concerns created by our economy, quickly evolving technology, and public policy in the United States and around the globe have created important and enlightening discussions. Our membership continues to re-evaluate its major roles, including our place in the arena of sustainability. Our reliance on multi-disciplinary approaches to address budget shortfalls has revealed creative solutions. Our codes continue to resonate across the United States and globally with new adoptions and new partners in the effort to build a safer and more sustainable world.

I am indebted to my family and my colleagues in Clark County, Nevada, along with the Board, the membership and our superlative Code Council staff, for this year of significant progress. It has been an honor to serve you, one that I will always treasure and one that I will never forget.

Best wishes,

Ronald L. Lynn
Dear Code Council Members:

This has been a full year for the Code Council, even as our stakeholders continue to address the challenges of the current economy. Through the commitment of our members and customers, and the hard work of our staff, our finances have held steady. We have continued to introduce innovations, improvements and initiatives. Our organization has gained new respect with elected officials, national organizations and the global community. Our future remains bright because our mission is clear.

An idea to provide a regulatory framework for green construction has mushroomed into two Public Versions of the International Green Construction Code, with thousands of people engaged in our process and reading our information. The interest in the IGCC has spawned a new audience through social media including Twitter and Facebook, and set records for webcast viewing. It has opened new doors in the halls of Congress, State Capitols, and with other membership associations and public interest groups. It has raised our profile.

We have continued to see code adoptions progress, along with federal legislation and programs referencing our codes and the need for professional development to ensure their enforcement. The interest in our codes continues to grow outside the United States, with these new clients strengthening our ability to provide services at home and globally.

Our interest in communicating with you, listening as well as sharing, also has intensified. I have gained an enormous amount of new information, as well as new friends, from chapter visits and feedback from our new communications efforts. We also are addressing shortfalls in areas such as our website, and conducting surveys to get your feedback on strategic planning, code development and training.

As you will read in these pages, our staff has a great passion for their work and derive satisfaction from the feedback of our members and customers. Our leadership team includes new talent with expertise in finance, information technology, evaluation service, and education and certification. I’m confident that the focus we bring to these and other areas will continue to result in greater efficiency, quality and effectiveness for our stakeholders and for the Code Council.

While the work never ends, the achievements are many. Thanks for being part of our success.

Sincerely,

Richard P. Weiland
Dear Code Council Members,

It is often said necessity is the mother of invention. Reengineering ICC in 2009 was a necessity; the resulting invention has been a renewed and re-energized organization. With new members on our team and the International Green Construction Code (IGCC) well underway, ICC is focused on providing relevant information and cutting-edge resources to support you in effectively and efficiently managing in our new economic reality.

The ICC team is committed to financial stability. Our objective is to provide the resources required to accomplish our shared mission of safety throughout the years to come. Your continued participation and support, along with ICC’s commitment to service, will ensure that building safety will remain our top priority for this generation and the next. To that end, ICC is investing in programs to strengthen our most valuable services and our financial base. Some of these include:

**Training.** We will expand online training including online certification practice exams, new full-featured, online classes and revamped webinars to provide quality, affordable options.

**Code Development.** In addition to continuing development and support of the family of codes and the new IGCC, several water irrigation system standards are in process as is a new comprehensive swimming pool code.

**Certification.** New contractor and trade exam offerings now are available in several states and jurisdictions in addition to a new national certification, all providing avenues for advancement in your chosen career.

**Technology.** Ongoing advances on our website and to our infrastructure have been implemented to provide you with relevant, on-demand information and services. New security safeguards were established after a malicious breach of security shut down access for a week to ICC’s website, staff email and telephones during September. Our internal review concluded that, due to existing policies regarding protection of member and customer data, information remained secure as we addressed the cause. We will continue to focus on protecting the Code Council’s networks and providing a safe, useable and convenient experience for users of our systems. We also are expanding our social networking to provide opportunities for you to meet colleagues, and find solutions for both enforcement and economic challenges.

**Foundation.** The Code of Honor scholarships offered this year provided voting members a way to participate in the code development process during these difficult economic times. Our thanks go to the chapters that matched funds to provide these scholarships.

**Financial Services.** A comprehensive financial services system upgrade is underway. The new system will ultimately improve decision-making tools and have a positive impact on both customer service and the bottom line.

While strengthening these areas we continue to offer exclusive benefits to our members such as on-demand code interpretations and discounts on products and services. Although the economic climate in 2010 and into next year remains uncertain, the mission of the ICC remains clear. Our strategic plan update, “Blueprint to 2015,” is focused on planning for the challenges ahead so we can continue to help you build a safer world. I thank each of you for supporting the critical mission of building performance and safety.

Dominic Sims
The Office of the General Counsel (OGC) acts to protect the International Code Council and its subsidiaries against legal risk by anticipating and advising management on pertinent operational matters. The office strives to ensure that the organization is operating within the confines of legal requirements in all areas. The OGC also serves as special advisor to the Chief Executive Officer and Senior Management Team on a broad array of legal matters including contracts; employment law; intellectual property; compliance with local, state, and federal requirements; and litigation. The OGC also supervises and coordinates the activities of outside legal counsel.

The role of the Senior Advisor to the CEO is to provide strategic support and perspective to a variety of programmatic, business, and policy decisions throughout the organization. Specific activities include assisting with implementation of the International Green Construction Code, providing counsel to discussions involving governance and code development process issues, and assisting in the shaping of new approaches for the ICC-Evaluation Service and International Accreditation Service subsidiaries of the ICC.

Support from the Senior Advisor to the CEO extends to providing counsel regarding organizational relationships internal and external to the Code Council. The Senior Advisor is also a regular participant in the recruiting process for executive and senior staff.
**ICC BOARD OF DIRECTORS**

**2009-2010 OFFICERS**

**President**

RONALD L. LYNN, C.B.O.
Director/Building Official
Department of Development Services
Clark County
Las Vegas, NV

**Vice President**

JAMES L. BROTHERS
Building Director
City of Decatur
Decatur, AL

**Immediate Past President**

ADOLF A. ZUBIA
Advisor & Retired Fire Chief
City of Las Cruces
Las Cruces, NM

**Secretary/Treasurer**

WILLIAM D. DUPLER
Building Official
Chesterfield County
Chesterfield, VA

**ICC BOARD OF DIRECTORS**

**2009-2010 DIRECTORS**

**GREGORI S. ANDERSON, C.B.O.**

Director, Department of Building Safety and Regulatory Services
Chatham County
Savannah, GA

**DOUG MURDOCK, C.B.O.**

Building Official
City of Gainesville
Gainesville, FL

**JOHN DARNALL, C.B.O.**

Assistant Director of Development Services
City of Tumwater
Tumwater, WA

**PATRICK PARSLEY, C.B.O.**

Building Official
City of Fairmont
Fairmont, MN
ICC BOARD OF DIRECTORS

2008-2009 OFFICERS

CINDY DAVIS, C.B.O.
Building Official/Zoning Officer
Butler Township
Butler Township, PA

RONALD E. PIESTER, AIA
Director, Department of State
Division of Code Enforcement and Administration
State of New York
Albany, NY

RON HOOPER, C.B.O., M.C.P.
Director, Building Inspection Department
City of Marion
Marion, Iowa
Fire Chief
City of Alburnett
Alburnett, Iowa

TINA RAKES
Code Administrator/Combination Inspector
City of Baldwin City
Baldwin City, KS

STEPHEN D. JONES, C.B.O.
Construction Official
Millburn Township/Short Hills, NJ
Borough of Florham Park, NJ

RAVI SHAH, ASSOC AIA, C.B.O.
Director of Urban Development
City of Carrollton
Carrollton, TX

BARBARA L. KOFFRON
Fire Marshal
City of Phoenix
Phoenix, AZ

GUY TOMBERLIN, C.B.O.
Code Specialist III,
Commercial Inspections Division
Fairfax County
Fairfax County, VA

JOHN T. LATORRA
Building & Inspection Manager
City of Redwood City
Redwood City, CA

JEFF WHITNEY, C.B.O.
Building Official
Grand County
Moab, UT
By William Dupler, Secretary/Treasurer

As Secretary Treasurer of the International Code Council (ICC), it is my privilege to report to the members on the financial condition of the organization. The impact of the recession that began in 2008 has made the economic environment in 2009 and 2010 very difficult. The weak housing and commercial real estate markets continue to have an adverse impact on the construction industry. In addition, constrained state and local government budgets have created new challenges for the ICC and its members. The quick actions of the ICC Board and the management team to control our 2009 and 2010 expenses allowed us to stabilize the financial position of the Code Council. In fact, our Net Assets increased by nearly $0.7 million in 2009 over the prior year. We have ended 2009 in a strong financial position despite the difficult economic environment.

As we have reported in prior years, a key financial strategy has been to increase our cash balance to a level where we have cash reserves that are adequate to provide us with funds from which we can draw in the event of an economic or cyclical downturn. Clearly this strategy was critical to sustaining the ICC during 2008 when we withdrew $5.9 million from our cash reserves. In 2009, we focused on controlling expenses and replenishing the cash reserves drawn down in 2008. The prudent financial actions of the ICC Board and the management staff resulted in an increase of $4.1 million in cash and investments over the prior year. During 2010, we continue to be challenged by the economic conditions, but remain focused on preserving our cash reserves. Also, we remain committed to investing our resources in opportunities that add value to the ICC members.

Total revenue in 2009 was $53.6 million. Publication sales were lower by $5.5 million compared to the prior year. Operating expenses were $52.8 million; a decrease of $18.7 million compared to the prior year. We made many hard decisions to control expenses including reductions in the workforce, wages and member benefits. In 2010, we have tried to restore wages and member benefits in a manner that is prudent and affordable given our financial position.

In addition to managing expenses we continue to manage accounts receivable and inventory particularly during a time of declining publication sales. Working capital management is of critical importance in maintaining our cash flow. As a percentage, inventory and accounts receivable are less than 18% of total revenue for the fifth consecutive year.

A graphical breakout of 2009 revenue by category is displayed below. ICC’s consolidated 2009 audited financial statements are also included as part of this 2010 annual report.
—PROGRAM PROFILES AND HIGHLIGHTS—

SUBSIDIARIES OF THE INTERNATIONAL CODE COUNCIL

ANNUAL BUSINESS MEETING

PROPOSED BYLAW CHANGES

PROPOSED MEMBER RESOLUTIONS

GOVERNING THE CONDUCT OF ELECTIONS

AUDITED FINANCIAL STATEMENTS

CONFERENCE SCHEDULE
Member Support is the gateway through which members reach the ICC products and services they need. Member Support staff’s day-to-day responsibilities include processing renewal dues payments and entering new members into the databases.

More importantly, Member Support staff is available via phone, mail, e-mail and fax to assist members with their questions. As a member-driven organization, ICC relies on Member Support personnel to provide the personal attention our members expect. The five-member staff handles approximately 1,200 calls each month from members and potential members wanting to get the most out of their relationships with the International Code Council.

One of the conveniences our members find more and more valuable is the ICC website. Members must sign in with an e-mail address and password, and Member Support provides assistance to the members who need help with their logins. Member Support staff also work to keep the membership information in our databases as accurate as possible, so our members can access needed services as easily as possible. Duplicate accounts are being cleared and incorrect contact information is being updated. Since members depend on website logins for many ICC services, having all records updated is vital to a positive web experience.

In 2010, Member Support launched a member retention campaign. The campaign has been crafted specifically to remind members of all the valuable products and services ICC provides, not simply to increase membership renewals. ICC members deserve to get the most out of their dues, and this series of e-mail campaigns lists the services members find most valuable. The International Code Council also is working to strengthen relations with partner organizations such as the American Institute of Architects and the Earthquake Engineering Research Institute, offering discounted memberships (often reciprocal) for customers holding dual memberships.

The Member Support staff looks forward to an improving economy in 2011. Many customers have been unable to join the ICC or renew their memberships because of job loss and other economic difficulties. Member Support is working to restore some of the services that were suspended during the recent economic downturn. In particular, plans are underway to restore welcome kits to new members. Staff also is looking into ways to strengthen relationships with student members, helping them work toward a career in code enforcement.

Member Support will continue to provide the most value for all our members in all member categories.
**Department Purpose**
The Marketing Department is charged with understanding the goals of all the business units within ICC and developing strategic and tactical marketing plans to help the departments achieve those goals. The Marketing Department, in many ways, is the voice of ICC and its subsidiaries, communicating to the members and to the community information on products and services that ICC has to help them in the execution and fulfillment of their jobs.

**Accomplishments**
During the past few years, this department has undergone a reorganization and revitalization as it learned to execute its duties in more focused, efficient, and effective ways, utilizing both internal and external marketing experts to combine historical and market knowledge with cutting-edge promotional strategies. The ICC Marketing Department has continued to find new and innovative ways to cross-promote the broad range of products and services offered by ICC and its subsidiaries, leveraging strengths in one area to raise the level of interest and usage of lesser known or published products and services.

In 2010 the Marketing Department, in recognizing the need to serve and strengthen its relationship with the ICC membership, developed and implemented new membership retention and outreach programs. These new programs began rolling out mid-year and are designed to engage the membership to a greater degree in ICC activities, ensure that the membership understands its importance to ICC, and to solicit feedback on a continued basis to ensure we are providing value to the membership through our services and product offerings. We, as a membership organization, are responsible for meeting our members’ needs with products and services that help them to efficiently and effectively do their jobs.

This year also included some significant milestones for ICC, including the launch of the International Green Construction Code (IGCC) and other green products and services. The Marketing Department built on relationships with major green construction experts in the industry to reach out and inform the wider community of such ICC activities. The IGCC was rolled out and promoted as an immediately usable resource for jurisdictions that were considering implementing green building ordinances, and the Marketing Department and its outside consultants rolled out informative, awareness campaigns on the existence, importance, and usability of the IGCC by jurisdictions, large and small.

ICC’s Marketing Department also engaged in large educational and promotional strategies to reach out and inform key state adoption audiences of the availability of ICC products and services. Beginning with California and closing out the year with New York State, marketing delivered the information the markets needed to know about new ICC products and services.

A difficult year for the construction industry meant that the Marketing Department, too, needed to be vigilant in maximizing its impact and reach with each dollar spent. ICC’s membership and customer base needed information, and the Marketing Department responded with highly efficient, smartly targeted campaigns that minimized waste.

**Challenges**
Members benefited in 2010 from a number of new initiatives that marketing assisted in delivering: new discounts on third-party software, new member discounts with other partner organizations, new free trial opportunities of the latest innovative electronic products, and more. The Marketing Department continues to look at ways to extend even more opportunities to our members to deliver sneak peeks at new books and services, and it urges members to watch the website and their email for notifications.

“ICC’s Marketing Department also engaged in large educational and promotional strategies to reach out and inform key state adoption audiences of the availability of ICC products and services.”
DEPARTMENT PURPOSE
The role of the Communications Department is to tell the story of the International Code Council to keep members and other stakeholders, the public and the media informed about the activities and accomplishments of the organization. Communications reaches out using strategic messages to create positive perceptions of ICC and its members, protect and advance its corporate reputation, promote the organization’s commitment to safety and quality, and help drive the bottom line. Utilizing and deploying a talented team that is nimble and adaptable to meet ever-changing demands, often on short notice, the five-person team creates a variety of quality strategic communications tactics to meet its goals and objectives.

Communications develops and publishes quality, informational products including eNews, a twice-a-month digital newsletter that reaches more than 140,000 readers and the Building Safety Journal online, a member-only benefit published every other month and delivered to about 30,000 ICC members. Communications also has editorial and production responsibility for CEO Quarterly—a new online publication—and digital newsletters for ICC affiliates: ICC Foundation, ICC Evaluation Service and International Accreditation. Staff provides support to the International Green Construction Code Update newsletter and other initiatives associated with the development of this new code. The department uses news and product releases to generate publicity in trade publications, blogs, external websites and consumer media, including newspapers, radio and television, resulting in millions of positive impressions annually.

Communications provides editorial and strategic messaging support to many of the thousands of pages on the ICC website and Communities of Interest.

Staff works with senior management and other ICC departments to develop informational email campaigns from policy changes to voting member’s ethics, Blueprint 2015 and technical knowledge.

ACCOMPLISHMENTS
This year, outreach was expanded to include social/new media. As a result ICC has a strong presence on Wikipedia, is followed on Twitter and viewed on Facebook. Among plans in the works to ensure ICC has a robust new/social media presence are expanding ICC videos on YouTube, establishing blogs and developing an ICC LinkedIn page.

Communications researches and writes talking points and speeches for senior management and others who make public appearances on behalf of ICC. It writes and edits articles for staff that appear in external publications. Staff also produces CEO eUpdate, an internal publication for the Board and Senior Management, and provides editorial support to Human Resources for Connections, a staff newsletter.

The conversion of the very popular Building Safety Journal into an online magazine after an almost one-year absence is among the Department’s notable accomplishments and highlights in 2010. Communications also produced a new digital newsletter, CEO Quarterly, which includes insights and news from the CEO aimed at long-term members. Another highlight is the continued growth of the ICC eNews readership base.

“This year, outreach was expanded to include social/new media. As a result ICC has a strong presence on Wikipedia, is followed on Twitter and viewed on Facebook.”

Looking forward to 2011, Communications will develop and apply strategies to continuously improve the quality of its products, often based on surveys with members and other users. The department will continue to monitor the ever-changing technological advancements that create new ways to reach out to all ICC stakeholders.
Chapter Relations is committed to building stronger, more sustainable chapters by providing a comprehensive benefit package, encouraging chapter participation, and promoting activities and advocacy that support ICC’s mission and goals.

Accomplishments
Our chapter family grew by seven new chapters since the last annual report, bringing the total to 342, including eight regional chapters. Like the ICC Chapter Program, our volunteer chapter organizations had some challenges this year and had to dig deep and be creative to sustain themselves and continue to be vibrant and valuable to members. Fewer chapters saw growth this year, but most maintained members. Many chapters reported a decline in attendance at chapter meetings due to smaller budgets and increased workloads in their municipalities. Despite this, most chapters had successful education conferences and meetings.

Chapters around the country participated in our first Building Safety Month by reaching out to the public and elected officials to drive home the importance of building safety and the role of the code official. Chapter Leaders took advantage of every resource they could leverage. Several chapters capitalized on the ICC Foundation Code of Honor Scholarships by agreeing to match funds to send qualifying ICC voting members to code hearings. Chapter members also reported more than 6,500 volunteer hours in the ICCF Volunteer Corps.

Chapters heralded the return of the “live instructor-led” chapter training-benefit day. The half-price training benefit is believed to be sustainable for the future. Chapter Leaders showed patience and perseverance in acclimating to the new website and updates to chapter reporting forms. The best is yet to come, when the completion of the chapter program update is completed later this year. Chapters continue to work diligently in their local communities to support the Community Building Code Administrative Grant Act by holding meetings with their legislators and constituents.

On the administrative side, the completion of the Avectra database system update by early 2011 will facilitate a more user-friendly and less staff-intensive process.
DEPARTMENT PURPOSE
MTS provides meeting planning and travel coordination to all of the organization’s internal and external clients. MTS has a dedicated team that continues to provide management for the variety of meetings that is required to fulfill all Code Council needs. MTS negotiates corporate rates with hotels and rental car companies that all internal and external clients can benefit from.

MTS plans and manages more than 75 meetings and books more than 250 airline reservations annually. These meetings included the 2010 Spring Hearings, 2010 International Green Construction Code Public Comments, 2010 Annual Conference, and numerous committee meetings, training seminars, Board of Directors meetings, and staff meetings.

ACCOMPLISHMENTS
The 2010 Dallas Final Action Hearings were a great success for MTS as well as ICC. There were a total of 617 registrations. The 2010 IGCC Public Comment Hearings had more than 200 registrations. MTS has initiated new approaches in its planning of the 2010 Annual Conference and Final Action Hearings in Charlotte, North Carolina, including providing seed money to the host committee regarding the Opening Event and redesigning the Global Forum.

CHALLENGES
MTS continues to use partnerships with hotel chains, rental car agencies, and convention centers to reduce costs and avoid significant increases in attendee expenses. MTS also has incorporated more limited-service hotels to ensure attendees have more options when it comes to lodging during the conference. Green meeting standards are being implemented and enforced in all meetings produced by MTS in 2010 and beyond.

“The 2010 Dallas Final Action Hearings were a great success for MTS as well as ICC. There were a total of 617 registrations.”

Looking forward to 2011, MTS plans to continue to work toward maintaining the quality of the meeting and travel experience, with attention to deeper discounts when feasible. In addition, ICC is in the process of implementing a new travel system for all ICC staff and volunteers. This program will make booking travel and submitting expenses quick and seamless, reducing staff time and administrative expenses.

MEMBERSHIP AND OUTREACH SERVICES -- AN OVERVIEW
In 2010, a new division titled “Membership and Outreach Services” was created to bring together five departments with a similar mission. As we focus on renewed value for our members in this post-recession economy we have seen the benefit of closely linking our Membership and Chapter Relations functions with the teams heading up our Meetings, Marketing and Communications activities. The synergy between these areas is opening up new discussions around the common theme of outreach: what is most effective, what is desired, and what adds value to the Code Council experience. Through our combined efforts we are seeking more feedback on our performance, and friendlier ways to provide information and address the needs of our stakeholders. Highlights include: a stronger emphasis on our members and member issues at our Annual Conference including a panel of members addressing the economy and videos profiling key award winners; an evolving design of the electronic, members-only Building Safety Journal with tools to enhance the interaction; participation in the upgrade and redesign of the Code Council website and its features regarding member profiles, bulletin board, news and events; a coordinated plan across the Code Council to offer periodic free or low-cost additional member benefits; and, an ongoing commitment to portray the Code Council story in a manner that best reflects the professionalism and depth of our members.

MIKE ARMSTRONG
Senior Vice President
Membership and Outreach Department
Building Relationships with the Members we Value
DEPARTMENT PURPOSE

Technical Services consists of Code and Standards Development and Architectural and Engineering Services. The Technical Services professional staff is responsible for the development, maintenance, and support of the entire family of International Codes, Standards and corresponding Code Commentaries; the development of new codes as directed by the ICC Board; and related technical support services, from code opinions to committee interpretations, plan reviews and technical consulting. Our highly skilled team is dedicated to providing timely information of exceptional quality to all ICC members and other users of the codes.

The end of the 2009/2010 code change cycle is upon us. It represents the transition to the new code development process approved by the ICC Board in December 2008. Administering the code change cycle in exact compliance with code development procedures in support of 13 individual codes is an ambitious undertaking. All published deadlines must be met while processing a record number of proposed code changes and public comments.

Our team also provides staff support to the code development committees and numerous other codes and standards committees, and supports the activities of the four councils: Building, Fire, Plumbing/Mechanical/Fuel Gas, and Standards. The Code Technology Committee (CTC) met twice this year along with study groups on various topics. The Terrorism-Resistant Building Ad Hoc Committee concluded its activities regarding changes based on the National Institute of Standards and Technology World Trade Center report, as did the Ad Hoc Wall Bracing committee.

The Sustainable Building Technology Committee concluded its work as the drafting committee for the International Green Construction Code (IGCC). The first public hearing in response to Public Version 1.0 of the IGCC concluded in August. This will result in Public Version 2.0, available in November that will be the basis for the first code development hearings of the IGCC followed by Final Action hearings and production of the 2012 edition.

Standards development continues to be very active, having most recently filed PINS (Project Initiation Notification System) for several water irrigation system standards. The following ICC standards are maintained through the ANSI process as directed by the ICC Board: the Bleacher Standard, the Log Standard, the Storm Shelter Standard, the Hurricane Resistant Construction Standard, ICC 700 and the ICC/ANSI A117 Standard. The ICC/ANSI Standard committee, renamed ICC A117.1, completed its work, and ANSI approval is expected by the end of the year.

Approximately 2,570 code change proposals have been processed this cycle, an increase of 15 percent over last year’s record-setting number of submissions. The last cycle concluded with the publication of the 2009 International Codes. New to this cycle is the move to a single, three-year code development cycle. This cycle is the only chance to impact the 2012 codes.
ACCOMPLISHMENTS
ICC’s technical support is one of the most sought-after services provided to our members. An exceptional technical staff provides technical advice, more than 70,000 code opinions (verbal or written) and committee interpretations to ICC members at no charge as a member benefit. Code opinion requests received through the telephone queue average 110 per day. Additional opinions via direct call, the website and letters bring that number up to approximately 280 per day or 70,500 per year. Requests for committee interpretations average approximately five per month, and since the first request on August 29, 2002, we have processed approximately 465 requests. Currently there are 205 committee interpretations posted on the ICC website. Pending interpretations also are posted online for member review and comment.

ICC Technical Services also provides on-demand plan review services to aid jurisdictions in the timely examination of construction documents submitted with a building permit application. The Code Council’s plan-review team provides the highest quality reviews because of its extensive knowledge of and experience with the codes. In addition to plan reviews, the department also offers fee-based technical consulting for the evaluation of specific code topics as applied to a specific project or circumstance. More information on all of our services is available on the ICC website.

CHALLENGES
The development of the 2012 Codes and Commentaries will be our primary objective. Another major objective is the development of the first new I-Code in nine years, the IGCC. Additionally, we are initiating the process of developing the new comprehensive swimming pool code beginning with the 2012 Commentaries.

“Our highly skilled team is dedicated to providing timely information of exceptional quality to all ICC members and other users of the codes.”

LOOKING FORWARD | TOM FROST, AIA | SENIOR VICE PRESIDENT

| Our team’s focus will continue to be on providing ICC members and customers with exceptional technical support to aid them in their use of the I-Codes and maintenance of our open and transparent government consensus process of code development. |
In response to the continued difficult economic climate and growing interest and demand from multiple facets of our membership, we undertook an initiative to expand and enhance our online training capabilities, including revamped webinars, enhanced online certification practice exams, and new full-featured online training classes.”

We look to 2011 with key goals in mind: the continued expansion and improvement of online offerings; development of strategic partnerships designed to expand the reach of ICC training to new markets and locations; and better align training offerings with certification programs to provide more complete “career path” support services.

Looking Forward | David Dufresne | Executive Director, Education and Certification

We look to 2011 with key goals in mind: the continued expansion and improvement of online offerings; development of strategic partnerships designed to expand the reach of ICC training to new markets and locations; and better align training offerings with certification programs to provide more complete “career path” support services.
DEPARTMENT PURPOSE
The Certification and Testing Department (C&T) continues to fulfill its role as the Council’s testing engine, providing a broad spectrum of examination and testing services that are utilized by members within local jurisdictions and states. The examinations are designed to thoroughly assess the competency of those individuals charged with the responsibility of ensuring the safety of the built environment.

2010 sees the Certification and Testing team continuing to do more with less, building on the efficiencies, advancements and sound practices implemented in 2009. Financially, the department remains on track to meet or exceed the 2010 forecast, fueled by modest growth in first-time certifications and certification renewals, growth in the Underground Storage Tank (UST) and Aboveground Storage Tank (AST) certification program, and significant expansion of our Contractor Examination Services. Our legacy certification programs, however, have continued to stay flat or wane in popularity, as expected.

ACCOMPLISHMENTS
Accomplishments in 2010 include both business development successes as well as process and efficiency improvements. On the business development front, we are proud of the following highlights:

- Implementation of Green programs: Before year’s end, we will have developed and launched new certification programs for both ICC’s International Green Construction Code and California’s CALGreen code.
- UST Program Development: We have developed and launched new UST exams in six states (Georgia, Maryland, Michigan, Pennsylvania, Utah and Wisconsin) plus the New England region.
- Contractor/Trade Program Development: The ICC developed and launched new contractor and trade exams in several states and jurisdictions, as well as new national certifications for residential fire sprinkler designers/installers.

“Certification candidates who test at our network of computer-based testing sites now receive Pass-Fail notification immediately upon test completion, instead of having to wait for notification by mail after the fact. We also continue to take advantage of new and developing business opportunities, including potential new global programs.”

In regard to process improvement and efficiency, the department has:

- Introduced a new Wallet Card design, reducing the time and expense of card production while increasing quality by having a single wallet card listing all earned certifications, as opposed to a separate wallet card for each. In addition, printed wallet certificates are now mailed by request only, free of charge.
- Extended the availability of exams based on the 2006 I-codes for those jurisdictions that have not yet moved to the 2009 Codes.
- Upgraded the Online Certification Renewal program to include Special Inspector categories. Through the year, acceptance and use of the online renewal option has grown from 37 percent of renewals to 53 percent (as of August) and rising.

CHALLENGES
As ICC and our members continue to deal with the ongoing economic realities, the Certification and Testing team has made other adjustments to how we do business. We have streamlined the functionality and process of EDC meetings to accomplish more in a shorter amount of time in managing the portfolio of 614 exams, including increased use of secure web conferencing. Certification candidates who test at our network of computer-based testing sites now receive Pass-Fail notification immediately upon test completion, instead of having to wait for notification by mail after the fact. We also continue to take advantage of new and developing business opportunities, including potential new global programs (Abu Dhabi, Guam) and the U.S. Department of Energy fueled programs, resulting in seven new programs in 2010 and more expected in 2011.

LOOKING FORWARD | DAVID DUFRESNE | EXEC DIR, EDUCATION AND CERT.

We look toward 2011 with some key goals and objectives in sight: increasing the frequency and quality of personal contact with all stakeholders (candidates, jurisdictions, partners); refining and improving the skill set of the certification and testing team; continued streamlining of operational processes to increase product quality and member satisfaction; and developing new certification programs to increase ICC’s domestic and international opportunities.
BUSINESS AND PRODUCT DEVELOPMENT DEPARTMENT

DEPARTMENT OVERVIEW

BUSINESS AND PRODUCT DEVELOPMENT

As the year comes to a close, we are confronted with a construction industry that is anxiously looking to the horizon for the slightest glimpse that recovery is at hand. Like most companies in our industry, ICC has felt the pressure to do more with less. While the economy has proven challenging, the Business and Product Development Group, through collaboration with key partners, was able to continue ICC’s rich tradition of expanding its portfolio of quality products and services needed to meet the high expectations of our diverse customer base.

2010 witnessed further strengthening in our relationships with many of our long-term partners while we simultaneously developed new associations with entities that share our building safety mission. To help assist code users in the proper application of the structural provisions contained in the 2009 International Building Code (IBC), the Code Council continued its close collaboration with the National Council of Structural Engineers Associations (NCSEA). This resulted in the publication with NCSEA of the Guide to the Design of Out-of-Plane Wall Anchorage in addition to their review and co-branding of ICC’s updated structural design publication titled Structural Load Determination, both based on the 2009 IBC. Working closely with our long-term partner the Masonry Institute of America, ICC participated in production of the sixth edition of the Reinforced Masonry Engineering Handbook, an engineering classic used in many universities. Included in this edition is a CD-ROM containing additional masonry design publications as PDFs.

Leveraging its vast network of publishing partners, which include such notables as McGraw-Hill, CRC Press, John Wiley & Sons, and Cengage, the Code Council was able to release an array of support publications for the 2009 International Codes at a record pace. The goal was to arrive early enough in the code cycle to ensure a smooth transition for those jurisdictions adopting the new codes. Responding to the industry’s need for timely and concise support publications, ICC added a fifth volume to its ever-popular, four-color, Significant Changes series. Scheduled for release in the fall, the new Significant Changes to the ICC A117.1 Accessibility Standard has been expedited to coincide with the release of the new Accessibility Standard. Based on the demand for the Building Code Illustrated: A Guide to Understanding the 2009 IBC, John Wiley and ICC agreed to expand this series to include Building Codes Illustrated, based on the 2009 International Residential Code that was released in the second quarter of this year.

ICC continued to release an array of support products for the building safety community, including Residential Fire Sprinkler Systems, the Commercial Kitchen Hood Application Guide, the Residential Inspectors Guide and the Green Residential Building Study Companion. Also of note, ICC released the first two installments under its new Guideline Program, the Guideline for Replicable Buildings and the Guideline for Acoustics.

The flexibility, technical quality and support provided by ICC are just a few of the reasons jurisdictions at both the state and local level depend on the International Codes. In 2010, our Publications Department was faced with increasingly condensed schedules. The department rose to meet this challenge by streamlining processes and production times to better serve all ICC internal and external customers with publishing and printing projects. From August 2009 through July 2010, more than 900 titles and support materials were completed. In addition to production of the 2009 Commentaries, our Publications Department released the 2010 California Codes, the 2010 New York State Codes and custom codes for the states of Arkansas, Michigan, Minnesota, New Jersey and Oregon.

With the imminent release of public version 2.0 of the International Green Construction Code (IGCC), ICC has been fast at work developing publications to support this code and technical publications focused on good building design practices aimed at sustainability. In collaboration with McGraw-Hill and its Greensource publications group, five new titles addressing green buildings practices were released covering new and existing buildings.

“2010 witnessed further strengthening in our relationships with many of our long-term partners while we simultaneously developed new associations with entities that share our building safety mission.”
Earlier this year, the Code Council worked closely with the State of California to publish the first statewide mandatory Green Building Code. Referred to as CALGreen, this code goes into effect on January 1. During the first 120 days of its availability, sales for this code exceeded forecast by more than 100 percent, giving us an early glimpse of the demand that may be in store for the upcoming IGCC at the national level. To better meet the need for services supporting the IGCC, the ICC 700 and CALGreen, ICC collaborated with Green Technology, a nonprofit initiative designed to inform government efforts toward sustainability, providing a forum where governmental officials can communicate with those in the private sector who are developing and distributing green technologies. Joint outreach efforts will include Green Summit Events, training, electronic news briefs and the development of support products. In addition, ICC has continued to build on its partnership with GreenBuilder Media, a leading company in North America focused on green building and responsible growth for the residential building industry. Working through GreenBuilder Media’s flagship magazine, the Code Council has been better able to disseminate timely information on what is happening in the world of codes and standards as it relates to green buildings.

With budgetary belts continually being tightened, we must applaud the efforts of the Department of Energy (DOE) for underwriting free electronic downloads of the 2009 International Energy Conservation Code (IECC). This DOE effort will assist in store for the upcoming IGCC at the national level. To better meet the need for services supporting the IGCC, the ICC 700 and CALGreen, ICC collaborated with Green Technology, a nonprofit initiative designed to inform government efforts toward sustainability, providing a forum where governmental officials can communicate with those in the private sector who are developing and distributing green technologies. Joint outreach efforts will include Green Summit Events, training, electronic news briefs and the development of support products. In addition, ICC has continued to build on its partnership with GreenBuilder Media, a leading company in North America focused on green building and responsible growth for the residential building industry. Working through GreenBuilder Media’s flagship magazine, the Code Council has been better able to disseminate timely information on what is happening in the world of codes and standards as it relates to green buildings.

With budgetary belts continually being tightened, we must applaud the efforts of the Department of Energy (DOE) for underwriting free electronic downloads of the 2009 International Energy Conservation Code (IECC). This DOE effort will assist local jurisdictions to raise the level of energy efficiency in their communities.

Adding value during an economic downturn can prove challenging. This is where resourcefulness and ingenuity is required. The further development and implementation of our new CodePlus program is just one example of how ICC is creating added value for its members and other users of the International Codes. This program allows purchasers of the most popular ICC codes to register their books online and gain access to a plethora of free digital support publications and other resources.

In 2010, Publications was faced with increasingly fast-tracked schedules. The department met this challenge by streamlining processes and production times to better service all ICC internal and external customers with publishing and printing projects. From August 2009 through July 2010, more than 900 book titles and support materials were completed by the department. In addition to production of the 2009 Commentaries, Publications released the 2010 California Codes and the 2010 New York State Codes. Custom code projects were also developed for the States of Arkansas, Florida, Michigan, Minnesota, New Jersey, North Carolina and Oregon.


The Electronic Media team provides ICC members with several “green” alternatives to the printed documents. In addition to expanding ICC’s PDF download products, the department moved into the “App” arena with the debut of phone applications for the iPhone, Droid, and Blackberry. Selected codes were also made available for the Amazon Kindle reader. Debuting at the 2010 Conference will be the new iPad application enabling users to purchase PDF versions of ICC documents direct from the Apple Store to their iPad for utilization in the field.

“Debuting at the 2010 Conference will be the new iPad application enabling users to purchase PDF versions of ICC documents direct from the Apple Store to their iPad for utilization in the field.”

The Publishing and Multimedia Division is comprised of three functional areas – Publications (editorial, prepress and commercial printing), Printing Services (In-plant and Document Management Center), and Electronic Media (eCodes, eCodes Premium online subscription services, DVD products and video production).
In the last year, Printing Services updated its digital presses in both the Chicago and Los Angeles offices to more energy-efficient models. This new equipment has proven to be more efficient production-wise as well, with some 650 orders being processed in the department – much of this as short-run book work.

Additionally, Printing Services is a key contributor to the company’s ongoing recycling efforts. ICC’s Printing Services uses eco-friendly pressroom chemistry, which includes:

- Printing with soy, aqueous or food-grade inks.
- Purchasing acid-free paper.
- Working with alcohol substitutes for fountain solutions and water-based prepress chemicals.
- Adding a water-based aqueous coating to covers. The particular coating ICC uses is safe to use on food wrappings.
- Working on a minimum make-ready operational schedule.
- Recycling cartons and packing materials.

The department actively recycles spent toner cartridges, toner, glass/plastic containers, metals, batteries, bulbs, paper and cardboard. The department’s total reclaimed paper waste for June 1, 2009, through May 31, 2010, period was 14.61 tons.

Global Services

Success is usually the byproduct of the contributions of many. This year witnessed the expansion of ICC as a result of the efforts of our global partners. Working with allies, ICC witnessed an unprecedented volume of growth outside our borders when it needed it the most. The impact of ICC’s family of construction codes and their support system is being felt around the globe.

In 2010, the key focus of the Global Services Program has been the United Arab Emirates. An MOU signed in 2008, and a contract signed in 2009 with the Abu Dhabi Department of Municipal Affairs (DMA), established ICC’s assistance in the adoption and development of ICC codes and provisions of building regulatory programs for the DMA. The DMA will adopt and implement I-Codes in January. This will coincide with the publication of the Abu Dhabi Codes Guide, which includes essential amendments to the ICC codes for the region. The Global Services Program more than doubled its presence in Abu Dhabi by adding six more ICC consultants, under contract, to begin work to train the municipalities’ plan review and building inspection staffs. A certification program also is being developed in conjunction with ICC’s Training Department. A third ICC seminar program is underway in Abu Dhabi, to be completed in November. Additional seminar programs are anticipated in 2011 to continue the work with Abu Dhabi to build a complete building safety system.

Global Services continues to focus on Latin America and the Caribbean, more specifically in Colombia, where ICC partners with the Instituto Colombiano de Normas Técnicas y Certificación, providing technical assistance to adopt and the 2009 International Plumbing Code as the foundation for Colombia's Plumbing Code; the partnership includes educational and awareness programs as well as collaboration in conformity assessment in building safety.

ICC’s PMG Group signed a Memorandum of Understanding with the Asociación de Profesionales de Conducción de Fluidos (Association of Professional Water Engineers), joining forces to create initiatives that will be mutually beneficial for each organization and its respective members and residents.

“The Global Services Program more than doubled its presence in Abu Dhabi by adding six more ICC consultants, under contract, to begin work to train the municipalities’ plan review and building inspection staffs.”

ICC also is advising the Caribbean Community Regional Organization for Standards and Quality (CROSQ) on policy and technical components in the adoption of the 2009 ICC codes and providing technical assistance in the implementation strategy for the participating Caribbean Development Bank (CDB) and CROSQ member states. CROSQ includes Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Jamaica, Montserrat, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

Looking Forward | Mark A. Johnson | Senior Vice President

For the Business and Product Development program, quality service requires we take a Copernican view of the universe, one which places our customers like the sun, at the center of everything we do. It requires a customer-centric approach with laser-like focus on improving the customer experience, be that through added value for the dollar, improved or enhanced product features, timeliness of deliverables and/or a combination of all three. We will continue efforts to provide the highest quality support products that address our customers’ diverse needs both domestically and globally.
When the first innovative steps to create the International Code Council were taken in 1994, the objective to develop, maintain, support and implement a single set of codes nationwide was vital. Today, 16 years later, that commitment and strong principled statement still rings of paramount importance within the Plumbing, Mechanical and Fuel Gas Group. The PMG group has based its success on fulfilling this original commitment of the International Code Council. The successes achieved would not have occurred without a strong emphasis on collaboration.

**DETERMINATION**

Through close cooperation between PMG and ICC’s Government Relations staff, the International Plumbing Code (IPC), International Mechanical Code (IMC) and International Fuel Gas Code (IFGC) are each gaining more acceptance within the industry. These codes continue to be the most widely adopted PMG codes in the country, steadily replacing codes developed by other organizations. Activities in the past year include two notable adoptions. Indiana made the decision to move forward with a statewide code based on the International Plumbing Code, replacing an alternative plumbing code. San Antonio, Texas, the seventh-largest economy in the country, has abandoned its outdated plumbing and mechanical codes and opted for the IPC, IMC and IFGC. We continually strive to educate decision makers about the benefits a complete set of comprehensive, correlated and technically safe codes provide. In Indiana and Utah, PMG staff participated in long-term, detailed code studies and comparison meetings. When decision makers provide an unbiased venue for open and frank dialogue to study technical and safety issues, the I-Codes prevail. We are proud to work side by side with the membership to realize their goals and are determined to implement all of the PMG codes — one jurisdiction at a time.

**COLLABORATION**

By examining the past, we can streamline our efforts for the future. ICC PMG has gained a reputation as a unit working closely in partnership with the industry, working together on mutual issues of concern to improve our specialized industry. We have learned that being open minded and inclusive attracts complementary partnerships.

Our established formal partnerships with industry leaders such as the American Backflow Prevention Association, Air Conditioning Contractors of America, American Gas Association, Association of Pool and Spa Professionals, and Sheet Metal Air Conditioning Contractors National Association are providing a number of exciting outcomes, ranging from the nation’s first comprehensive code for all pools and spas to textbooks that describe the installation of kitchen hoods, fire and smoke dampers, and corridor penetrations, slide rule calculators for natural gas sizing, and co-branded educational opportunities.

This year we have made new alliances with prestigious societies that share our parallel path for safety and sustainability such as the National Board of Boiler and Pressure and Vessel Inspectors, the American Rainwater Catchment Systems Association, American Fire Sprinkler Association, National Fire Sprinkler Association and the Center for Public Safety Excellence. Around the world leaders in the PMG industry have forged bonds with ICC. The Association of Plumbing, Heating Contractors of England and Wales met with PMG staff and signed a formal agreement to begin collaborative efforts to share information and align our industries, a first of its kind. While teaching sustainable plumbing practices in South America, we signed a Memorandum of Understanding with the Asociación de Profesionales de Conducción de Fluidos (APROCOF Association of Professional Water Engineers), the leading society for plumbing engineers based in Colombia. Plans that will benefit both memberships already are progressing.
The American Society of Plumbing Engineers (ASPE), one of the most prestigious plumbing engineering organizations in the United States, has entered into its first formal relationship in its 46-year history, placing its trust in the ICC. We already have begun several important projects with ASPE. The first and most exciting is our efforts to bring the first-ever ICC World Toilet Summit to the United States, hosted by ASPE. This builds upon the Code Council’s existing partnership with Jack Sim, founder of the World Toilet Organization (WTO). Our efforts with the WTO including the Summit helps bring awareness to the plight of billions of people globally who lack the simplest of safety and sanitary devices, a toilet. With the help of the industry and the public, the ICC can help keep children from perishing every 15 seconds due to sanitation issues. This event will bring the largest plumbing tradeshow, educational opportunities and speakers from around the world. It attracts ministers of science, international dignitaries and representation from the World Health Organization, UNICEF and the United Nations.

As technological advancements force our world to shrink, the Code Council’s PMG group has become sought after to assist jurisdictions globally. We have formed relationships, held meetings, instructed stakeholders, presented to public officials, delivered speeches and assisted in PMG code-development projects in places as diverse as Mexico, Singapore, London, Puerto Rico, Colombia and Abu Dhabi. In collaboration with the WTO, we are developing the first Global Guideline for Practical Public Toilet Design. With contribution from representatives of 12 countries, it will be used as a definitive guide for public restroom design worldwide. These initiatives, along with our support of the Institute of Plumbing South Africa and the World Plumbing Council, illustrate our commitment to the global landscape.

**Innovation**

PMG has gathered experts and created the first illustrated book for everyone associated with fire sprinkler systems. The Residential Fire Sprinkler Design, Installation and Code Administration Handbook, certification exams and educational programs will assist contractors, designers, plan review experts and inspectors to better prepare for the systems planned for implementation in the coming months and years.

As more jurisdictions adopt the PMG codes, we continue to ask our members and other stakeholders what they need to perform their tasks more efficiently and effectively. From this feedback, we have created simple and inexpensive water and Drain, Waste and Vent slide-rule calculators so contractors and inspectors can easily design, size and verify pipe sizing. We are working hard to help the industry recognize the value and integrity of our ICC-Evaluation Service PMG Listing program. ICC’s skilled engineers verify a product’s compliance to standards and codes, saving designers and building officials time and allowing them to perform optimally with confidence.

The International Green Construction Code (IGCC) contains cutting edge water-efficiency provisions. No other guidance for green construction reflects the input or level of scientific community interest, and none utilize our most essential resource, water, as effectively. They do not address site landscape irrigation, car washes, alternative sources for fire sprinkler systems, or rainwater catchment as thoroughly and innovatively as the IGCC. PMG has made a bold step to begin development of five new ANSI standards to support water efficiency within the IGCC. The standards focus on landscape irrigation and rainwater collection. We have reached out to leading professional organizations such as the Irrigation Association, the American Society of Agricultural and Biological Engineers and the American Rainwater Catchment Systems Association. All will collaborate in the standards development. As a returning partner to this year’s largest gathering of water-efficiency experts, the WaterSmart Innovations Conference, we facilitated a first-of-its-kind roundtable discussion and forum as representatives of academia, water utilities, manufacturers, landscape architects, irrigation consultants and the Environmental Protection Agency’s WaterSense program brainstormed the best path forward.

These codes continue to be the most widely adopted PMG codes in the country, steadily replacing codes developed by other organizations. Activities in the past year include two notable adoptions. … When decision makers provide an unbiased venue for open and frank dialogue to study technical and safety issues, the I-Codes prevail.
AWARENESS
The PMG Group has represented Code Council members at more than 45 engagements, tradeshows, conferences and industry events across the globe from leading a code workshop at the HVACR Educators and Trainers Conference in Las Vegas to participating in many water-efficiency panels and technical committees for LEED, ASHRAE and the Alliance for Water Efficiency; to delivering the keynote speech before Lord and Lady O’Neil and the entire plumbing and heating industry in London; and by presenting the closing speech in Spanish at the APROCOF conference in Bogota.

PMG media reaches the entire globe through print and the Internet. More than 10 different magazines, from the Wall Street Journal, to Contractor, Plumbing and Mechanical, Reeves Journal, The Earth Times and Plumbing Africa, carried articles and monthly columns authored by PMG staff. We have authored articles, provided quotes, placed ads, published press releases and tracked hundreds of thousands of hits on our announcements on subjects ranging from minimum water closet requirements to green and sustainability issues, carwash systems, proper drain, waste and vent sizing, and kitchen grease system design, and sanitation and safe-water provisions worldwide.

THE FUTURE
Although our PMG codes are the most widely recognized and implemented, locally and globally, we will not rest until the members’ vision of one set of codes is achieved. The members’ dedication to safety drives our determination to educate each and every jurisdiction, construction professional and industry stakeholder to the benefits of the I-Codes. It is a simple concept – a chain reaction takes place when a jurisdiction adopts a PMG code. By combining the highest level of safety, cutting-edge techniques and sustainable technology, reinforced by world class support, the codes ensure that anyone who works, plays, sleeps, shops, studies or worships in any structure will achieve the automatic benefit of safe, durable and sustainable buildings – locally or globally. The coming year promises even more success as we get closer to reaching the members’ vision of one set of codes.

“ICC PMG has gained a reputation as a unit working closely in partnership with the industry, working together on mutual issues of concern to improve our specialized industry. ... It is a simple concept – a chain reaction takes place when a jurisdiction adopts a PMG code.”

LOOKING FORWARD | JAY PETERS | EXECUTIVE DIRECTOR - PMG

We will continue to enhance the Code Council’s image and prominence as a leader in public safety in the plumbing, mechanical and fuel gas arena, positioning the Code Council as the premier organization for comprehensive building safety products, services and information for the built environment. The focus will remain on providing the most innovative products, services and technical expertise to support PMG disciplines, increasing awareness of the ICC plumbing, mechanical and fuel gas programs, and leveraging the expertise of our members and staff. Through these efforts we will build coalitions with organizations, ICC chapters and individuals to strengthen the membership’s experience and the industry’s recognition of the Code Council, and fortify our mission to protect the public’s health and safety locally, nationally and worldwide.
DEPARTMENT PURPOSE
The Government Relations (GR) team supports the mission of ICC through its work to:

• support the adoption and use of the I-Codes and the code process used to develop the codes,
• to promote related ICC services, and
• to advocate for the interests of our members.

The GR team does this by targeted, direct advocacy, and forging strategic alliances with entities that have objectives compatible with the Code Council’s objectives and its code development process.

ACCOMPLISHMENTS - 2009-2010 HIGHLIGHTS
The number of jurisdictions joining the I-Codes family continues to grow. The International Building Code® (IBC) is in use or adopted in all 50 U.S. states, the District of Columbia, the Virgin Islands and in Guam. The International Residential Code is the second-most widely used I-Code, now in 48 states, the District of Columbia and the Virgin Islands. It is followed by the International Mechanical Code and the International Fire Code (IFC) in 47 and 45 states respectively. The International Energy Conservation Code (IECC) is not far behind with adoptions in 42 states, and it will undoubtedly be in all 50 states very soon due to the requirements in the American Recovery and Reinvestment Act (ARRA), commonly known as the “stimulus package.” GR was successful in securing a reference to the 2009 IECC in the ARRA, including provisions that led to governors providing letters of intent promising to adopt the IECC and provide for its training and enforcement in order to receive a share of the $3.1 billion in stimulus funds. We also succeeded in getting the Community Building Code Administration Grant Act (HR 2246 and S 970) reintroduced on May 5, 2009, with bipartisan sponsorship in both the U.S. House and Senate. The House bill, HR 2246, was attached to the American Clean Energy and Security Act, which passed the House on June 25, 2009. As of August 2010, there were 32 co-sponsors of the House bill and eight Senate bill co-sponsors. While the climate on Capitol Hill has turned increasingly against legislation authorizing new spending programs, we have gained increased visibility for the work of building code enforcement as a result of advocating on behalf of this legislation.

Some examples of the many state and local activities GR has affected include one or more of the 2009 I-Codes forming the basis of current construction regulations in the states of California, New Hampshire, Rhode Island, Delaware, Texas, Virginia, Michigan, Massachusetts, Maine, Pennsylvania, New Jersey, Alabama, West Virginia, Florida, Iowa, Maryland, Montana, Oregon, Oklahoma, Utah, Washington, Tennessee, and Illinois (which also passed a bill requiring all non-code jurisdictions to use the International Building Code® (IBC®), the International Existing Building Code® (IEBC®), and the International Property Maintenance Code® (IPMC®)), Guam, and the Northern Marianas Islands. The City of Richland, Washington, and the State of Rhode Island also adopted the ICC’s newest code, the International Green Construction Code®, (IGCC®) by reference.

As a member of the federal wildland/urban interface (WUI) taskforce, the Code Council worked with the group to develop and propose a 10-year strategy to deal with the national WUI fire problem for President Obama’s Administration. ICC was the only non-government participant in the group. The Code Council also is a founding member of the United Nations (UN) International Wildland Fire Alliance, and the 2009 International Wildland Urban Interface Code was referenced in the UN International Wildland Fire Management Guidelines. We have been working with the Western Governors Association to bring more than 300 organizations together in an unprecedented effort to persuade Congress that the upward trend in fire suppression funding costs increasingly prevent the U.S. Department of Agriculture’s Forest Service and the Department of the Interior land management agencies from implementing critical programs and fulfilling their missions. In March of 2010, in cooperation with the National Resource Conservation and Development Council (RC&D), ICC announced the formation of the National Wildland Urban Interface Council. The fall 2010 meeting will be hosted by the National Association of Home Builders at its Washington, D.C., office. ICC also participated in the development of the National Cohesive Wildland Fire Strategy document that will be presented to Congress in November.
Government Relations worked with organizations such as the American Institute of Architects, (AIA), U.S. Green Building Council (USGBC) and the American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) to introduce resolutions supporting the IGCC before the National League of Cities (in process), National Conference of State Legislatures (in process), and the National Conference of Mayors (passed in July). The National Association of Counties (NACO) also passed in July a resolution supporting the Community Building Code Administration Grant Act.

Our Congressional Relations (CR) team represents the Code Council’s legislative agenda before federal policymakers and proactively addresses Congressional action impacting our interests in building safety, fire prevention and private-sector codes and standards development. As the ICC has continued to strengthen and expand its role as an advocate and expert in construction-related topics, involvement at the Congressional level has become an integral part of its government relations work. CR includes a dedicated effort to keep ICC members informed and involved in pending actions in Congress that have implications for the built environment. Our CR objectives are to obtain reference of the I-Codes in federal legislation; position ICC and its members as resources and experts on building and fire safety issues; and strengthen our advocacy efforts to produce favorable outcomes for building safety, building and fire officials, and the construction industry. Increasingly, ICC’s Government Relations staff members have been called on to provide accurate information to both Congressional committees and the staffs of individual members of Congress on issues relating to building codes, building health and safety issues, building energy use, and tax-code incentives related to building improvements and performance.

Federal Agencies. In addition to closely tracking legislation, GR also works closely with Executive Branch officials and monitors the Federal Register for rulemakings that affect ICC, our members and partners. We work to advance the Code Council’s relationships with more than one hundred federal agencies, boards, and councils that carry out building and fire code related missions. The objectives in the GR Federal Plan include increasing seeking awareness of and recognition by federal agencies of relevant ICC codes, services, programs and publications; seeking reference to the I-Codes in regulations or agency directives; encouraging agencies to participate in and support development of the I-Codes; and contracting with ICC for services or products. In 2009 and 2010, ICC testified before the U.S. Department of Energy (DOE), and filed formal comments on dozens of proposed federal regulations, from environmental rules to the long-sought recognition by the federal Occupational Safety and Health Administration (OSHA) of the IFC as an alternative means to demonstrate compliance with the OSHA “Means of Egress” requirements for employers. ICC was contacted numerous times in 2010 to provide technical assistance to the Internal Revenue Service to interpret federal laws that referenced the IECC as the basis for tax credits.

“In 2010, ICC made new efforts to work with groups such as the American Public Power Association, the National Association of Realtors, and other national groups with interests in building safety, energy use, and other code-related issues.”

Increasingly, ICC’s Government Relations staff members have been called on to provide accurate information to both Congressional committees and the staffs of individual members of Congress on issues relating to building codes, building health and safety issues, building energy use, and tax-code incentives related to building improvements and performance.
Organizations and Associations. GR is also responsible for supporting ICC’s work with national groups that share similar goals and are either involved or are stakeholders in the development, adoption or implementation of the I-Codes. We work with the major national standards organizations including American National Standards Institute, ASTM International, ASME International, Underwriters Laboratory, National Fire Protection Association and ASHRAE. We also work closely with our founding strategic partners the National Association of Home Builders, Building Owners and Managers Association International, National Multi Housing Council, American Institute of Architects, and the American Gas Association, and have regular meetings with others such as the National Electrical Manufacturers Association, the American Concrete Institute, the Laborers International of North America, the Federation of American Scientists, USGBC and many public interest groups such as NACO, ICMA (International City/County Management Association), National League of Cities, and the U.S. Conference of Mayors.

ICC is a recognized building and fire organization among the major national fire-service groups including the International Association of Fire Chiefs, the National Association of State Fire Marshals, the National Volunteer Fire Council, the Fallen Firefighters Foundation and the Congressional Fire Services Institute.

In 2010, ICC made new efforts to work with groups such as the American Public Power Association, the National Association of Realtors, and other national groups with interests in building safety, energy use, and other code-related issues.

The State and Local Activities team is spread throughout the United States to better serve the organization and its members. This team is responsible for the implementation of the Code Council’s state and local goals such as securing new and retaining existing code adoptions, and raising the level of awareness of the Code Council’s infrastructure to support the jurisdictions and all users of the I-Codes. We currently have 15 staff members in 14 states. Because each office focuses on the area it serves, the staff in each region are uniquely qualified to personally assist and support our members, including the fire, plumbing, mechanical and fuel gas communities.

ICC also offers a grassroots program to provide a way for ICC members and supporters to participate in building and fire safety code advocacy. Interested individuals can elect to receive alerts about important issues and can view information and submit letters and emails voicing their opinions to their elected officials. Our grassroots program includes toolkits that provide assistance in applying for energy-related grants and in adoption of the I-Codes, Adoption Maps and Charts that reflect I-Code Adoptions as well as other information relevant to legislative or rulemaking issues, all of which are available on the GR section of the ICC website.

Our GR objectives are to obtain reference of the I-Codes in federal legislation; position ICC and its members as resources and experts on building and fire safety issues; and strengthen our advocacy efforts to produce favorable outcomes for building safety, building and fire officials, and the construction industry.
The primary role of Human Resources (HR) is to provide for the needs of the internal ICC organization, so that all organizational departments are able to effectively and efficiently provide the products and services sought by our membership. HR supports the recruitment, development, and retention of staff with the skills and knowledge required across a wide range of professional disciplines and administrative support functions; develops and administers health and welfare benefits that provide necessary care and protection of our staff and their families; and develops, updates, and administers policies that ensure all applicants, candidates, and employees are treated in an ethical and conscientious manner, and that ICC meets its social and legal obligations. To fulfill these roles in a cost- and resource-efficient manner, the HR staff continues its engagement in initiatives leading to convenient, timely and paperless processes through electronic solutions. As a department whose services touch each and every ICC employee, it is appropriate for HR to be a role model in the internal greening of the organization’s administrative practices.

2010 has been a year of retrenchment for ICC and for HR. Following the difficult staff reductions of 2009, this past year has been one of supporting managers and staff in their need to assume new and sometimes different roles, and in learning to “do more with less.” While recruiting and hiring demands have been reduced, the HR staff has experienced increased post-workforce reduction administrative workloads such as unemployment claims, employment references and COBRA administration. HR has continued to respond to the interests and needs of current employees, this year introducing a voluntary short-term disability insurance program, and has instituted changes in our medical leave administration to ensure that changes in the reinsurance industry do not adversely affect ICC staff.

HR also is responsible for ICC’s business lines of insurance and shares risk management responsibilities with the ICC General Counsel. All insurance renewals were accomplished in a timely manner, and through working closely with our brokers, premium reductions were achieved in many areas without any lessening of coverage limits. Overall, ICC experienced another excellent year in terms of risk management, with no major claims.

The third major area handled by HR is that of building operations for the Whittier office. 2010 has been challenging in this area, as the facility is aging and requires frequent maintenance, while we attempt to control nonessential costs in a conservative budget year.

“HR has continued to respond to the interests and needs of current employees, this year introducing a voluntary short-term disability insurance program, and has instituted changes in our medical leave administration to ensure that changes in the reinsurance industry do not adversely affect ICC staff.”

| Considerable attention and work has been put into space reallocation in the Whittier office following last year’s staff reductions and in support of the significant restructuring taking place within ICC-ES. Progress continues on the commitment to renovate staff restrooms that are beyond repair, with the project anticipated to be completed in 2010 or early 2011. |
After we successfully implement the Financial Services system in 2011, we intend to exploit the functionality of the Financial Services system to become more efficient and improve productivity. In addition, we will continue to pursue cost savings throughout the organization. We intend to build the financial reserves and resources of the organization.

**DEPARTMENT PURPOSE**
The purpose of the Finance Department is to act as the financial steward for the organization. Our primary goal is to meet the needs of our internal customers by providing useful and timely financial information and advice. We safeguard the assets of the organization by maintaining and monitoring a system of internal controls. The Finance Department is responsible for providing our members and stakeholders with financial statements, and meeting regulatory reporting requirements of our banks and tax authorities.

**ACCOMPLISHMENTS**
We have improved the bench strength of the organization by hiring highly qualified professionals in areas where we needed to improve. In addition, we are in the process of implementing a financial services system. The new system will improve our access to timely and relevant financial information for better decision making. The system will increase operational efficiency and improve business processes. Better processes will improve customer service. The financial services system is scheduled to be operational on January 1.

**CHALLENGES**
The economy continues to present challenges for our business and requires prudent management of our resources. The ICC’s financial position stabilized during 2010. We have made progress in managing the working capital required to run the business. Improved asset management allows us to allocate resources to other parts of the organization including membership services.

“We safeguard the assets of the organization by maintaining and monitoring a system of internal controls.”

**LOOKING FORWARD | JOHN BRECIK | CHIEF FINANCIAL OFFICER**

| After we successfully implement the Financial Services system in 2011, we intend to exploit the functionality of the Financial Services system to become more efficient and improve productivity. In addition, we will continue to pursue cost savings throughout the organization. We intend to build the financial reserves and resources of the organization. |
**Department Purpose**
The focus of the Information Technology Department is to improve services, enhance revenue and improve efficiency. Information Technology plays a vital role in International Code Council operations. A key priority this year continues to be our website, so our members and other customers easily can find the information they are seeking and have a positive experience interacting with the ICC website.

**Accomplishments**
Last year’s launch of the new website resulted in a variety of issues, so the focus earlier in the year was to address performance and stability. Early server and network infrastructure upgrades vastly improved website performance and availability, and security upgrades were accelerated after a breach forced a shutdown of the network for one week. A comprehensive study of website usability was conducted, which included user feedback from focus groups. To address the findings, a website overhaul plan was developed and executed at an accelerated pace. Major elements of the website such as the online store, membership, site search, education and training, navigation, and its look and feel were redesigned and revamped. The website’s Communities of Interest element, while designed to play an important role for members, and the community at large, is undergoing a complete revamping based on user feedback. The project team is engaged with a cross section of members and customers who are helping in the redesign and will contribute to keeping this section vibrant, active and refreshed with relevant content.

Mid-year a new, much larger managed IT services provider was selected, bringing a higher level of experience and expertise. A key new feature for staff is our extended hours Helpdesk. Key objectives with our new IT support partner are improved reliability and consistency, customer satisfaction and service excellence.

Our membership management system, Avectra, was upgraded to provide new functionality while making it easier and faster for our members. Also, working closely with the finance team, the Financial Services project continues at a rigorous pace.

“A key priority this year continues to be our website, so our members and other customers easily can find the information they are seeking and have a positive experience interacting with the ICC website.”

**Looking Forward | Sanjay Gupta | Chief Information Officer**

The team continues to support the daily IT needs of all ICC employees. All hardware and software purchases, setup and maintenance, telecommunications activity and major meeting technology support is performed by the IT group. In summary, the Information Technology team delivered significant accomplishments this year and looks forward to delivering further improvements for our members and all stakeholders.
Program Profiles and Highlights
— Subsidiaries of the International Code Council —

Annual Business Meeting
Proposed Bylaw Changes
Proposed Member Resolutions
Governing the Conduct of Elections
Audited Financial Statements
Conference Schedule
It has been a year now since we noted in the last Chairman’s Statement that we at ICC-Evaluation Service were “looking forward to working with John [Nosse] and Mark [Johnson] in their new roles and are confident that ICC-ES will remain a trusted technical resource for code enforcement professionals, manufacturers, and innovators both now and in the future.” Today Mark Johnson is clearly leading ES, along with a most able staff, in that direction. John Nosse is continuing to lend his expertise as a member of the ES Board of Managers.

I am pleased to report that this has been a year of substantial progress, change and transformation for ES. A year in which we’ve worked hard to balance the need to deliver excellent service today with the imperative to understand and plan for the future needs and demands of our industry. It has been a year of continued work on some very important dimensions: business collaboration, innovation, creation and participation.

We have begun collaboration with several other world-class organizations to develop dual certification/evaluation programs that will provide increased value to serve all of our customers.

We have seen the development of an innovative Fast Track Program, which successfully has made our services more timely for our customers and more responsive to the competitive business environment of the 21st century.

We have recently completed a project to create links to our Evaluation Reports (ESRs) from within our family of International Codes as a creative new tool for regulators, specifiers, and designers.

We also are just beginning to see participation by the NCSEA in the development of our structural Acceptance Criteria (AC). We trust this is just the beginning of bringing about much more participation from many technical communities.

With the development and publishing of Public Versions of the International Green Construction Code (IGCC) there are many opportunities opening up for ES to develop new tools, reports and evaluations that will be trusted technical resources for code users, manufacturers and product development pioneers. The time, energy, and resources used to make these things a reality have been planned to accomplish one very simple thing: continue building ICC-ES.

Our common purpose, at all levels of the organization, has been to secure ES as the leader in evaluating existing, new, and innovative building products and to remain the trusted technical resource for code enforcement professionals, manufacturers, and innovators, both now and in the future.

Steven P. Regoli
Chairman
In my first full year as President of ICC-ES, I have gained an even greater appreciation for the strong foundation that was laid by my predecessor, John Nosse. Stepping into the shoes of a legend like John is a daunting task, one comparable to taking the pitcher’s mound in the stead of baseball great Sandy Koufax. Taking the reins during the worst economic slump since the Great Depression has been challenging but also greatly fulfilling. I am pleased to report that despite the weakness in the economy, ICC-ES has continued to expand the breadth of its programs as well as its business and public outreach.

ICC-ES serves more than 900 manufacturers, and the number of Evaluation Reports totals almost 1,500. Our primary focus is to enhance the services we offer manufacturers, while continuing to strengthen our position as the most reliable and credible product evaluation resource for code officials. In the last year, we worked diligently to enhance our customer service and reduce the turnaround time to issue evaluation reports. We also continued to maintain the highest level of technical quality and accuracy in the industry. In recognition of the importance placed by code officials on the technical merits of evaluation reports and acceptance criteria developed by ICC-ES, we continue to increase our technical staff.

To better serve the needs of manufacturers, ICC-ES is partnering with major laboratories to reduce the time for product evaluations. This project began as a pilot program with two organizations and now involves seven, with many more organizations discussing how they might participate. Under these programs, often referred to as “Fast Track,” third-party organizations collaborate with ES to develop a test plan, manage a product during the testing and inspections phases, and ensure that all pertinent information is transferred to ICC-ES as a complete, well-organized package. This collaborative approach early in the evaluation process places heavy emphasis on complete preparation of data, which can significantly reduce the time needed for the issuance of a report. This new program has been received very well by manufacturers and created a buzz within the industry.

To increase the exposure of our manufacturers’ code-compliant products in the market, and for the added convenience of code officials who approve the use of these products, ICC-ES Evaluation Reports (ESRs) and Plumbing, Mechanical and Fuel Gas (PMG) Listings are now linked to International Codes in a searchable electronic format available by subscription service. This means that each and every ESR and listing published by ICC-ES is now linked to the section of the code that is applicable to its use. Now, code officials, specifiers, designers and builders are just “one click away” from identifying products that have demonstrated compliance with the latest ICC codes and the standards these codes reference. As an added convenience, the link between code sections and reports is now readily available as an application for smart phones.

In addition to being known for its technical expertise, ICC-ES is respected widely for the transparency and fairness of its process. We are proud of the level of public participation in ICC-ES Evaluation Committee Hearings, where Acceptance Criteria are debated and ultimately approved or rejected. Our public hearing process has no equivalent elsewhere. To further build on this foundation, which has served the building industry for more than a half century, ICC-ES has partnered with the National Council of Structural Engineers Associations to assist with the development of ICC-ES acceptance criteria that address complex structural products. We view this as a way to further involve the professional engineering community in the evaluation process, with the ultimate goal of improving the quality of building construction.
Earlier this year, California released its first mandatory “green” code, called CALGreen and published by our parent company, ICC. Also, at the national level, ICC has been working on the release of its International Green Construction Code (IGCC), the first commercial green construction code. With the implementation of CALGreen in California, combined with the rapid acceptance of the IGCC at the national level, ICC-ES has turned its attention to supporting these new codes. In anticipation of the January 1 CALGreen effective date, we have expanded the scope of our SAVE™ (Sustainable Attributes Verification and Evaluation) Program to include evaluating products for code compliance under the new code.

The relatively new PMG Listing program is beginning to gain traction. This program, which was initiated only three years ago, saw a growth last year of more than 25 percent. The recent appointment of Shahin Moinian as our new Executive Director of ICC-ES Certification Programs, overseeing both the PMG Listing and SAVE programs, will provide the leadership needed to rapidly expand these programs.

In addition, in July of this year, ICC-ES changed its corporate structure from one type of legal entity to another. This change was designed to deal with tax issues left over from the consolidation and did not involve any operational changes to ICC-ES’ business or to how ICC-ES does business. We believe that this change will facilitate future growth, strengthen the overall ICC family, and enable ICC-ES and ICC to provide better service to their stakeholders and customers.

In closing, we look forward to ongoing growth. We continue to emphasize customer service and are always looking for ways that we can provide added value to manufacturers and code officials alike. In these difficult economic times, we realize how important it is for code officials to have the information they need to approve products, and how important it is for manufacturers to gain ready acceptance. ICC-ES is committed to helping the building industry recover and grow.

Mark A. Johnson
President

Mark A. Johnson
President, ICC Evaluation Service
Since my election as Chairman of the Board in May of this year, I am proud to continue the fine work of my predecessor, Michael Bouse, who did an outstanding job of guiding the organization during the past year. I also am pleased to report that IAS’ international initiatives and its existing accreditation programs have made good progress this past year and enabled us to maintain financial stability in these challenging economic times. As your Chairman and speaking for the IAS Board of Directors, we are committed to maintaining our financial stability as we continue to explore new business opportunities and grow the company under the guidance of our business plan in support of ICC’s mission and strategic goals.

We are sensitive to the financial burden placed on building departments nationwide as a result of the significant reduction in construction activity over the past few years. The IAS Board is pleased to report the approval and implementation of a new Building Department Registration program, which is an affordable, interim program that will recognize building departments and enable them to continue to prepare for full accreditation under the IAS Building Department Accreditation program. In addition, other recently developed accreditation programs designed to assist local governments, such as the Building Department Service Providers (Third Party), IBC Special Inspection, and Metal Building System programs, have started well this past year and hold promise for the future.

I would like to thank my fellow IAS Board members as well as the very talented IAS staff for their support, hard work, and sacrifices in continuing to develop domestic and international markets. In light of the economic challenges, IAS strategically has made the necessary business decisions, which have enabled it to maintain its financial health and high quality of service. These accomplishments are a result of the dedication and hard work of these outstanding professionals.

I thank our clients throughout the world for their loyalty and continued trust in our organization. Special recognition also is due to the many ICC volunteers who contribute so many hours and participate on various IAS Councils and Committees. Finally, none of IAS’ accomplishments would be possible without the guidance and full support of the ICC leadership, Board of Directors, and staff. To all, we say, thank you for a great year!

John L. Barrios
Chairman of the Board
The new decade started with IAS firmly maintaining its position as the world’s largest provider of accreditation services for the construction sector, with a solid domestic base and robust international presence through IAS’ active participation and Mutual Recognition Arrangements (MRAs) with the International Laboratory Accreditation Cooperation (ILAC), the Asia Pacific Laboratory Accreditation Cooperation (APLAC), the International Accreditation Forum (IAF), and the Pacific Accreditation Cooperation (PAC). By the end of the year, IAS hopes to gain full recognition as an MRA signatory in PAC for its accreditation services in the product certification area. The theme of this past year has been growth through partnership, presence, and prudence.

IAS has performed well financially through the first six months of 2010, generating a positive net margin. As the financial report shows, the willingness of staff in 2009 to accept salary and work-hour reductions coupled with prudent cost controls across many expense categories have contributed to IAS’ positive performance during this period. Hats off to the IAS staff for their outstanding efforts. During this continuing economic downturn, IAS is committed to holding the line on fee increases and proactively working with its clients to reduce assessment costs.

Globally, IAS is benefitting from the expanding presence of the International Code Council (ICC) and recognition of the U.S. code administration system as an international “best practice.” To promote the U.S. best practices, the International Codes encourage full communication and collaboration between the public and private sectors to achieve the greatest efficiency and construction quality at the lowest cost to the public. This system is most effective and credible when there is third-party verification, namely by an accreditation body like IAS, for both the public- and private-sector agencies’ performance to internationally recognized standards of quality. IAS fills this role in both the U.S. and, increasingly, in the global market. IAS is actively engaged with several governments outside the U.S. to assist their code enforcement agencies to adapt IAS’ Building Department and Special Inspection Agency accreditation standards to their national regulations. For testing laboratories and inspection agencies, IAS accreditation to quality standards published by the International Organization for Standardization (ISO) is broadly accepted.

IAS’ global clientele expanded nearly 10 percent in 2010, with expansion to a presence in 21 countries, with the greatest growth being in the Middle East.

Within North America, IAS established a new accreditation program in 2008 for the Inspection of Manufacturers of Metal Building Systems. With the full support of the Metal Building Manufacturer’s Association, this program has grown to be IAS’ second-largest accreditation program.

Another affiliation that has lead to a business opportunity is the recently established partnership with the Center for Public Safety Excellence on a new accreditation program for Fire Prevention and Life Safety Departments. The program is another example of IAS’ deep commitment to the concept of safety in the built environment. IAS’ Testing Laboratory and Special Inspection Agency accreditation programs have grown substantially through partnerships with building departments and marketing in industry publications.

IAS Board, committee and council members, and dedicated staff have made concerted efforts to open lines of communication with a wide variety of stakeholders to explore new partnerships and opportunities. Safety coupled with sustainability is the message that is being carried far and wide, with IAS assessors and technical experts spreading the accreditation slogan to many countries in the world.

My special thanks to former IAS Board chairman Michael Bouse and current chairman John Barrios for their unflinching support and loyalty to IAS, and the ICC leadership, particularly its CEO, Richard P. Weiland, for his untiring efforts to propagate the use of effective construction code-enforcement systems throughout the world.

The continued loyalty and active support provided by our valued clients has truly boosted staff morale, and I take this opportunity to thank them all.

To all our clients and well wishers, I extend the very best wishes for a Happy Thanksgiving and an enjoyable Holiday Season.

C. P. (Chuck) Ramani, P.E., C.B.O.
IAS has seen continued growth during 2010, especially in the accreditation program related to Metal Building Inspection and through several international contracts. With the widest range of accreditation programs compared to other accreditation bodies, IAS has been working diligently to expedite service to our customers while remaining cost conscious in all aspects of our business.

Despite the effects of economic recession within the United States and in many other parts of the globe, IAS has been able to steadily increase its business in most of the accreditation programs it offers. This is illustrated in the 2009 financial performance charts below:

![2009 Revenue Chart](image)

![2009 Expenses Chart](image)
There have been some exciting developments in IAS' accreditation programs. During the winter months, the International Fire Door Inspectors Association, a trade association for fire door inspectors, became the first accredited training and curriculum developer for annual fire door inspection under NFPA Standard 80-2007 requirements. Also, Underwriters Laboratories' (UL) test facility in San Jose, California, became the first laboratory to be IAS accredited to test products for compliance with U.S. Environmental Protection Agency ENERGY STAR requirements. In addition, Israel Berger & Associates became the first special inspection agency in New York City to become IAS accredited, and the Beaufort County Inspection and Code Enforcement Department became the first accredited building department in South Carolina.

In June 2010, it was announced that the IAS accreditation program for testing laboratories met the California Department of Transportation requirements for laboratories involved in testing reinforcement splices used in concrete. Later, the Clark County, Nevada, Department of Development Services – Building Division formally recognized the IAS Fabricator Inspection Programs for Structural Steel (AC172) and the Inspection Programs for Manufacturers of Metal Building Systems (AC472).

IAS is viewed domestically and globally as a leader in conformity assessment, and staff is often asked to participate in and present at industry gatherings. IAS presented a service award to the outgoing president of the ICC Los Angeles Basin Chapter at the chapter’s Annual Installation Banquet in January 2010. IAS’ active participation in ICC chapters helps enhance code officials’ knowledge of international conformity assessment practices, thus assisting them to implement measurable quality objectives in enforcement of the codes.

In the spring, IAS exhibited at the annual Measurement Science Conference (MSC) in Pasadena, California. MSC is a national association of measurement scientists working in the aerospace and defense industries. IAS has sponsored several technical sessions in previous Measurement Science Conferences. Also, IAS exhibited at the Los Angeles Chapter of the U.S. Green Building Council’s 9th Annual Municipal Green Building Conference and Expo, in Downey, California. For several years now, IAS has supported the need for a national U.S. focus on sustainability, and created accreditation programs to bring competence and efficiency in this critical field.

On June 9, IAS celebrated World Accreditation Day, a worldwide initiative jointly established by the International Accreditation Forum and the International Laboratory Accreditation Cooperation. Also in June, IAS participated in the Pacific Accreditation Cooperation's 2010 plenary meeting in Wellington, New Zealand. During this same month, the National Association of Testing Authorities’ CEO, Alan Patterson, met with IAS in Whittier, California. IAS metrology staff participated in the July 2010 National Conference of Standards Laboratories International annual conference, which addressed “21st Century Innovations in Metrology.”


IAS is committed to transparency in its accreditation proceedings. In October 2009, the IAS Accreditation Committee met in Norwalk, California, where several existing IAS accreditation criteria were revised, and a detailed discussion was held on starting a new registration program for building departments. At this event, committee members were briefed on the IAS quality management system and other operational matters.
This past May was a busy month for IAS staff, directors, and committee and council members, during which a “committee week” was held. During that week, the Accreditation Committee, chaired by William Dumbaugh of Broward County Board of Rules and Appeals, Florida, held hearings on proposed changes to several IAS accreditation criteria. CPSE’s chief executive officer Paul Brooks gave a presentation on the proposed joint accreditation program for Fire Prevention and Life Safety Departments between IAS and the Center for Public Safety Excellence. The committee was also briefed on the recent evaluation by Pacific Accreditation Cooperation of IAS’ product certification agency (PLA) program. Also, the committee reviewed all PCA documents. A large number of attendees, including representatives from Canada, Mexico, Egypt, and Japan, attended the hearings. IAS is the only accreditation body in the world to provide a public forum for discussion of technical issues related to accreditation, and several participants congratulated the organization for maintaining such transparency in its operations.

In addition, three of IAS’ Technical Advisory Councils (TACs) met. The TAC for Inspection Agency and Special Inspection Agency Accreditation, chaired by Dr. Craig Joss of Bridgeport, Pennsylvania, reviewed the extensive changes to the IAS accreditation criteria, AC291 for Special Inspection Agencies, based on New York city requirements for new special inspection disciplines. The TAC for testing and calibration laboratories, chaired by IAS Chief Technical Officer Patrick McCullen, had record participation of 15 members, including four international representatives from Canada, Egypt, Mexico, and Japan. IAS’ newest TAC for Fire Prevention Departments met for the first time. This council is chaired by former California State Fire Marshal Chief Ronny Coleman. The major task assigned to this TAC is development of proposed accreditation criteria for fire prevention and life safety entities for consideration by the IAS Accreditation Committee in the fall of 2010.

During the last two days of the week, the spring meeting of the IAS Board of Directors was held under the chairmanship of John Barrios, Construction Services Manager for the City of Tampa, Florida. The board discussed IAS’ financial performance in 2009 and the first quarter of 2010, and the proposed 2011-2015 Business Plan. The board was briefed on the peer evaluation of IAS by the Pacific Accreditation Cooperation.

IAS is looking forward to another great year at the ICC Annual Conference. During last year’s annual conference, held in Baltimore, Maryland, the IAS Board met, IAS participated in the “Cracker Barrel” event to promote its programs, signed a Memorandum of Understanding with the Saudi Building Code National Committee for technical assistance, and delivered a three-day training program for lead evaluators involved in IAS’ building department accreditation.

None of the above achievements would be possible without IAS’ great staff. In the fall of 2009, Pat McCullen and Raj Nathan were promoted to the positions of Vice President – Chief Technical Officer and Vice President of Operations, respectively. Concurrently, several other staff members were promoted in recognition of their outstanding contributions, (Hershal Brewer, Ronald Coiner, Virginia Corcoran, Sandi McCracken, John Pakianadan, and Prasanth Ramakrishnan). In June 2010, Preet Bassi, M.P.A., was hired as the new quality manager for IAS. Ms. Bassi previously worked for Anaheim, California, Building Division and had served on numerous IAS building department evaluation teams.
JOHN L. BARRIOS, C.B.O.
Chair
Construction Services Manager
Inspectional Services Division
Tampa, FL

ISAM HASSENIN, P.E., C.B.O.
Vice Chair
Chief Operating Officer
Bureau Veritas North America, Inc.
San Diego, CA

TIM BRADLEY
Assistant State Fire Marshal
North Carolina Department of Insurance
Office of the State Fire Marshal
Raleigh, NC

MAJED A. DABBDOUB, P.E.
Supervising Building Plans Examiner
City of Cincinnati
Cincinnati, OH

CINDY DAVIS, C.B.O.
Building Official/Zoning Officer
Butler Township
Butler Township, PA

GREG JOHNSON
Building Inspector
City of St. Paul
St. Paul, MN

DR. IZZ EDDIN KATKHUDA
Director of the Arab Center for Engineering Studies (ACES)
City of Amman
Amman, Jordan

SEBASTIAN A. MATA, A.I.A., C.B.O.
Chief Building Official
Building Inspections Department
Plano, TX

JAMES G. TOSCAS, P.E.
President
Precast/Prestressed Concrete Institute
Chicago, IL

DAVID F. COURCY
(non-voting member)
General Counsel and Senior Advisor to the CEO
Washington, D.C.
DEPARTMENT PURPOSE
The International Code Council Foundation (ICCF) is a nonprofit organization dedicated to promoting ideas, methods, and technologies that encourage the construction of safe and sustainable buildings, including homes, and at identifying those approaches that alleviate the devastating effects of natural disasters and other building tragedies.

All of the Foundation’s program areas focus on community-based opportunities to better connect code officials to their constituencies and foster increased consumer understanding of codes and mitigation, by supporting the building and fire code professions through expanded training, education, and independent research.

ACCOMPLISHMENTS – OVERVIEW & HIGHLIGHTS
CONSUMER EDUCATION
The signature consumer education program of the Foundation is Building Safety Month. The year 2010 marked an important milestone in national and global efforts to promote building safety as the ICCF expanded the scope and reach of its signature building-safety initiative, Building Safety Week. Thirty years after the first commemoration of Building Safety Week, ICCF took on a broader education and outreach challenge by launching a more comprehensive campaign—Building Safety Month.

In discussing the direction the campaign should take for its 30th anniversary, ICCF leadership tapped into ICC member insights that revealed while safety would continue to be a key concern, it also was important to address sustainability and resiliency. This would in turn mean looking at building safety from a community-wide perspective, highlighting what communities as a whole could do, as well as protection of individual structures and those living and working in them. As a result the decision was made to expand the campaign from a week to a month and from just one or two themes to four themes. Each theme was highlighted over the course of a week.

WEEK 1: Energy and Green Building
WEEK 2: Disaster Safety and Mitigation
WEEK 3: Fire Awareness and Safety
WEEK 4: Backyard Safety

Based on this new approach, the first Building Safety Month was a highly successful effort:

- **It was engaging.** A newly redesigned Building Safety Month website provided consumer tips and links to resources keyed to the four themes, as well as easy access to photos, proclamations, a children’s program and the complete toolkit of resources for ICC chapters. For example, nearly 2,000 people signed up on the Building Safety Month website to pledge their support, and the campaign now has more than 300 Facebook fans and Twitter followers.

- **It was visible.** National coverage included a CNN feature on Backyard Safety Week, coverage of all four themes on Danny Lipford’s nationally syndicated radio show, featuring guests from Millennium Sponsor BASF and the ICC, and nearly 500 news stories about the event.

- **It was informative.** More than 30,000 visitors spent time on the website to learn more about the issues, and a strong library of tips and suggestions continues to be accessible in print and online.

- **It was fun.** Code officials CODiE™ and CODEtte™ hosted games for kids and the adults who attended community events and movies. A fun time was had by all.

- **And most importantly, it built a foundation for the future.** The month-long campaign concept is now tested and in place, backed by more than 70 proclamations, declarations, and letters of recognition from governors, mayors and public officials. The website is built and ready to be augmented during the coming year and in the years to follow. The toolkit is in place for implementation and additional activity at the local level. The buzz has been felt, the momentum is there, and ICCF can look forward to further successes in 2011 and beyond.
**Professional Development**
Another important Foundation initiative is our expanded scholarship program to support building and fire safety through the education of existing and future code officials, by increasing participation in the code development process and honoring those who have been essential to the formation of the ICC.

The Code of Honor Scholarship program helps underwrite professional development for Code Council members by expanding participation and training at the Final Action Hearings. In 2010, the Foundation awarded 63 Code of Honor Scholarships to ICC members. Donations for the Code of Honor Scholarship Program may be made online via a secure website link at www.icc-foundation.org. Chapters and jurisdictions are encouraged to support this initiative.

**Community Service**
The signature community service initiative for the Foundation is Project H.E.R.O., a program of the Code Officials Volunteer CORPS. Project H.E.R.O. is an innovative program that improves the lives of disabled veterans by combining the volunteer spirit and expertise of the Code Council and Foundation with the home rehabilitation expertise of the nonprofit group, Rebuilding Together (www.rebuildingtogether.org).

Some of the Foundation programs overlap focus areas. One such program is the 2009-2010 Tornado Outreach and Education initiative. This program combines consumer education and professional development. This program will raise awareness and understanding about the threats of severe weather and the proper building techniques for tornado shelters.

The Foundation is currently promoting the construction of tornado safe rooms based on the NSSA/ICC 500 Standard for the Design and Construction of Storm Shelters and FEMA 320 through a three-phase project. The first phase includes quantitative and qualitative research to identify opportunities to promote tornado safe rooms to consumer and professional audiences. The second phase includes development of a plan focused on national television outreach. The final phase includes completing an outreach and marketing toolkit to help homebuilders and safe room manufacturers/distributors leverage research findings to accelerate the construction of compliant safe rooms. The research phase of the project is complete, and outreach to national media is underway. Campaign outcomes to date include a morning of live television remote broadcasts with Jim Cantore of The Weather Channel showcasing safe room performance during a dedicated “Tornado Week” that took place in April.

**“Thirty years after the first commemoration of Building Safety Week, ICCF took on a broader education and outreach challenge by launching a more comprehensive campaign — Building Safety Month.”**
RICHARD P. WEILAND  
President  
Chief Executive Officer  
International Code Council

DOMINIC SIMS  
Treasurer  
Chief Operating Officer  
International Code Council

ROCCO DAVIS  
Governor  
Vice President & Regional Manager  
Pacific Southwest Region  
Laborers International Union of North America

ADOLF A. ZUBIA  
ICC Board Representative  
Retired Fire Chief  
City of Las Cruces  
Las Cruces, NM

DONALD L. PRATT  
Governor  
CEO of CECS  
Construction, Education & Consulting Services of MI
ANNUAL BUSINESS MEETING

PROPOSED BYLAW CHANGES
PROPOSED MEMBER RESOLUTIONS
GOVERNING THE CONDUCT OF ELECTIONS
AUDITED FINANCIAL STATEMENTS
CONFERENCE SCHEDULE
The 2010 Annual Business Meeting (ABM) of the Members of the International Code Council (ICC), which is provided for by Article IX of the Bylaws, shall be held October 26, 2010 at the Charlotte Convention Center, 501 South College Street, Charlotte, NC, 28202, in conjunction with the 2010 ICC Annual Conference. The Annual Business Meeting shall commence at 8:00 AM and shall continue from day to day during such hours as shall be determined by the President until completed. A copy of this 2010 ABM Notice shall be printed in the 2010 ICC Annual Report. The ICC 2010 Annual Report will be posted on the ICC website.

1. In accordance with the Bylaws, a quorum shall consist of 100 Governmental Member Voting Representatives.

2. The general nature of business to be conducted at the Annual Business Meeting shall include the following:

   a. Call to order
   b. Reading of Meeting Notice
   c. Determination of a quorum
   d. Introduction of Sergeant-at-Arms and Parliamentarian
   e. Approval of minutes of previous meeting
   f. Report of the Nominating Committee
   g. Election of Officers & Directors
   h. Treasurer’s Report
   i. Report of the President
   j. Report of the CEO
   k. Consideration of Bylaws Changes
   l. Report of the Resolutions Committee
   m. Report of the Honorary Members Committee
   n. Report of the ICC Subsidiaries
   o. Unfinished business
   p. Adjournment

In accordance with the Bylaws, the President may ask Members to reorder the agenda at the start of the meeting.

3. In accordance with Article XVIII, ss. 18.1, amendments to the Bylaws of the corporation may be proposed by at least ten Governmental Member Representatives if presented to the Board of Directors at least 90 days prior to the opening of an Annual Business Meeting, or may be proposed through resolution of the Board of Directors at least 90 days prior to the opening of the Annual Business Meeting. In accordance with Article XVIII, ss. 18.2, proposed amendments to the Bylaws are printed in this Annual Business Meeting Notice. In addition, proposed amendments to the Bylaws will be posted on the ICC website.

4. In accordance with Council Policy 23, Resolutions of the Members shall be considered during the Annual Business Meeting. Resolutions to be considered at the 2010 ABM include:

   • CONFERENCE SITE
   • DECEASED MEMBERS
   • STANDING COMMITTEES
   • IMMEDIATE PAST PRESIDENT
   • RETIRED MEMBERS

5. To transact such other business as may properly come before the Membership and adjournment.

We hereby certify that the foregoing notice is in accordance with actions taken by the Board of Directors of the International Code Council.

Ronald L. Lynn, Board President

Richard P. Weiland, CEO

Questions regarding the ABM notice and proposed Bylaw changes may be directed to:

Dominic Sims
Chief Operating Officer
(888) 422-7233, ext 5267
Annual Business Meeting

President Adolf Zubia called the Annual Meeting of the Members of the International Code Council to order at 8:08 a.m., November 3, 2009, in conjunction with ICC's Annual Conference at the Hilton Baltimore in Baltimore, Maryland.

President Zubia called on Secretary/Treasurer James Brothers to call the roll of the ICC Directors to determine if there was a quorum. Secretary/Treasurer Brothers called the roll of Directors and asked Governmental Member Representatives to stand. Secretary/Treasurer Brothers then advised the President that a quorum was present.

President Zubia acknowledged Bill Bryant, Anne Arundel County, MD, as the Parliamentarian; and appointed Terry Cobb, Nashville, TN, as Sergeant-at-Arms, and thanked them for their participation.

President Zubia called on Chief Operating Officer Dominic Sims to provide an explanation on the use of the electronic keypads for voting. A test of the electronic keypads was conducted.

President Zubia referred to the registration packets containing a copy of the business agenda for the 7th Annual Business Meeting of the members of the International Code Council. Included in the packet was the International Code Council 2009 Annual Business and Meeting Report, which detailed a notice of the Annual Business Meeting, minutes of the 2008 Annual Business Meeting, procedures governing the conduct of elections, Treasurer’s report, and proposed bylaws and resolutions. Since the report included the Meeting Notice, President Zubia waived reading the notice.

A motion was made and seconded to amend and reorder the agenda of the Annual Business meeting, as provided.

The minutes of the September 16, 2008 Annual Business Meeting were reviewed. A motion was made and seconded to approve the minutes, as published in the Annual Report.

President Zubia called on Secretary/Treasurer Brothers to provide the Treasurer’s Report. Secretary/Treasurer of the International Code Council Brothers provided the financial status of the ICC as reported in the Annual Business Report.

2009 Treasurer’s Report

As Secretary/Treasurer of the International Code Council, it is my privilege to report to the members on the financial status of the organization. As you are quite aware, the economic climate in 2008 was challenging. The Code Council was affected by the downturn, as we saw our net assets reduced by $7.1 million. Let me assure you that as the economic events of 2008 unfolded, your management team and Board acted quickly to address the reduced revenues the Code Council experienced. Despite this difficult year, we ended in a strong financial position.

As we have reported in prior years, a major objective has been to increase our cash balance to a level where we have a “contingency buffer” to provide us with funds that we can draw from in the event of an economic or cyclical downturn. Obviously, 2008 was just such an event. Our strong performance in prior years regarding cash management allowed us to weather the storm, and end the year with a cash balance of $8.6 million, down $5.9 million from 2007.

During 2009, we will continue our focus on building an adequate cash position so we can continue investing in membership-enhancing opportunities. Actively managing accounts receivable and inventory during a time of reduced publication revenue is of critical importance. As a percentage, inventory and receivables total less than 18% of total revenue for the fourth consecutive year. Total revenue of $64.5 million dollars represents a 16% decrease compared to 2007, with virtually all the decline coming from lower publication sales, a decrease of $11.5 million, or 29%. Operating expenses increased 1%, but have been significantly reduced in 2009 through reductions in staff and infrastructure to address the reduced publication sales. Thank you for allowing me to serve as your Secretary/Treasurer and I look forward to continuing to serve the organization in the years ahead.

A motion was made and seconded to accept the Secretary/Treasurer’s report.

President Zubia called on CEO Richard P. Weiland to provide the CEO’s Report. CEO Weiland addressed the membership.

President Zubia called on John Nosse, President Emeritus of ICC Evaluation Service. Mr. Nosse provided a report on ICC-ES.

President Zubia called on Chuck Ramani, President of International Accreditation Service. Mr. Ramani provided a report on IAS.

President Zubia provided the President’s Report. A motion was made and seconded to accept the President’s Report.
President Zubia reviewed the proposed bylaws amendments. The following amendments as printed in the Annual Report were presented to the membership:

Amendment 1-2009: A motion was made and seconded to divide the question. The motion passed.

Amendment 1-2009 - Articles II, X: A motion was made and seconded to approve the amendment. The motion failed.

Amendment 1-2009 - Article XVIII: A motion was made and seconded to approve the amendment. The motion passed.

Amendment 2-2009: A motion was made and seconded to approve the amendment. The motion failed.

Amendment 3-2009: A motion was made and seconded to approve the amendment. The motion failed.

President Zubia called on Director Doug Murdock, Chair of the Resolutions Committee, to provide a report on the Committee. Director Murdock thanked the members of the Resolutions Committee for their work.

Director Murdock read Resolution 2009-1.

A motion was made and seconded to approve the resolution as amended. The motion passed.

Director Murdock read Resolution 2009-2.

A motion was made and seconded to approve the resolution as amended. The motion passed.

Director Murdock read Resolution 2009-3.

A motion was made and seconded to approve the resolution. The motion passed.

Director Murdock read Resolution 2009-4.

A motion was made and seconded to approve the resolution. The motion passed.

Director Murdock read Resolution 2009-5.

A motion was made and seconded to approve the resolution. The motion passed.

Director Murdock read Resolution 2009-6.

A motion was made and seconded to approve the resolution. The motion failed.

**The Honorary Membership**

President Zubia called on Immediate Past President Steve Shapiro, Chair of the Honorary Membership Committee, to deliver the report of the Committee. The Committee recommended the following individual:

1. William J. Tangye

A motion was made and seconded to approve the recommendation of the Committee. The motion was passed.

A motion was made and seconded to award Honorary Memberships to certain members of the legacy boards, who at time of the consolidation were not given Honorary Membership due to an administrative oversight. The following names were recommended for Honorary Membership:

1. Ken Andrews
2. William Bryant
3. Jud Collins
4. Majeb Dabdoub
5. Cindy Davis
6. William “Bill” Dupler
7. John Gibson
8. Jim Morse
9. Don Plass
10. Steve Regoli
11. John Terry
12. Ron Wetmore

A motion was made and seconded to add the names. The motion passed.
Election of Officers and Directors

President Zubia called on Immediate Past President Steve Shapiro to read the report of the Nominating Committee and conduct the elections. Immediate Past President Shapiro thanked the members of the Nominating Committee for its work and read the Committee’s recommendations.

First Election
Immediate Past President Shapiro announced the nomination of Ronald L. Lynn as President for a one-year term. He then made a request for nominations from the floor. There were no additional nominations. There was a motion to close the nominations and the motion was seconded and passed unanimously.

Second Election
Immediate Past President Shapiro announced the nomination of James L. Brothers as Vice President for a one-year term. He then made a request for nominations from the floor. There were no additional nominations. There was a motion to close the nominations and the motion was seconded and passed unanimously.

Third Election
Immediate Past President Shapiro announced the nomination of William Dupler as Secretary/Treasurer for a one-year term. He then made a request for nominations from the floor. The name of Greg Johnson was properly entered into nomination. There were no additional nominations. Both candidates were invited to address the assembly for a limited amount of time. After electronic voting closed, the President announced the election of William Dupler.

Fourth Election
Immediate Past President Shapiro announced the nomination of Ronald Hoover for a three-year sectional term for Section B. He then made a request for nominations from the floor. There were no additional nominations. There was a motion to close the nominations and the motion was seconded and passed unanimously.

Fifth Election
Immediate Past President Shapiro announced the nomination of Alex “Cash” Olszowy for a three-year sectional director term for Section D. He then made a request for nominations from the floor. The name of Tina Rakes was properly entered into nomination. All candidates were invited to address the assembly for a limited amount of time. After electronic voting closed, the President announced the election of Tina Rakes.

Sixth Election
Immediate Past President Shapiro announced the nomination of Gregori Anderson for a three-year director-at-large term. He then made a request for nominations from the floor. There were no additional nominations. There was a motion to close the nominations and the motion was seconded and passed unanimously.

Seventh Election
Immediate Past President Shapiro announced the nomination of Ronald Piester for a three-year director-at-large term. He then made a request for nominations from the floor. There were no additional nominations. There was a motion to close the nominations and the motion was seconded and passed unanimously.

Eighth Election
Immediate Past President Shapiro announced the nomination of Guy Tomberlin for a one-year director-at-large unexpired term. He then made a request for nominations from the floor. There were no additional nominations. There was a motion to close the nominations and the motion was seconded and passed unanimously.

The meeting was adjourned.
PROPOSED BYLAW CHANGES

PROPOSED MEMBER RESOLUTIONS

GOVERNING THE CONDUCT OF ELECTIONS

AUDITED FINANCIAL STATEMENTS

CONFERENCE SCHEDULE
AMENDMENTS PROPOSED BY GOVERNMENTAL MEMBER REPRESENTATIVES

In accordance with Article XVIII, ss. 18.1, the following proposed amendments to the Bylaws of the corporation have been signed by at least ten Governmental Member Representatives and presented to the Board of Directors at least 90 days prior to the opening of an Annual Business Meeting. In accordance with the Bylaws, the Board will present to the membership at the Annual Business Meeting its recommendation, if any, on the proposed amendments.

Amendment 1-2010

ARTICLE II — MEMBERSHIP

2.1 Categories of Membership - The Council shall have the following categories of voting membership:

2.1.1 Governmental Member - A Governmental Member shall be a governmental unit, department, or agency engaged in the administration, formulation or enforcement of laws, ordinances, rules or regulations relating to the public health, safety and welfare in the built environment. Each Governmental Member shall designate its Primary Representative who will receive benefits of membership in the Council on behalf of the Governmental Member as determined by the Board of Directors from time to time.

2.1.1.1 Governmental Member Primary Representative - Each Governmental Member shall designate a Governmental Member Voting Representative as its Governmental Member Primary Representative. The Governmental Member Primary Representative shall be the only individual authorized to vote to ratify in accordance with Article III of the bylaws.

2.1.2 Governmental Member Voting Representatives - Each Governmental Member shall exercise its right to vote through its designated Governmental Member Voting Representatives, and shall be entitled to the number of Governmental Member Voting Representatives as specified in Table 2.1.1. Governmental Member Voting Representatives shall be designated in writing, by the Governmental Member, and shall be employees or officials of the Governmental Member or departments of the Governmental Member, provided that each of the designated voting representatives shall be an employee or a public official actively engaged either full or part time, in the administration, formulation or enforcement of laws, ordinances, rules or regulations relating to the public health, safety and welfare in the built environment. The designation of a Governmental Member Voting Representative may be changed by the Governmental Member, in writing, from time to time.

2.1.2 Honorary Member - An individual who has rendered outstanding service to the Council, and whose name shall be proposed by the Board of Directors and confirmed by a majority vote of the Governmental Member Representatives at an Annual Business Meeting.

2.1.3 Non-voting categories - The Board of Directors shall establish the non-voting categories of membership as may be necessary for the adequate representation of all parties interested in association with the International Code Council. Non-voting categories shall provide for membership of individuals and corporate entities and shall include, but not necessarily be limited to, employees of governmental units, design professionals, corporations, educational institutions, not-for-profit associations, and other individuals interested in the purposes and objectives of the Council.

Table 2.1.1.

<table>
<thead>
<tr>
<th>Population</th>
<th>Voting Representatives</th>
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</thead>
<tbody>
<tr>
<td>0-50,000</td>
<td>4</td>
</tr>
<tr>
<td>50,001-150,000</td>
<td>8</td>
</tr>
<tr>
<td>Over 150,000</td>
<td>12</td>
</tr>
</tbody>
</table>
2.2 Classification by the Board of Directors - All applications for membership shall be subject to classification by and approval of the Board of Directors. Applicants shall be eligible for membership on approval of the membership application by the Board and on timely payment of such dues and fees as the Board may fix from time to time. This authority may be delegated by the Board of Directors to the Chief Executive Officer.

2.3 Dues - The annual dues for each membership category shall be established by the Board of Directors. In no case shall a person be considered in good standing, or be qualified to exercise membership participation or entitled to receive any privilege of membership, who is default in payment of dues for three months, except as may be extended by the Board of Directors.

2.4 Termination - A membership in the Council shall terminate on occurrence of any of the following events:
   (a) Resignation of the member;
   (b) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;
   (c) The member’s failure to pay dues, fees or assessments, as set forth by the Board, after they are due and payable;
   (d) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications

2.5 Nonliability of Members - A member of the Corporation shall not be personally liable, solely because of membership, for the debts, obligations, or liabilities of the Corporation.

ARTICLE III — VOTING AND RATIFYING MEMBERS

3.1 Voting Members. Only Governmental Member Representatives and Honorary Members shall have the right to vote on any matters under these Bylaws, including but not limited to, the right exercised through those individuals eligible to vote for the election of a Director or Directors, or on a disposition of all or substantially all of the assets, or on a dissolution, or on any changes to the Articles of Incorporation or the Bylaws. Only the Governmental Member Representatives and Honorary Members shall be permitted to make motions and to vote on any issue at the Annual Business Meeting and special meetings and written consents. Voting by proxy is not permitted. Any person designated as a voting representative of more than one Governmental Member or who is also an Honorary Member shall be entitled to only one vote.

3.2 Ratifying Members. Only the Governmental Member Primary Representative shall be authorized to ratify amendments to the bylaws, ratify code changes, and other business of the Council that is submitted for ratification to the Governmental Member.

ARTICLE X — CODE DEVELOPMENT PROCESS

10.1 Code Development Process. The Board of Directors shall adopt a policy, which may be amended from time to time, on the Code Development Process for the International Codes®.

10.2 Code Change Ratification. All changes approved through the Code Development Process for the International Codes® shall be submitted to Governmental Member Primary Representatives for ratification.

10.2.1 Notification and Ballot. A notification shall be transmitted to Governmental Member Primary Representatives as soon as practical after the final action public hearing. The notification shall include instructions on how the Governmental Member Primary Representative is able to obtain access to a ballot, the results of the final action public hearing, and the text of the changes approved through the Code Development Process. Access to such ballot, results of the hearing, and text of changes shall be provided to the Governmental Member Primary Representatives at no cost. The ballot shall provide two options for voting as follows:
   - Approve all
   - Approve all, except Disapprove Item(s)#

Ample opportunity shall be provided with the ballot to list all various item numbers for disapproval.

10.2.2 Submittal. To be considered, the ballots submitted by the Governmental Member Primary Representatives shall be received by the Council within 30 days of notification.
10.2.3 Required Majority. A majority of 60% of the ballots submitted by the Governmental Member Primary Representatives is required to disapprove a change previously approved at a final action hearing through the Code Development Process.

10.2.4 Emergency Procedures: In the event that the Board of Directors determines that an emergency amendment to any Code is warranted, the same may be adopted by the Board of Directors. Such action shall require an affirmative vote of at least two-thirds of the Board of Directors. Members shall be advised within ten days after the Boards’ official action of any emergency amendment. Within 120 days of the Board of Directors’ adoption of an emergency amendment a notification shall be submitted to the Governmental Member Primary Representatives for ratification in a manner consistent with 10.2.1, 10.2.2 and 10.2.3.

ARTICLE XVIII — AMENDMENTS TO BYLAWS

18.1 Proposals - Proposed amendments to these Bylaws, to be considered at an Annual Business Meeting, shall be signed by at least ten Governmental Member Representatives and shall be presented to the Board of Directors at least 90 days prior to the opening of an Annual Business Meeting or must be proposed through resolution of at least ten of the members of the Board of Directors at least 90 days prior to the opening of an Annual Business Meeting.

18.2 NOTICE OF ACTIONS - The Board of Directors shall cause proposed amendments to the Bylaws to be printed in the Annual Business Meeting notice and shall present its recommendations, if any, at the Annual Business Meeting. These proposed amendments may be discussed and amended at the Annual Business Meeting, and if passed by a two thirds vote of those Governmental Member Voting Representatives present shall be sent by ballot submitted, as amended on the floor, to all Governmental Member Primary Representatives of the Council for ratification. To be considered, the ballots submitted by the Governmental Member Primary Representatives shall be received within 30 days of distribution. A two thirds majority of the ballots submitted by Governmental Member Primary Voting Representatives is required for adoption. The returns shall be certified by the President if the necessary majority for adoption is received.

18.3 Effective Date - The approved amendments become effective ten days thereafter unless otherwise provided in the amendment.
RESOLUTION 2010-1 of the ANNUAL MEETING OF THE MEMBERS concerning the CONFERENCE SITE

WHEREAS, the members of International Code Council, Inc., did assemble at ICC’s 8th Annual Conference in Charlotte, North Carolina, October 24-27, 2010; and

WHEREAS, the Annual Conference provides a generous opportunity for code development, education, communication and enjoyment; and

WHEREAS, ICC Region VIII, the North Carolina Inspectors Associations and the State of North Carolina did extend the hand of friendship and hospitality to all those in attendance; and

WHEREAS, ICC Region VIII planned and hosted many activities for the membership’s enjoyment; now, therefore,

BE IT RESOLVED, that those members here assembled on October 26, 2010, at the ICC Annual Business Meeting, do hereby express their sincere thanks and appreciation to ICC Region VIII, the North Carolina Inspectors Associations, and the citizens of the State of North Carolina for their warm greeting and hospitality.

RESOLUTION 2010-2 of the ANNUAL MEETING OF THE MEMBERS concerning DECEASED MEMBERS

WHEREAS, the members of International Code Council, Inc., did assemble at ICC’s 8th Annual Conference in Charlotte, North Carolina, October 24-27, 2010; and

WHEREAS, those members here assembled on October 26, at the Council’s Annual Business Meeting, do hereby pay tribute to the memory of following departed members and colleagues:

<table>
<thead>
<tr>
<th>Name</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carly Baker</td>
<td>Salt Lake City, Utah</td>
</tr>
<tr>
<td>Chuck Bogard</td>
<td>Randolph County, Indiana</td>
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<tr>
<td>Lee “Arlie” Dailey</td>
<td>Tippecanoe County, Indiana</td>
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<tr>
<td>Ernest J. Gauthier</td>
<td>Winthrop, Massachusetts</td>
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<tr>
<td>Larry Grace</td>
<td>Marin County, California</td>
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<tr>
<td>Charles Henke</td>
<td>Middleburg, Ohio</td>
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<tr>
<td>Senator Ken Hollis</td>
<td>State of Louisiana</td>
</tr>
<tr>
<td>William Kowalczewski</td>
<td>Arvada, Colorado</td>
</tr>
<tr>
<td>Michael “Mick” Kruszewski</td>
<td>Green Oak, Michigan</td>
</tr>
<tr>
<td>Bob “Chuck” Lencioni</td>
<td>Geneva, Illinois</td>
</tr>
<tr>
<td>Ernest “Bud” Lester</td>
<td>Fairfax County, Virginia</td>
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<tr>
<td>Dennis Mick</td>
<td>Huntington County, Indiana</td>
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<tr>
<td>Joe Monistere</td>
<td>Hammond, Louisiana</td>
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<tr>
<td>Joseph Nocella</td>
<td>Hempstead, New York</td>
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<tr>
<td>Virgil Tracy Puckett</td>
<td>Winchester, Kentucky</td>
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<tr>
<td>Lenord “Lenny” Post</td>
<td>Orangetown, New York</td>
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<tr>
<td>Kenneth Prescott</td>
<td>Clarence, Michigan</td>
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<tr>
<td>Edgar Rodriguez</td>
<td>Milpitas, California</td>
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<tr>
<td>John Ed Ryan</td>
<td>Whiting, New Jersey</td>
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<tr>
<td>Rodney H. Ryan</td>
<td>La Pine, Oregon</td>
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<tr>
<td>Daniel Scholl</td>
<td>Fruitland, Maryland</td>
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<tr>
<td>Hulan Smith</td>
<td>Huntsville, Alabama</td>
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<tr>
<td>Paul Shultis</td>
<td>Woodstock, New York</td>
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<tr>
<td>Steve Souris</td>
<td>Lake County, Indiana</td>
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<tr>
<td>Charles Stover</td>
<td>Rockville, Maryland</td>
</tr>
<tr>
<td>John Thompson</td>
<td>Mount Prospect, Illinois</td>
</tr>
<tr>
<td>David Wheaton</td>
<td>Wauwatosa, Wisconsin</td>
</tr>
</tbody>
</table>

WHEREAS, these members and colleagues had long and successful careers; and

WHEREAS, by their loyal devotion to duty and faithful discharge of their responsibilities added prestige to their association, community, and life; now, therefore,

BE IT RESOLVED, that we extend our most sincere sympathy to the friends and members of their families. May they find consolation in their time of sorrow and may these words of appreciation and high regard be of solace to them now and in the years to come.
RESOLUTION 2010-3 of the ANNUAL MEETING OF THE MEMBERS concerning the STANDING COMMITTEES & the ANNUAL CONFERENCE COMMITTEE

WHEREAS, the members of International Code Council, Inc., did assemble at ICC’s 8th Annual Conference in Charlotte, North Carolina, October 24-27, 2010; and

WHEREAS, the International Code Council could not fulfill its mission without the assistance of its member volunteers; and

WHEREAS, throughout the year scores of volunteers have contributed their time and knowledge to the standing committees established to carry out the work of this organization; and

WHEREAS, the International Code Council could not convene this Annual Conference without the guidance and planning efforts of the annual conference committee; now, therefore

BE IT RESOLVED, that those members here assembled on October 26, 2010, at the ICC Annual Business Meeting, do hereby express their sincere thanks and appreciation to the members of the standing committees in Certification and Testing, Code Development, Government Relations, Training and Education and Technical Services, and

BE IT FURTHER RESOLVED, that those members here assembled on October 26, 2010, at the ICC Annual Business Meeting, do hereby express their sincere thanks and appreciation to the members of the Annual Conference committee without whom this conference would not have been a success.

RESOLUTION 2010-4 of the ANNUAL MEETING OF THE MEMBERS concerning the IMMEDIATE PAST PRESIDENT

WHEREAS, the members of International Code Council, Inc., did assemble at ICC’s 8th Annual Conference in Charlotte, North Carolina, October 24-27, 2010; and

WHEREAS, the International Code Council succeeds due to the leadership of its elected Officers and Directors; and

WHEREAS, the role of Immediate Past President is reserved for those Board members who have given their personal and professional time over the course of many years in the interest of serving the organization; and

WHEREAS, serving as Immediate Past President represents the culmination of successful service to the Board and the Members which few achieve; now, therefore

BE IT RESOLVED, that those members here assembled on October 26, 2010 at the Annual Business Meeting, do hereby express their sincere gratitude and appreciation to Immediate Past President Adolf Zubia for his dedicated service to the members of the International Code Council during his years of service on the Board of Directors.

RESOLUTION 2010-5 of the ANNUAL MEETING OF THE MEMBERS concerning RETIRED MEMBERS

WHEREAS, the members of International Code Council, Inc., did assemble at ICC’s 8th Annual Conference in Charlotte, North Carolina, October 24-27, 2010; and

WHEREAS, throughout the year there have been members in all categories who have concluded careers in code enforcement and the construction professions and have retired; and

WHEREAS, those members have had long and illustrious careers and the respect of their peers; and

WHEREAS, their devotion to duty and faithful discharge of their professional responsibilities have added prestige to their association and community; now, therefore,

BE IT RESOLVED, that those members here assembled on October 26, 2010, at the ICC Annual Business Meeting, do hereby pay tribute to those members recently retired; and

BE IT FURTHER RESOLVED, that we extend our most sincere appreciation to them for their contributions to the safety and security of the public in the built environment.
PROGRAM PROFILES AND HIGHLIGHTS
SUBSIDIARIES OF THE INTERNATIONAL CODE COUNCIL
ANNUAL BUSINESS MEETING
PROPOSED BYLAW CHANGES
PROPOSED MEMBER RESOLUTIONS
—GOVERNING THE CONDUCT OF ELECTIONS—
AUDITED FINANCIAL STATEMENTS
CONFERENCE SCHEDULE
This policy outlines the procedures for the conduct of elections at the ICC Annual Business Meeting.

1.0 Eligible Voters: Governmental Member Voting Representatives and Honorary Members in attendance at the Annual Business shall be eligible to vote on the elections, in accordance with ICC Bylaws. Only one vote is authorized for each eligible attendee. Application, whether new or updated, for ICC membership must be received by the Code Council ten days prior to the commencement of the Annual Business Meeting.

2.0 Nominating Committee Report: When the agenda item concerning nominations for elections has been reached, the President shall call upon the Chair of the Nominating Committee for a report. The report of the Nominations Committee shall consist of one nominee for each vacant seat. The Chair of the Nominating Committee shall read the entire list of nominations.

3.0 Election & Floor Nominations: The President shall then proceed to conduct the elections by calling to the floor the election of each individual seat being vacated, the corresponding Nominating Committee nomination and then call for nominations from the floor. Floor nominations shall only be made by members in good standing eligible to vote in the election. Floor nominations shall be seconded by a member in good standing eligible to vote in the election. The President shall request nominations from the floor three times for the position under consideration until there are no more floor nominations. At this point, the nominations for that position shall be closed and the election shall proceed to the voting for that seat. On completion of the election for that seat, the President shall proceed with the nominations for the following seat.

4.0 Voice Vote: If no nominations for an open seat are made from the floor, the President shall call for a voice vote for the seat under consideration. The President shall determine and declare the result of the election. When there is more than one nominee for a vacant seat, the election shall be by ballot vote.

5.0 Tally Judges: If any open seat has more than one nominee a paper ballot is required. The President shall appoint Tally Judges in such a number as the President considers necessary, but shall in no case be less than three, to distribute, collect and count the ballots. Any nominee for a contested seat may request an observer to be present during the counting of the ballots.

6.0 Ballot: The Secretary/Treasurer shall provide paper ballots in sufficient number to accommodate all voting members present. Alternatively, a sufficient number of electronic voting devices shall be provided to accommodate all voting members. In the event, the electronic devices are inoperable, the Secretary/Treasurer shall provide paper ballots as provided above. Each person qualifying as an eligible voting Governmental Member Representative or Honorary Members in accordance with the Bylaws shall be entitled to a single ballot and one vote, regardless of the number of Governmental Members a person represents. The Board shall establish procedures for the use of electronic devices to assure the security of the voting process.

7.0 Ballot Voting: The President shall announce prior to the distribution of the ballots how the ballots should be marked, including instructions on how members can write in their additional choice for the seat under consideration. A ballot shall contain only one vote for each seat vacant if it is to be counted.

Prior to voting, all candidates nominated by the Nominating Committee or from the floor will be given the opportunity to speak and/or have others speak on their behalf.

A voting member may write in the name of any person, who is qualified to be elected, for any seat whether or not the person has been duly nominated from the floor or by the committee. Only legible names shall be counted.

8.0 Ballot Distribution: When the President has completed the instructions to the voting members, the Secretary/Treasurer shall give the ballots to the Tally Judges for distribution to the voting members. The President then will ask the voting members to record their votes on the ballots.

9.0 Ballot Collection: After a reasonable time, the President will instruct the Tally Judges to collect the ballots from the voting members.
10.0 **Ballot Counting:** When the ballots have been collected, the President will instruct the Tally Judges to retire to a convenient place to count and record the ballots. One observer selected by each nominee may observe the Tally Judges during the counting of the ballots and the preparation of the return. An observer shall not, however, interfere with the Tally Judges in the performance of their duties. Any alleged irregularities in the ballot counting shall be brought to the attention of the President prior to the report of the Tally Judges being delivered to the President.

The Tally Judges shall count each ballot and shall prepare a report for the President which states the number of votes cast for each person. At the conclusion of the ABM, the Tally Judges shall deliver the ballots to the Chief Executive Officer, who shall preserve the same for a period of six months after the date of the election. After the expiration of such six month period, the Chief Executive Officer shall destroy the ballots.

11.0 **Ballot Results:** Upon receipt of the report of results from Tally Judges, the President shall read the same and declare the results to the members. In the event of a tie vote, the President shall call for further voting by the voting members present with respect to the tied candidates. Such further voting may be by a show of hands or, at the request of any voting member, by written ballot. In the event that such further voting is done by written ballot, the procedure set forth above shall be followed. Upon the determination of the results of such further voting, the President shall declare the results thereof.

12.0 **Majority Vote:** In accordance with Section 5.4 of the ICC Bylaws, all Directors must be elected by a majority of the voting members present and voting. Accordingly, if the number of candidates does not exceed the number of open seats, the election shall be conducted in accordance with section 3.0 of this policy and the candidates shall be deemed to have received a majority vote.

13.0 **Failure to achieve a majority:** During an election to fill an open Board seat, should no candidate receive a majority vote (50% +1) a run-off election shall be held. The candidates standing for the run-off election shall be the two candidates with the highest number of the votes received during the initial ballot.

14.0 **Advertising:**

14.1 Objective: To avoid the appearance that the ICC favors the candidacy of any individual member over that of any other member candidate.

14.2 Campaign advertising in ICC materials shall comply with this section.

(a) Campaign advertising for positions on the Board of Directors is prohibited in ICC print and electronic periodicals and other Annual Business Meeting materials produced by ICC.

(b) Board candidate advertising is permitted in the Chapter Resource Guide. (This is not technically an ICC Periodical. It is a product of the Conference Host Chapter. A disclaimer indicating that should be included in the publication if it will continue to accept that Board candidate advertising is permissible in the Chapter Resource Guide.)

14.3 Annual Business Meeting sponsorships shall not be sold for the purpose of advocating Board candidacies.
ARTICLE I — NAME AND OBJECTIVES

1.1 Name - This organization shall be known as the International Code Council, Inc., hereinafter in these Bylaws referred to as the "Council" or the "Corporation".

1.2 General Purposes - The Council is a nonprofit public benefit corporation and is not organized for the private gain of any person. The Corporation is organized exclusively as an organization described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or the corresponding provision in any future United States internal revenue law (the "Code"). Notwithstanding any other provision herein, the Corporation shall not engage in a regular business activity of a kind ordinarily carried on for profit and shall not carry on any other activity not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(6) of the Code. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes. Such purposes specifically include:

With respect to buildings and structures: (a) the lessening of burdens of government through the development, maintenance and publication of model statutes and standards for the use by federal, state and local governments in connection with the administration of building laws and regulations, and (b) the lessening of the burdens of government through the performance of certain services for the benefit of federal, state and local governments in connection with the administration of building law and regulation.

1.3 Principal Office - The Corporation shall have and continuously maintain a registered office in the State of California and a registered agent whose principal business office is identical with such registered office.

ARTICLE II — MEMBERSHIP

2.1 Categories of Membership - The Council shall have the following categories of voting membership:

2.1.1 Governmental Member - A Governmental Member shall be a governmental unit, department or agency engaged in the administration, formulation or enforcement of laws, ordinances, rules or regulations relating to the public health, safety and welfare. Each Governmental Member shall designate its Primary Representative who will receive benefits of membership in the Council on behalf of the Governmental Member as determined by the Board of Directors from time to time.

2.1.1.1 Governmental Member Voting Representatives - Each Governmental Member shall exercise its right to vote through its designated Governmental Member Voting Representatives, and shall be entitled to the number of Governmental Member Voting Representatives as specified in Table 2.1.1.1. Governmental Member Voting Representatives shall be designated in writing, by the Governmental Member, and shall be employees or officials of the Governmental Member or departments of the Governmental Member, provided that each of the designated voting representatives shall be an employee or a public official actively engaged either full or part time, in the administration, formulation or enforcement of laws, ordinances, rules or regulations relating to the public health, safety and welfare. The designation of a Governmental Member Voting Representative may be changed by the Governmental Member, in writing, from time to time.

<table>
<thead>
<tr>
<th>Table 2.1.1.1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
</tr>
<tr>
<td>0-50,000</td>
</tr>
<tr>
<td>50,001-150,000</td>
</tr>
<tr>
<td>Over 150,000</td>
</tr>
</tbody>
</table>

2.1.2 Honorary Member - An individual who has rendered outstanding service to the Council, and whose name shall be proposed by the Board of Directors and confirmed by a majority vote of the Governmental Member Representatives at an Annual Business Meeting.
2.1.3 **Non-voting categories**: The Board of Directors shall establish the non-voting categories of membership as may be necessary for the adequate representation of all parties interested in association with the International Code Council. Non-voting categories shall provide for membership of individuals and corporate entities and shall include, but not necessarily be limited to, employees of governmental units, design professionals, corporations, educational institutions, not-for-profit associations, and other individuals interested in the purposes and objectives of the Council.

2.2 **Classification by the Board of Directors** - All applications for membership shall be subject to classification by and approval of the Board of Directors. Applicants shall be eligible for membership on approval of the membership application by the Board and on timely payment of such dues and fees as the Board may fix from time to time. This authority may be delegated by the Board of Directors to the Chief Executive Officer.

2.3 **Dues** - The annual dues for each membership category shall be established by the Board of Directors. In no case shall a person be considered in good standing, or be qualified to exercise membership participation or entitled to receive any privilege of membership, who is default in payment of dues for three months, except as may be extended by the Board of Directors.

2.4 **Termination** - A membership in the Council shall terminate on occurrence of any of the following events:

(a) Resignation of the member;

(b) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;

(c) The member’s failure to pay dues, fees or assessments, as set forth by the Board, after they are due and payable;

(d) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications.

2.5 **Nonliability of Members** - A member of the Corporation shall not be personally liable, solely because of membership, for the debts, obligations, or liabilities of the Corporation.

**ARTICLE III — VOTING MEMBERS**

Only Governmental Member Representatives and Honorary Members shall have the right to vote on any matters under these Bylaws, including but not limited to, the right exercised through those individuals eligible to vote for the election of a Director or Directors, or on a disposition of all or substantially all of the assets, or on a dissolution, or on any changes to the Articles of Incorporation or the Bylaws. Only the Governmental Member Representatives and Honorary Members shall be permitted to make motions and to vote on any issue at the Annual Business Meeting, special meetings and written consents. Voting by proxy is not permitted. Any person designated as a voting representative of more than one Governmental Member or who is also an Honorary Member shall be entitled to only one vote.

**ARTICLE IV — GEOGRAPHICAL REPRESENTATION**

4.1 **Limitations**: To encourage wide geographical representation, no more than two Governmental Member Representatives designated by Governmental Members located in the same state may serve simultaneously on any one committee nor may more than two Governmental Members Representatives designated by Governmental Members located in the same state serve simultaneously on the Board of Directors.

4.2 **Distribution**: To provide for geographical representation on the Board of Directors, the following sections are established:

<table>
<thead>
<tr>
<th>Table 4.2</th>
<th>Section A</th>
<th>Alaska, British Columbia, Washington, Oregon, California, Nevada, Hawaii</th>
</tr>
</thead>
<tbody>
<tr>
<td>Section B</td>
<td>Idaho, Montana, Wyoming, North Dakota, South Dakota, Minnesota, Iowa, Wisconsin, Alberta, Saskatchewan, Manitoba</td>
<td></td>
</tr>
<tr>
<td>Section C</td>
<td>Utah, Arizona, Colorado, New Mexico, Oklahoma, Texas, Arkansas, Mexico</td>
<td></td>
</tr>
<tr>
<td>Section D</td>
<td>Nebraska, Kansas, Missouri, Illinois, Michigan, Indiana, Ohio, Kentucky, Ontario</td>
<td></td>
</tr>
<tr>
<td>Section F</td>
<td>Tennessee, Louisiana, Mississippi, Alabama, North Carolina, South Carolina, Georgia, Florida, the Caribbean</td>
<td></td>
</tr>
</tbody>
</table>
4.3 **Transition:** The seat of the most senior Director-at-Large within a Section, as provided in Table 4.2, shall be designated as the Section seat, at the end of the term of such Director-at-Large, which is currently anticipated to occur as follows:

<table>
<thead>
<tr>
<th>Sections</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>C &amp; F</td>
<td>2010</td>
</tr>
<tr>
<td>B &amp; D</td>
<td>2009</td>
</tr>
<tr>
<td>A &amp; E</td>
<td>2011</td>
</tr>
</tbody>
</table>

In the event the term of a senior Director-at-Large does not end in the applicable year set forth by Table 4.3, the designation of an open seat for the applicable Section shall be determined by the Board of Directors. This Section 4.3 shall sunset on January 1, 2012, and shall editorially be deleted from the Bylaws.

**ARTICLE V — BOARD OF DIRECTORS**

5.1 **Governing Body** - Subject to the limitations of the Articles of Incorporation, these Bylaws and the laws of the State of California, all corporate powers shall be exercised by the Board of Directors. The Board of Directors shall be composed of the following: President, Vice President, Secretary/Treasurer, the most Immediate Past President eligible; eight (8) Directors-at-Large, and six (6) Directors, one elected from each Section (Sectional Directors). Each member of the Board of Directors shall be a Governmental Member Representative. All members of the Board of Directors, except as provided in the Bylaws, shall be elected for a term of three years, and shall not serve for more than two consecutive full terms. However, nothing in this section shall preclude a Director initially appointed to a one or two year term, or appointed or elected to fill an unexpired term, from being elected to two subsequent full term(s). Each Sectional Director shall be and remain, throughout his or her term, a Governmental Member Representative for a Governmental Member within the applicable Section.

5.2 **Resignation, Disqualification and Vacancies** - If the office of any director becomes vacant by reason of death, resignation, disqualification, removal or other cause, the president (or in the case the office of president is vacant, the vice-president) shall appoint a successor for the unexpired term and until his or her successor is elected and qualified at the next annual business meeting, subject to the ratification of the Board of Directors. Any director, who ceases to be a designated Governmental Member Representative, for a period exceeding 60 days, shall automatically forfeit his or her position as a director.

5.2.1 **Military Leave** - Board members called to and serving active military duty shall not thereby become disqualified as a member of the board.

5.3 **Removal of a Director** - Any Director may be removed from office upon the vote of two-thirds of the Voting Members present and voting at a meeting of the members, so long as the number of votes cast in favor of removal is at least two-thirds of those necessary for a quorum.

5.4 **Election** - Except as provided herein, the Board of Directors shall establish policies governing the conduct of elections and copies thereof shall be provided to any member requesting a copy. At each Annual Business Meeting a majority of the Voting Members present and voting shall elect such number of directors as necessary to fill vacancies of directors whose terms expire as of such meeting.

5.5 **Quorum** - At all meetings of the Board of Directors, two thirds of the voting directors then in office shall constitute a quorum for transaction of business, and the act of a majority of the voting directors present at the meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by the law of the State of California or by the articles of incorporation. If a quorum shall not be present at any meeting of the Board of Directors, the directors present there at may adjourn the meeting from time to time, without notice other than announcement at the meeting until a quorum shall be present.

5.5.1 **Written Action** - unless otherwise restricted by the articles of incorporation or these By-laws, any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if all voting members of the Board of Directors consent thereto in writing, and the writing or writings are filed with the minutes or proceedings of the Board of Directors.

(continued)
5.5.2 Participation in Meetings by Conference Telephone - Members of the Board of Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or other communication equipment if all of the following apply: (1) each director participating in the meeting can communicate with all of the other directors concurrently, (2) each director is provided the means of participating in all matters before the Board of Directors, including the capacity to propose, or to interpose an objection, to a specific action to be taken by the corporation and (3) the corporation adopts and implements some means of verifying both that (i) a person participating in the meeting is a director or other persons entitled to participate in the Board of Directors meeting and (ii) all actions of, or votes by, the Board of Directors are taken or cast only by the directors and not by persons who are not directors.

5.6 Meetings of the Board of Directors –

5.6.1 General - The Annual Meeting of the Board of Directors shall be held in conjunction with the time and place of the Annual Business Meeting. The Board of Directors shall meet at such other times and in such places as it may determine, and otherwise upon the call of the President or of a majority of the Board of Directors. Motions and votes at such meetings shall be duly recorded.

5.6.2 Organizational Meeting - At the conclusion of the Annual Business Meeting, the Board of Directors shall hold an organizational meeting at which time it may transact any necessary business, including any appointments pertinent to the on-going business.

5.6.3 Closed Meetings - A meeting or portion of a meeting of the Board of Directors may be closed to persons not serving on the Board of Directors by a vote of the Board of Directors when matters that are sensitive to the purpose of the Council, including but not limited to budget, personnel, legal actions, and proprietary practices or materials are to be discussed. The Board of Directors may invite persons who are not members of the Board of Directors to attend portions, or all, of such closed meetings in an advisory capacity.

5.7 Authority - The Board of Directors may adopt any policy or procedure, or authorize any administrative action in the best interest of the Council and its membership.

5.8 Emergency Actions - In the event that the Board of Directors determines an emergency amendment to any International Code® or standard or supplements thereto is warranted, the same may be adopted by the Board of Directors. Such action shall require an affirmative vote of at least two-thirds of the Board of Directors. The membership shall be notified, within ten days after the Board of Directors’ official action, of any emergency amendment. At the next Annual Business Meeting any emergency amendment shall be presented to the members for ratification by a majority of the Governmental Member Representatives present and voting.

ARTICLE VI — OFFICERS

6.1 Officers and Election - Election of officers for the ensuing year shall be held at the annual business meeting. The Officers of the Council shall consist of a President, Vice President, and Secretary/Treasurer (who shall be the chief financial officer of the Corporation), elected from the Board of Directors by the voting members present and voting at the annual business meeting. At no time shall more than one Governmental Member Representative located in the same state serve as an Officer. Such Officers shall take office beginning at the conclusion of the Annual Business Meeting and shall serve until adjournment of the following Annual Business Meeting or until their successors are duly elected and qualified. Officers' tenure shall be limited to 1 single, full-year, term in each office.

6.2 Duties of President - The President shall preside at the Annual Business Meeting, special meetings of the members and at meetings of the Board of Directors. The President shall be a regular member and preside at meetings of the Executive Committee and shall be an ex officio nonvoting member of all other committees. The President shall have other such duties as are prescribed by the Board of Directors or these Bylaws. Officers shall not act in their official capacity by proxy.

6.3 Duties of the Vice President - The Vice President shall act and perform the duties of the President during the President’s absence from any meetings of this Corporation or the Board of Directors, or by a vote of the Board of Directors in case of disability of the President, and shall assist the President in the conduct of the office of President. Officers shall not act in their official capacity by proxy.

6.4 Duties of the Secretary/Treasurer - The Secretary/Treasurer shall be responsible for keeping the minutes and records of meetings, maintaining correspondence, receiving and disbursing funds, supervising financial affairs, approving expenditures as provided by resolution of the Board of Directors, and generally performing such official duties of a Secretary/Treasurer of a corporation. The Board of Directors may designate the Chief Executive Officer as the official agent for all or portions of such duties. Officers shall not act in their official capacity by proxy.
6.5 Resignation, Disqualification and Vacancies - If the position of any officer becomes vacant by reason of death, resignation, disqualification, removal or other cause, the president (or in the case the office of president is vacant, the vice-president) shall appoint a successor for the unexpired term and until his or her successor is elected and qualified at the next annual business meeting, subject to the ratification of the Board of Directors. Any officer who ceases to be a member of the Board of Directors shall automatically forfeit his or her position as an officer.

ARTICLE VII — EXECUTIVE COMMITTEE

7.1 Executive Committee Members - There shall be an Executive Committee of the Board of Directors. The members of the Executive committee shall be composed of the President, the Vice President, the Secretary/Treasurer and the Immediate Past President.

7.2 Powers and Duties - The Executive Committee shall have authority to act in such matters as are specifically delegated by the Board of Directors and take action on such matters delegated, as deemed prudent in furtherance of the general objectives of the Council. If an urgent situation arises and the President determines a matter requires immediate action or a timely decision, and it is not practical to convene a quorum of the Board of Directors, the Executive Committee shall have the authority to act on behalf of the Board unless otherwise specifically provided. The Executive Committee and the Chief Executive Officer shall meet as necessary, between meetings of the Board of Directors, at a date and place designated by the President. Actions of the Executive Committee shall be reported to the Board of Directors without delay.

ARTICLE VIII — ADMINISTRATION

8.1 Chief Executive Officer - The Board of Directors shall appoint a Chief Executive Officer and such other officers as it shall designate, who shall serve at the pleasure of the Board. The Board of Directors shall fix the Chief Executive Officer’s compensation. The Chief Executive Officer shall manage the affairs of the Council within the policies established by the Board of Directors and shall perform such other duties as may be assigned by the Board of Directors to the Chief Executive Officer. Neither the Chief Executive Officer nor any other officer appointed by the Board shall have a vote in the proceedings of this Council or of the Board of Directors.

ARTICLE IX — MEETINGS OF THE MEMBERS

9.1 Annual Business Meeting - A regular meeting of the Governmental Member Representatives, herein referred to as the Annual Business Meeting shall be held each calendar year at a time and place designated by the Board of Directors.

9.1.1 Order of Business Meeting - The items of business at the Annual Business Meeting shall include, but not be limited to, the following:

1. Call to order.
2. Reading of Meeting Notice.
3. Determination of a quorum.
4. Approval of minutes of previous meeting(s).
5. Announcement of the Officers-Elect.
10. Resolutions.
11. Adjournment.

The order of business as announced at the meeting may be changed by a majority vote of the Governmental Member Representatives present and voting at the Annual Business Meeting.

9.2 Special Meetings - Special Meetings of the Governmental Member Representatives may be called at any time by the President with approval of two-thirds of the Board of Directors. The President shall call a special meeting upon the receipt of a valid petition, specifying purpose of the special meeting and bearing the names, titles, addresses, and signatures of five percent of the Governmental Member Representatives.

9.3 Quorum - A quorum for the transaction of business at any annual or special meeting shall consist of 100 Governmental Member Representatives.

9.4 Meeting Notice - A notice of the time and place of a special meeting shall be published not less than 60 days prior to the start of the special meeting. A notice of the time and place of the Annual Business Meeting shall be published not less than 60 days prior to the start of the Annual Business Meeting.
9.5 **Eligibility to Vote** - Governmental Member Representatives and Honorary Members (collectively, the "Voting Members") in good standing under these Bylaws shall be entitled to vote at any meeting of Governmental Member Representatives. Each Governmental Member Representative and Honorary Member entitled to vote may cast one vote on each matter submitted to a vote of the Governmental Member Representatives. Any person designated as a Governmental Member Representative of more than one Governmental Member or who is also an Honorary Member shall be entitled to only one vote.

**ARTICLE X — CODE DEVELOPMENT PROCESS**

The Board of Directors shall adopt a policy, which may be amended from time to time, on the Code Development process for the International Codes®.

**ARTICLE XI — COMMITTEES**

11.1 **Committees, Councils** - The Board of Directors may establish committees and councils as it shall deem advisable. The President shall, with the concurrence of the Board, appoint or replace all members of committees and councils not otherwise specifically provided for herein.

11.2 **Board Authority** - Any member of any committee or council may be removed by the Board at any time, subject to the limitations of the laws of the State of California, and subject to any limitations of the Articles of Incorporation or Bylaws regarding actions which require approval of the Governmental Member Representatives and Honorary Members. Each committee or council shall be under the direction of the Board and shall have such authority as shall be delegated and prescribed by the Board.

11.3 **Nominating Committee** - There shall be a Nominating Committee chaired by the Immediate Past President and consisting of Governmental Member Representatives and/or Honorary Members having a reasonably distributed geographical representation. The Board of Directors shall establish policies governing the Nominating Committee and the conduct of elections. The Nominating Committee, excluding the Chairperson, shall have no more than one Governmental Member Representative or Honorary Member from any one state.

11.4 **Meetings of Committees** - Except as otherwise provided by these bylaws, committees and councils shall comply with the policies established by the Board of Directors.

**ARTICLE XII — CHAPTERS**

12.1 **Organization** - The Council shall encourage and recognize the establishment of regional, state, student, professional, local area and International chapter organizations of its members, the purpose of which shall be the furtherance of the objectives of the Council. Applications for the establishment of a chapter, together with a copy of the proposed chapter Bylaws and a list of those who have agreed to become members of the chapter, shall be submitted to the Board of Directors for approval. The chapter shall be established upon approval by the Board of Directors.

12.2 **Management** - All chapters shall be managed in accordance with policies established by the Board of Directors.

**ARTICLE XIII — AUDITING AND REPORTS**

13.1 **Fiscal Year** - The fiscal year of the Council shall be as determined by the Board of Directors.

13.2 **Audit** - There shall be an audit of the activities and financial affairs of the Council at the end of each fiscal year by an independent auditor selected by the Chief Executive Officer with the advice and consent of the Board of Directors. Such audit shall be submitted to the Board of Directors.
ARTICLE XIV — INDEMNIFICATION, INSURANCE AND DIRECTOR LIABILITY

14.1 Definitions - For the purposes of this Article XIV, "agent" means any person who is or was a director, officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, foundation, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under Sections 14.4 or 14.5(b) of these Bylaws.

14.2 Indemnification in Actions by Third Parties - The Corporation shall have power to indemnify any person who was or is a party to, or is threatened to be made a party to, any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to the assets held in charitable trust) by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

14.3 Indemnification in Actions by or in the Right of the Corporation - The Corporation shall have power to indemnify any person who was or is a party to, or is threatened to be made a party to, any threatened, pending or completed action by or in the right of the Corporation, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interest of the Corporation and, with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 14.3:

(a) In respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation in the performance of such person's duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.

14.4 Indemnification Against Expenses - To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Sections 14.2 or 14.3 of these Bylaws or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

14.5 Required Determinations - Except as provided in Section 14.4 of these Bylaws, any indemnification under this Article XIV shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 14.2 or 14.3 of these Bylaws, by:

(a) A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

(b) The court in which such proceeding is or was pending upon application made by the Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Corporation.
14.6 **Advance of Expenses** - Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article XIV.

14.7 **Other Indemnification** - No agreement made by the Corporation to indemnify its (or its subsidiaries') Directors or Officers shall be valid unless such agreement is consistent with this Article XIV. In the event of any inconsistencies between this Article XIV and any other provisions regarding indemnification of Directors and Officers by the Corporation, this Article XIV shall prevail. Nothing contained in this Article XIV shall affect any right to indemnification held by persons other than Directors and Officers.

14.8 **Forms of Indemnification Not Permitted** - No indemnification or advance shall be made under this Article XIV, except as provided in Section 14.4 or 14.5(b), in any circumstances where it appears:

(a) That it would be inconsistent with a provision of the Articles of Incorporation, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

14.9 **Nonpaid Directors** - Except as provided in Sections 5233 or 5237 of the California Nonprofit Public Benefit Corporation Law (or any successor provisions thereto), there shall be no monetary liability on the part of, and no cause of action for damages shall be asserted against, any nonpaid Director, including any nonpaid Director who is also a nonpaid Officer of the corporation, based upon any alleged failure to discharge the person's duties as Director or Officer if the duties are performed in a manner that meets all of the following criteria:

(a) The duties are performed in good faith;

(b) The duties are performed in a manner such Director believes to be in the best interests of the Corporation; and

(c) The duties are performed with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

14.10 **Insurance** - The Corporation shall have power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of this Article XIV; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law (or any successor provision thereto).

14.11 **Nonapplicability to Fiduciaries of Employee Benefit Plans** - This Article XIV does not apply to any proceeding against any Director, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the Corporation as defined in Section 14.1 of these Bylaws. The Corporation shall have power to indemnify such Director, investment manager, or other fiduciary to the extent permitted by subdivision (f) of Section 207 of the California General Corporation Law.

If any part of this Article XIV shall be found in any action, suit or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

**ARTICLE XV — AUTHORITY AND BENEFIT**

15.1 **No Benefit to Any Individual** - No part of the net earnings, if any, of this Council shall inure to the benefit of any member or other individual, and no gain, profit, or dividends shall ever be distributed to any member of this Council or inure to the benefit of any private persons, except as provided for in these Bylaws.

15.2 **No Authority to Act** - A member or chapter of any officer or member thereof shall not participate in or purport to have authority to act on behalf of or bind this Corporation to any legal obligations or liability, except as provided in these Bylaws, or resolution or policy of the Board of Directors.
ARTICLE XVI — DISSOLUTION
In the event of a dissolution or final liquidation of the Council, all of the remaining assets and property of the Council shall, after paying or making provision for the payment of all of the liabilities or obligations of the Council and for necessary expenses thereof, be transferred to one or more organizations which will (i) dedicate such assets and property to public and/or charitable purposes, and (ii) qualify as tax exempt organizations under Section 501(c)(3), Section 501(c)(4), or Section 501(c)(6) of the Code.

ARTICLE XVII — RULES OF ORDER
Roberts Rules of Order shall govern all aspects of a parliamentary nature unless otherwise provided for by the Board of Directors.

ARTICLE XVIII — AMENDMENTS TO BYLAWS
18.1 Proposals - Proposed amendments to these Bylaws, to be considered at an Annual Business Meeting, shall be signed by at least ten Governmental Member Representatives and shall be presented to the Board of Directors at least 90 days prior to the opening of an Annual Business Meeting or must be proposed through resolution of at least ten of the members of the Board of Directors at least 90 days prior to the opening of an Annual Business Meeting.

18.2 Notice of Actions - The Board of Directors shall cause proposed amendments to the Bylaws to be printed in the Annual Business Meeting notice and shall present its recommendations, if any, at the Annual Business Meeting. These proposed amendments may be discussed and amended at the Annual Business Meeting, and if passed by a two-thirds vote of those Governmental Member Voting Representatives present, shall be sent by ballot, as amended on the floor, to all Governmental Member Representatives of the Council for ratification. To be considered, the ballots submitted by the Governmental Member Representatives shall be received within 30 days of distribution. A two-thirds majority of the ballots submitted by Governmental Member Voting Representatives is required for adoption. The returns shall be certified by the President if the necessary majority for adoption is received.

18.3 Effective Date - The approved amendments become effective ten days thereafter unless otherwise provided in the amendment.

ARTICLE XIX — OPERATIVE DATE
19.1 General - These Bylaws shall be effective and operative upon the date designated by the Board as the date on which the consolidation of the operations of BOCA, ICBO and SBCCI and their respective controlled entities with the operations of this Corporation occurs.

19.2 Committees - Council committees in existence as of the operative date of these Bylaws to the extent permitted under these Bylaws shall not be deemed abolished by the adoption of these Bylaws, subject to the right of the Board of Directors to remove them.

19.3 Previous Action Remains in Effect - Upon the operative date of these Bylaws, all prior actions consistent with these Bylaws, whether pursuant to resolution or policy, of the Board of Directors, or any other committee, remain in effect until modified, repealed or otherwise superseded.

[History: The original ICC Bylaws were approved on July 24, 2002. Seven amendments were presented to the ICC membership at the ABM on September 27, 2004. The amendments were approved and ratified by letter ballot sent to all Governmental Members. The results of the election were certified by the ICC President on December 19, 2004 and became effective on December 29, 2004. One amendment was presented to the ICC membership at the ABM on September 27, 2005. The amendment was approved and ratified by letter ballot sent to all Governmental Members. The results of the election were certified by the ICC President on January 3, 2006 and became effective on January 13, 2006. Two amendments were presented to the ICC membership at the ABM on September, 2006. The amendment was approved and ratified by letter ballot sent to all Governmental Members. The results of the election were certified by the ICC President on April 5, 2007 and became effective on April 15, 2007. One amendment was presented to the ICC membership at the ABM on October 2, 2007. The amendment was approved and ratified by letter ballot sent to all Governmental Members. The results of the election were certified by the ICC President on January 23, 2008 and became effective on February 2, 2008. One amendment was presented to the ICC membership at the ABM on September 16, 2008. The amendment was approved and ratified by letter ballot sent to all Governmental Members. The results of the election were certified by the ICC President on January 12, 2009 and became effective on January 14, 2009. Two amendments were presented to the ICC membership at the ABM on November 3, 2009. One amendment was approved and ratified by letter ballot sent to all Government Member Voting Representatives. The results of the election were certified by the ICC President on February 26, 2010.]
PROPOSED BYLAW CHANGES
PROPOSED MEMBER RESOLUTIONS
GOVERNING THE CONDUCT OF ELECTIONS
—AUDITED FINANCIAL STATEMENTS—
CONFERENCE SCHEDULE
International Code Council, Inc. and Subsidiaries

Consolidated Financial Statements and Supplemental Material
As of December 31, 2009 and 2008 and For the Year Ended December 31, 2009
International Code Council, Inc.
and Subsidiaries

Consolidated Financial Statements
and Supplemental Material
As of December 31, 2009 and 2008 and
For the Year Ended December 31, 2009
# Contents

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Independent Auditors’ Report

Board of Directors
International Code Council, Inc. and Subsidiaries

We have audited the accompanying consolidated statements of financial position of International Code Council, Inc. and its subsidiaries (the “Council”) as of December 31, 2009, and the related consolidated statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Council’s management. Our responsibility is to express an opinion on these financial statements based on our audit. The consolidated financial statements of the Council as of December 31, 2008, before restatement for the matter described in the second following paragraph, were audited by other auditors whose report dated April 10, 2009 expressed an unqualified opinion on those consolidated financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, International Code Council, Inc. (“ICC”) previously recognized revenue from its membership fees when cash was received rather than when earned and also, one of ICC’s subsidiaries, ICC - Evaluation Service, Inc., previously recognized revenue from its report fees when cash was received rather than when earned; both policies were not in accordance with generally accepted accounting principles. ICC also corrected an error in recording accrued expenses. The Council has restated its 2008 statement of financial position for the correction of these misstatements to conform to accounting principles generally accepted in the United States of America.

In our opinion, the 2009 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of International Code Council, Inc. and its subsidiaries as of December 31, 2009 and the changes in its consolidated net assets and its consolidated cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

We also audited the adjustments described in Note 1 that were applied to restate the 2008 statement of financial position. In our opinion, such adjustments are appropriate and have been properly applied.

BDO Seidman, LLP
Chicago, Illinois
May 6, 2010

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BDO is the brand name for the BDO network and for each of the BDO Member Firms.
Consolidated Financial Statements
<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td>(as restated)</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 9,103,495</td>
<td>$ 8,484,504</td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>120,349</td>
<td>129,534</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance for doubtful accounts of $1,281,800 and $682,300, respectively</td>
<td>3,145,853</td>
<td>4,424,664</td>
</tr>
<tr>
<td>Other receivables</td>
<td>121,920</td>
<td>196,735</td>
</tr>
<tr>
<td>Inventory, net</td>
<td>4,742,504</td>
<td>6,066,770</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>484,878</td>
<td>482,554</td>
</tr>
<tr>
<td>Investments</td>
<td>3,505,750</td>
<td>-</td>
</tr>
<tr>
<td><strong>Property and Equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>1,180,865</td>
<td>1,180,865</td>
</tr>
<tr>
<td>Buildings</td>
<td>13,773,603</td>
<td>13,773,603</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>1,175,505</td>
<td>1,149,249</td>
</tr>
<tr>
<td>Computers</td>
<td>6,601,149</td>
<td>5,962,027</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>2,985,283</td>
<td>2,932,254</td>
</tr>
<tr>
<td>Office equipment</td>
<td>2,965,974</td>
<td>2,930,414</td>
</tr>
<tr>
<td>Vehicles</td>
<td>73,183</td>
<td>73,184</td>
</tr>
<tr>
<td></td>
<td>28,755,562</td>
<td>28,001,596</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortization</td>
<td>(19,039,987)</td>
<td>(18,007,963)</td>
</tr>
<tr>
<td><strong>Net property and equipment</strong></td>
<td>9,715,575</td>
<td>9,993,633</td>
</tr>
<tr>
<td><strong>Intellectual Property and Other Intangible Assets, net</strong></td>
<td>228,993</td>
<td>267,762</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$ 31,169,317</td>
<td>$ 30,046,156</td>
</tr>
</tbody>
</table>
### International Code Council, Inc. and Subsidiaries

#### Consolidated Statements of Financial Position

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$1,243,796</td>
<td>$911,186</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>1,581,687</td>
<td>2,200,874</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>8,353,222</td>
<td>6,866,125</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>821,102</td>
<td>870,966</td>
</tr>
<tr>
<td>Accrued employee benefits</td>
<td>3,058,121</td>
<td>3,770,306</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>15,057,928</strong></td>
<td><strong>14,619,457</strong></td>
</tr>
</tbody>
</table>

#### Commitments (Notes 7 and 8)

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted net assets</td>
<td>15,986,175</td>
<td>15,292,300</td>
</tr>
<tr>
<td>Temporarily restricted net assets</td>
<td>125,214</td>
<td>134,399</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>16,111,389</strong></td>
<td><strong>15,426,699</strong></td>
</tr>
</tbody>
</table>

#### Total Liabilities and Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$31,169,317</td>
<td>$30,046,156</td>
</tr>
</tbody>
</table>

*See accompanying independent auditors’ report and notes to the consolidated financial statements.*
## International Code Council, Inc. and Subsidiaries

### Consolidated Statement of Activities

<table>
<thead>
<tr>
<th>Year ended December 31,</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2009 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Support and Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program services</td>
<td>$29,748,548</td>
<td>$-</td>
<td>$29,748,548</td>
</tr>
<tr>
<td>Product sales</td>
<td>22,979,906</td>
<td>-</td>
<td>22,979,906</td>
</tr>
<tr>
<td>Other income</td>
<td>690,436</td>
<td>-</td>
<td>690,436</td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>51,144</td>
<td>4,315</td>
<td>55,459</td>
</tr>
<tr>
<td>Interest income</td>
<td>85,602</td>
<td>-</td>
<td>85,602</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>13,500</td>
<td>(13,500)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>53,569,136</td>
<td>(9,185)</td>
<td>53,559,951</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Programs/member services</td>
<td>36,147,351</td>
<td>-</td>
<td>36,147,351</td>
</tr>
<tr>
<td>Administrative/support services</td>
<td>9,804,882</td>
<td>-</td>
<td>9,804,882</td>
</tr>
<tr>
<td>Cost of product</td>
<td>6,852,067</td>
<td>-</td>
<td>6,852,067</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>52,804,300</td>
<td>-</td>
<td>52,804,300</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Increase (Decrease) in Net Assets Before</strong></td>
<td>764,836</td>
<td>(9,185)</td>
<td>755,651</td>
</tr>
<tr>
<td>Unrealized Loss on Investments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized loss on investments</td>
<td>(70,961)</td>
<td>-</td>
<td>(70,961)</td>
</tr>
<tr>
<td><strong>Increase in Net Assets</strong></td>
<td>693,875</td>
<td>(9,185)</td>
<td>684,690</td>
</tr>
<tr>
<td>Net Assets, as previously reported, beginning of year</td>
<td>20,699,518</td>
<td>134,399</td>
<td>20,833,917</td>
</tr>
<tr>
<td>Adjustment for correction of errors (Note 1)</td>
<td>(5,407,218)</td>
<td>-</td>
<td>(5,407,218)</td>
</tr>
<tr>
<td>Net Assets, as restated, beginning of year</td>
<td>15,292,300</td>
<td>134,399</td>
<td>15,426,699</td>
</tr>
<tr>
<td>Net Assets, end of year</td>
<td>$15,986,175</td>
<td>$125,214</td>
<td>$16,111,389</td>
</tr>
</tbody>
</table>

*See accompanying independent auditors’ report and notes to the consolidated financial statements.*
### Consolidated Statement of Cash Flows

Year ended December 31, 2009

**Cash Flows From Operating Activities**

Increase in net assets $ 684,690

Adjustments to reconcile increase in net assets to net cash provided by operating activities:

- Depreciation and amortization 1,070,793
- Provision for doubtful accounts 599,600
- Inventory obsolescence write-offs 996,487
- Gain on disposal of fixed assets (2,135)
- Unrealized loss on Investments 70,961

Changes in assets and liabilities:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted cash</td>
<td>9,185</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>679,211</td>
</tr>
<tr>
<td>Other receivables</td>
<td>74,815</td>
</tr>
<tr>
<td>Inventory</td>
<td>327,779</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>(2,324)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>332,610</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>(619,187)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>1,487,097</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>(49,864)</td>
</tr>
<tr>
<td>Accrued employee benefits</td>
<td>(712,185)</td>
</tr>
</tbody>
</table>

Net cash provided by operating activities 4,947,333

**Cash Flows From Investing Activities**

- Purchases of property and equipment (751,831)
- Purchases of investments (3,576,711)

Net cash used in investing activities (4,328,542)

**Net Increase in Cash and Cash Equivalents**

618,991

**Cash and Cash Equivalents, at beginning of year**

8,484,504

**Cash and Cash Equivalents, at end of year** $ 9,103,495

*See accompanying independent auditors’ report and notes to the consolidated financial statements.*
1. **Restatement of 2008 Consolidated Statement of Financial Position**

During 2009, it was determined that International Code Council, Inc. ("ICC") was not properly recognizing the revenue for their membership dues. ICC was recognizing the revenue when cash was received rather than as the revenue was earned. ICC corrected this error as well as correcting an error in recording accrued expenses. In addition, one of ICC’s subsidiaries, ICC Evaluation Service, Inc. was recognizing revenue from its report fees when cash was received rather than when earned. The impact of correcting these errors on the 2008 consolidated statement of activities is undetermined. Below summarizes the effect of the restatement on the 2008 statement of financial position.

<table>
<thead>
<tr>
<th>2008 Statement of Financial Position</th>
<th>As Originally Stated</th>
<th>As Restated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred revenue</td>
<td>$1,226,356</td>
<td>$6,866,125</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>$2,433,425</td>
<td>$2,200,874</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>$9,212,239</td>
<td>$14,619,457</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$20,833,917</td>
<td>$15,426,699</td>
</tr>
</tbody>
</table>

2. **Summary of Accounting Policies**

**Nature of Organization**

The International Code Council, Inc. and Subsidiaries (the “Council”), a membership association dedicated to building safety and fire prevention, develops codes used to construct residential and commercial buildings, including homes and schools.

The Council was created in 2003 from the merger of three regional code councils, Building Officials and Code Administrators International, Southern Building Code Congress International, and the International Conference of Building Officials. As a result of the merger, International Code Council, Inc. is the sole statutory member of ICC Evaluation Service, Inc. ("ICC-ES"), International Accreditation Services, Inc. ("IAS") and International Code Council Foundation, Inc. ("ICCF"). Each entity has a separate board, distinct programs, and revenue stream.

**Principles of Consolidation**

These consolidated financial statements include all of the accounts of these four aforementioned entities. All material intercompany transactions have been eliminated.
**Accounting Standards Codification**

Effective with the financial statements for the year ended December 31, 2009, the Council adopted Financial Accounting Standards Board Accounting Standards Codification (“ASC” or “the Codification”) 105-10, “Generally Accepted Accounting Principles,” which becomes the single official source of authoritative, nongovernmental United States generally accepted accounting principles. The adoption of ASC 105-10 changed all references to authoritative accounting literature referenced in the Council’s notes to the financial statements.

**Concentration of Risk**

The Council maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Council has not experienced any losses in such accounts. Management believes that the Council is not exposed to any significant credit risk on cash.

**Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Council considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

**Investment Valuation**

The investments of the Council are reported at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price).

_Mutual Funds_ - Mutual funds’ fair values are determined by reference to the fund’s underlying assets, which are principally marketable equity and fixed income securities. Shares held in mutual funds that trade on national securities exchanges are valued at their trading price and are classified within Level 1 of the valuation hierarchy as described in Note 3.

_Government Bonds_ - Government bonds consist of securities traded in markets that are not considered active and are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the Council’s investment manager’s best estimates. These investments are classified within Level 2 of the valuation hierarchy as described in Note 3.

**Accounts Receivable**

Accounts receivable arise during the normal course of business from the sale of publications as well as educational and technical services. It is the policy of management to review the outstanding accounts receivable at year-end, as well as the bad debt write-offs experienced in
the past, and establish an allowance for uncollectible amounts. Membership dues are invoiced at the beginning of the respective membership period.

**Other receivables**

Other receivables arise from grants earned assisting foreign governments in developing or improving building codes and royalties earned but not yet received.

**Inventory**

Inventories are stated at the lower of cost or market using the first-in, first-out method. The inventory consists of publications and other finished goods. Shipping and handling costs are reflected in cost of goods sold. Publications printed internally include only the material cost to print the publication or manual. An inventory obsolescence reserve has been established to recognize that older publications may no longer be saleable. The obsolescence reserve was approximately $870,000 and $825,000 as of December 31, 2009 and 2008, respectively.

**Property and Equipment**

Building, equipment and land are carried at cost. Depreciation is computed on the straight-line method over 5 - 7 years for office and computer equipments, vehicles and furniture and fixtures; 20 years for building improvements; and 40 years for buildings. Amortization of leasehold improvements is provided using the straight-line method over the shorter of the useful life of the property being amortized or the term of the lease.

Maintenance, repairs, and minor renewals are expensed as incurred. When fixed assets are retired or otherwise disposed of, the costs and related accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited or charged to operations.

**Intangible Assets**

Intangible assets with estimable useful lives are amortized on a straight-line basis over their respective estimated useful lives of 15 years. Management represents this method which approximates the fair value of the asset.

On an ongoing basis, the Council reviews their definite lived intangibles and other long-lived assets for impairment whenever events or circumstances indicate that the carrying amounts may be overstated. The Council recognizes impairment losses if the undiscounted cash flows expected to be generated by the assets are less than the carrying value of the related asset. The impairment loss adjusts the assets to fair value. As of December 31, 2009, management believes that no such impairments existed.
Net Assets

ICC, ICC-ES and IAS report information regarding its financial position and activities according to one class of net assets: unrestricted.

ICCF reports information regarding its financial position and activities according to two classes of net assets: unrestricted and temporarily restricted.

Unrestricted net assets include resources which are not subject to donor-imposed restrictions plus those resources for which donor-imposed restrictions have been satisfied. Contributions are reported as increases in the appropriate category of net assets. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments are reported in the statement of activities as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or by law.

Satisfaction of temporarily restricted net assets (i.e., the donor-stipulated purpose has been fulfilled or the stipulated time period has elapsed) is reported as a reclassification from temporarily restricted net assets to unrestricted net assets. Where the stipulation of the temporarily restricted net assets is fulfilled in the same year as the original contribution, the contribution is recorded as unrestricted revenue. At December 31, 2009, temporarily restricted net assets were primarily related to donations designated for scholarships. Amounts are released from restriction as the funds are spent toward the specific-restricted purpose or the time period has elapsed. Permanently restricted net assets are subject to donor-imposed restrictions which will never lapse, thus requiring that the funds be retained permanently. The Council does not have any permanently restricted net assets.

Revenue Recognition

Revenues are recognized when earned. Annual member dues are earned on a pro rata basis over the period of the membership term. Fees for service activities are earned at the time the services are performed and billed. Monies received for activities that have not yet taken place are recognized as deferred revenue.

ICC-ES has three primary sources of evaluation revenue: new report, report renewals with changes and report renewals with no changes. All reports require a deposit prior to commencing an evaluation service. Many customers submit deposits based on the total proposal or include anticipated renewal fees in their payment. As a result, ICC-ES receives monies in excess of initial invoices and reflects these monies as customer deposits on the statements of financial position.

ICC-ES commences recognition of revenue when the report progresses to the engineering review stage and continues to be earned ratably over the report preparation period ranging from five to sixteen months. For new reports, and report renewals with changes, ICC-ES holds back 25% of the project’s fees until the report is released. Deferred revenue consists of billings for evaluation services which have not been completed as of the financial statement date. Fees
for further studies of an existing evaluation are treated as income in the period the services are rendered.

Entities that are accredited by IAS pay a fee to maintain and renew the accreditation. Accreditation renewals last from 1 to 3 years, and IAS recognizes income over the life of the accreditation. Any fees received in advance of the renewal period are recorded as deferred revenue to be recognized over the future appropriate periods.

**Investment Income**

Realized and unrealized gains and losses from changes in market values are reflected in the statement of activities.

Investment sales and purchases are recorded on a trade-date basis, which results in both investment receivables and payables on unsettled investment trades. Interest income is recorded as earned on an accrual basis.

**Income Taxes**

ICC and its subsidiaries are not-for-profit organizations that are exempt from income taxes. IAS and IES are exempt under Section 501(c)(4) of the Internal Revenue Code (“IRC”). ICC is exempt under Section 501(c)(6) of the IRC and ICCF is exempt under Section 501(c)(3) of the IRC. Accordingly, no provision for income taxes has been reflected in the financial statements. Under comparable state law, ICC and its subsidiaries are also tax exempt.

**Uncertainty in Income Taxes**

On January 1, 2009, the Council adopted the provisions of ASC 740-10-25, “Income Taxes,” which requires that realization of an uncertain income tax position must be “more likely than not” (i.e. greater than 50% likelihood of receiving benefit) before it can be recognized in the financial statements. Further, ASC 740-10-25 prescribes the benefit to be recorded in the financial statements as the amount most likely to be realized assuming a review by the tax authorities having all relevant information and applying current conventions. ASC 740-10-25 also clarifies the financial statement classification of tax related penalties and interest and sets forth new disclosures regarding unrecognized tax benefits. The adoption of these provisions did not have a material impact on the Council’s consolidated financial statements. The Council does not believe there are any unrecognized tax benefits that should be recorded. No interest or penalties were accrued as of January 1, 2009 as a result of the adoption of ASC 740-10-25, nor were there any interest or penalties recorded or included in the statement of activities for the year ended December 31, 2009. ICC and its subsidiaries are open to examination by taxing authorities from fiscal year 2006 forward.
Functional Allocation of Expenses

In the statement of activities, salaries and related expenses are first charged to the various programs and supporting services on the basis of actual expense. Expenses are then allocated based on headcount, percentage of revenue or actual usage to programs and administrative categories.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions affecting the amounts reported in the financial statements and accompanying notes. Actual results could differ from the estimates.

Reclassifications

Certain reclassifications have been made to the 2008 amounts to conform to the 2009 classifications.

Subsequent Events

The Council has evaluated subsequent events through May 6, 2010, the date the consolidated financial statements were available to be issued. No material subsequent events have occurred through May 6, 2010 that required recognition or disclosure in these consolidated financial statements.

3. Investments

The Council adopted ASC 820-10, “Fair Value Measurements,” effective January 1, 2008. In accordance with ASC 820-10, fair value is defined as the price that the Council would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820-10 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based upon market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions of what market participants would use in pricing the asset or liability based upon the best information available. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 - Quoted prices in active markets for identical investments,
Level 2 - Other significant observable inputs (including quoted prices for similar investments, interest rates, credit risk, etc.).

Level 3 - Significant unobservable inputs (including their own assumptions in determining the fair value of investments).

Investments consist of the following:

<table>
<thead>
<tr>
<th>Investment Assets at Fair Value as of December 31, 2009</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutual funds</td>
<td>$2,764,601</td>
<td>$ -</td>
<td>$ -</td>
<td>$2,764,601</td>
</tr>
<tr>
<td>Government bonds</td>
<td>-</td>
<td>$741,149</td>
<td>-</td>
<td>$741,149</td>
</tr>
<tr>
<td>Total investments at fair value</td>
<td>$2,764,601</td>
<td>$741,149</td>
<td>$ -</td>
<td>$3,505,750</td>
</tr>
</tbody>
</table>

4. Intellectual Property and Other Intangible Assets

Intangible assets include intellectual property, copyrights and trademarks associated with the base International Codes®. Intangible assets consist of the following:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Patents and trademarks</td>
<td>$493,439</td>
<td>$493,439</td>
</tr>
<tr>
<td>Intellectual property</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Copyrights</td>
<td>22,386</td>
<td>22,386</td>
</tr>
<tr>
<td>Other</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Total</td>
<td>570,825</td>
<td>570,825</td>
</tr>
<tr>
<td>Less accumulated amortization</td>
<td>(341,832)</td>
<td>(303,063)</td>
</tr>
<tr>
<td>Intangible assets, net</td>
<td>$228,993</td>
<td>$267,762</td>
</tr>
</tbody>
</table>

5. Accrued Employee Benefits

The Council permits employees to accumulate and carry forward vacation as well as sick leave. The Council’s policy limits the accumulation of sick leave to 180 days and limits vacation pay to twice the employee’s annual vacation accrual. The amount of existing vacation and sick leave remaining as of December 31, 2009 and 2008 is approximately $2,807,000 and $3,538,000, respectively.
6. Retirement Plans

The International Conference of Building Officials (see Note 2) had a deferred compensation plan which came with its employees in the merger. Per the plan agreement, until distribution is made, an annual increase of 8% is credited to the account for earnings. The plan assets are maintained with the general assets of the Council. As of December 31, 2009 and 2008, the balance in the deferred compensation liability was approximately $357,000 and $364,000, respectively, included in accrued expense in the statements of financial position. No compensation has been deferred into the plan since 1991.

During 2009, the Council’s upper management deferred a portion of their income to 2010, which resulted in a liability of approximately $264,000 as of December 31, 2009. The total interest expense for the year ended December 31, 2009 was approximately $7,000.

A contributory profit sharing plan has been adopted by the Council for all of its eligible employees. Annual contributions to the trust are payable at the discretion of the Council up to a maximum amount allowable by the Internal Revenue Service. The plan also has a 401(k) provision that allows the employees to contribute to the plan. There were no contributions by the Council to the plan for the year ended December 31, 2009.

7. Lease Obligations

As of December 31, 2009 and 2008, the Council has entered into two principal operating leases for office space located in Washington, D.C. and a distribution warehouse in Lenexa, Kansas. The leases contain rent escalation clauses and also require payment for real estate taxes as well as other operating expenses and include renewal option clauses. Additionally, there are eight additional leases for office space in other states. Future minimum rental payments required under operating real property leases with non-cancelable lease terms are as follows:

<table>
<thead>
<tr>
<th>Year ending December 31,</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$917,414</td>
</tr>
<tr>
<td>2011</td>
<td>939,819</td>
</tr>
<tr>
<td>2012</td>
<td>961,781</td>
</tr>
<tr>
<td>2013</td>
<td>984,476</td>
</tr>
<tr>
<td>2014</td>
<td>880,039</td>
</tr>
<tr>
<td>Thereafter</td>
<td>1,240,978</td>
</tr>
<tr>
<td></td>
<td>$5,924,507</td>
</tr>
</tbody>
</table>

Building, office and warehouse rent including taxes, maintenance and insurance for the year ended December 31, 2009 was approximately $975,000.
As of December 31, 2009, the Council had also entered into numerous operating leases for equipment located throughout the United States. Future minimum rental payments required under operating equipment leases with noncancelable lease terms are as follows:

<table>
<thead>
<tr>
<th>Year ending December 31,</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$88,005</td>
</tr>
<tr>
<td>2011</td>
<td>56,262</td>
</tr>
<tr>
<td>2012</td>
<td>56,262</td>
</tr>
<tr>
<td>2013</td>
<td>50,328</td>
</tr>
<tr>
<td>2014</td>
<td>49,142</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$299,999</strong></td>
</tr>
</tbody>
</table>

Equipment rental expense for the year ended December 31, 2009 was approximately $224,000.

8. **Commitments**

The Council has entered into numerous agreements with hotels and meeting facilities for their seminars and conferences. These agreements often include commitment for use of hotel space. As of December 31, 2009, the Council was responsible for commitments in amounts of approximately $447,000, $83,000 and $900,000 that relate to the Spring Hearings Dallas, Green Hearings Chicago and Annual Conference Charlotte, respectively.

During 2009, Federal Alliance for Safe Homes, Inc. (“Flash, Inc.”) was paid $150,000 in fees and reimbursed $74,519 for expenses incurred. These expenses are included in outside services on the statement of activities. Additionally, the Council is committed to pay Flash, Inc. $12,500 per month through June 2010.

Two former executives of the Council receive payments under employment contracts that were approved by the board of directors at the time of their departure.

Under terms of the agreements, the former executives receive the following payments.

<table>
<thead>
<tr>
<th>Year ending December 31,</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$90,000</td>
</tr>
<tr>
<td>2011</td>
<td>90,000</td>
</tr>
<tr>
<td>2012</td>
<td>90,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$270,000</strong></td>
</tr>
</tbody>
</table>

During 2009, the Council entered into an agreement with the T3 Information Systems that expires on June 30, 2010 to design, configure and implement all modules related to the Microsoft Dynamics Great Plains application to meet the Council’s business objectives relating to budgeting, accounting and reporting. During 2009, the Council paid T3 Information Systems approximately $129,000; $104,000 of this amount was capitalized in property and equipment.
on the statement of financial position. Estimated costs to complete the project are expected to be $413,000, of which the Council expects to capitalize approximately $389,000.

During 2009, the Council entered into an agreement with Webteks to perform a thorough review and analysis of the creative images and page layouts of the SharePoint platform-based website for the Council. The Council incurred $135,000 of costs related to this project for the year ended December 31, 2009; all costs were capitalized. Estimated costs to complete the project are expected to be $815,000, of which the Council expects to capitalize approximately $506,000.

9. Related Party Transactions

Some board members act as subcontractors to ICC and are paid a fee for their services. Fees paid to these board members during 2009 amount to approximately $22,000.

IAS also compensated one of its board of directors $5,000 for services rendered.
Supplemental Material
Independent Auditors’ Report on Supplemental Material

Our audit of the basic consolidated financial statements included in the preceding section of this report was performed for the purpose of forming an opinion on those statements taken as a whole. The supplemental material presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the basic consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

BDO Seidman, LLP
Certified Public Accountants

Chicago, Illinois
May 6, 2010
International Code Council, Inc.  
and Subsidiaries  

Consolidated Schedule of Program Services  

<table>
<thead>
<tr>
<th>Year ended December 31,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009</td>
</tr>
<tr>
<td><strong>Program Services</strong></td>
<td></td>
</tr>
<tr>
<td>Membership dues</td>
<td>$ 4,636,745</td>
</tr>
<tr>
<td>Certification</td>
<td>4,484,184</td>
</tr>
<tr>
<td>Training and education</td>
<td>3,221,012</td>
</tr>
<tr>
<td>Architectural and engineering</td>
<td>718,362</td>
</tr>
<tr>
<td>Conferences</td>
<td>541,931</td>
</tr>
<tr>
<td>Report and reexamination fees</td>
<td>16,146,314</td>
</tr>
<tr>
<td><strong>Total Program Services</strong></td>
<td>$ 29,748,548</td>
</tr>
</tbody>
</table>
## International Code Council, Inc.
### and Subsidiaries

### Consolidated Schedule of Product Sales

**Year ended December 31,**

<table>
<thead>
<tr>
<th>Product Sales</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Code Publications</strong></td>
<td></td>
</tr>
<tr>
<td>Adoptable</td>
<td>$16,347,370</td>
</tr>
<tr>
<td>Directly related to adoptable</td>
<td>4,466,486</td>
</tr>
<tr>
<td>Non-adoptable</td>
<td>1,958,108</td>
</tr>
<tr>
<td><strong>Total Product Sales</strong></td>
<td><strong>$22,771,964</strong></td>
</tr>
<tr>
<td>Advertising</td>
<td>207,942</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$22,979,906</strong></td>
</tr>
</tbody>
</table>
# International Code Council, Inc. and Subsidiaries

## Consolidated Schedule of Other Income

<table>
<thead>
<tr>
<th>Year ended December 31,</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Other Income</strong></td>
<td></td>
</tr>
<tr>
<td>Rental income</td>
<td>$252,667</td>
</tr>
<tr>
<td>Royalties</td>
<td>$422,196</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$13,438</td>
</tr>
<tr>
<td>Gain on disposition of assets</td>
<td>$2,135</td>
</tr>
<tr>
<td><strong>Total Other Income</strong></td>
<td>$690,436</td>
</tr>
<tr>
<td>Total</td>
<td>Administrative and Support Services</td>
</tr>
<tr>
<td>-------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td>Programs/Member Services</td>
<td>Information Technology</td>
</tr>
<tr>
<td>Salaries</td>
<td>$ 16,049,674</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>2,925,003</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>1,226,274</td>
</tr>
<tr>
<td>Bad debt</td>
<td>740,423</td>
</tr>
<tr>
<td>Bank fees</td>
<td>412,555</td>
</tr>
<tr>
<td>Building maintenance</td>
<td>342,523</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>743,719</td>
</tr>
<tr>
<td>Dues and subscriptions</td>
<td>172,381</td>
</tr>
<tr>
<td>Equipment rental and maintenance</td>
<td>923,668</td>
</tr>
<tr>
<td>Insurance</td>
<td>363,089</td>
</tr>
<tr>
<td>Interest expense</td>
<td>24,444</td>
</tr>
<tr>
<td>Legal and accounting</td>
<td>441,782</td>
</tr>
<tr>
<td>Marketing</td>
<td>1,433,303</td>
</tr>
<tr>
<td>Meetings and travel</td>
<td>3,181,149</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>4,273</td>
</tr>
<tr>
<td>Rent</td>
<td>840,501</td>
</tr>
<tr>
<td>Donations</td>
<td>-</td>
</tr>
<tr>
<td>Office supplies</td>
<td>139,771</td>
</tr>
<tr>
<td>Outside services</td>
<td>3,882,436</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>77,642</td>
</tr>
<tr>
<td>Printing</td>
<td>99,753</td>
</tr>
<tr>
<td>Scholarships and grants paid</td>
<td>13,500</td>
</tr>
<tr>
<td>Travel</td>
<td>653,645</td>
</tr>
<tr>
<td>Taxes, licenses and fees</td>
<td>404,207</td>
</tr>
<tr>
<td>Telephone</td>
<td>783,535</td>
</tr>
<tr>
<td>Utilities</td>
<td>268,101</td>
</tr>
</tbody>
</table>

Totals $ 36,147,351 $ 1,713,464 $ 8,091,418 $ 45,952,233
PROGRAM PROFILES AND HIGHLIGHTS

SUBSIDIARIES OF THE INTERNATIONAL CODE COUNCIL

ANNUAL BUSINESS MEETING

PROPOSED BYLAW CHANGES

PROPOSED MEMBER RESOLUTIONS

GOVERNING THE CONDUCT OF ELECTIONS

AUDITED FINANCIAL STATEMENTS

—CONFERENCE SCHEDULE—
**2010 Annual Conference Schedule**

**SATURDAY, OCTOBER 23**
- 8 am–5 pm  
  ICC Board Meeting  
  Westin/Providence 1

**SUNDAY, OCTOBER 24**
- 8 am–5 pm  
  Registration  
  CC/C Concourse  
- 8 am–5 pm  
  IAS Board Meeting  
  Westin/Grand A  
- 8 am–5 pm  
  7th Annual Bob Fowler Motorcycle Ride  
- 8 am–5 pm  
  ES Board Meeting  
  Westin/Grand B  
- 8:30 am–2:30 pm  
  Annual Golf Tournament  
  9:00 breakfast, 10:00 shot gun  
- 9 am–5 pm  
  Nomination Committee Meeting  
  Westin/Davidson  
- 10 am–Noon  
  Code of Honor Run/Walk  
  Freedom Park  
- 7 pm–10 pm  
  Meet and Greet the ICC Candidates  
  BlackFinn Charlotte (Chapter Event)

**MONDAY, OCTOBER 25**
- 7 am–8:15 am  
  Chapter President's Breakfast  
  CC/Ballroom  
- 7 am–5 pm  
  Registration/Bookstore  
  CC/C Concourse  
- 8:30 am–11:30 am  
  Opening Session / Candidates Forum  
  CC/Crown Ballroom  
- 11:45 am–1 pm  
  Foundation Luncheon  
  CC/Ballroom  
- 1:30 pm–3:30 pm  
  Code Development Feedback  
  CC/210AB  
- 1:30 pm–5:30 pm  
  ICCF BOG Meeting  
  CC/206AB  
- 1 pm–4 pm  
  Final Action Hearings  
  CC/Crown Ballroom  
- 1:15 pm–5:15 pm  
  IAS Building Department Training  
  CC/202AB  
- 1:30 pm–3 pm  
  Companion Orientation  
  CC/201AB  
- 3 pm–7 pm  
  Expo  
  CC/Hall C  
- 4:30 pm–6 pm  
  ICC Regional Meetings  
  CC/Hall C  
- 5 pm–7 pm  
  Expo Welcoming Reception  
  Sponsored by Smart Vent  
  CC/Hall C  
- 7 pm–11 pm  
  Host Chapter Welcoming Event  
  NASCAR Hall of Fame

**TUESDAY, OCTOBER 26**
- 7 am–5 pm  
  Registration/Bookstore  
  CC/C Concourse  
- 8 am–11 am  
  Annual Business Meeting  
  CC/Crown Ballroom  
- 8 am–3:30 pm  
  Companions’ Tours  
  Off Site  
- 11:15 am–1 pm  
  Cracker Barrel Luncheon  
  CC/Ballroom  
- 1:15 pm–4:15 pm  
  Education Programs  
  Sponsored by Target  
- 1:15 pm–5:15 pm  
  IAS Building Department Training  
  CC/202AB  
- 1:15 pm–4:15 pm  
  Legislative Forum  
  CC/208 A  
- 1:15 pm–5:30 pm  
  Global Forum  
  CC/208 B  
- 3:30 pm–5 pm  
  Major Jurisdiction Committee
- 4 pm–8 pm  
  Expo  
  CC/Hall C  
- 4:30 pm–6 pm  
  Delegates Photos  
  CC/Hall C  
- 6 pm–8 pm  
  Exhibitors Reception  
  Sponsored by ICC-ES and UL

**WEDNESDAY, OCTOBER 27**
- 7 am–5 pm  
  Registration/Bookstore  
  CC/C Concourse  
- 8 am–11 am  
  Education Programs  
  Sponsored by Target  
- 8 am–11 am  
  Companions’ Program  
  Johnson & Wales  
- 8 am–4 pm  
  IAS Building Department Training  
  CC/202AB  
- 9 am–11 am  
  Past Presiding Officers Meeting  
  CC/214  
- 11:30 am–1 pm  
  Awards Luncheon  
  CC/Crown Ballroom  
- 1 pm–5 pm  
  Final Action Hearings  
  CC/Crown Ballroom  
- 6 pm–10 pm  
  Reception / Annual Banquet  
  CC/Crown Ballroom  
  Sponsored by AGA  
- 10 pm–Midnight  
  Phoenix Preview Night Reception  
  CC/Ballroom

**THURSDAY, OCTOBER 28**
- 7:30 am–5 pm  
  Registration/Bookstore  
  CC/C Concourse  
- 8 am–5 pm  
  Certification / Testing  
  CC/215  
- 8 am–5 pm  
  ICC Board Meeting  
  Westin/Grand AB  
- 8 am–6 pm  
  Final Action Hearings  
  CC/Crown Ballroom

**FRIDAY, OCTOBER 29**
- 7:30 am–5 pm  
  Registration/Bookstore  
  CC/C Concourse  
- 8 am–5 pm  
  Certification / Testing  
  CC/215  
- 8 am–6 pm  
  Final Action Hearings  
  CC/Crown Ballroom

**SATURDAY, OCTOBER 30**
- 7:30 am–5 pm  
  Registration/Bookstore  
  CC/C Concourse  
- 8 am–6 pm  
  Final Action Hearings  
  CC/Crown Ballroom

**SUNDAY, OCTOBER 31**
- 7:30 am–12 noon  
  Registration/Bookstore  
  CC/C Concourse  
- 8 am–12 noon  
  Final Action Hearings  
  CC/Crown Ballroom
The names and addresses of the current members of ICC are located at the Birmingham, Alabama office. Additional financial information is available to ICC members on request.