OUR VISION
Protecting the health, safety and welfare of people by creating better buildings and safer communities.

OUR MISSION
Providing the highest quality codes, standards, products and services for all concerned with the safety and performance of the built environment.

OUR GOALS
GOAL 1: Business Growth
GOAL 2: Core Function
GOAL 3: Customer Value
GOAL 4: Policy and Thought Leadership
GOAL 5: Social Responsibility/Visibility
TABLE OF CONTENTS

- LETTER FROM THE PRESIDENT AND CEO ............................................ 2
- TREASURER’S REPORT ................................................................. 4
- ICC BOARD OF DIRECTORS .......................................................... 5
- ICC EXECUTIVE MANAGEMENT .................................................. 7
- SENIOR MANAGEMENT TEAM .................................................... 7
- NEXT GENERATION INITIATIVE .................................................... 8
- WICED ...................................................................................... 10
- DIGITAL ACCESS ....................................................................... 11
- ICC PROGRAMS AND HIGHLIGHTS ............................................. 12
- MEMBER SERVICES ................................................................. 13
- TECHNICAL SERVICES ............................................................. 14
- BUSINESS AND PRODUCT DEVELOPMENT ................................ 15
- TRAINING AND EDUCATION ...................................................... 16
- CERTIFICATION AND TESTING ................................................. 17
- GOVERNMENT RELATIONS ......................................................... 18
- ICC EVALUATION SERVICE, LLC ................................................. 20
- PRESIDENT’S REPORT ............................................................... 21
- BOARD OF MANAGERS ............................................................. 22
- INTERNATIONAL ACCREDITATION SERVICE, INC. ..................... 23
- PRESIDENT’S REPORT ............................................................... 24
- BOARD OF DIRECTORS ............................................................. 25
- SOLAR RATING & CERTIFICATION CORPORATION .................... 26
- EXECUTIVE DIRECTOR’S REPORT ............................................. 27
- ANNUAL BUSINESS MEETING .................................................... 28
- NOTICE OF ANNUAL BUSINESS MEETING ................................ 29
- MINUTES OF THE 2014 ANNUAL BUSINESS MEETING .............. 30
- PROPOSED MEMBER RESOLUTIONS ......................................... 33
- BYLAWS FOR THE ICC ............................................................ 35
- AUDITED FINANCIAL STATEMENTS ........................................... 44
- 2015 ANNUAL CONFERENCE SCHEDULE ................................. 64
- CONTACT INFORMATION .......................................................... 65
LETTER FROM THE PRESIDENT AND CEO

POSITIONING FOR TODAY, TOMORROW, AND THE FUTURE

POLICY AND THOUGHT LEADERSHIP

These are two of the most important aspects of the International Code Council’s mission and serve as a major component of 20/20 Vision: ICC’s Strategic Plan for the Future. The Code Council has long been a leader on contemporary issues impacting the safety of the built environment, and this year’s Annual Conference in Long Beach, Calif., provides us an opportunity to further examine the building safety and fire prevention industries’ future workforces.

With the theme “Leading the Next Generation of Building Safety Professionals,” this year’s conference includes two special presentations:

1. The “Journey to Leadership” education session is a follow-up to last year’s “Future of Code Officials” town hall meeting that examined the serious impacts an expected retirement exodus of code officials would have on jurisdictions and public safety. This year, the discussion will focus on preparing mid-career building safety professionals for leadership positions and ways to welcome the next generation of code officials into the profession.

2. The “Partners for Future Success” Chapter program will explore how to develop and strengthen Chapter leadership and prepare the next generation of ICC Chapters and boards to be even stronger in the future.

Also during the Government Relations Forum at this year’s conference, Professor Jesse M. Keenan, Research Director, Center for Urban Real Estate at Columbia University, will give a presentation on basic understanding of various resilience-based concepts as they are applied in the U.S. and abroad, as well as a review of an ongoing survey of resilient building codes. The presentation is part of the ICC’s renewed commitment, along with numerous other organizations including the American Institute of Architects, to the topic of resilience.

The Code Council collaborates with a wide array of stakeholders, organizations and government agencies to form the broadest possible consensus to support the health, safety and general welfare of the built environment. Following are examples from the past year that underscore the ICC’s goal of being a policy and thought leader:

- ICC, ASHRAE to consolidate IgCC and 189.1 in response to call from industry.
- ICC submits recommendations for federal strategies to encourage state and local adoption of disaster-resistant building standards.
- ICC and ASTM International partner to support sustainable building codes in the Gulf Region.
- ICC provides resources to support critical water issues in western states.
- ICC partners with Consumer Product Safety Commission’s Pool Safely campaign to promote pool and spa safety.
- ICC and SRCC finalize consolidation.

Other major components of 20/20 Vision are Core Function, Customer Value, Social Responsibility/Visibility, and Business Growth. Several initiatives were implemented or continued this year to play key roles in the long-term growth and sustainability of our association:

CORE FUNCTION

- Usage of cdpACCESS, ICC’s cloud-based system for code development, increased substantially during the current Group A code development cycle. Compared to last year’s Group C cycle, the total number of voters in 2015 rose 274 percent, while the total number of votes cast jumped 613 percent. More than 7,300 votes were cast in one day during the Committee Action Hearings, an increase of 1,024 percent compared to last year’s single-day totals.
- Partnering with the Residential Energy Services Network (RESNET) to develop a joint ANSI standard that will guide code officials on how to conduct residential air leakage, duct testing and airflow of mechanical ventilation systems.
CUSTOMER VALUE

- The International Accreditation Service reached a milestone by issuing its 800th accreditation.
- While growth was realized in the ICC Evaluation Service building product listing program, ICC-ES also received accreditation by the Standards Council of Canada to meet the country's growing demand for product listings.
- More than 1,100 ICC Members participated in a Membership Council and the number of ICC Chapters grew to 358 over the past year.
- Training and Education conducted more than 500 seminars across the U.S. to more than 20,000 participants.
- Nearly 400 code enforcement departments now have ICC certification for 100 percent of their technical staff thanks to the Get Everyone Certified campaign sponsored by Target Corporation.
- The 2015 International Codes® were released in conjunction with key support products such as the Significant Changes publication series and training courses.
- Several complex issues were addressed during roundtables hosted by ICC that focused on construction site fires, code adoption cycles used by jurisdictions to update safety regulations, and the lack of indoor plumbing in the U.S.

SOCIAL RESPONSIBILITY/VISIBILITY

This year marked the 34th Annual Building Safety Month campaign with the theme, “Building Safety: Maximizing Resilience, Minimizing Risks.” BSM was recognized with a Presidential Proclamation for the fourth year in a row and there were 35 gubernatorial and state proclamations, more than 115 local ordinances or proclamations, and 90 ICC Chapter and association proclamations.

BUSINESS GROWTH

Through July, ICC’s year-to-date 2015 financial performance showed revenues increased compared to the same period last year. Year-to-date net margin has been strong, exceeding budget expectations, and operating cash and investments rose by $3.8 million in the first seven months of 2015.

More in-depth information on these programs and services is available in this year’s Annual Report. These successes underscore ICC’s commitment to serving its Members and stakeholders and being a leader in the building safety and fire prevention industry. The results of these efforts ensure a viable, healthy association that is well positioned to achieve its mission and goals for today, tomorrow, and the workforce and industry of the future.

GUY TOMBERLIN, CBO
President
ICC Board of Directors

DOMINIC SIMS, CBO
Chief Executive Officer
International Code Council
As Secretary/Treasurer of the International Code Council Board of Directors, it is my privilege to report to the Membership on the financial position of the organization.

Your Association has never been stronger than it is today! The strength of our financial position allows the ICC Board to remain focused on our most important Mission: to provide the highest quality codes, standards, products and services for all concerned with the safety and performance of the built environment.

The U.S. economy continues to improve. The key statistics of the construction industry—building permits, housing starts, employment, construction spending, new home sales, personal income and rental vacancy rates—are trending in a positive direction for our industry.

In 2014, the ICC’s consolidated revenues were $61.7 million, an increase of $4.0 million compared to 2013. The 2014 expenses were $54.3 million, an increase of $1.1 million compared to 2013. The launch of the 2015 I-Codes and multiple state adoptons were key drivers to our success in 2014. Evaluation Service and Accreditation Service revenues are also ahead of the prior year. In 2014, we added the Solar Rating & Certification Corporation (SRCC) to our Family of Companies.

In 2015 we expect revenue from the sale of goods and services to exceed our budget target and we anticipate that we will exceed our operating profit target. Our financial performance has allowed us to build our cash reserves, which were drawn down during the economic downturn and slow recovery. Improved finances allow the ICC to maintain a robust package of Member benefits, including Chapter Education, code opinions, membership pricing, the Code of Honor Scholarship program, Chapter outreach efforts, the ICC Annual Conference and other programs that support Members and the industry.

We view technology as a critical part of our future success. We invested over $3.0 million in technology projects to better serve our members, customers and stakeholders. The cdpACCESS system continues to exceed expectations with substantial increases in usage and participation over its inaugural year. cdpACCESS will continue to grow in importance and foster greater access and participation in the code development process.

The publishing industry continues to evolve toward digital publications. We have launched our publicACCESS and premiumACCESS services as we adapt to the evolving market. Our members and customers are choosing to transact with ICC via our website in increasing numbers. We consistently record over $1 million of sales per month through our web store. We launched the redesign of the ICC website in April 2015. The redesign makes it easier for our members to access and transact with ICC.

The aggressive management of our accounts receivable and inventory help maintain our cash reserves. We increased our reserves by $5.9 million in 2014, which is the direct result of great financial performance and a disciplined approach to working capital management. ICC’s consolidated 2014 audited financial statements are also included as part of this 2015 annual report.

M. DWAYNE GARRISS
Secretary/Treasurer
OFFICERS

President
GUY TOMBERLIN, CBO
Branch Chief Residential/Light Commercial Inspections
Land Development Services
Dept. of Public Works and Environmental Services
Fairfax County, Virginia

Vice President
ALEX “CASH” OLSZOWY III
Building Inspector Supervisor
Lexington Fayette Urban County Government
Lexington, Kentucky

Secretary/Treasurer
M. DWAYNE GARRISS
State Fire Marshal
State of Georgia

Immediate Past President
STEPHEN D. JONES, CBO
Construction Official
Millburn Twp/Short Hills, New Jersey;
Borough of Florham Park, New Jersey

DIRECTORS AT LARGE

WILLIAM JEFF BECHTOLD
Senior Building Official
Kenton County, Kentucky

JIM H. BROWN, CBO, CFPS
Deputy Building Official
Gillette, Wyoming

WILLIAM R. BRYANT, MCP, CBO
Code Enforcement Administrator
Department of Inspections and Permits
Anne Arundel County, Maryland

ROBERT DREXLER
Fire Marshal
Greece, New York
ICC BOARD OF DIRECTORS

JAMES E. MORGANSON, CPCA
Code Enforcement Officer, Fire Marshal, Zoning Administrator
Village of Lake Placid/Town of North Elba, New York

LYNN UNDERWOOD, MCP
Deputy Division Chief
Department of Consumer Regulatory Affairs
District of Columbia

ALAN BOSWELL, MCP, CBO
Chief Building Official
Tuscaloosa, Alabama

GILBERT GONZALES, CBO
Chief Building Official
Murray City, Utah

M. DONNY PHIPPS, CBO, CFM
Director of Building Codes and Inspections
Richland County, South Carolina

GREG WHEELER, CBO
Chief Building Official
Thornton, Colorado

TINA RAKES
Codes Administrator
Baldwin City, Kansas

JAY ELBETTAR, P.E., CBO
Building Official
Mission Viejo, California

RON HOOVER, CBO, MCP
Director Building Inspection Department,
Marion, Iowa;
Fire Chief
Alburnett, Iowa

RICHARD C. TRUITT SR.
Deputy Code Director
Harford County, Maryland

SECTIONAL DIRECTORS
The International Code Council’s Senior Management Team leads the ICC Staff to ensure Members receive quality customer service. Top row, from left to right: Shahin Moinian, Raj Nathan, Mark Johnson, C.P. (Chuck) Ramani, Dominic Sims, John Belcik, Mel Oncu, Mike Pfeiffer, Doug Thornburg, Sara Yerkes, Michael Gardner. Bottom row, left to right: Christine Kidder, Hamid Naderi, Gosia Furman, Tom Frost, Eileen Prado, Sanjay Gupta, Karla Higgs.
During his inauguration remarks, ICC 2014-2015 Board President Guy Tomberlin announced his focus for the International Code Council would be the “next generation.” During a Town Hall Meeting on the Future of Code Officials at last year’s ICC Annual Conference, research conducted for the Code Council by the National Institute of Building Sciences revealed that over 80 percent of code officials plan to retire within the next 15 years, and more than 30 percent plan to do so within five years. Such a massive exodus of public safety professionals could have a serious impact on jurisdictions and public safety.

Several initiatives have been undertaken to address the problem. At the 2015 Conference a three-hour education session, the ICC Journey to Leadership, will look at ways to prepare mid-career building safety professionals for leadership positions and finding ways to welcome the next generation of code officials into the profession. Session leaders will include ICC Board Members and Past Presiding Officers. ICC and its Past Presiding Officers organized the first annual Ron Burton golf outing to raise funds to provide training and resources to address the critical need for future leaders in our profession.

Another Conference offering for Chapter presidents and leaders, Partners for Future Success, will identify the importance of leadership and maximizing each Chapter’s strengths, while building a strong foundation for the future of ICC Chapters and the ICC. The session will discuss the critical elements of leadership and the steps to continue building a stronger, mutually beneficial relationship between Chapters and the ICC.

The High School Technical Training Program is another initiative that makes the next generation aware of career opportunities as building safety officials. In 2009, a pilot program was started to introduce students to the residential code and how it is applied to the actual construction of a Habitat for Humanity home. Students and instructors referenced the *International Residential Code®* (IRC®) as they progressed through the construction of the home to help ensure they were manufacturing it in compliance with building codes in the jurisdiction. Using this technique of hands-on construction, paired with review and understanding of various codes involved with residential construction, students were introduced to the codes and obtained better comprehension of how residential construction and building codes work hand in hand to produce a strong, durable and safe structure.

The Networking Luncheon was created as a Conference event to support career advancement of ICC Members and those who lost their jobs as the economy forced building departments to reduce staff. The way we search for jobs today is very different than it was in the past. The days of reading through ads in a newspaper or professional digest are long gone. Today job seekers need to know how to search online and have an online presence to reach recruiters. One example is the Career Center on the ICC website, where you can search for jobs and, if you are a Member, post job openings at no cost and take advantage of other features. This year, Brent Gleeson, a Navy SEAL combat veteran with multiple tours to Iraq and Africa, will be the guest speaker during the Networking Luncheon. Upon leaving SEAL Team 5 Gleeson turned his discipline and battlefield lessons to the world of business and has become an accomplished entrepreneur, writer and acclaimed speaker on topics ranging from leadership to entrepreneurship and marketing.
2014-2015 Board President Guy Tomberlin is sworn in by ICC Chief Executive Officer Dominic Sims. Along with his wife Sandy, President Tomberlin selected seven witnesses who were both friends and colleagues: Bill Dupler, Brian Foley, Henry Green, Ron Piester, Michael Reilly, Emory Rodgers and Sims. Tomberlin stressed the importance of a network and how working together is not an option but the clear path to success.

The ICC High School Technical Training Program’s four-part structure enables a school to integrate one or more parts into its construction trade curricula. Students completing all elements of a part, including a final exam, receive a nationally-recognized Certificate of Achievement (COA) from ICC. The first students at York County (Penn.) School of Technology receive their COAs on a press and observation building they constructed on their athletic field.

One of the most popular sessions at the 2014 ICC Annual Conference was the Town Hall Meeting on the Future of Code Officials. The event discussed the expected exodus of code officials as baby boomers retire and the impact that will have on jurisdictions and public safety.

ICC Board President Guy Tomberlin tells Members at the Annual Banquet that his focus and theme for 2015 is “the next generation.” This is the time to commit to succession planning, mentoring and raising the profile, Tomberlin said. “It is our responsibly to help implement a process that will motivate and inspire the next generation. We are the group that has to identify future talent whether it’s in your office, at a Chapter meeting… or at… ICC conferences.”

To support ICC Members seeking to advance their careers, Frank De Safey and Craig Travis of Sequence Staffing spoke during the Networking Luncheon about networking in the era of electronics, online applications, and the ins and outs of navigating the ever-changing employment industry landscape.

ICC Board Member Greg Wheeler comments during the Town Hall Meeting on the Future of Code Officials.
AN ICC NATIONAL CHAPTER FOR WOMEN IN CODE ENFORCEMENT

Women in Code Enforcement and Development (WICED) is a national Chapter of the International Code Council. The first WICED meeting took place in May 2007 at ICC’s Codes Forum and Final Action Hearings in Rochester, New York. The purpose behind the formation of the group was to promote advocacy, education and mentoring for women in the code industry.

WICED is active in the pursuit of uniformity in code interpretation, development, enforcement and administration.

During ICC’s 2014 Annual Conference in Florida, WICED hosted a Habitat for Humanity International Build Day, issuing a challenge to all ICC Chapters and Members who could not attend the Conference to host similar events in their jurisdictions.

“The Code Council can make a difference in the communities in which we hold our Conferences, and what better way to do so than by hosting a Habitat Build,” said WICED President Eirene Oliphant. “And there is even greater potential with WICED issuing a challenge to all ICC Chapters to sponsor a Build Day somewhere around the time of the Conference and hearings, primarily to give Chapter Members who cannot travel to Fort Lauderdale an opportunity to get involved and spread the important message of safe, sustainable, affordable and resilient construction in their communities.”
cdpACCESS® has implemented several new and improved features this year. Floor moderations for the Committee Action Hearings were submitted through the system, both before and during the hearings, and Committee members were able to access and address over 400 floor modifications. The Assembly Motion votes also took place through cdpACCESS, with a significant increase in both the number of issues voted on as well as the number of voters who participated.

Public Comment submission was also a success, with the ICC receiving more than 700 public comments in preparation for the Public Comment Hearings.

Thanks to new features built into cdpACCESS as well as significant performance improvements, the ICC was able to open Group B (2016) proposal submissions on May 1, 2015. Group B proposal submissions can be made up to the Group B proposal submission deadline.

**premiumACCESS SUBSCRIPTION SERVICE**

In today’s mobile and digital environment, Members need access to codes and standards from any location. The ICC’s new premiumACCESS Subscription Service answers the call by providing easy access to I-Codes, State Codes and Standards anytime, anywhere.

premiumACCESS provides around-the-clock access to codes, standards and references with many helpful features:

- The ability to add annotations, bookmarks, comments and graphics.
- Hyperlinks to code sections and other references are available.
- Advance search abilities.
- Margin rules in color.
- Keyword and highlighting search features.

Subscribers can also: create customized online libraries; copy, paste and print from their personal library; and receive automatic updates of code changes.

Titles currently available from premiumACCESS include:

- 2015 International Codes
- 2012 International Codes
- California Codes
- Florida Codes
- Minnesota Codes
- Ohio Codes
- Virginia Codes

ICC Standards, 2009 International Codes, additional State Codes and more will be made available in the coming months.

**publicACCESS**

As part of the ICC’s ongoing efforts to assist the public and industry by providing the most current construction safety information, many publications are available for viewing online at no charge. ICC publicACCESS hosts free access to the International Codes, ICC Standards and more than 20 regional codes.
Members are the backbone of this association and each day the Member Services staff looks for ways to provide the best service, add member value and say “thank you” to our Members. From the Customer Call Center where Members can get one-stop assistance, to the Membership Department that focuses on ensuring Members get access to the benefits they deserve, to Chapter Relations where ICC Chapter participants get personalized service, ICC Member Services focuses on top-quality support for our most important resource.

Membership personnel maintain accounts for more than 57,000 ICC Members and actively recruit new Members. Voting eligibility for Governmental Member Voting Representatives as well as Member benefits are managed by our dedicated staff. In addition, staff provide support to ICC’s Membership Councils. More than 1,200 ICC Members participate in our Membership Councils. The Councils meet regularly and provide valuable feedback to the ICC Board and staff. Each Council sponsors its own programs and activities.

The ICC Customer Call Center representatives are available 7:00 a.m.–7:00 p.m. Central Time, Monday through Friday. Representatives respond to an average of 5,600 calls per month, or 67,000 annually. Chapter Relations works with ICC chapters and regions as they provide significant support for the code development process, I-Code adoptions and other important activities. Chapters receive valuable benefits and services designed to help strengthen all ICC Chapters. The number of ICC Chapters grew to 358 during the past year. The newest ones are:

- Palmetto Property Maintenance Officers Association
- Peace River Chapter Building Officials Association of Florida, Inc.
- Arizona Building Officials
- Georgia Association of Code Enforcement

In response to high demand, the ICC sent a new and more durable style of wallet card to each current ICC Member. The single card contains a QR code and web address to verify Membership status. The new wallet cards reflect updated technology, as well as pride in belonging to the ICC family.

KARLA HIGGS
Vice President
CODES AND STANDARDS DEVELOPMENT

Codes and Standards Development is processing Group A code changes for the 2018 editions of the International Codes. Administering the code change cycle in exact compliance with code development procedures in support of 15 individual codes is a challenge the Department is always well prepared to meet. Participation by our Members and other stakeholders in this process is vital to the advancement of building safety and public welfare.

Of great significance this year toward expanding participation in code development was the expanded use of cdpACCESS in cooperation with other ICC departments. The cdpACCESS system, which allows participation in the ICC code development process without attending hearings in person, is revolutionizing the ability of participants to impact the process and the resulting code content. cdpACCESS includes these primary components:

- Online submittal of code changes and public comments
- Online collaboration among self-interested parties and stakeholders; and electronic submission of modifications
- Online voting on Committee Action Hearing assembly floor motions and Public Comment Hearing final code changes.

cdpACCESS was used for the entire 2015 Group A Code Development Cycle of the International Green Construction Code. It is also live for Group B code change proposal submittals.

The Codes and Standards Development team provides support to code development committees and codes and standards committees. It also supports activities of the new Codes and Standards Council and four Code Action Committees. Members, partners and all volunteers participating on code committees help drive the code development process. Our team also maintains ICC standards through the ANSI process as an extension of code requirements to further support the ICC’s mission. In addition to the ICC’s existing standards, the following standards projects are underway:

- ICC 1000: Commissioning Standard
- ICC 805: Standard for Rainwater Collection
- ICC 902: Pool Solar Heating and Cooling Standard

ARCHITECTURAL AND ENGINEERING SERVICES

Members have access to free code opinions, contributing further to building safety. ICC technical support is one of the most sought-after services we provide. Our knowledgeable technical staff provides expert advice, code opinions (verbal or written) and committee interpretations to our 57,000 ICC Members as a benefit, at no additional cost beyond the Membership fee. We provide approximately 62,000 code opinions a year. We have processed at least 868 requests for committee interpretations since 2002. Pending interpretations are posted on the website for Member review and comment.

ICC Technical Services delivers on-demand plan review services as a resource to aid Members and other jurisdictions in the timely examination of construction documents submitted with a building permit application.

Plan reviews are prepared by licensed and ICC-certified engineers and architects who understand the International Codes and legacy model codes better than any other plan review service in the building industry.

TOM FROST, AIA
Senior Vice President
BUSINESS AND PRODUCT DEVELOPMENT

PROVIDING KEY COMPONENTS FOR CODE APPLICATION

After the release of the 2015 International Codes, Business and Product Development (BPD) focused its attention on updating many key code support products. Key accomplishments include the update and release of the 2015 ICC Commentaries, the 2015 ICC Study Companion Series, the 2015 Code Essentials Series and the 2015 International Building Code Illustrated Handbook, the last containing more than 500 color illustrations. ICC also continued to roll out new support products to round out its extensive array of code resources. Two notable new publications are Firestopping, Joint Systems and Dampers, published in collaboration with the International Firestop Council; and the Guide to the Design of Common Irregularities in Buildings: 2012/2015 IBC and ASCE/SEI 7-10, published jointly with the National Council of Structural Engineers Associations.

In addition to the activities related to supporting and servicing the International Code Family®, we continue to work with state and local governments on the release of custom codes. This value added service resulted in updated custom state codes for Florida, Minnesota and Vermont. New support products to complement the state codes were released. Building on the success of the Significant Changes Series, we released a new Significant Changes to the Florida Building and Residential Code to coincide with the release of the new 5th Edition of the Florida Building Codes. In addition, support for the California codes was expanded to include the California Access Specialists Handbook, a new field guide and checklist for the design, construction and inspection of accessible improvements for public accommodations, commercial facilities and publicly-funded housing in California.

The ICC advanced its digital footprint and expanded to more than 350 the number of codes and standards available for free viewing on its mobile-enabled, publicACCESS website.

The ICC also created a fee-based premiumACCESS Subscription Service for those who desire added features such as enhanced search capabilities, the ability to add annotations, hyperlinking, bookmarking and other features. Specialized digital access sites also were created for the Virginia and Minnesota Codes. These allowed jurisdictions within those states to access the codes online and enjoy advanced features for an improved code-user experience.

Recognizing the importance of convenience to our Members, the ICC continued the effort to expand the number of standards referenced in the I-Codes in digital format. The number of codes, standards and support documents available as digital downloads is fast approaching 5,000.

This year marked a renewed commitment to building performance with a number of activities related to the efficient use of resources and techniques in building construction. The release of the updated 2015 International Green Construction Code® marked the final installment in the family of the 2015 International Codes. In 2014, the Solar Rating & Certification Corporation (ICC-SRCC) was integrated into the ICC Family of Companies. The synergy from the integration is already showing results with the release of three new publications, the 2015 International Solar Energy Provisions™ (ISEP™), and two updated standards, ICC 900/SRCC 300-2015: Solar Thermal System Standard; and ICC 901/SRCC 100-2015: Solar Thermal Collector Standard. Building on the strength of our partnerships, the 2015 International Solar Energy Provisions Commentary was published with NFPA and ICC-SRCC, as well as the 2015 Water Efficiency Provisions of the International Green Construction Code (WEP-IgCC) published with ASHRAE.

The ICC also entered into an agreement to collaborate with the Residential Energy Services Network (RESNET) to produce two new standards to address building performance. The first is the RESNET/ICC Water Efficiency Rating Standard. It addresses the need for a standard to measure the performance of a residential building’s use of water resources. The second is the RESNET/ICC Standard for the Testing Air leakage, Duct Leakage, and Airflow of Mechanical Ventilation Systems. It is being developed to support the application of the energy rating compliance alternative of section R406 in the International Energy Conservation Code®.
SUPPORTING CAREER AND PROFESSIONAL GROWTH

Training and Education (T&E) develops and delivers high-quality, comprehensive codes and standards training from expert instructors. ICC educational programs accredited by the International Association of Continuing Education and Training provide Continuing Education Units (CEU) and support the career growth and advancement of ICC Members and all building industry professionals.

The ICC Board of Directors approved a five-part education strategy implemented in 2014 that continues to be the main focus of T&E’s efforts. The strategy was established to tie the multiple pieces of education together to better serve the training needs and career growth of ICC Members and all construction professionals. It consists of delivering premium core training; the creation of a Preferred Provider Program to expand the network of industry-related training; enhancements and improvements in the delivery of online training; a retooling of ICC’s Education Committee and Board for International Professional Standards; and an emphasis on future staffing.

We continue to strengthen Premium Core Training by leveraging ICC publications to serve as seminar workbooks where appropriate. We also continued our close audit of all seminar content and instructors to further improve program quality and the participant’s experience.

The flexible and cost-effective model of offering core training that was implemented in 2014 has been well received, resulting in substantial improvements. The program offers three options: Standard, Flex and Premium. Each has a different pricing structure designed to meet the specific needs of customers. For a detailed description of the Standard, Flex and Premium options, visit the ICC Education page at www.iccsafe.org/te.

Approximately 500 seminars were offered in 2014. Many seminars addressed significant changes included in the 2015 International Building, Residential, Fire, Plumbing, Mechanical and Fuel Gas Codes to support understanding of the technical changes and support 2015 I-Code adopters.

We continued to strengthen partnerships with ICC Chapters by supporting their Institutes and education programs. In 2014, we experienced strong participation in Chapter programs including:

- EduCode (Southern Nevada Chapter)
- Johnson County Kansas Contractor and Code Training
- Colorado Education Institute (Colorado Chapter)
- Utah Chapter Education
- Washington Association of Building Officials Education
- The Building Professional Institute (Building Officials Association of Texas and the Construction Research Center at the University of Texas at Arlington)
- Upper Great Plains Region III Education Institute

The new ICC education partnership, the Preferred Provider Program (PPP), was designed with assistance from stakeholders, the ICC Education Committee and the PDC. The PPP debuted last November. It has established new partnerships with ICC Chapters, building-related organizations, educators, and manufacturers to broaden educational opportunities in the construction field and code administration. The PPP benefits all code, standards and building construction professionals seeking training. ICC Chapters and others who develop and deliver training also benefit. The PPP is growing steadily and has more than 200 providers.

The ICC’s Online Campus has gone through substantial enhancements in the past year, offering more courses to improve the participant’s experience. A number of live webinars were offered, many at no cost to ICC Members. Partnerships with other organizations continued this year, including, the 2015 International Building Code Significant Changes eLearning course in partnership with Cengage Learning and courses such as Assembly Spaces, Care Facilities, International Residential Code (IRC) Update and other topics in partnership with Red Vector. The Online Campus 2015 Study Guides for the IBC, IRC and other I-Codes have been significantly improved to include a flash card mode, a quiz mode and a timed test mode making these offerings a premium source of learning and strengthening of knowledge, while providing a means of preparation for certification exams.

The formation of the new Education Committee and the new Certification Committee, which together form the Professional Development Council (PDC), was completed in 2014. Regular meetings of the PDC and each committee helped T&E become more focused on the ICC strategic direction. It has also allowed us to bring all of the education-related initiatives together to offer the highest quality training and education services and best customer experience in the building safety industry.
CERTIFICATION AND TESTING

AN IMPORTANT PIECE TO SUPPORT CAREER ADVANCEMENT

Certification and Testing (C&T) provides the industry’s most credible, fair and reliable building safety examination program used to assess the competency of building professionals at the local, state, national and global levels.

The outlook for C&T continues to be strong with more than 37,000 exams administered in 2014 and the anticipation of closing this year with continued steady growth. In support of adoption efforts of the 2015 International Codes, C&T began administering testing on these codes in the traditional paper/pencil format on January 1. Computer-based testing (CBT) on the 2015 codes were made available on July 1.

The International Code Council’s reputation as a provider of defensible, fair, credible and reliable examination programs used to help assess the competency of building professionals has grown beyond the U.S. borders and now includes international CBT exams in British Columbia, Canada, and the Kingdom of Saudi Arabia. The Code Council has received inquiries to set up similar C&T programs based on its current model from other global partners.

As we enter the last quarter of the 2014–2015 fiscal year, we are proud to report that more than 41,000 individuals maintain certification in one or more categories with the Code Council, totaling more than 162,000 current certifications.

C&T is pleased to report the following 2015 highlights:

- New Certification/Membership wallet cards have been shipped. This high-quality, state-of-the-art card uses barcodes to retrieve data and allows for convenient, up-to-date online access to Member and certificate holder credentials.
- International computer-based testing of some ICC exams was made available in the Kingdom of Saudi Arabia.
- An additional 147 code enforcement departments have earned ICC certification for 100 percent of their respective staffs, totaling 635 employees, thanks to the Get Everyone Certified campaign sponsored by Target Corporation.
- Formalization of reciprocity programs with state fire colleges now recognize their ProBoard-accredited certification, meaning a larger number of certified individuals have access to ICC and its benefits.
- New or extended contracts for testing programs across the U.S. and Canada better serve and provide access for a larger number of individuals wishing to show competency in the building safety field.
- Updated exams based on the 2015 International Codes were made available in January.
- C&T Exam Development Committees have focused on adding exam content related to the “soft skills” often required by code professionals to do their jobs.
- New examinations for fire sprinklers and fire alarms were created and made available.
- Most Exam Development Committees met to update exams to the 2015 I-Codes.

Going forward we intend to refine and improve the skill set of the Certification and Testing team, explore innovative testing delivery methods, work with partners to develop new certification programs reflecting ICC’s mission of safety and sustainability in the built environment, and make the current program offerings more effective and focused to improve efficiencies.

The formation of the new Certification Committee and the new Education Committee, which together form the Professional Development Council (PDC), was completed in 2014. Regular meetings of the PDC and each committee help C&T remain focused on the ICC strategic direction, bring the pieces together for the highest quality certification and testing service, and provide the best customer experience.
HELPING MEMBERS AND CHAPTERS NAVIGATE ICC RESOURCES AND OPPORTUNITIES FOR ADVOCACY AND THOUGHT LEADERSHIP AT THE LOCAL, STATE AND NATIONAL LEVELS

One of the first points of contact to help our Members put together the various pieces of ICC services is the Government Relations (GR) Team. Along with Member and Chapter interaction, we serve our Members and advance the mission of ICC by supporting the adoption and implementation of codes at the federal, state and local level; developing and overseeing relationships with key national building, fire and PMG organizations; advocating for a safe built environment to Congress and federal agencies such as the Federal Emergency Management Agency (FEMA), the U.S. Department of Energy and the U.S. Department of Commerce.

This year, your GR Department has submitted several statements in response to Federal Register notices on a range of areas where the use of ICC codes and standards support safety initiatives of governmental departments; signed memorandums of understanding with organizations, including one with the Consumer Product Safety Commission related to swimming pool safety; worked with Congress on federal legislation affecting energy efficiency and community resiliency; drafted post-Super Storm Sandy recommendations to FEMA and the U.S. Department of Housing and Urban Development; participated in Congressional briefings on water conservation; and participated in several thought leadership forums about the future of resilient communities hosted by the National League of Cities, the National Institute of Standards and Technology and several other organizations. The GR Team was also very active at the state and local levels monitoring and advocating for safe, economical and resilient public policy in the built environment; attending hundreds of ICC Chapter meetings; building local coalitions; and raising the profile of code officials and building professionals. For complete information about code adoption resources; ICC codes and standards adoptions; and federal, state and local activities, please visit the Government Relations page on the ICC website, iccsafe.org/government-relations.

BUILDING SAFETY MONTH

This year marked the 35th annual Building Safety Month (BSM) campaign. The theme was “Resilient Communities Start with Building Codes” and each week had a specific focus: Don’t Get Burned—Build to Code; Bounce Back Faster from Disaster—Build to Code; Water Safe, Water Smart—Build to Code; $ave Energy—Build to Code. BSM was recognized for the fifth year in a row with a Presidential Proclamation. Other recognition included remarks by U.S. Representative Peter Welch (Vt.) in the Congressional Record, 35 gubernatorial and state proclamations, more than 115 local ordinances or proclamations, and 90 ICC Chapter and association proclamations. There were 18 BSM sponsors for this year’s national campaign and dozens of local jurisdictions celebrated BSM by educating citizens about safety in the built environment.

THE COALITION FOR CURRENT SAFETY CODES

Co-chaired by the ICC and National Fire Protection Association in collaboration with the National Electrical Manufacturers Association

The 554 members representing code officials, jurisdictions, corporations, associations, private individuals and others serve to broaden support and raise public awareness about the role codes and standards play in the health and welfare of our society. It has been another busy year for the Coalition, which continues to work around the country educating state and local officials and advocating for the regular update of construction and safety regulations to current model codes and standards. For more information, please visit www.coalition4safety.org.

ICC HIGH SCHOOL TECHNICAL TRAINING PROGRAM

Over the past four years, the ICC has been supporting this initiative to better serve the future of our profession through growth of the High School Technical Training Program (HSTTP). Sponsored in part by the American Gas Association and Hanley Wood, the HSTTP is dedicated to teaching students about the important role codes play in the built environment. This year, over 200 Certificates of Achievement were awarded to students at 27 schools. The ICC is also proud to announce that our first student ICC Certification was awarded this year! For more information, on how to get involved in the fast-growing HSTTP—including a program tool kit and monthly video—please visit www.iccsafe.org/hsttp.
WCBO and WAFM Chapter Members take a special tour of the Wyoming State Capitol Building with Project Coordinator Suzanne Norton, AIA, and GR Senior Regional Manager Dave Nichols.

Senior Vice President of Government Relations Sara Yerkes introduces students of the High School Technical Training Program, both of whom received Certificates of Achievement.

President of ICC Board of Directors Guy Tomberlin (left) and ICC CEO Dominic Sims (right) receive the 2015 Building Safety Month Presidential Proclamation from FEMA Associate Deputy Administrator Roy Wright.

Ed Laatsch from FEMA presenting to ICC Members at the GR Forum in Fort Lauderdale, FL. At the table are (from left) Steve Szoke, PCA, Sara Yerkes, ICC, and Megan Housewright, NFPA.

SARA C. YERKES
Senior Vice President
The end of 2014 marked another record year for ICC Evaluation Service (ICC-ES), a member of the ICC Family of Companies. ICC-ES has been growing at a record pace and expects to continue to grow as the economy improves and market opportunities arise. ICC-ES is widely recognized as the highest-quality brand and market leader in code compliance certification. Building product manufacturers choose to use the services of ICC-ES because code officials trust the product evaluation reports and product listings it provides.

In 2014, ICC-ES implemented new programs and refined existing offerings. One area of focus was its listing program for building products that comply with the International Building Code and the standards in the code. We recognized that an opportunity existed for building product listings that comply with the requirements of the National Building Code of Canada. ICC-ES applied and received accreditation by Standards Council of Canada to the requirements of ISO/IEC 17065-2012.

The ICC-ES surveillance inspection program has been a success. Now in its third year under internal management, the inspection program has helped ICC-ES adhere to its high standard of continuous compliance. The surveillance inspection program is arguably the most important part of conformity assessment and helps ensure evaluated products continue to comply with the requirements of applicable codes and standards.

The Plumbing, Mechanical and Gas (PMG) program continues to be the fastest-growing program within ICC-ES. It is widely recognized for the customer value it provides. PMG growth increasingly is fed by report holders transferring listings from other service providers and the growing recognition of the ICC-ES PMG mark of conformity by code officials, many of whom are ICC Members. Moreover, ICC-ES PMG provides listings to the Canadian standards as well as the National Plumbing Code of Canada.

We have improved our customer service with the introduction of Connect + Customer Care Service. The service benefits clients by offering a dedicated team of staff committed to offering the best customer service in the industry. Product evaluation production timelines have also been reduced considerably to better satisfy client needs and expectations.

We are striving to better inform code officials and other parties about ICC-ES; new media was created to specifically explain ES’ programs and service capabilities. The ICC Government Relations Department is conducting presentations, using the newly developed media, at ICC Chapter meetings. The presentation’s primary message is that ICC-ES is the only agency with the institutional knowledge to conduct product evaluations to the requirements of its own acceptance criteria, which are the technical protocols for innovative products that do not have a consensus standard.

ICC-ES continued to maintain international and environmental programs in 2014. To grow its international portfolio, ICC-ES exhibited at a number of expositions in China and Europe. As a result of the exhibitions, which expand local market contacts, we continue to extend our brand outside of the U.S. and grew our base of international clients. The ICC-ES environmental program continues to provide Environmental Product Declarations to clients in need of Product Declarations, certification to the Energy Star Seal and Insulate and roofing specifications.

ICC-ES has built its quality brand on the many decades of experience of ICC’s legacy organizations. However, the ICC-ES brand means more than just the quality of the reports for code officials and specifiers. It stands for client service, timely evaluations and listing of building, plumbing, mechanical and fuel gas products. Code officials and specifiers trust ICC-ES. Manufacturers choose us for their products to be readily approved and accepted by code officials.

While 2014 was a strong year for ICC-ES, 2015 promises to be even better. There are a number of initiatives underway to further reduce the building product evaluation timelines. Moreover, there are ongoing initiatives to provide better service to our clients with up-to-the minute status reports on applications submitted. We will continue to improve what our high-quality brand stands for. Stay the course. The future looks brighter than ever.

SHAHIN MOINIAN
President
WILLIAM JEFFERY BECHTOLD
Senior Building Official
Kenton County, Kentucky

MICHAEL CLACK, CBO
Development Services Director
Planning and Development Department
City of Scottsdale, Arizona

ROBERT DICKSON
Director of Technical Services
Parex USA, Inc.
Lithonia, Georgia

WILLIAM DUCK, CBO
Regional Director
Charles Abbott Associates
Atlanta, Georgia

SHARON GOEI, PE, CBO, LEED AP
Chief Building Official
Santa Clara, California

WILLIAM GOULD, PE, CDT, CCCA
Director, Technical Business Development
Hilti, Inc.
O’Fallon, Missouri
(served through June 2015)

RONALD L. LYNN, CBO
Director/Building & Fire Official
Clark County, Nevada

FRANK NUNES
Executive Director
Wall and Ceiling Alliance
Pleasanton, California

STEVEN I. SHAPIRO
Director of Codes Compliance
City of Hampton
Hampton, Virginia

WILLISTON “BILL” L. WARREN IV, SE, SECB
Principal Structural Engineer and Principal
SESOL, Inc.
Costa Mesa, California
This year’s Annual Report finds that International Accreditation Service (IAS) has granted its 800th accreditation across 17 programs worldwide. Coupled with this is another major milestone—completion of 40 years of uninterrupted service to the industry since issuing the first IAS accreditation certificate in 1975. An unexpected but welcome development that aided in reaching these milestones is IAS’ impact on the global market for accreditation. Thirty percent of IAS revenue comes from entities around the globe. A substantial portion of IAS accreditations still serve U.S.-based companies and laboratory accreditation remains IAS’ largest program. The IAS mark has gained credibility and respect globally based on efforts to ensure timely service delivery, responsiveness and technical competence. These three attributes and a lean approach to accreditation have all contributed to IAS’ success in the U.S. and around the world.

While 2015 has been a banner year for IAS, it is a result of old-fashioned, hard work with help from an improved software system, recruitment of top-notch technical experts and proven assessors to handle the workload. The backbone of a successful accreditation program is the quality and versatility of its assessment teams supported by a dedicated, tenured staff. IAS will continue to do what has worked so well for us in the past, and we will also seek innovative solutions and smarter ways to achieve our goals.

As a resource for the ICC’s Governmental Members, IAS remains at the forefront of accreditation in the construction sector while establishing an international presence primarily accrediting laboratories involved in fields including construction, petro-chemical, food, electrical, sustainability, chemical and others. The Middle East in particular has shown strong interest in IAS accreditation services.

IAS continues to expand its scope of accreditation offerings so that we will be able to provide services in response to market opportunities and inquiries and requests from clients. In December 2014, IAS underwent a thorough on-site evaluation by an international team of experts from the Pacific Accreditation Cooperation (PAC). PAC is a region of the International Accreditation Forum, the apex body that oversees accreditation bodies worldwide. The evaluation is a process that accreditation bodies undergo to gain international recognition of their accreditation services to maintain recognition or to expand into new areas of accreditation. Having already completed a successful PAC evaluation, IAS will offer accreditation in the disciplines of Management System Certification for Quality Systems under ISO 9001 and Environmental Management under ISO 14000. IAS is poised to join the international Multilateral Recognition Arrangement and add to the portfolio of accreditation services it has to offer as a full service accreditation body. This expanded recognition will allow the organization to reach markets where there is high demand for accreditation domestically and abroad. Later this year, IAS will again be evaluated by PAC for recognition of our Personnel Certification accreditation program. Upon receiving international recognition of these new accreditation programs IAS will be well-positioned for future growth and expansion.
JOHN L. BARRIOS, CBO  
Chair  
Construction Services Manager  
Inspectional Services Division  
Tampa, Florida

MELANIE ADAMS, JD  
Building Director  
Hillsboro Building Department  
Hillsboro, Oregon

ROCCO DAVIS  
Vice President and Pacific  
Southwest Regional Manager  
LIUNA  
Sacramento, California

SELSO A. MATA, AIA, CBO  
Chief Building Official  
Building Inspections Department  
City of Plano  
Plano, Texas

JIM H. BROWN, CBO, CFPS  
Deputy Building Official  
Gillette, Wyoming

ISAM HASENIN, PE, CBO  
Vice Chair  
Chief Operating Officer  
Bureau Veritas North America, Inc.  
Plano, Texas

WILLIAM J. McHUGH, JR.  
Executive Director  
Firestop Contractors International Association (FCIA)  
Hillside, Illinois

DR. IZZ EDDIN KATKHUDA  
Partner and Director  
Arab Center for Engineering Studies (ACES)  
Amman, Jordan

JAMES G. TOSCAS, PE  
President  
Precast/Prestressed Concrete Institute  
Chicago, Illinois

CHUCK RAMANI, PE, CBO  
(nonvoting member)  
President  
International Accreditation Service, Inc.  
Brea, California
At the 2014 International Code Council Annual Conference, I had the pleasure of signing the agreement that would make the Solar Rating & Certification Corporation (ICC-SRCC) part of the ICC Family of Companies. Both ICC Chief Executive Officer Dominic Sims and I had the same reaction. We couldn’t contain our joy and enthusiasm for the future of the ICC-SRCC and the value it brings to ICC Membership.

We completed the integration with the ICC before the end of 2014. Overall, the integration was smooth and we are ready to get things done!

We collaborated on the International Solar Energy Provisions™ (ISEP™) publication. With the help of many dedicated individuals in both the ICC and ICC-SRCC, the first version of the ISEP was published in March. This is an extraordinary accomplishment—from concept to publication in less than six months. The second version will include commentaries. It is scheduled to be available in time for the 2015 Annual Conference. The ISEP contains all provisions found in ICC codes for both solar photovoltaic and solar thermal applications. Also included in the ISEP are the ICC-SRCC standards for solar collectors and solar water heating systems.

This spring, both of the ICC-SRCC standards were granted ANSI recognition thanks to our collaboration with the ICC Technical Services Department. The standards were improved greatly and correlated with current building and plumbing codes. We are very proud of our new ICC-SRCC standards.

We look forward to the development of our latest standard, which specifically addresses solar heating for pools and spas. In collaboration with the Association of Pool and Spa Professionals (APSP), the new standard, SRCC 400/APSP/ICC 902: Pool Solar Heating and Cooling Standard, will build on ICC-SRCC’s widely used Standard 100 and 300 documents that address solar thermal collectors and systems.

We recently appointed 13 individuals to the Renewable Energy Membership Advisory Council to help identify opportunities and develop overall strategies including new standards, certification programs and initiatives related to renewable energy and energy efficiency.

This is a new world that has more energy demands than ever before. With our nose to the grindstone and our eyes on the horizon, we are excited to help grow the resources for clean, efficient and safe energy that makes us energy independent today and leave a wonderful legacy for generations to come.

So what else will ICC-SRCC get done for its stakeholders and Members? Stay tuned.
ANNUAL BUSINESS MEETING
NOTICE OF ANNUAL BUSINESS MEETING

The 2015 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 on Monday, September 28, 2015 at the Long Beach Convention Center, 300 East Ocean Boulevard, Long Beach, California, in conjunction with the 2015 ICC Annual Conference. The Annual Business Meeting shall commence 15 minutes after the completion of the Opening Session/Members Forum, which begins at 8:00 a.m. and shall continue from day to day during such hours as shall be determined by the ICC Board President until completed. A copy of this 2015 ABM Notice shall be printed in the 2015 ICC Annual Report. The ICC 2015 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 Sergeants-at-Arms and Parliamentarian
   e. Approval of Minutes of Previous Meeting
   f. Report of the Nominating Committee
   g. Election of Officers and Directors
   h. Treasurer’s Report
   i. Report of the President
   j. Report of the CEO
   k. Consideration of Bylaws Changes, if any
   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 ICC Board 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 10 Governmental Member Voting 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. There are no proposed amendments to the Bylaws for this Annual Business Meeting.

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 2015 ABM include:
   - CONFERENCE SITE
   - STANDING COMMITTEES
   - DECEASED MEMBERS
   - IMMEDIATE PAST PRESIDENT
   - RETIRED MEMBERS

In order to be considered by the Membership, proposed resolutions shall be submitted to the Resolutions Committee in accordance with Council Policy 23. Copies of these resolutions are printed in this 2015 Annual Business Meeting Notice and will be posted on the ICC website.

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.

GUY TOMBERLIN, CBO
President

DOMINIC SIMS, CBO
CEO

Questions regarding the ABM notice may be directed to Dominic Sims, CEO (888) 422-7233 ext. 5267
Minutes of the 2014 Annual Business Meeting of the International Code Council
September 29, 2014
Greater Fort Lauderdale Broward County Convention Center, Fort Lauderdale, FL

ANNUAL BUSINESS MEETING

President Stephen D. Jones called the Annual Meeting of the Members of the International Code Council to order at 10:15 a.m., September 29, 2014, in conjunction with ICC’s Annual Conference at the Greater Fort Lauderdale Broward County Convention Center in Fort Lauderdale, Florida.

President Jones called on Secretary/Treasurer Alex “Cash” Olszowy to call the roll of the ICC Directors to determine if there was a quorum. Secretary/Treasurer Olszowy called the roll of Directors and asked Governmental Member Representatives to stand. Secretary/Treasurer Olszowy then advised the President that a quorum was present.

Having found that a quorum exists, President Jones called for a motion to authorize the start of the meeting. Motion seconded. No discussion ensued. Motion passed unanimously.

President Jones appointed Denny Boss, Building Official for the City of Oakridge, Tennessee, as Sergeant at Arms, and acknowledged former ICC Board Member Tim Ryan, Code Administrator for the City of Overland Park, Kansas, as Parliamentarian.

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

President Jones referred to the registration packets containing a copy of the business agenda for the 12th Annual Business Meeting of the Members of the International Code Council. Included in the packet was the ICC 2014 Annual Business Meeting Report, which includes the Notice of the 2014 Annual Business Meeting, the official minutes for the 2013 Annual Business Meeting, and procedures governing the conduct of elections and resolutions. Since the report included the Meeting Notice, President Jones waived reading the notice.

The minutes of the 2013 Annual Business Meeting were reviewed. A motion was made and seconded to approve the minutes, as presented. Motion passed unanimously.

2014 TREASURER’S REPORT

President Jones called on Secretary/Treasurer Alex “Cash” Olszowy to provide the Treasurer’s Report. Secretary/Treasurer Olszowy provided the financial status of the ICC as reported in the annual report.

Secretary/Treasurer Olszowy stated that as Secretary/Treasurer of the International Code Council Board of Directors, it is his privilege to report to the Membership on the financial condition of the organization.

He stated that the ICC Board is focused on maximizing Membership’s resources to provide the highest quality codes, standards, products, and services for all concerned with the safety and performance of the built environment.

He further stated that we have begun to see signs of a sustained recovery in the housing and commercial real estate market, and we remain optimistic that the U.S. economy will continue to improve. He noted that we are confident that in working together, we will continue to meet the challenges and succeed in our mission.

In 2013, ICC’s consolidated revenues were $57.7 million dollars, an increase of $6.9 million compared to 2012. 2013 expenses were $53.2 million dollars, a decrease of $3.8 million compared to the previous year. Overall net margin for 2013 was increased by $12.5 million.

The three-year code adoption cycle improved substantially during 2013 from its low point in 2012. The cyclical improvement has continued into 2014. With the launch of the 2015 I-Codes and multiple state adoptions, ICC Evaluation Service and International Accreditation Service revenues are also ahead from the prior year. He stated that we expect revenue from the sale of goods and services to exceed our 2014 budget target, and anticipate we will exceed our operating net margin for 2014. He noted that our recent financial performance has allowed us to replenish the ICC’s cash reserves that were drawn down during the economic downturn and slow recovery. Improved finances allow the ICC to maintain a robust package of Member benefits, including a full-day chapter education benefit, free code opinions, special pricing on ICC products, code of honor scholarships, chapter outreach efforts, and the ICC Annual Conference and other membership department support programs.
Secretary/Treasurer Olszowy stated that we are also investing in technology, which is key to the ICC’s future. In 2013-2014, he stated that we successfully launched the cdpACCESS system that provides greater access to and participation in the code development process. He noted the move to a new office in Brea, California, which improved collaborative spaces and capabilities. Since the publishing industry continues to evolve toward digital publications, the ICC has invested in this technology to provide enhanced publication options for our members. More members and other customers are choosing to transact online with the ICC as well, so we have begun a redesign of the website to be launched in 2015. The new website design will make it easier for members and all customers to do business with the ICC.

Secretary/Treasurer Olszowy noted other important areas of investment for the ICC’s future include new strategies for training and education and increased compensation for our dedicated and loyal staff. To help maintain cash reserves, he stated that we continue to manage working capital, accounts receivables, and inventory. Accounts receivables increased in 2013 due to the increase in sales for the year. We continue to reduce inventory while maintaining the ability to service our orders, and that has made it possible for us to reduce the square footage in our warehouse by 70 percent. Working capital management is of critical importance to maintaining cash flow.

Secretary/Treasurer Olszowy stated that each year our financial statements are audited by an independent accounting firm. Our current firm is BDO USA, LLP. He noted that he is pleased to announce that the International Code Council and subsidiaries received an unqualified opinion for 2013. He thanked the audience for allowing him to serve as Secretary/Treasurer and he stated that he looks forward to continuing to serve the association in the years ahead.

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

**CHIEF EXECUTIVE OFFICER, SUBSIDIARY AND PRESIDENT’S REPORTS**

President Jones called on CEO Dominic Sims to provide the CEO’s Report. CEO Sims addressed the membership.

President Jones informed the membership that the reports for the ICC Evaluation Service and International Accreditation Service were posted online as part of the ICC Annual Report.

President Jones provided the President’s Report.

**RESOLUTIONS**

President Jones called on Director Jay Elbettar, Chair of the Resolutions Committee, to provide a brief synopsis of the Resolutions. Director Elbettar acknowledged and thanked the members of the Resolutions Committee for their work.

- Director Elbettar read Resolution 2014-1 concerning the Conference Site. A motion was made and seconded to approve the resolution. The motion passed.
- Director Elbettar read Resolution 2014-2 concerning Deceased Members. A motion was made and seconded to approve the resolution. The motion passed.
- Director Elbettar read Resolution 2014-3 concerning the Standing and Annual Conference Committees. A motion was made and seconded to approve the resolution. The motion passed.
- Director Elbettar read Resolution 2014-4 concerning the Immediate Past President. A motion was made and seconded to approve the resolution. The motion passed.
- Director Elbettar read Resolution 2014-5 concerning Retired Members. A motion was made and seconded to approve the resolution. The motion passed.

**THE HONORARY MEMBERSHIP**

President Jones called on Director Dwayne Garriss, Chair of the 2014 Honorary Members Committee, to deliver the report of the Committee. The Committee recommended the following individuals:

1. Sal DeSimone
2. Robert Konyndyk
3. George Martin
4. Jerome “Jerry” Sanzone
5. Jeff Whitney

A motion was made and seconded to approve the recommendations of the Committee. The motion passed.
SPECIAL ANNOUNCEMENT

President Jones addressed the Membership concerning ICC’s merger with the Solar Rating & Certification Corporation (SRCC). He then introduced Dominic Sims, SRCC President Ole Pilgaard, and SRCC Executive Director Eileen Prado, and together the four of them signed a letter of intent regarding International Code Council’s merger with the Solar Rating and Certification Corporation. Ole Pilgaard then addressed the membership.

ELECTION OF OFFICERS AND DIRECTORS

President Jones called on Immediate Past President Ronald Piester to read the report of the Nominating Committee. Immediate Past President Piester thanked the Members of the Nominating Committee for its work and read the Committee’s recommendations.

President Jones, in accordance with Council Policy 19 – Governing the Conduct of Elections, appointed Past Presiding Board Officers in attendance to serve as Tally Judges.

First Election
President Jones announced the nomination of Guy Tomberlin 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
President Jones announced the nomination of Alex “Cash” Olszowy 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
President Jones announced the nomination of Dwayne Garriss as Secretary/Treasurer 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.

Fourth Election
President Jones announced the nomination of Jay Elbettar for a three-year sectional director term for Section A. 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
President Jones announced the nomination of Richard Truitt for a three-year sectional director term for Section E. 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.

Sixth Election
President Jones announced the nomination of William J. Bechtold 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
President Jones announced the nomination of Shirley Ellis for a three-year director-at-large term. He then made a request for nominations from the floor. An additional nomination was made and seconded for James E. Morganson. All candidates and their supporters were invited to address the membership for a limited amount of time. After electronic voting closed, President Jones announced the election of James Morganson.

Eighth Election
President Jones announced the nomination of M. Donny Phipps 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.

Ninth Election
President Jones announced the nomination of Alan Boswell for a two-year sectional director term for Section F. 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.
RESOLUTION 2015-1 OF THE ANNUAL MEETING OF THE MEMBERS CONCERNING THE CONFERENCE SITE

WHEREAS, the Members of International Code Council, Inc., did assemble at ICC’s 13th Annual Conference in Long Beach, California, September 27–29, 2015; and

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

WHEREAS, the Members of the California Building Officials, the Los Angeles Basin Chapter, the Northern California Fire Prevention Officers and the Southern California Fire Prevention Officers did extend the hand of friendship and hospitality to all those in attendance; now therefore

BE IT RESOLVED, that those Members here assembled on September 28, 2015, at the ICC Annual Business Meeting, do hereby express their sincere thanks and appreciation to the Members of these Chapters for their warm greeting and hospitality.

RESOLUTION 2015-2 OF THE ANNUAL MEETING OF THE MEMBERS CONCERNING DECEASED MEMBERS

WHEREAS, the Members of International Code Council, Inc., did assemble at ICC’s 13th Annual Conference in Long Beach, California, September 27–29, 2015; and

WHEREAS, those Members here assembled on September 28, 2015, at the Council’s Annual Business Meeting, do hereby pay tribute to the memory of the following departed Members and colleagues:

Wolfgang A. Albrecht  
State of New Jersey

Guido Dattaro  
Eastchester, New York

Lester J. Gillis  
Everett, Washington

Kathryn Sedwick  
San Jose, California

Ottmar Becker  
South Holland, Illinois

Anthony “Tony” DeVoe  
Oxnard, California

James Goerl  
Wayne, New Jersey

Greg Specht  
Plainfield, Illinois

Leo Belval, Sr.  
State of Connecticut

David Denney  
Terrell, Texas

Sam Horowitz  
New Hyde Park, New York

John E. Spurgeon  
Campbell County, Wyoming

Ralph Brouillette  
Ware, Massachusetts

John W. “Bill” Deis  
Herkimer, New York

Thomas Erwin  
Syracuse, New York

Jerry Sweeney  
Campbell County, Wyoming

Ron Burton  
BOMA

John F. Emidy  
Blackstone, Massachusetts

Tom Moses  
Reedy Creek Improvement District, Florida

Greg Victor  
Glendale, Arizona

Frank Calnan  
Lynn, Massachusetts

Joel Epstein  
Clarkstown, New York

Madeline Provenzano  
New York City, New York

David Wammack  
Tupelo, Mississippi

Ted Camicia  
Corte Madera, California

Donnal D. Folger  
Newstead/Akron, New York

Edward F. Winter  
Cedar Rapids, Iowa

Robert “Pat” Clark  
Jefferson County, Colorado

Lewis H. Ford  
Chenango County, New York

Paul Reinhold, Sr.  
Rumson/Fair Haven, New Jersey

Albert N. Wrightstone, Jr.  
Susquehanna Township, Pennsylvania

Hal Cosper  
Marietta, Georgia

William P. Fox  
Shrewsbury, Missouri

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 2015-3 OF THE ANNUAL MEETING OF THE MEMBERS CONCERNING THE STANDING COMMITTEES AND THE ANNUAL CONFERENCE COMMITTEE

WHEREAS, the Members of International Code Council, Inc., did assemble at ICC’s 13th Annual Conference in Long Beach, California, September 27–29, 2015; 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 September 28, 2015, 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 September 28, 2015, 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 2015-4 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 13th Annual Conference in Long Beach, California, September 27–29, 2015; 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 September 28, 2015, at the Annual Business Meeting, do hereby express their sincere gratitude and appreciation to Immediate Past President Stephen D. Jones, CBO for his dedicated service to the Members of the International Code Council during his years of service on the Board of Directors.

RESOLUTION 2015-5 OF THE ANNUAL MEETING OF THE MEMBERS CONCERNING RETIRED MEMBERS

WHEREAS, the Members of International Code Council, Inc., did assemble at ICC’s 13th Annual Conference in Long Beach, California, September 27–29, 2015; 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 September 28, 2015, 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.
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, implementation 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, implementation 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.

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 from time to time. This authority may be delegated by the Board of Directors to the Chief Executive Officer.

<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>
2.3 **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 Member 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>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Section A</strong></td>
</tr>
<tr>
<td><strong>Section B</strong></td>
</tr>
<tr>
<td><strong>Section C</strong></td>
</tr>
<tr>
<td><strong>Section D</strong></td>
</tr>
<tr>
<td><strong>Section F</strong></td>
</tr>
</tbody>
</table>
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 terms. 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 bylaws, 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.

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 ongoing business.
BYLAWS FOR THE ICC

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 one 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, against expenses actually and reasonably incurred by such person 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 Section 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 or 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, shall 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. The Board of Directors shall present its recommendations for each proposal, including reasons for recommending such action(s), 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. Four amendments were presented to the ICC membership at the ABM on November 1, 2011. One amendment was approved and ratified by letter ballot sent to all Governmental Member Voting Representatives. The results of the election were certified by the ICC President on February 7, 2012. One amendment was presented to the ICC membership at the ABM on October 23, 2012. The amendment was approved and ratified by letter ballot sent to all Governmental Member Voting Representatives. The results of the election were certified by the ICC President on February 5, 2013.]

International Code Council, Inc. and Subsidiaries

Consolidated Financial Statements
For the Years Ended December 31, 2014 and 2013
International Code Council, Inc. and Subsidiaries

Consolidated Financial Statements
For the Years Ended December 31, 2014 and 2013
# International Code Council, Inc. and Subsidiaries

## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent Auditor’s Report</td>
<td>3-4</td>
</tr>
<tr>
<td><strong>Consolidated Financial Statements</strong></td>
<td></td>
</tr>
<tr>
<td>Consolidated Statements of Financial Position as of December 31, 2014 and 2013</td>
<td>5-6</td>
</tr>
<tr>
<td>Consolidated Statements of Activities for the Years Ended December 31, 2014 and 2013</td>
<td>7</td>
</tr>
<tr>
<td>Consolidated Statements of Cash Flows for the Years Ended December 31, 2014 and 2013</td>
<td>8</td>
</tr>
<tr>
<td>Notes to Consolidated Financial Statements</td>
<td>9-18</td>
</tr>
</tbody>
</table>
Independent Auditor’s Report

Board of Directors
International Code Council, Inc. and Subsidiaries
Chicago, Illinois

We have audited the accompanying consolidated financial statements of International Code Council, Inc. and its Subsidiaries (the “Council”), which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Council’s preparation and fair presentation of the consolidated financial statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
Opinion

In our opinion, the 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, 2014 and 2013, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

BDO USA, LLP
Chicago, Illinois
May 22, 2015
Consolidated Financial Statements
## Consolidated Statements of Financial Position

### December 31, 2014 and 2013

### Assets

#### Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$8,971,556</td>
<td>$8,950,646</td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>$67,233</td>
<td>$77,978</td>
</tr>
<tr>
<td>Investments</td>
<td>$14,368,866</td>
<td>$8,596,325</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance for doubtful accounts of $227,000 and $375,000, respectively</td>
<td>$2,555,423</td>
<td>$3,185,095</td>
</tr>
<tr>
<td>Other receivables</td>
<td>$150,000</td>
<td>$331,914</td>
</tr>
<tr>
<td>Inventory, net</td>
<td>$1,119,752</td>
<td>$1,215,251</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>$442,687</td>
<td>$493,757</td>
</tr>
</tbody>
</table>

Total Current Assets: $27,675,517

#### Property and Equipment

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$964,355</td>
<td>$964,355</td>
</tr>
<tr>
<td>Buildings</td>
<td>$13,540,855</td>
<td>$13,145,189</td>
</tr>
<tr>
<td>Building/leasehold improvements</td>
<td>$1,077,022</td>
<td>$1,077,022</td>
</tr>
<tr>
<td>Computers and software</td>
<td>$15,146,324</td>
<td>$13,098,587</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>$3,558,376</td>
<td>$2,812,823</td>
</tr>
<tr>
<td>Office equipment</td>
<td>$3,071,171</td>
<td>$3,127,178</td>
</tr>
<tr>
<td>Vehicles</td>
<td>$73,184</td>
<td>$73,184</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>$631,167</td>
<td>$122,574</td>
</tr>
</tbody>
</table>

Less: Accumulated depreciation and amortization

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>(26,909,367)</td>
<td>(25,008,272)</td>
<td></td>
</tr>
</tbody>
</table>

Net Property and Equipment: $11,153,087

#### Intangible Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$45,895</td>
<td>81,175</td>
</tr>
</tbody>
</table>

Total Assets: $38,874,499

$32,344,781
International Code Council, Inc. and Subsidiaries

Consolidated Statements of Financial Position

December 31, 2014  2013

Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$ 2,296,916</td>
<td>$ 2,443,334</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>2,544,106</td>
<td>2,907,740</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>5,750,870</td>
<td>6,083,516</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>380,827</td>
<td>723,088</td>
</tr>
<tr>
<td>Accrued employee benefits</td>
<td>3,221,832</td>
<td>2,918,511</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>14,194,551</strong></td>
<td><strong>15,076,189</strong></td>
</tr>
</tbody>
</table>

Commitments (Notes 6 and 7)

Net Assets

<table>
<thead>
<tr>
<th>Net Assets</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>24,591,385</td>
<td>17,170,154</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>88,563</td>
<td>98,438</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>24,679,948</strong></td>
<td><strong>17,268,592</strong></td>
</tr>
</tbody>
</table>

Total Liabilities and Net Assets

| Total Liabilities and Net Assets | $ 38,874,499 | $ 32,344,781 |

See accompanying notes to consolidated financial statements.
International Code Council, Inc. and Subsidiaries  
Consolidated Statements of Activities

Year ended December 31,  

<table>
<thead>
<tr>
<th>Support and Revenue</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2014 Total</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2013 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program services</td>
<td>$36,949,527</td>
<td>-</td>
<td>$36,949,527</td>
<td>$33,490,131</td>
<td>-</td>
<td>$33,490,131</td>
</tr>
<tr>
<td>Product sales</td>
<td>$23,062,474</td>
<td>-</td>
<td>$23,062,474</td>
<td>$22,476,442</td>
<td>-</td>
<td>$22,476,442</td>
</tr>
<tr>
<td>Other income</td>
<td>1,155,038</td>
<td>-</td>
<td>1,155,038</td>
<td>1,133,576</td>
<td>-</td>
<td>1,133,576</td>
</tr>
<tr>
<td>Support and contributions</td>
<td>254,572</td>
<td>2,625</td>
<td>257,197</td>
<td>422,742</td>
<td>3,045</td>
<td>425,787</td>
</tr>
<tr>
<td>Interest income</td>
<td>321,129</td>
<td>-</td>
<td>321,129</td>
<td>162,013</td>
<td>-</td>
<td>162,013</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>12,500</td>
<td>(12,500)</td>
<td>-</td>
<td>30,000</td>
<td>(30,000)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>$61,755,240</td>
<td>(9,875)</td>
<td>$61,745,365</td>
<td>$57,714,904</td>
<td>(26,955)</td>
<td>$57,447,949</td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2014 Total</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2013 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programs/member services</td>
<td>37,808,119</td>
<td>-</td>
<td>37,808,119</td>
<td>36,825,333</td>
<td>-</td>
<td>36,825,333</td>
</tr>
<tr>
<td>Administrative/support services</td>
<td>11,341,779</td>
<td>-</td>
<td>11,341,779</td>
<td>10,883,087</td>
<td>-</td>
<td>10,883,087</td>
</tr>
<tr>
<td>Cost of product</td>
<td>5,120,290</td>
<td>-</td>
<td>5,120,290</td>
<td>5,494,056</td>
<td>-</td>
<td>5,494,056</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>$54,270,188</td>
<td>-</td>
<td>$54,270,188</td>
<td>$53,202,476</td>
<td>-</td>
<td>$53,202,476</td>
</tr>
</tbody>
</table>

Increase (Decrease) in Net Assets Before Gain on Sale of Property and Unrealized Loss on Investments

<table>
<thead>
<tr>
<th>Increase (Decrease) in Net Assets Before Gain on Sale of Property and Unrealized Loss on Investments</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2014 Total</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>2013 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,485,052 (9,875)</td>
<td>-</td>
<td>7,475,177</td>
<td>4,512,428</td>
<td>(26,955)</td>
<td>4,485,473</td>
<td></td>
</tr>
<tr>
<td>Gain on sale of property</td>
<td>75,793</td>
<td>-</td>
<td>75,793</td>
<td>2,351,551</td>
<td>-</td>
<td>2,351,551</td>
</tr>
<tr>
<td>Unrealized loss on investments</td>
<td>(139,614)</td>
<td>-</td>
<td>(139,614)</td>
<td>(237,797)</td>
<td>(237,797)</td>
<td></td>
</tr>
<tr>
<td><strong>Increase (Decrease) in Net Assets</strong></td>
<td>7,421,231 (9,875)</td>
<td>-</td>
<td>7,411,356</td>
<td>6,626,182</td>
<td>(26,955)</td>
<td>6,599,227</td>
</tr>
<tr>
<td>Net Assets, beginning of year</td>
<td>17,170,154</td>
<td>98,438</td>
<td>17,268,592</td>
<td>10,543,972</td>
<td>125,393</td>
<td>10,669,365</td>
</tr>
<tr>
<td><strong>Net Assets, end of year</strong></td>
<td>$24,591,385</td>
<td>$88,563</td>
<td>$24,679,948</td>
<td>$17,170,154</td>
<td>$98,438</td>
<td>$17,268,592</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.
# Consolidated Statements of Cash Flows

**Year ended December 31,**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows From Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in net assets</td>
<td>$ 7,411,356</td>
<td>$ 6,599,227</td>
</tr>
<tr>
<td>Adjustments to reconcile increase in net assets to net cash provided by operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>1,936,374</td>
<td>1,830,533</td>
</tr>
<tr>
<td>(Recoveries) provision for doubtful accounts</td>
<td>(524,271)</td>
<td>591,535</td>
</tr>
<tr>
<td>Write-off of obsolete inventory</td>
<td>158,910</td>
<td>521,189</td>
</tr>
<tr>
<td>Gain on sale of property and equipment</td>
<td>(75,793)</td>
<td>(2,351,551)</td>
</tr>
<tr>
<td>Unrealized loss on investments</td>
<td>139,614</td>
<td>237,797</td>
</tr>
<tr>
<td>Changes in assets and liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted cash and cash equivalents</td>
<td>10,745</td>
<td>6,009</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,153,943</td>
<td>(1,450,059)</td>
</tr>
<tr>
<td>Other receivables</td>
<td>181,914</td>
<td>(166,551)</td>
</tr>
<tr>
<td>Inventory</td>
<td>(63,411)</td>
<td>(81,623)</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>51,070</td>
<td>18,408</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(146,418)</td>
<td>1,083,488</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>(363,634)</td>
<td>(730,654)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>(332,646)</td>
<td>(317,172)</td>
</tr>
<tr>
<td>Customer deposits</td>
<td>(342,261)</td>
<td>237,086</td>
</tr>
<tr>
<td>Accrued employee benefits</td>
<td>303,321</td>
<td>(157,265)</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td><strong>9,498,813</strong></td>
<td><strong>5,870,397</strong></td>
</tr>
<tr>
<td><strong>Cash Flows From Investing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sale of property and equipment</td>
<td>75,793</td>
<td>3,004,969</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(3,641,541)</td>
<td>(2,075,604)</td>
</tr>
<tr>
<td>Sale of investments</td>
<td>5,316,405</td>
<td>4,261,484</td>
</tr>
<tr>
<td>Purchase of investments</td>
<td>(11,228,560)</td>
<td>(7,091,506)</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td><strong>(9,477,903)</strong></td>
<td><strong>(1,900,657)</strong></td>
</tr>
<tr>
<td><strong>Net Increase in Cash and Cash Equivalents</strong></td>
<td><strong>20,910</strong></td>
<td><strong>3,969,740</strong></td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents, beginning of year</strong></td>
<td><strong>8,950,646</strong></td>
<td><strong>4,980,906</strong></td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents, end of year</strong></td>
<td><strong>$ 8,971,556</strong></td>
<td><strong>$ 8,950,646</strong></td>
</tr>
</tbody>
</table>

*See accompanying notes to consolidated financial statements.*
1. Summary of Accounting Policies

Nature of Organization

The International Code Council, Inc. (“ICC”) 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.


Effective July 30, 2010, all assets and liabilities of ICC-ES were sold for $7,400,000 to Evaluation Services LLC (“ES, LLC”), formerly known as ES Acquisition Co, LLC, a Delaware limited liability company formed on March 9, 2010. ES, LLC is a wholly-owned subsidiary of ICC, who is also the sole member of ES, LLC. ICC-ES is inactive.

On November 20, 2014, ICC and the Solar Rating & Certification Corporation (“SRCC”) completed a period of due diligence and formalized the acquisition of SRCC by ICC. SRCC is a non-profit, independent third-party certification entity which is the only national certification program established solely for solar thermal products. The net assets of SRCC at the date of acquisition were insignificant.

Principles of Consolidation

These consolidated financial statements include all of the accounts of the aforementioned entities. All material intercompany transactions have been eliminated.

Concentration of Risk

The Council maintains its primarily non-interest-bearing 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 consolidated statements 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 2.

Corporate Bonds - Corporate 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 2.

Accounts Receivable

Accounts receivable arise during the normal course of business from the sale of publications as well as educational, accreditation 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

Inventory is 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 product. 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 $137,000 and $302,000 as of December 31, 2014 and 2013, 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 equipment, vehicles, and furniture and fixtures; 20 years for building improvements; and 40 years for buildings. Amortization of building/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.

Construction in Progress relates to amounts expended for scheduled hardware replacements, technology projects to improve the code development process, various on-line services, and back office efficiencies. These projects are expected to be completed in 2015 at an estimated cost of $250,000.

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.
During 2014, ICCF entered into an agreement for the sale of its Whittier, California building for $2,750,000, subject to due diligence. The net book value of the building on ICCF’s consolidated balance sheet at December 31, 2014 is approximately $248,000. During 2012, ICCF listed its Bellevue, Washington building for sale for $3,000,000. The building was sold in 2013, resulting in a gain of approximately $2,345,000. During 2012, the Council listed its Westerville, Ohio building for sale for $1,800,000. The net book value of the Westerville, Ohio building on the Council’s consolidated balance sheet at December 31, 2014 is approximately $592,000.

Intangible Assets

Intangible assets with estimable useful lives are amortized on a straight-line basis over their respective estimated useful lives of 15 years.

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, 2014 and 2013, management believes that no such impairments existed.

Net Assets

ICC, IAS, ICC-ES, SRCC and ES, LLC 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 statements 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, 2014 and 2013, 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

Revenue is 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.

ES, LLC 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, ES, LLC receives monies in excess of initial invoices and reflects these monies as customer deposits on the consolidated statements of financial position.

ES, LLC 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, ES, LLC 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.

SRCC has three primary sources of revenue: factory inspection fees, annual program fees and certification fees. Deferred revenue consists of billings for factory inspection fees which have not been completed as of the financial statement date. Fees for annual programs and certifications are recognized in the period services are rendered.

Product sales are comprised of two types of publications, Adoptable and Non-adoptable. The adoptable publications, by their very nature, can legally be adopted into law by state and local governmental bodies. This class includes the International codes, state and local codes as well as referenced standards. The non-adoptable class of publications covers broad topics related to the built environment and publications created for one specific code edition.

New Accounting Standard

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2014-09, “Revenue From Contracts With Customers.” ASU 2014-09 supersedes nearly all existing revenue recognition under U.S. GAAP. The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration an entity expects to be entitled to for those goods or services using a defined five-step process. More judgment and estimates may be required to achieve this principle than under existing U.S. GAAP. ASU 2014-09 is effective for annual periods beginning after December 15, 2018, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients or (ii) a retrospective approach with the cumulative effect upon initial adoption recognized at the date of adoption which includes additional footnote
disclosures. The Council is currently evaluating the impact of the adoption of ASU 2014-09 on the Council’s consolidated financial statements and has not yet determined the method of adoption.

**Investment Income**

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

Investment sales and purchases are recorded on a trade-date basis, which may result 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 ICC-ES are exempt under Section 501(c)(4) of the Internal Revenue Code (“IRC”). ICC, ES, LLC and SRCC are 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 consolidated financial statements. Under comparable state law, ICC and its subsidiaries are also tax exempt.

**Uncertainty in Income Taxes**

The Council follows the provisions of Accounting Standards Codification (“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 disclosures regarding unrecognized tax benefits. The Council does not believe there are any uncertain tax positions that should be recorded. No interest or penalties were included in the consolidated statements of activities for the years ended December 31, 2014 or 2013. Tax years going back to 2011 remain open to examination. Should the Council need to accrue interest or penalties on uncertain tax positions, it would recognize the interest as interest expense and the penalties as other expenses.

**Sales Taxes**

ICC is registered in all fifty states and the District of Columbia to collect and remit sales tax on all products that are subject to sales tax.

**Functional Allocation of Expenses**

In the consolidated statements 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 consolidated 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 consolidated financial statements and accompanying notes. Actual results could differ from the estimates.

2. Investments

The Council follows ASC 820-10 “Fair Value Measurements,” which establishes 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 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 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 the entity’s own assumptions in determining the fair value of investments).

The remainder of this page intentionally left blank.
Investments consist of the following:

<table>
<thead>
<tr>
<th>Investment Assets at Fair Value</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mutual Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pioneer Bond Fund</td>
<td>$988,981</td>
<td>$ -</td>
<td>$-</td>
<td>$988,981</td>
</tr>
<tr>
<td>Osterweis Strategic</td>
<td>49,770</td>
<td>$ -</td>
<td>$ -</td>
<td>49,770</td>
</tr>
<tr>
<td>Lord Abbett Short-Term</td>
<td>2,069,825</td>
<td>$ -</td>
<td>$ -</td>
<td>2,069,825</td>
</tr>
<tr>
<td>Vanguard Short-Term</td>
<td>5,057,938</td>
<td>$ -</td>
<td>$ -</td>
<td>5,057,938</td>
</tr>
<tr>
<td>Driehaus Active Income Fund</td>
<td>49,338</td>
<td>$ -</td>
<td>$ -</td>
<td>49,338</td>
</tr>
<tr>
<td>Doubleline Total Return Fund</td>
<td>1,488,605</td>
<td>$ -</td>
<td>$ -</td>
<td>1,488,605</td>
</tr>
<tr>
<td><strong>Total Mutual Funds</strong></td>
<td>9,704,457</td>
<td>$ -</td>
<td>$ -</td>
<td>9,704,457</td>
</tr>
<tr>
<td><strong>Corporate Bonds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank of America</td>
<td></td>
<td>251,250</td>
<td>$ -</td>
<td>251,250</td>
</tr>
<tr>
<td>Synchrony Financial</td>
<td></td>
<td>357,912</td>
<td>$ -</td>
<td>357,912</td>
</tr>
<tr>
<td>The Western Union Company</td>
<td></td>
<td>352,838</td>
<td>$ -</td>
<td>352,838</td>
</tr>
<tr>
<td>Wynn Las Vegas Capital Corp.</td>
<td></td>
<td>358,728</td>
<td>$ -</td>
<td>358,728</td>
</tr>
<tr>
<td>Jeffries Group, Inc.</td>
<td></td>
<td>311,832</td>
<td>$ -</td>
<td>311,832</td>
</tr>
<tr>
<td>Assured Guaranty US Holding</td>
<td></td>
<td>308,218</td>
<td>$ -</td>
<td>308,218</td>
</tr>
<tr>
<td>Qwest Corp.</td>
<td></td>
<td>355,552</td>
<td>$ -</td>
<td>355,552</td>
</tr>
<tr>
<td>ICAHN Enterprises</td>
<td></td>
<td>349,595</td>
<td>$ -</td>
<td>349,595</td>
</tr>
<tr>
<td>Leucadia National Corp.</td>
<td></td>
<td>357,169</td>
<td>$ -</td>
<td>357,169</td>
</tr>
<tr>
<td>Pitney Bowes, Inc.</td>
<td></td>
<td>51,862</td>
<td>$ -</td>
<td>51,862</td>
</tr>
<tr>
<td>Goldman Sachs Group, Inc.</td>
<td></td>
<td>813,945</td>
<td>$ -</td>
<td>813,945</td>
</tr>
<tr>
<td>General Electric Capital Corp.</td>
<td></td>
<td>504,851</td>
<td>$ -</td>
<td>504,851</td>
</tr>
<tr>
<td>JP Morgan Chase</td>
<td></td>
<td>290,657</td>
<td>$ -</td>
<td>290,657</td>
</tr>
<tr>
<td><strong>Total Bonds</strong></td>
<td></td>
<td>4,664,409</td>
<td>$ -</td>
<td>4,664,409</td>
</tr>
<tr>
<td><strong>Total Investments at Fair Value</strong></td>
<td>$9,704,457</td>
<td>$4,664,409</td>
<td>$ -</td>
<td>$14,368,866</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment Assets at Fair Value</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mutual Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ishares Floating Rate</td>
<td>2,496,438</td>
<td>$ -</td>
<td>$ -</td>
<td>2,496,438</td>
</tr>
<tr>
<td>Lord Abbett Floating Rate</td>
<td>1,339,145</td>
<td>$ -</td>
<td>$ -</td>
<td>1,339,145</td>
</tr>
<tr>
<td>Lord Abbett Short-Term</td>
<td>1,011,633</td>
<td>$ -</td>
<td>$ -</td>
<td>1,011,633</td>
</tr>
<tr>
<td>Vanguard Short-Term</td>
<td>2,585,511</td>
<td>$ -</td>
<td>$ -</td>
<td>2,585,511</td>
</tr>
<tr>
<td>Doubleline Total Return Fund</td>
<td>815,753</td>
<td>$ -</td>
<td>$ -</td>
<td>815,753</td>
</tr>
<tr>
<td><strong>Total Mutual Funds</strong></td>
<td>8,248,480</td>
<td>$ -</td>
<td>$ -</td>
<td>8,248,480</td>
</tr>
<tr>
<td><strong>Corporate Bonds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank of America</td>
<td></td>
<td>246,910</td>
<td>$ -</td>
<td>246,910</td>
</tr>
<tr>
<td>General Electric Capital Corp.</td>
<td></td>
<td>100,935</td>
<td>$ -</td>
<td>100,935</td>
</tr>
<tr>
<td><strong>Total Bonds</strong></td>
<td></td>
<td>347,845</td>
<td>$ -</td>
<td>347,845</td>
</tr>
<tr>
<td><strong>Total Investments at Fair Value</strong></td>
<td>8,248,480</td>
<td>347,845</td>
<td>$ -</td>
<td>8,596,325</td>
</tr>
</tbody>
</table>
3. 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>December 31,</th>
<th>2014</th>
<th>2013</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><strong>Total</strong></td>
<td><strong>570,825</strong></td>
<td><strong>570,825</strong></td>
</tr>
<tr>
<td>Less accumulated amortization</td>
<td>(524,930)</td>
<td>(489,650)</td>
</tr>
<tr>
<td><strong>Intangible assets, net</strong></td>
<td><strong>$45,895</strong></td>
<td><strong>$81,175</strong></td>
</tr>
</tbody>
</table>

4. Accrued Employee Benefits

The Council permits employees to accumulate and carryforward 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, 2014 and 2013 is approximately $2,517,000 and $2,558,000, respectively, and is included in accrued employee benefits.

5. Retirement Plans

The Council has deferred compensation plans including a plan originating with the International Conference of Building Officials (see Note 1) which was assumed by the Council at the time of merger. Per the plan agreements, until distribution is made, an annual increase is credited to the accounts for earnings. The plan assets are maintained with the general assets of the Council. As of December 31, 2014 and 2013, the balance in the deferred compensation liability was approximately $138,000 and $144,000, respectively, included in accrued expenses in the consolidated statements of financial position.

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. Contributions by the Council to the plan for each of the years ended December 31, 2014 and 2013 totaled approximately $473,000 and $423,000, respectively.
6. Lease Obligations

As of December 31, 2014, the Council has three principal operating leases for office space located in Washington, D.C., Brea, California, 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 two 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>2015</td>
<td>$1,181,589</td>
</tr>
<tr>
<td>2016</td>
<td>1,007,201</td>
</tr>
<tr>
<td>2017</td>
<td>413,453</td>
</tr>
<tr>
<td>2018</td>
<td>413,453</td>
</tr>
<tr>
<td>2019</td>
<td>413,453</td>
</tr>
<tr>
<td>Thereafter</td>
<td>34,454</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,463,603</strong></td>
</tr>
</tbody>
</table>

Building, office and warehouse rent, including taxes, maintenance and insurance, for the years ended December 31, 2014 and 2013 was approximately $1,166,000 and $1,094,000, respectively.

As of December 31, 2014, the Council also had 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>2015</td>
<td>$19,608</td>
</tr>
<tr>
<td>2016</td>
<td>6,313</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$25,921</strong></td>
</tr>
</tbody>
</table>

Equipment rental expense for the years ended December 31, 2014 and 2013 was approximately $220,000 and $222,000, respectively.

7. Commitments

The Council is party to numerous agreements with hotels and meeting facilities for their seminars and conferences. These agreements often include commitments for use of hotel space. As of December 31, 2014, the Council was responsible for commitments for the next four years. For 2015, the Council is responsible for commitments in amounts of approximately $143,000 and $432,000 that relate to the Spring Hearings in Memphis and the Annual Conference in Long Beach, respectively.

For 2016, the Council is responsible for commitments in the amounts of approximately $151,000 and $321,000 that relate to the 2016 Spring Hearings in Louisville and the Annual Conference in Kansas City, respectively.

The Council is responsible for commitments in the amounts of approximately $201,000 and $222,000 that relate to the 2017 Annual Conference in Columbus and the 2018 Annual Conference in Richmond, respectively.
8. Related-Party Transactions

Some board members act as training instructors or subcontractors to ICC and are paid a fee for their services. Fees paid to these board members during 2014 and 2013 amounted to approximately $42,300 and $34,000, respectively.

9. Line of Credit

In July, 2014, the Council renewed its line of credit with its existing bank. Maximum availability on the line of credit is $3,000,000 with a maturity date of June 30, 2015. The interest rate on the line of credit is at adjusted LIBOR, as defined in the line of credit agreement as LIBOR plus 1.75% and an unused fee of 0.05%. The line of credit is collateralized by substantially all of the Council’s Illinois real estate assets and requires adherence to certain financial covenants. The Council was in compliance with these covenants as of December 31, 2014. At December 31, 2014 and 2013, there were no amounts outstanding on the line of credit.

10. Subsequent Events

The Council evaluated subsequent events through May 22, 2015, the date the consolidated financial statements were available to be issued. No material subsequent events have occurred through May 22, 2015 that required recognition or disclosure in these consolidated financial statements.
# 2015 Annual Conference Schedule

## Saturday, September 26
- **8 am–4:30 pm**
  - 12th Annual Bob Fowler Motorcycle Ride*
    - Off Site
  - ICC Board of Directors Meeting
    - Hyatt—Seaview AB

## Sunday, September 27
- **7 am–2 pm**
  - 1st Annual Ron Burton Golf Outing*
    - Off Site
  - 12th Annual Bob Fowler Motorcycle Ride*
    - Off Site

## Monday, September 28
- **7 am–5 pm**
  - Registration
    - Promenade Lobby
  - Bookstore
    - Pacific Gallery

## Tuesday, September 29
- **7 am–5 pm**
  - Registration
    - Promenade Lobby
  - Bookstore
    - Pacific Gallery
  - Networking Lounge
    - Sponsored by ES
    - Hall B

## Wednesday, September 30
- **7 am–5 pm**
  - Registration
    - Promenade Gallery
  - Bookstore
    - Pacific Gallery

## Thursday, October 1
- **7 am–5 pm**
  - Registration
    - Promenade Lobby
  - Bookstore
    - Pacific Gallery

## Friday, October 2
- **7 am–5 pm**
  - Registration
    - Promenade Lobby
  - Bookstore
    - Pacific Gallery

## Saturday, October 3
- **7 am–5 pm**
  - Registration
    - Promenade Lobby

## Sunday, October 4
- **7 am–5 pm**
  - Registration
    - Promenade Lobby

## Presidents’ Welcome Reception
- **6 pm–7 pm**
  - Sponsored by SMART VENT, Cengage Learning, IBTS and 2016 Annual Conference Host Chapters
  - Hall A

## Initial Report of the Nominating Committee
- **7 pm–7:30 pm**
  - 104A

## Meet & Greet the ICC Candidates
- **7:30 pm–11 pm**
  - Parker’s Lighthouse

## Welcome to Long Beach
- **7 pm–11 pm**
  - Federal Bar

---

*Preregistration required.*
## Contact Information

**Code Council Call Center**

**Contact ICC**
- [www.iccsafe.org](http://www.iccsafe.org)
- 888-ICC-SAFE (888-422-7233), press 0.
- Email: CareCenter@iccsafe.org

### ICC Service Centers

<table>
<thead>
<tr>
<th>Service</th>
<th>Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer Service</strong></td>
<td>1-800-786-4452&lt;br&gt;International: (708) 799-2300, ext. 33801&lt;br&gt;<a href="mailto:order@iccsafe.org">order@iccsafe.org</a></td>
</tr>
<tr>
<td><strong>Digital Products</strong></td>
<td>888-ICC-SAFE (888-422-7233), ext. 33822&lt;br&gt;<a href="mailto:support@iccsafe.org">support@iccsafe.org</a></td>
</tr>
<tr>
<td><strong>Certification and Testing</strong></td>
<td>888-ICC-SAFE (888-422-7233), ext. 5524&lt;br&gt;<a href="mailto:certexam@iccsafe.org">certexam@iccsafe.org</a></td>
</tr>
<tr>
<td><strong>Member Services</strong></td>
<td>888-ICC-SAFE (888-422-7233), ext. 33804&lt;br&gt;<a href="mailto:members@iccsafe.org">members@iccsafe.org</a></td>
</tr>
</tbody>
</table>

### ICC Offices

- **Washington DC Governmental Affairs Office**
  - 500 New Jersey Avenue, NW<br>6th Floor, Washington, DC 20001<br>P: 888-ICC-SAFE (888-422-7233)<br>F: (202) 783-2348<br>International: (202) 370-1800

- **Eastern Regional Office**
  - 900 Montclair Road<br>Birmingham, AL 35213<br>P: 888-ICC-SAFE (888-422-7233) and press 0<br>F: (205) 599-9871

- **Central Regional Office**
  - 4051 Flossmoor Road<br>Country Club Hills, IL 60478<br>P: 888-ICC-SAFE (888-422-7233) and press 0<br>F: (708) 799-4981 or 1-800-214-7167

- **Western Regional Office**
  - 3060 Saturn Street, Suite 100<br>Brea, CA 92821<br>P: 888-ICC-SAFE (888-422-7233) and press 0<br>F: (562) 908-5524

- **ICC Distribution Center**
  - 11711 W 85th St<br>Lenexa, KS 66214<br>P: 888-ICC-SAFE (888-422-7233) and press 0<br>F: (913) 888-4526 or 1-866-891-1695

### ICC Family of Companies

- **ICC Evaluation Service**
  - Business/Regional Office:<br>3060 Saturn Street, Suite 100<br>Brea, CA 92821<br>P: 1-800-423-6587<br>F: (562) 695-4694

- **ICC Evaluation Service**
  - Regional Offices:<br>900 Montclair Road, Suite A<br>Birmingham, AL 35213<br>P: 1-800-423-6587<br>F: (205) 599-9850<br>4051 Flossmoor Road, Country Club Hills, IL 60478<br>P: 1-800-423-6587<br>F: (708) 799-0310

- **International Accreditation Service**
  - 3060 Saturn Street, Suite 100<br>Brea, CA 92821<br>P: (562) 699-0541<br>F: (562) 699-8031

- **Solar Rating & Certification Corporation**
  - 400 High Point Drive<br>Suite 400<br>Cocoa, Florida 32926<br>P: (321) 213-6037<br>F: (321) 821-0910

### Prepared By

- **Gosia Furman**
  - Director of Finance
  - International Code Council
  - 4051 Flossmoor Rd.
  - Country Club Hills, IL 60478
  - gfurman@iccsafe.org
  - 1-888-422-7233 x5243

- **Dianna Hallmark**
  - Project Manager

- **Ricky Razo**
  - Graphic Design

- **Steve Daggers, Margi Leddin, and Phil Arvia**
  - Editorial

For additional copies or information concerning this report contact: Gosia Furman

The names and addresses of the current Members of ICC are located at the Birmingham, Alabama office.