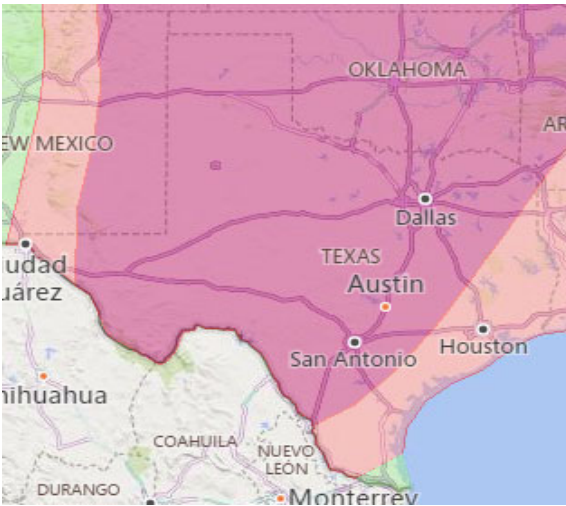


Building Resiliency Upgrades

There is no denying that recent storm systems have packed a heavier punch than in the past. For this reason, the current protections provided by our buildings are beginning to become outdated. Grandfathered building codes do not match the level of protection that is now needed. You have read of our concerns about wind and hail damage in past articles and the need to upgrade roof materials to safeguard against those storms. In this article, we will discuss the importance of capital planning through budgets to better protect our buildings against the increasing weather threats.

Hail Protection



We have shown this graphic often when discussing hail potential in Texas. As you can see on the map, most of Texas is covered in purple which signifies Very Severe Hail (VSH). The peach area (Gulf Coast and Southeast Texas) signifies Severe Hail (SH). FM Global determined these areas based on loss history and weather patterns. FM Global is a large, global property insurer with preeminent expertise in reducing risks of loss to property. The ratings are important for when new construction and replacement roofing materials are selected. Being in a VSH area and selecting a material with an SH rating exposes you to potential losses that could be avoided. VSH rated roofing materials are only four to five years old.

If you are in the region of VSH and your roof is older than five years old, chances are your building's cover is inadequately protected.

Therefore, it is imperative to plan now for a roof upgrade during the next three to five budget cycles. Hopefully, a replacement happens not out of necessity because of storm damage but when the roof has reached its age limitations or the budget for an upgraded roof has matured. However, property claims have accounted for roughly 48% of all claims in the past four years. The main driver in those claim costs have been storm-damaged roofs.

When the new VSH rating came out in 2019, the increased cost was estimated to be between 25% and 50% (A Case Study of the Cost of FM Global's Very Severe Hail (VSH) Rating (2019), benchmark-inc.com). However, recent discussions with FM Global

representatives have shown that improved technologies and an influx of VSH approved products in the market tempered the increase to 10% to 20% in 2023. Building a professional relationship with the roofing contractor and expressing a desire for a VSH rated roof can prove to be effective in keeping the cost down, as well. This is yet another reason to do your due diligence in selecting a contractor and not trusting the first one on your “doorstep” after a storm. Trust the Fund adjuster to help you through the process of selecting a contractor, monitoring the work, and making sure it is done right.

Hurricane (Wind) Protection

Wind during a hurricane has the potential to completely damage a building. This mostly occurs when the roof is lifted and separated from the building. With the roof removed, the wind now causes outward pressure on the building walls that inflicts further damage. For this reason, uplift testing is vitally important for our members along the Gulf Coast. These tests will assess the resiliency of your roof under wind speeds equal to or greater than 100 mph. A failed test will force the need for an upgrade in the protection of the roof. Upgrades could be a shorter distance between fasteners, improvement in the corners, or a complete replacement of the roof.

Much like budget planning for hail protection, members in hurricane prone areas should consider first up-lift testing of roofs and then capital planning for those that fail the tests. Working with a roofing company to determine costs will provide a clearer picture for the expected costs and the budget needed to reach them.

Conclusion

Roofs are vital to the protection of our buildings. Even the smallest crack can allow water to intrude into the building and begin inflicting damage. However, hail and wind have the potential to do so much more in a short amount of time. Furthermore, storms are having a greater impact on our buildings than we have experienced lately. Some of that is due to aging materials, and inadequate protection makes up the remainder. This is why it is vitally important to ensure appropriate roof protection. Planning for a roof replacement now in the budget will allow you to upgrade either before or after that impactful storm hits your area.

Your Fund's Loss Control team will be glad to assist in any way. Please contact Jeremy Wade (Jeremy.wade@sedgwick.com) if you would like to schedule a visit or have any questions.