



Fire Operations

New Financial Model – Service Line Summary

October 2026

Four changes in the new Financial Model

Two structural changes that reallocate cost (cost-neutral overall), and two cost pressures that add new cost from 2027.

Structural Changes— cost-neutral

1. Cost Model

How costs are allocated across E-Comm's service lines, to more fairly reflect resources used. Corporate-cost allocation shift from Radio: Radio partners currently pay 65% of corporate costs; under the new model, radio partners will pay approximately 14% (including NG9-1-1 Contracted Partners), with other partners paying their fair share.

2. Pricing Model

How each service line's cost is divided among partners. New pricing for 9-1-1 and police call services only — radio, fire dispatch services and fire technology already have established models. The existing model does not reflect how services are actually consumed.

- Police call-taking pricing metrics: 25% population and 75% call volume.
- Police dispatch pricing metrics: # of dispatch seats.
- Admin metrics: % share of workload

Cost Changes

3. Five-Year Plan

Projected future spending — wage projections and priorities like technology transformation and the third operating facility — mitigated by cost containment. We have heard partners' concerns and reduced core spend even against wage and technology inflation.

4. Next Generation 9-1-1 (NG911)

Future projected NG9-1-1 operating costs borne by partners starting in 2027, when current funding expires.



Reducing the cost base before 2027 service fee

What E-Comm has already done to shrink the size of the 'pie' — before any 2027 service fee is calculated.

Held flat

Corporate cost reduced/reallocated

Excluding strategic initiatives, corporate ('overhead') cost falls from \$25.5M (2026) to \$25.1M (2027).

Held flat

Total cost base, before NG9-1-1

Fully-loaded cost base \$154.1M (2026) → \$153.9M (2027), even against wage and technology inflation.

+\$3.7M

NG9-1-1 — the unavoidable add

Next Generation 9-1-1 is recovered through partner service fees from 2027 (\$3.7M across all partners) as provincial start-up funding ends.

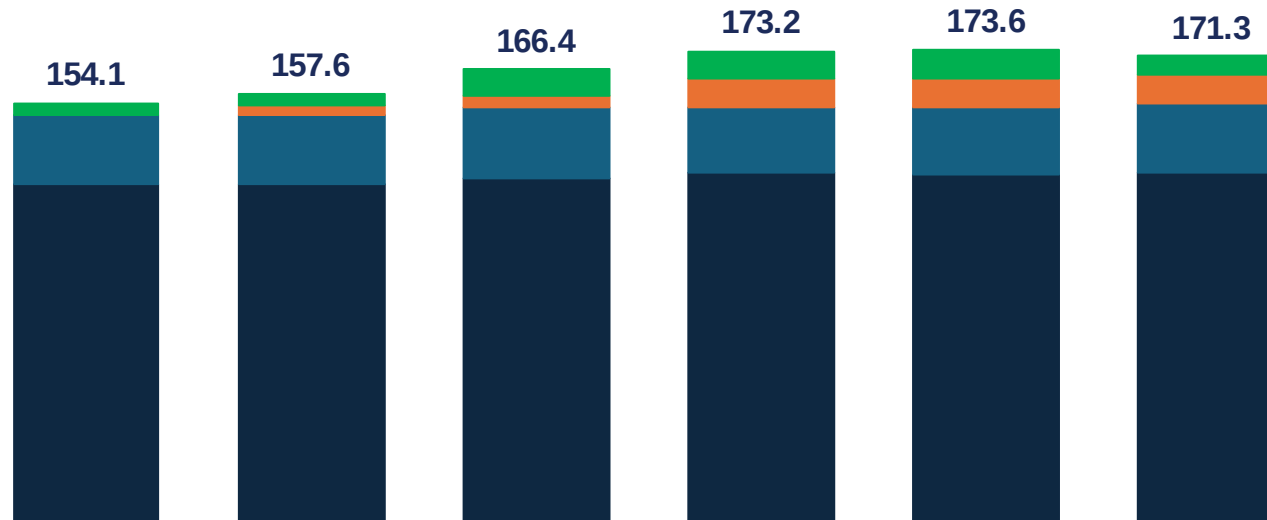
How we are containing cost

- Reducing corporate costs and flattening growth in operating costs.
- Re-prioritizing and re-profiling the Five-Year Plan against partner feedback.
- Targeting technology investments (cyber, business continuity) to mitigate primary risks.



We heard you — costs contained, investments deliberate

E-Comm's full cost base over the Five-Year Plan: the core we control is held essentially flat — the growth is deliberate or mandated investment.



Held flat

Corporate cost held flat.
\$25.5M (2026) → \$25.4M (2031).

Held flat

Core Direct costs flatten despite wage pressures:
\$124.3M (2026) → \$128.5M (2031).

NG9-1-1

NG9-1-1 is the add: \$3.7M (2027) → \$10.7M (2031)
— federally mandated, provincial grant funding ends 2026.

Deliberate

Strategic investments in technology transformation and resilience to mitigate enterprise risks and enable cost containment.

\$M	2026	2027	2028	2029	2030	2031
■ Direct	124.3	124.1	126.3	127.9	127.7	128.5
■ Corporate	25.5	25.1	25.8	24.7	24.7	25.4
■ NG9-1-1	—	3.7	4.2	10.2	10.5	10.7
■ Strategic Initiatives	4.3	4.7	10.1	10.4	10.8	6.7
Total	154.1	157.6	166.4	173.2	173.6	171.3
Annual % Change		2.3%	5.6%	4.1%	0.3%	(1.3%)



Next Generation 9-1-1: Reasons for operating-cost increases

Sustainment costs include staffing, equipment (hardware, software and maintenance), network connectivity and system/security monitoring.

NG9-1-1 cost drivers

Adoption of federally-mandated NG9-1-1 requires a full replacement of legacy technology, and the introduction of a new high-speed network

The old, existing “E9-1-1” technology is no longer supported, we can no longer buy equipment or support, and the infrastructure cannot support modern, data-intensive traffic.

NG9-1-1 is internet-based

Emergency calls now travel across an IP-based network, creating the need for high-speed connectivity and the ability to send and receive large amounts of data.

Higher cybersecurity/business continuity risk

Moving from an old, closed-circuit system to a modern, digital IP-based system also increases the attack surface for cyber threats such as ransomware. Ensuring robust security and business continuity is complex and expensive.

Multimedia integration

Unlike traditional systems that handle only audio, NG9-1-1 will eventually handle video and text messages from various sources.

NG9-1-1 cost drivers (cont.)

New staffing demands

System change will be more frequent - once organizations adopt NG9-1-1 they must stay current. New skillsets are required, such as in application management and security, along with additional capacity to manage the new network, dynamic system and increased internet-based risk.

Call-taking and dispatch personnel must be trained on new, complex digital systems, and additional staffing will be required to support higher call volumes and longer handling times once multimedia options are introduced.

Ongoing Investment

Beyond initial implementation, ongoing maintenance of complex digital systems adds long-term financial pressure.

Infrastructure follow defined lifecycle refresh cycles, typically on a five-year cadence, meaning capital reinvestment is a recurring cost of operating an NG9-1-1 environment.

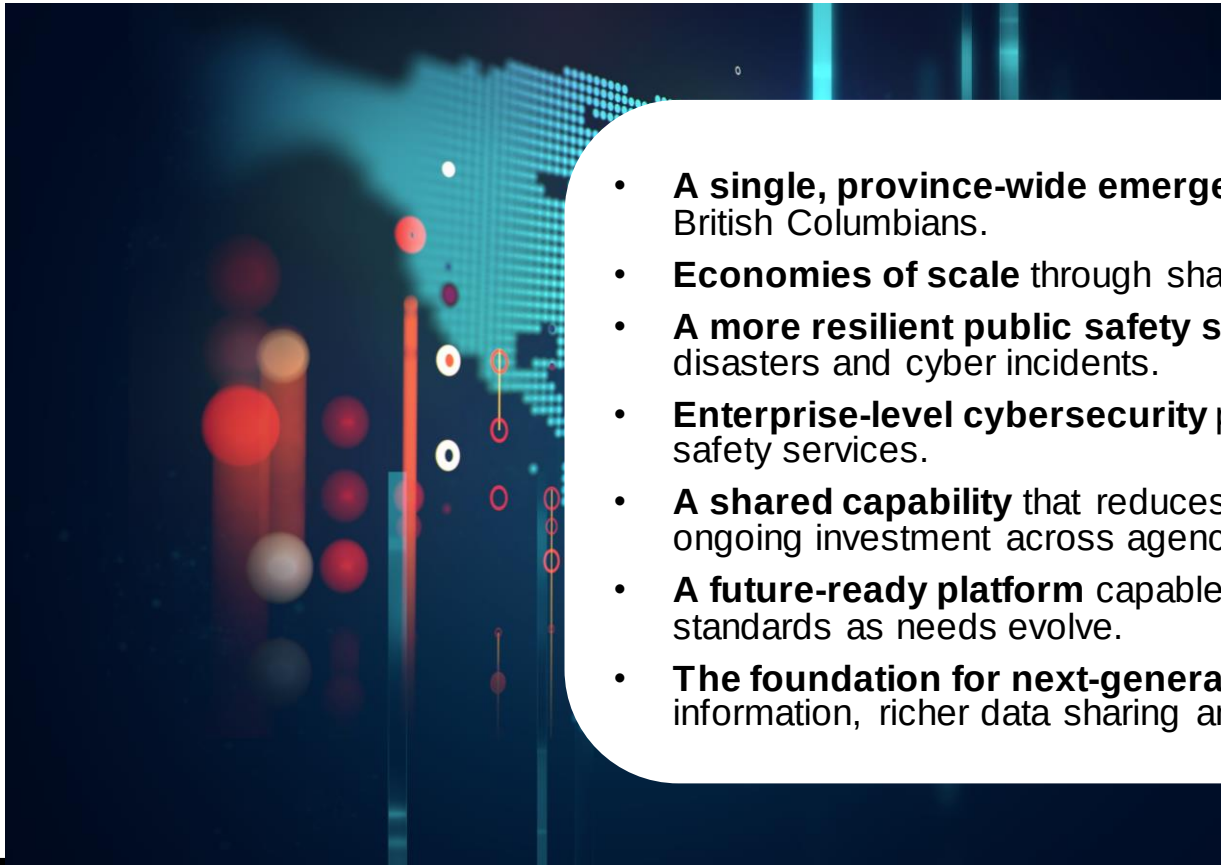
Changing technology landscape

Hardware and software vendors are increasingly shifting to subscription-based models where ongoing costs are higher. The impact is typically an increase in the total cost of ownership.



Benefits of our provincewide approach to NG9-1-1

The value and public-safety benefits of our shared-service approach in B.C.

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- **A single, province-wide emergency communications platform** serving most British Columbians.
 - **Economies of scale** through shared system and service.
 - **A more resilient public safety system** designed to continue operating during disasters and cyber incidents.
 - **Enterprise-level cybersecurity** protecting one of BC's most critical public safety services.
 - **A shared capability** that reduces duplication of technology, expertise and ongoing investment across agencies.
 - **A future-ready platform** capable of adopting new emergency communications standards as needs evolve.
 - **The foundation for next-generation public safety**, including better location information, richer data sharing and future digital emergency services.



The Cost Model — categorizing and sharing E-Comm's costs

Costs are categorized into direct and corporate; corporate costs are now allocated as a percentage of direct costs — a fairer sharing across service lines.

Direct costs — of each service line

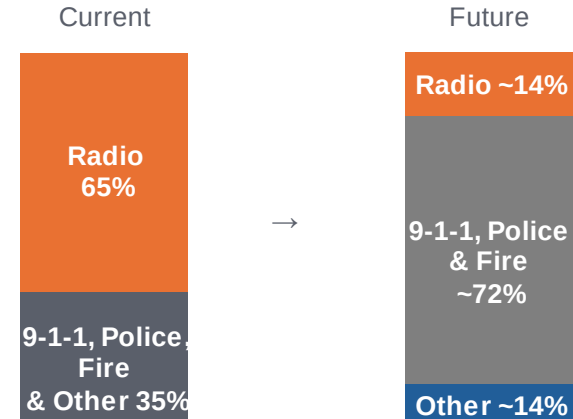
The resources a service line would need even if it were the only service E-Comm delivered — front-line staff, systems, software licensing, dedicated support.

Corporate costs — a portion of shared support

Foundational resources shared by all service lines — facilities, finance, HR, network, cybersecurity, the service desk, and technology infrastructure.

Now allocated to each service line as a % of its direct costs.

Corporate cost allocation — the shift across service lines



- Shift from Radio to police, fire & 9-1-1 call-taking services.
- More accurately reflects usage of corporate services.
- Given the size of the shift — a 3-year transition (Radio's corporate share: 50% → 30% → 14%).



The Pricing Model – why shares shift

Methodology — Fire Dispatch pricing is unchanged under the new Financial Model.

The Fire Dispatch pool — pricing

- 12 fire agencies share the Fire Dispatch pool: \$10.3M at full implementation of the new model on the 2026 budget. Fire CAD and Fire RMS (technology) are priced on their existing cost-sharing models.
- Fire Dispatch pricing is unchanged: 50% CAD tasks + 50% radio duration, under the Fire Dispatch Committee cost-sharing agreement.
- The share transition that began in 2024 phases agency shares annually and reaches full implementation in 2028 — these share changes are captured in the Δ 5-Year Plan column on the 2027-factors page, not as a pricing-model change.
- The structural change for fire partners is therefore the Cost Model: fire call services take on a larger share of corporate costs as Radio's share steps down.

How shares are set

Fire Dispatch: 50% CAD tasks + 50% radio duration.

Fire CAD / RMS: existing technology cost-sharing models.

What's driving it

- No pricing-model change for fire — the Δ Price Model column on the following pages is nil.
- Quarterly reporting by agency begins January 2027 and will include the underlying driver data (CAD tasks and radio duration).



Fire Operations — the Financial Model on a 2026 basis

If the Cost and Pricing Models were fully implemented in 2026,— before the 3-year transition and the 2027 cost pressures.

Agency / Business Line	2026 Status Quo	2026 Δ Cost Model	2026 Δ Price Model	2026 New Model	2026 Δ (\$)	2026 Δ (%)
Fire Services — pool	13,143.6	3,255.2	-	16,398.8	3,255.2	24.8%
Fire Dispatch (12 agencies)	8,434.8	1,834.2	-	10,269.0	1,834.2	21.7%
Fire CAD	2,985.1	966.5	-	3,951.6	966.5	32.4%
Fire RMS	1,723.7	454.5	-	2,178.2	454.5	26.4%

- Cost Model: Fire Dispatch takes on a larger share of E-Comm's corporate costs — +1,834.2 (\$000s) at full implementation; Fire CAD +966.5 and Fire RMS +454.5 — offset across E-Comm by the Radio pool's decrease.
- Pricing Model: no change for fire — Fire Dispatch (50% CAD tasks + 50% radio duration) and the Fire CAD / RMS technology models already reflect use; the Δ Price Model column is nil.

Structural change only. The 3-year transition, the 2027 cost pressures and the reserve follow on the next pages.



From the Financial Model to the 2027 service fees

The transition over three years, the other 2027 factors layered on, the reserve applied — and the 2027 fees across the pool.



How the 2027 service fees are built — step by step

Five steps from the 2026 status quo to the 2027 fees. Resulting pool-level figures are on the following pages.

1 Cost Model

STRUCTURAL

Costs categorized into direct and corporate; corporate allocated to each service line as a % of its direct costs.

2 Pricing Model

STRUCTURAL

Police and 9-1-1 pool costs divided among partners on drivers — call volumes, population, dispatch seats. Cost neutral across the pool.

3 3-Year Transition

SMOOTHING

No partner absorbs the change at once — the new model phases in across 2027–2029.

4 2027 Cost Factors

COST PRESSURE

The updated Five-Year Plan (net of containment) and NG9-1-1 — provincial start-up funding ends.

5 Surplus/ Reserve

RELIEF

Prior-year surplus and operations reserve applied against the increase — choice of timing across 2027–2028.



The transition approach — over 3 years

We recognize these are big changes — the Cost and Pricing Models phase in across 2027–2029.

Agency / Business Line	2026 Status Quo	2026 New Model	2027 Transition Adjustment	2027 Adjusted	Adjusted Δ (\$) vs 2026	Adjusted Δ (%) vs 2026
Fire Services — pool	13,143.6	16,398.8	-1,230.5	15,168.2	2,024.7	15.4%
Fire Dispatch (12 agencies)	8,434.8	10,269.0	-829.3	9,439.7	1,004.9	11.9%
Fire CAD	2,985.1	3,951.6	-259.3	3,692.3	707.1	23.7%
Fire RMS	1,723.7	2,178.2	-141.9	2,036.3	312.6	18.1%

For the pool the transition adjustment is negative (-1,230.5, \$000s): the corporate reallocation phases in over three years rather than arriving at once — the 2027 adjusted fee is 15.4% above the 2026 status quo, versus 24.8% at full implementation.

Cost Model phase-in

Corporate allocation moves to a % of direct costs over three years. Radio's corporate share steps down: 50% (2027) → 30% (2028) → ~14% (2029).

Pricing Model phase-in

Not applicable to fire — Fire Dispatch pricing is unchanged; the agreed Fire Dispatch share transition (2024–2028) continues under the Fire Dispatch Committee agreement.



Fire Operations — the other 2027 factors

For fire partners NG9-1-1 (+286.1) and the Fire Dispatch Five-Year Plan (+577.8) are the 2027 pressures; the technology lines reduce (−483.6).

Agency / Business Line	2026 Status Quo	2027 Adjusted	2027 Δ 5-Yr Plan (excl NG)	2027 Δ NG911	2027 Total Fee (Gross)	2027 Δ (\$) vs 2026	2027 Δ (%) vs 2026
Fire Services — pool	13,143.6	15,168.2	94.2	286.1	15,548.6	2,405.0	18.3%
Fire Dispatch (12 agencies)	8,434.8	9,439.7	577.8	286.1	10,303.6	1,868.8	22.2%
Fire CAD	2,985.1	3,692.3	−210.0	-	3,482.3	497.1	16.7%
Fire RMS	1,723.7	2,036.3	−273.6	-	1,762.7	39.1	2.3%

NG9-1-1 operating costs arrive in 2027 as provincial start-up funding expires (+286.1, \$000s — all on Fire Dispatch), stepping up to ~\$0.8M from 2029.

The Δ 5-Year Plan column is +94.2 (\$000s) overall — Fire Dispatch +577.8 (including the agreed share transition and wage-driven cost), offset by Fire CAD −210.0 and Fire RMS −273.6.



Fire Operations — 2027 service fees (the bottom line)

The 2026 status quo and the 2027 service fees across the pool — gross, reserve applied, and net.

Agency / Business Line	2026 Status Quo	2027 Total Fee (Gross)	2027 Reserve Usage	2027 Fees Net of Reserve	2027 Δ (\$) vs 2026	2027 Δ (%) vs 2026	2027 Fee Δ (%) Range
Fire Services — pool	13,143.6	15,548.6	-725.0	14,823.6	1,680.0	12.8%	11% to 15%
Fire Dispatch (12 agencies)	8,434.8	10,303.6	-725.0	9,578.6	1,143.8	13.6%	
Fire CAD	2,985.1	3,482.3	-	3,482.3	497.1	16.7%	
Fire RMS	1,723.7	1,762.7	-	1,762.7	39.1	2.3%	

Reserve — a temporary bridge, not a permanent change to service fee. \$0.73M of operations reserve is applied to Fire Dispatch in 2027 (2027 only — no fire reserve is assumed from 2028); a minimum reserve balance is retained for future predictability.

Across the 12 Fire Dispatch agencies — 2027 net fee changes range from about 0% to +32% (median +16%); 11 agencies increase and 1 is essentially unchanged. Each agency's change depends on its CAD-task and radio-duration share and the agreed share transition.

Range — fees are presented with a $\pm 2\%$ planning band, rounded to whole percentages, pending the 2027 budget build; final fees are confirmed at the November Board.



Fire Operations — service fees over five years

Year-over-year change in pool service fees, net of reserve, shown as $\pm 2\%$ planning ranges (whole percentages). Net fees (\$M) are shown above each range.

Agency / Business Line	2027	2028	2029	2030	2031
Fire Dispatch — pool	\$9.6M 12% to 16%	\$11.6M 19% to 23%	\$12.7M 7% to 11%	\$13.0M 1% to 5%	\$13.0M -2% to 2%
Fire CAD / RMS (tech)	\$5.2M 9% to 13%	\$5.8M 8% to 12%	\$5.8M -1% to 3%	\$5.8M -1% to 3%	\$5.9M -1% to 3%
Dispatch — excl. NG9-1-1	\$9.3M 8% to 12%	\$11.3M 19% to 23%	\$11.9M 3% to 7%	\$12.2M 1% to 5%	\$12.2M -2% to 2%

- No reserve from 2028 — gross = net (the fire reserve applies in 2027 only)
- Fire Dispatch fees rise to 2029 as the corporate reallocation, the agreed share transition and NG9-1-1 phase in, then flatten
- Cost containment and savings efforts continue: technology enablement & process efficiency.



The value of E-Comm's consolidated model

Significant qualitative and quantitative benefits to scale and consolidated delivery model.

- EY completed an independent business case analysis comparing E-Comm's consolidated model to illustrative standalone delivery models.
- Overall EY finding: **"Across all modeled scenarios, standalone delivery is consistently and materially more expensive than the consolidated E-Comm model."**
- The analysis found that E-Comm's scale allows fixed operating costs (e.g., minimum staffing levels) to be shared across a larger service base, resulting in lower overall costs.
- EY also identified operational benefits, including greater resilience, performance stability, surge capacity, interoperability, and access to specialized expertise.



Appendix

Pricing detail, the Fire Dispatch transition, model transition, corporate costs and the pool five-year view.



Appendix — Pricing model: metric weightings

Weightings applied to the metrics in the Price Model for 9-1-1 and Police services.

Service Line	Metrics
9-1-1 Call Taking	911 Call Volume 75% + Population 25%
LMD Police Emergency Call Taking (ER)	Police ER Call Volume 75% + Population 25%
LMD Police Non-Emergency Call Taking (NER)	Police NER Call Volume 75% + Population 25%
VI Police Call Taking (ER and NER)	Police CAD File Volume 75% + Population 25%
Police Dispatch	Dispatch Seats 100% Shared seats are determined by Police CAD Files Volume share
LMD Admin (CPIC / Transcription)	Based on average share of workload (sampling)
Fire Dispatch	Fire CAD Tasks 50% + Radio Duration 50%



Appendix — Fire Dispatch transition and % share

What makes up Fire Dispatch pricing — and how agency shares phase through the agreed transition.

How Fire Dispatch is priced

Fire Dispatch pricing is based on **50% CAD tasks and 50% radio duration**.

Quarterly reporting by agency begins January 2027 and will include the underlying driver data.

The transition

The Fire Dispatch cost-sharing transition **started in 2024** — agency shares phase annually under Fire Dispatch Committee cost sharing, reaching full implementation in **2028**.

Share changes through the transition are **factored into the Δ 5-Yr Plan column** on the 2027-factors page — they are not an additional charge.



Appendix — Model transition detail (2027 → 2029)

Corporate cost allocation phases in across the three years (same for all partners); Fire Dispatch pool service fee by year.

Corporate cost allocation by service line (%of corporate costs)

Service Line	2027	2028	2029
Radio	50%	30%	14%
Police LMD	25%	38%	45%
Police ECVI	8%	11%	13%
Fire	4%	6%	7%
9-1-1	4%	6%	7%
Other	5%	5%	5%
NG CP	5%	5%	10%

Including the NG Contracted Partners lowers the projected Radio share of corporate costs to approximately 14% in 2029. This will be validated through the new financial model when we prepare the detailed budget for 2029.

Fire Dispatch pool: service fee (\$M) by year

Service / metric	2027	2028	2029
Pool service fee — gross (\$M)	\$10.3M	\$11.6M	\$12.7M
of which NG9-1-1 (\$M)	\$0.3M	\$0.3M	\$0.8M
Operations reserve applied (\$M)	-\$0.7M	—	—
Pool service fee — net of reserve (\$M)	\$9.6M	\$11.6M	\$12.7M



Appendix — E-Comm corporate costs by department

What makes up corporate ('overhead') cost. How corporate costs are shared across service lines is covered on the Cost Model page.

Corporate departments (cost centres)

- Technology / IT — infrastructure, PMO & service delivery, security, telephony, service desk, GIS & database
- People & Culture (HR)
- Finance & Administration
- Communications & Public Affairs
- Governance & Legal Services
- Data & Analytics
- President's Office (Executive)
- Facilities

Corporate cost base

\$25.5M (2026) → \$25.4M (2031) — held flat through containment and reallocation, matching the five-year plan page.

Summary corporate costs

(\$ millions)	2026	2027	2028	2029	2030	2031
Corporate costs	25.5	25.1	25.8	24.7	24.7	25.4



Appendix — Fire Services: 5-year cost summary

Fire Dispatch (direct, corporate, NG9-1-1). All partners, gross of reserve.

(\$ millions)	2026 Status Quo	2027	2028	2029	2030	2031
Total Direct Costs	n/a	9.0	9.6	9.9	10.1	10.1
Total Corporate Costs	n/a	1.0	1.7	2.0	2.0	2.1
Total Core Expenditures	8.4	10.0	11.3	11.9	12.2	12.2
NG911 – E-Comm Costs	n/a	0.3	0.3	0.8	0.8	0.8
Total Expenditures	8.4	10.3	11.6	12.7	13.0	13.0
YoY % change	n/a	+22.2%	+12.6%	+9.1%	+2.8%	-0.1%

Reallocation phasing in

Fire dispatch pick up a larger corporate share as Radio's steps down 50% → 30% → ~14% (2027–2029) — cost-neutral across E-Comm.

NG9-1-1 (Fire Dispatch)

NG9-1-1 is recovered through the Fire Dispatch from 2027 (~\$0.3M across all partners in 2027).

Flattening after 2029

Pool growth slows to about 2.8% in 2030 and roughly flat in 2031 as the transition completes.

