

E-Comm Partner Update: New Financial Model Frequently Asked Questions

October 2026

From July to September 2026, E-Comm met with local government and agency partners to share information about E-Comm's new financial model and to listen to stakeholder feedback. This feedback informed the refinement of the model as E-Comm prepares its budget for Board approval in November. Thank you to our partners who took the time to meet with us. Your challenging and constructive questions help us as we work toward implementation of the new financial model and fulfillment of the Provincial Independent Review recommendations.

Below is a list of frequently asked questions (FAQs) that came up through our engagements with partners that summarize the key issues.

Understanding the New Financial Model

1. How does the new financial model compare with the current/historical model, and why are costs changing so significantly?

For the first time, E-Comm can price its services based on metrics and can charge partners fees based on services consumed. This differs from the historical model, where partners were charged service fees based on legacy agreements that did not support transparency and fairness.

E-Comm's core service lines – 9-1-1 PSAP, police operations, fire operations, radio, and other – have evolved since E-Comm was established as an emergency communications shared-services organization in 1999. The new financial model addresses the inequities that have built up over time.

E-Comm is now able to provide a service line breakdown of service fees. For example, instead of a single policing cost called "dispatch", we can now demonstrate costs for dispatch, emergency call-taking, non-emergency call-taking, and administrative services.

The new financial model includes four main components: the cost model, pricing model, five-year plan, and NG9-1-1.

- The cost model changes how direct and corporate costs are allocated across E-Comm's service lines, with corporate costs equitably allocated based on each service line's proportionate share of direct costs.
- The pricing model changes how costs are shared among partners within the 9-1-1 and police service lines, using updated measures such as call volumes, population and dispatch seats. Radio and fire services already had models based on transparent metrics.

- The five-year plan and NG9-1-1 reflect future cost pressures and investments that are separate from the cost redistribution created by the cost and pricing models.
- The largest financial impacts from the model changes are generally within the police and fire service lines, while radio sees a significant reduction from the change in corporate cost allocation methodology.

1. What are the major cost drivers over the next five years?

E-Comm's major cost drivers are:

- Labour costs (arbitrated collective agreement with CUPE8911 to end of 2028)
- Deliberate and strategic investments in technology to address efficiency, security, and resiliency
- NG9-1-1 sustainment costs

2. What is E-Comm doing to contain costs and ensure its service is efficient and municipalities are getting “value for money”?

E-Comm is aware of affordability concerns and the pressures on property taxes that municipalities face. E-Comm is taking the following steps to contain costs:

- Elimination and consolidation of corporate roles
- Reduction in professional services and less reliance on contractors
- Travel restrictions and other fiscal prudence measures
- Investment in technology to contain future labour costs (e.g., police non-emergency triage, automation)
- Implementation of Technology Services Transformation Program to both enhance resiliency and security and improve the efficiency of technology services
- Corporate process simplification and efficiencies (e.g., finance processes)

3. How does the new cost allocation model work, and how are costs allocated among municipalities, service lines and agencies?

The new cost allocation model now equitably assigns corporate costs to each of E-Comm's service lines, and then to the users of those service lines based on consumption. This more fairly reflects the resources used by service lines and their users. Once the corporate costs have been allocated to the service lines, they then get allocated to the municipality/agency based on their share of service (i.e., the pricing model).

Currently, radio users pay 65% of corporate costs despite using only roughly 15% of corporate services. Under the new model, we will shift the allocation of corporate costs

more appropriately to our other service lines over a three-year transition period, so that by year 3, the corporate costs will be allocated approximately as follows:

- Radio: 14%
- Police: 56%
- Fire: 7%
- 9-1-1: 7%
- Other/contracted partners: 16%

4. How are population, call volume and other metrics being used in the model, and how often will those metrics be updated?

The costs of E-Comm's service lines are divided among users of that service. New pricing metrics are being brought in for 9-1-1 and police call services only - radio, fire dispatch services and fire technology already have established models.

- **9-1-1 call-taking services** are priced based on a regional district/local government's population (25% weighting) and call volume (75%).
- **Police call-taking services in the Lower Mainland** are priced based on a municipality's population (25% weighting) and call volume (75%).
- **Police call-taking services on Vancouver Island** are priced based on a municipality's population (25% weighting) and computer-aided dispatch (CAD) volumes (i.e., police files) (75%). CAD volumes are being used in place of call volumes because agency-level call data is not currently available on Vancouver Island. There is a high correlation between CAD volumes and call volumes, so CAD volume is a good proxy for call volumes. We are working with TELUS to establish the technology to measure call volume by municipality. In the meantime, we are working with municipalities to ensure the accuracy of CAD volumes.
- **Police dispatch services** are priced based on a partner's share of a dispatch seat. Shared seats are determined by police CAD files volume share.

For population, we are using BC Stats 2025 actual population numbers as the baseline for implementing the new financial model in 2027. (Note: this is a change we are making based on stakeholder feedback). Population and call volume metrics will be reviewed and updated every three years, and each municipality's share of service line costs will be adjusted accordingly.

E-Comm's other services already have established pricing models including:

- **Radio services** pricing is incorporated in E-Comm's Member's Agreement;
- **Fire operations** pricing is based on fire computer-aided-dispatch (CAD) tasks (50%) and radio duration (50%);

- **Fire technology** pricing is based on the number of firehalls (50%) and the number of records management system (RMS) events (50%).

Understanding E-Comm's Costs and Services

5. What are E-Comm's corporate costs, what do they include, and how are they allocated across service lines and municipalities?

E-Comm identifies direct costs and indirect costs (corporate costs).

Direct costs of operating a service are attributed to a service line and factored into the costs of that service.

Indirect costs (corporate costs) include:

- Technology/IT — infrastructure, security, service desk, Geographic Information Systems (GIS) and database
- People and Culture (HR)
- Finance, Procurement and Administration
- Communications and Public Affairs
- Governance, Legal and Privacy Services
- Data and Analytics
- President's Office (Executive)
- Facilities

These costs will be allocated proportionally to each of E-Comm's service lines based on the service's share of total direct costs following a three-year transition period that phases in the shift of corporate costs to this new methodology. For example, the direct costs associated with delivering 9-1-1 call-taking services are 7% of E-Comm's total direct costs. Therefore, 9-1-1 service will be allocated 7% of corporate costs. Once the total costs of a service are determined, the service costs are then shared among users of that service (i.e., regional districts in the case of 9-1-1) based on the pricing model methodology. (e.g., for 9-1-1, 25% of population and 75% call volume).

6. How much will our costs actually be in dollars over the next five years—not just as percentages?

E-Comm's service fee forecast, established in June of each year, is presented as a percentage range. We advise partners to use the midpoint of the range for their budgeting purposes.

The percentage increases represent an increase to the midpoint range estimate for each of the successive years. E-Comm will provide more detailed agency breakdowns, including percentage increases and dollar increases, once the E-Comm Board approves the 2027 budget, which is anticipated to occur in November 2026.

7. What assumptions are being used in the five-year forecast, and are future costs shown in current or inflated dollars?

Future forecasts include assumptions around future costs and known increases, including a provision for contractual wage increases and known future efficiency savings. As with any forecast, the figures are preliminary and provided for guidance, as future budget amounts will likely vary somewhat from these estimates. Budget amounts and agency service fees will be refined annually as part of E-Comm's annual budgeting process.

8. Who are the radio users, how are radio costs calculated, and are municipalities subsidizing radio services used by others?

The E-Comm Wide-Area Radio Network is the largest multi-jurisdictional, tri-service emergency radio system in B.C. and is used by police, fire and ambulance personnel within Metro Vancouver and parts of the Fraser Valley. Radio costs are calculated as a distinct service line and allocated to each agency using a metrics-based pricing formula. Municipalities that do not use E-Comm's radio service are not subsidizing the radio service. Municipalities only pay for the services they use.

Next Generation 9-1-1 (NG9-1-1)

9. What are the costs of NG9-1-1, why are they ongoing rather than one-time costs, and how will they change in future years?

NG9-1-1 is a federally mandated technology change.

E-Comm's one-time effort to design, build, test and deploy an NG9-1-1 call-handling system was funded through a one-time \$90M provincial grant. Grant funding cannot be applied towards ongoing sustainment costs which commence on January 1, 2027.

NG9-1-1 sustainment costs include staffing, equipment (hardware, software and maintenance), network connectivity and system/security monitoring. These costs are included in E-Comm's budget and five-year plan for applicable service lines.

Unlike the legacy E9-1-1 system, NG9-1-1 is not a 'set and forget' system; it requires continual support as technologies evolve.

- NG9-1-1 is internet-based. Each site now requires redundant internet connectivity. Data charges apply as calls travel over the internet rather than physical trunks. These costs are ongoing and will increase as data-rich media is introduced.
- Being on the internet significantly increases the attack surface for threats such as ransomware. Ensuring robust security and continuity is complex and costly.

- NG9-1-1 will require continuous change. Software components will undergo daily/weekly/quarterly change cycles, anything from a minor security patch to a major software upgrade. Hardware components must also remain current; E-Comm will adopt a five-year refresh cycle in line with industry standards, starting in 2029.
- NG9-1-1 capabilities will evolve over time. In addition to traditional audio, NG9-1-1 will eventually handle video and text from various sources. These changes will affect system requirements over time (increasing data costs, additional storage, potential new recording methods, etc.), and operations staff will need to adapt to new media types as they come online.

Reserves and Transition

10. What is the operations reserve, how was it built, and how will it be used or replenished?

The operations reserve was created by Board policy in 2025. E-Comm is allocating a portion of its prior-year surplus to defray the impact of the new financial model on partners' service fees in 2027 and 2028, while still maintaining the minimum policy balance, which is 5% of operations revenue.

Following this investment, the operations reserve will remain at its minimum level until any future decision to increase it.

E-Comm also has a radio reserve, which is reserved for future capital improvements to the radio system. It has not been used to address transition to the new financial model.

11. What is the difference between the operations reserve and the cost smoothing fund, and how can these mechanisms be used during the transition?

E-Comm's prior year surplus and a portion of the operations reserve are being used to bring down the costs for our police operations services in 2027 and 2028, and for our fire operations services in 2027. It will see funds going back to partners in the form of a credit note. Police operations partners can choose to split the amount between 2027 and 2028, or apply the full amount for 2027. These surplus/reserve amounts are apportioned to municipalities based on their pricing share. For example, if a municipality's fee share of Lower Mainland police services is 5% in 2027, they will be apportioned 5% of the surplus/reserve amounts approved by the E-Comm Board. This surplus/reserve amount is intended to help municipalities transition to the new financial model.

The cost smoothing fund is a voluntary mechanism established to assist our 9-1-1 call services partners to help smooth projected future cost increases due to Next Generation 9-1-1 in 2029 and 2030. One of the key questions from our partners has been to provide

more predictability and avoid large fluctuations in annual service fees. The intent of the cost smoothing fund is to make additional fee contributions in years 1 and 2 (2027 and 2028) to reduce future increases in years 3–5. There is no obligation to participate, and the choice is up to each regional district.

The application of the reserve funds, and the use of the CSF, are intended to help partners manage the transition to the new financial model.

12. Why is the transition to the new model taking three years, and can the increases be smoothed differently over the transition period?

The E-Comm Board approved the implementation of our new financial model over three years to make the transition to the new model easier for our partners, particularly for those whose fees are increasing due to the new cost and pricing models. The three-year transition was recommended by EY, with whom we worked to develop the new model. It takes into account all of E-Comm's partners, including radio users, and establishes a reasonable number of years for the transition.

13. What happens if a municipality does not agree with or cannot proceed with the proposed three-year transition?

E-Comm operates as a non-profit, shared-service business corporation. Our ability to provide services through our consolidated model requires all partners to contribute. Our new financial model allocates costs and price services equitably and transparently based on services consumed. We recognize that the new financial model results in some partners' costs increasing significantly above their ability to pay. As approved by the E-Comm Board, we will be proceeding with the three-year transition starting in 2027. We are in touch with the province to summarize the feedback from municipalities, especially those with high fee impacts. We will continue to discuss and advocate for sustainable alternate funding sources with the province.

Future Costs and Funding Sources

14. What opportunities are there for cost containment and efficiencies, and what will prevent costs from continuing to increase?

E-Comm's Board and executive team are committed to reducing corporate costs and looking for efficiencies to flatten growth in operating costs despite pressures. We will continue to consider partner feedback when preparing our annual budgets and five-year plan. Our investments are deliberate and strategic, targeting technology investments in cybersecurity and business continuity to mitigate our primary risks.

Specifically in 2027, we are continuing to invest in our Technology Services Transformation Program to further enhance E-Comm's cybersecurity and critical

systems resiliency; and the Operations Digital Strategy to use technology to enable efficiency and future cost avoidance across non-emergency call-taking services.

The significant cost pressure is resulting from sustainment costs for NG9-1-1. We will continue working with our government partners to explore alternate sources of funding to address these costs.

15. What is the status of the wireless call-answer/cell phone levy, called for by the Union of BC Municipalities, and how could it affect municipal costs?

The ability to implement a cellphone call-answer levy rests with the Province of B.C. Seven out of 10 provinces in Canada have a levy on cellphone users that is used to fund emergency communications (9-1-1 service). E-Comm continues to urge the province to implement this revenue stream to address the costs of emergency communications that are paid for by local government property taxes.

E-Comm Governance, Timelines

16. What is the status of E-Comm's governance review, and how will municipalities have greater involvement in governance and decision-making?

Now that the new financial model has been developed and is being implemented, E-Comm's Board of Directors will turn their attention to governance reform which was recommended by the Provincial Independent Review. This work will begin in early November with a strategic planning session. A revised strategic plan will inform decisions around a governance model that will sustain E-Comm into the future.

17. When will the new model, costs and agreements be finalized, and when will municipalities receive the information they need for their budget and board/council decisions?

E-Comm provided partners with service fee estimates in July, outlining the projected fee range for their services for 2027. For agency/local government budget preparation purposes, E-Comm recommends partners use the mid-point of the range.

E-Comm's Board is anticipated to approve the 2027 budget at its November meeting, and a service fee letter will be sent following that (first week of December) confirming fees for 2027.

E-Comm representatives will be prepared to present to police boards or municipal councils upon request.

18. Who did you meet with about the new financial model? How can we get a meeting with E-Comm?

From July to October, members of our leadership team met with any E-Comm partner local government/regional district and agency management teams who requested it. Below is a summary of who we met with. If any partner wants to meet or has questions, please email Anita Zaenker, Manager of Government and Stakeholder Relations, at Anita.Zaenker@ecomm911.ca. E-Comm is prepared to present to your management teams, elected councils and police boards at your request.

Engagement Activity Overview (as of October 7)

Completed Engagements

Municipalities – Lower Mainland

- ✓ Abbotsford
- ✓ Burnaby
- ✓ Coquitlam
- ✓ Delta
- ✓ Maple Ridge
- ✓ New Westminster
- ✓ North Vancouver City
- ✓ Pitt Meadows
- ✓ Port Moody
- ✓ Richmond
- ✓ Squamish
- ✓ West Vancouver
- ✓ Whistler
- ✓ Vancouver

Regional Districts

- ✓ Capital
- ✓ Fraser Fort George
- ✓ North Okanagan
- ✓ Peace River
- ✓ Sunshine Coast
- ✓ Squamish-Lillooet
- ✓ All Regional District Partners - Townhalls

Municipalities – Vancouver Island

- ✓ Colwood
- ✓ Central Saanich
- ✓ Duncan
- ✓ Ladysmith
- ✓ Langford
- ✓ Oak Bay
- ✓ Metchosin
- ✓ North Cowichan
- ✓ North Saanich
- ✓ Sidney
- ✓ View Royal
- ✓ Saanich
- ✓ Sooke
- ✓ Victoria

Board & Committees

- ✓ Abbotsford City Council
- ✓ E-Comm ECVI Steering Committee
- ✓ E-Comm Fire Dispatch Committee
- ✓ Metro Vancouver RAAC (Regional Administrators Advisory Committee)
- ✓ Metro Vancouver RFAC (Regional Finance Advisory Committee)
- ✓ North Island 9-1-1 Corp
- ✓ Oak Bay Police Board
- ✓ Police Finance Officers BC
- ✓ Vancouver Police Board Finance Committee Chair

Upcoming Engagements

Regional District

- Fraser Valley RD (Oct 14)
- Metro Vancouver RD (TBD)

Board & Committees

- BCAPB – BC Association of Police Boards (Oct 9)
- BCACP – BC Association of Police Chiefs (Nov TBD)
- Port Moody City Council (Nov 23)
- Port Moody Police Board (Jan 11)
- Vancouver Police Board (TBD)