

Divisional Administration Cost FAQs

What are Divisional Administration costs?

- Divisional Administration (“Div Admin”) represents centralized administrative services (e.g., client services, asset management, fleet management, consolidated services) provided by administration staff to all business lines (i.e., federal, provincial, municipal, and First Nations) within BC RCMP “E” Division.
- Pursuant to the Police Service Agreements, Div Admin cost methodology is used to share costs among all business lines within a Division. The allocation of administration costs ensures an equitable sharing of all RCMP administrative costs between the various business lines of the RCMP.
- In accordance with the Police Service Agreements, Div Admin costs are one component of the total costs of policing.
 - For example, a 1% increase or decrease in Div Admin costs specifically, will have a less than 1% impact on the total cost of policing.
- Div Admin costs are not static. The rate is subject to increases and decreases due to the total number of Members in a Division, variations in vacancies and staff assigned to divisional administration, and changes to costs for goods and services and salaries.
- Salary increases, and the rising Special Leave and Health Services costs are the major contributing factors to increases in Div Admin costs.

How is the cost for Divisional Administration calculated for municipalities?

- Article 11.2 (g) of the MPUA outlines how Div Admin costs are calculated as follows:

$$\text{Total Cost to Municipality} = \underbrace{\left(\frac{C}{M - S} \right)}_{\text{Rate}} \underbrace{U}_{\text{Multiplier}}$$

- Simply put, the per FTE rate of Div Admin is the total cost of Div Admin (C) divided by the annual average number of Members in RCMP E Division (M) *less* the annual average number of Members in Div Admin Units and on Special Leave (S).
- A Police Unit’s total Div Admin cost is the per FTE rate multiplied by the Unit’s FTE Utilization (U).
- The cost components of Div Admin (C) are divided into five categories:
 - Divisional Administration Services, including management, financial management, human resources, information technology and asset management.
 - Special Leave, including Medical and Parental Leave, Graduated Return to Work and Pregnant Member Working.
 - Pay in Lieu of Leave.
 - Health Services, including health services for Regular and Civilian Members, and health services for non-Members (including applicants).

- Earned Retirement Benefit. This component is included in the agreement but no longer comprises part of the Div Admin calculation having been eliminated before the terms of the Agreement took effect.

What impacts Divisional Administration costs?

- The Div Admin rate fluctuates due to a variety of factors, including:
 - Increased FTE Utilization in the Police Unit.
 - If a Municipal Police Unit were to increase FTE Utilization by filling vacancies or increase to establishment, the cost of Div Admin may increase, even if the rate remains the same because the rate is multiplied by FTE Utilization.
 - Salary Increases
 - Increased salary costs result in increases to the cost of Div Admin services (C) through salary, overtime, and pension contributions for Div Admin staff in addition to an increased cost of Special Leave.
 - Increase in the number of Members in the Division.
 - Increases in the number of Members working in the Division occur by filling existing vacancies, and municipalities entering into Municipal Police Unit Agreements, which result in a need for more Members.
 - An increase in the number of Members in the Division (M) may result in a change to the rate by increasing the number of Members the costs components are divided by.
 - The change may be offset by more Members on Special Leave as well as less Members assigned to Div Admin units (S). The cost of Health Services may also increase (C).
 - A decrease in Members in the Division.
 - This could result from a police model transition, or a municipality decreasing in population.
 - A decrease in the number of Members (M) may result in a change to the rate by decreasing the number of Members the cost components (C) are divided by.
 - The change may be offset by less Members on Special Leave as well as less Members assigned to Div Admin units (S). In addition, the cost components may decrease because of less demand for Health Services (C).

What is the potential Impact of a Police Model Transition?

- Police Model Transitions that involve RCMP contract policing have the potential to impact the total number of Members in the Division (M), the number of Members on Special Leave and assigned to Div Admin units (S), including demand for Health Services (C).
- If Members released from any transitioning Municipal Police Unit remain in the Division, there may be an increase in Div Admin Costs due to a larger multiplier (U). However, this would not be a result of the transition itself per se, but rather, the result of filling existing vacancies or growth.
- In July 2023, the Minister wrote to the RCMP Commissioner and RCMP Deputy Commissioner of “E” Division regarding the City of Surrey’s police model transition expressing his expectation that the RCMP work to ensure any impacts related to the demobilization of Surrey RCMP Members, including Divisional Administration costs, are mitigated to the fullest extent possible.

- Further, the Commanding Officer of “E” Division recently communicated to LGCMC that he is confident that Members to be demobilized from the Surrey RCMP Municipal Police Unit intend to remain in B.C.; these Members are expected to be allocated to staff existing vacancies within the Division.