



Help. Anytime. Anywhere.

Annual Report
2017–2018

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MESSAGE FROM THE NL911 BOARD CHAIR

On behalf of the Board of Directors of the NL911 Bureau Inc. (NL911), I am pleased to present the NL911 Annual Report for the 2017–18 fiscal year in accordance with the **Emergency 911 Act** and the **Transparency and Accountability Act**. This report outlines NL911's achievements from April 1, 2017 to March 31, 2018, in operating the province-wide emergency 911 telephone service.

NL911 continues to work hard to ensure the effective and efficient administration and operation of the province-wide emergency 911 telephone service. With a focus on education and awareness strategies, as well as planning for a more advanced Next Generation 911 (NG911) service, NL911 continues to meet the goals and objectives of developing and operating 911 as the primary emergency number to call in Newfoundland and Labrador.

The level of success of NL911's initiatives in 2017–18, could not have been accomplished without the collective efforts and shared commitments of valued partnerships. NL911 looks forward to the continued support of these

partners in working towards improving existing programs and services that ensure residents and those visiting Newfoundland and Labrador are provided with the best possible emergency 911 telephone service available.

As the acting Chair of the Board, my signature below is indicative of the Board's overall accountability for the results reported within the NL911 2017–18 Annual Report.



Sherry Butt
Chair (Acting)
NL911 Board of Directors

OVERVIEW

The NL911 Bureau Inc. (NL911), a not-for-profit corporation, was formally established in March 2015 and operates under the **Emergency 911 Act** (the Act) and the **Emergency 911 Fee Regulations** (the Regulations). Through the Act, NL911 is responsible for establishing the number “911” as the primary emergency telephone number for use throughout Newfoundland and Labrador and to develop, establish, and operate an emergency 911 telephone service. The Regulations ensure that a fee is remitted by the telecommunication providers each month to the NL911 Fund from all telephone line subscribers in Newfoundland and Labrador. This fund provides NL911 with the ability to operate and improve the province-wide emergency 911 telephone service.

The NL911 office is located at 57 Old Pennywell Road, St. John’s. As of March 31, 2018, NL911 had a complement of five (5) staff members; three (3) females and two (2) males, who provide overall direction, administration, quality control, and advancement of the province-wide emergency 911 telephone service. The answering and transferring of 911 calls to Emergency Service Providers (ESPs) has been contracted to two Public Safety Answering Points (PSAPs); one located in St. John’s and the other in Corner Brook.

For more information on NL911, please visit: www.nl911.ca.

GOVERNANCE

As per the Act, the NL911 Board of Directors (the Board), consists of a maximum of nine members appointed by the Lieutenant-Governor in Council, including the following:

- One member of the Board of directors of Municipalities Newfoundland and Labrador (MNL);
- One representative from each primary PSAP (St. John’s and Corner Brook);
- The Executive Director of NL911 by virtue of his or her office; and,
- At least one director to be a resident of Labrador.

The Board provides direction to the Executive Director to carry out the activities of NL911 and is responsible and accountable for the business affairs of the organization.

As of March 31, 2018, the Board consists of the below listed members:

The appointment of the Chair as well as any expired positions on the Board are pending the process established by the Act and the **Independent Appointments Commission Act**.

NL911 BOARD OF DIRECTORS

Position	Board Member	Service Expiry
Chair	Vacant	Not Applicable
Vice-Chair Person (Acting Chair)	Sherry Butt	January 22, 2019
Member	Marlene Coffey	January 22, 2019
Member/St. John’s PSAP (Expired)	Sherry Colford	January 22, 2018
Member/Corner Brook PSAP	Todd Flynn	June 27, 2020
Member	Keith Keating	January 22, 2019
Member (Expired)	Richard Murphy	January 22, 2018
Member/MNL	Tony Keats	June 27, 2022
Member/NL911 Executive Director	Kerry Power	Not Applicable

OPERATIONS AND FINANCE

The Regulations established a \$0.75 monthly fee to be applied to every landline and mobile telephone account in the province to facilitate the operation of the emergency 911 telephone service, as well as the development and implementation of any enhancements to that service. This fee is collected by individual telephone service providers, who retain \$0.07 administration cost for each fee they collect. The remaining \$0.68 is remitted to the NL911 Fund on a monthly basis.

Telecommunications service providers may also deduct from the amount owing to NL911 an amount equal to the rate of bad debts experienced by the provider. This bad debt amount protects the telecommunications provider from owing fees to NL911 that they are unable to collect when customers do not pay their telephone bill.

Section 24.4 (a) of the Act outlines how the NL911 Fund is used to develop, establish, operate, and improve the province-wide emergency 911 telephone service. The Fund is not considered public money for the purpose of the **Financial Administration Act** and NL911 may use the Fund only for operating and improving the emergency 911 telephone service and paying for costs associated with administering the Fund.

NL911 expenditures for the reporting period were \$2,600,738, associated with developing, establishing, operating, and improving the emergency 911 telephone service, the operations of the corporation and paying for costs associated with administering the Fund. NL911 revenues for the reporting period were \$5,620,424. For detailed financial information for the fiscal year ended March 31, 2018, please see Appendix I – Financial Statements.

**FOR DETAILED FINANCIAL
INFORMATION FOR THE FISCAL
YEAR ENDED MARCH 31, 2018
PLEASE SEE APPENDIX I –
FINANCIAL STATEMENTS.**

HIGHLIGHTS AND PARTNERSHIPS

During the third year of operating the province-wide emergency 911 telephone service, NL911 continued to meet operational, developmental, and public engagement goals. Partnerships with municipalities, ESPs, PSAPs, telecommunications service providers, Provincial Government departments, as well as local organizations, continue to assist NL911 in fulfilling the corporation's mandate of providing an efficient and effective emergency 911 telephone service. These partnerships also support the strategic directions of the Department of Municipal Affairs and Environment, specifically by supporting Safe and Sustainable Municipalities, Communities, and Regions.

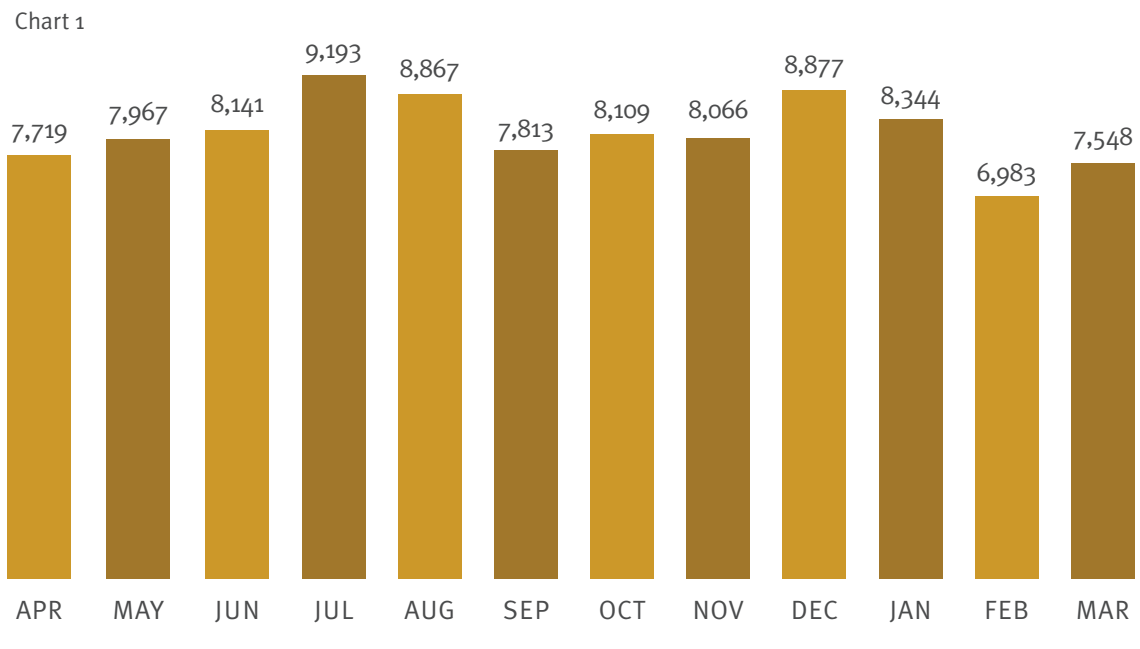
DURING THE THIRD YEAR OF OPERATING THE PROVINCE-WIDE EMERGENCY 911 TELEPHONE SERVICE, NL911 CONTINUED TO MEET OPERATIONAL, DEVELOPMENTAL, AND PUBLIC ENGAGEMENT GOALS.

NL911 SERVICE STATISTICS

NL911 has identified the following relevant statistics in relation to the usage of the emergency 911 telephone service provided in the province from April 2017 to March 2018.

NL911 PSAPs handled 97,627 calls from April 1, 2017–March 31, 2018 (Chart 1). An increase in call volume (three [3] per cent) was identified from the last reporting period.

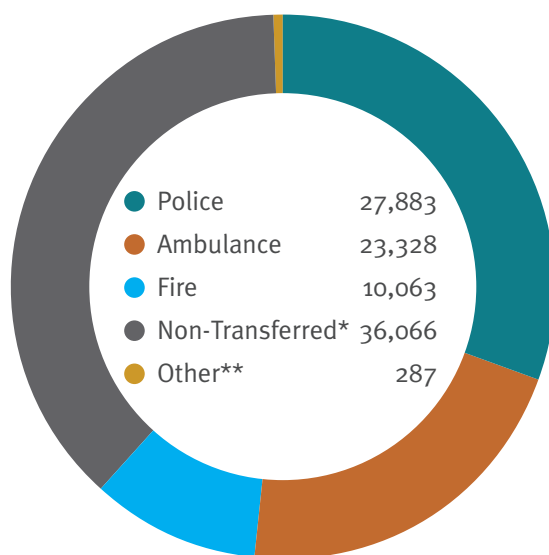
TOTAL 911 Calls per Month April 2017–March 2018



The following distribution of 911 calls received (Chart 2) are identified by the ESP and were transferred to (i.e. police, fire, ambulance, other), as well as those calls that were not transferred to any ESP for response (non-transferred).

TOTAL 911 calls by agency of priority APRIL 2017 to MARCH 2018

Chart 2



* Non-Transferred: Calls that were not transferred to an agency for response.

** Other: Transferred calls to the Joint Rescue Coordination Centre (JRCC), Canadian Coast Guard, Crisis Line, Forestry, Parks Canada, and Poison Control.

Due to the nature of 911 calls, it is expected that volumes will fluctuate. Compared to the last reporting period, NL911 identified increases in calls for ambulance (eight [8] per cent), fire response (eleven [11] per cent), non-transferred calls (three [3] per cent) and calls to other agencies (seven [7] per cent). There was a decrease in the volume of calls to police (six [6] per cent).

During this reporting period, NL911 handled 36,066 non-transferred calls, which accounts for 37 per cent of the total volume of 911 calls received. Non-transferred calls are 911 calls that are not transferred to an ESP for response. The types of calls that are captured under this category include, but are not limited to accidental calls, hang ups, requests for information, child playing with phone, etc. This category will also capture emergency calls not transferred to an ESP such as calls from emergency responders looking for information related to reported emergencies, as well as calls that have already been reported with no further information and the ESPs are already responding. The non-transferred category remains NL911's largest type of call received.

NL911 continues to review 911 call data reports to identify public education and awareness initiatives and ways to support the efficiency of the emergency response system as a whole.

CALL TAKING PROCESS

The NL911 PSAP Call Taking process was changed effective January 1, 2018, requiring all 911 Call Takers to answer calls with “911, what is your emergency?” instead of “911, do you need police, fire, or ambulance?”

ESPs provided feedback to NL911 related to concerns for the level of detail obtained by 911 Call Takers when asking the caller for the specific agency needed for response. This feedback prompted a six (6) month trial period whereby the opening question was changed at the Corner Brook PSAP to identify any impact to the operation of the 911 service.

A review of the trial period determined that changing the answering statement to “911, what is your emergency?” better aligned with the NL911 multi-agency notification process and also best practices followed in other 911 PSAPs in the Atlantic Provinces. Positive feedback was also received from both the PSAP and ESPs. The PSAPs identified that the new opening question prompted callers to provide better details related to the emergency, which in turn assisted them with handling the call. The ESPs expressed more confidence in the 911 call handling process and ability to better determine the agency for response based on the additional details provided by the caller.

FIRE DEPARTMENTS WITH MEDICAL NOTICE – MULTI-AGENCY NOTIFICATION

Communication amongst ESPs is vital for effective and efficient emergency response. The multi-agency notification process requires 911 Call Takers to transfer callers to the agency responsible for dispatching emergency resources, as well as notify other pertinent agencies who may have to respond to an emergency reported in their area. This process is dependent on the type of emergency being reported and it remains the agency’s responsibility to dispatch any/all resources they may need—fire/police/ambulance/etc.

During this reporting period, NL911 completed the ‘Fire Departments with Medical Notice’ pilot project in collaboration with the Department of Municipal Affairs and Environment (MAE) Fire and Emergency Services Division. This pilot project refined the multi-agency notification

process for reported medical emergencies for those communities in the Corner Brook/Bay of Islands region who identified that they wanted to avail of the adjusted service. With consideration of a number of unique factors, including but not limited to, geography, distance from ambulance services, and past level of service provided by the Royal Newfoundland Constabulary (RNC), communities in the region were offered a process whereby a notice was provided by 911 to their fire department for all medical calls received in their service area. This notice was in addition to any calls they would already receive from the ambulance providers through their existing process for requesting assistance.

NL911 adjusted the call taking and multi-agency notification process to capture additional information not currently captured within the existing 911 call taking process, such as the exact location (i.e. civic address) and information relayed to the medical response agency.

A detailed report analyzing the impacts of this process to 911 service was submitted to the NL911 Board for review in November 2017. It was determined by the Board that NL911 would continue to provide the ‘Fire Departments with Medical Notice’ service to those communities availing of it and would only be able to accept additional requests based the following specific criteria:

- Medical response is longer than 10 minutes based on geographical location from ambulance provider.
- Fire Department has the capability to respond to medical calls.
- Fire Department has a dispatch service.

No additional requests have been received within this reporting period.

PARTNERSHIPS

NL911's day-to-day operations could not be achieved without the participation and cooperation of its partners. NL911 maintains partnerships with municipalities, ESPs, PSAPs, telecommunications service providers, and Provincial Government departments, as well as local organizations in order to develop, establish, and operate the 911 emergency telephone service.

Within this reporting period, the following opportunities were provided by our partners and were integral to the continued support for NL911 education and awareness initiatives:

- The Newfoundland and Labrador Association of Fire Services (NLAFS) provided NL911 with speaking and advertisement opportunities to their members and allowed them the opportunity to provide feedback on the 911 service.
- The Learn Not to Burn Program (LNTB) Coordinator directly promoted the benefits of the emergency 911 telephone service to students and schools visited across Newfoundland and Labrador.
- Municipalities Newfoundland and Labrador (MNL) and the Professional Municipal Administrators (PMA) provided NL911 with opportunities for attendance at trade shows allowing municipal representatives an opportunity to provide direct feedback on the 911 service.
- Community and Private Ambulance Operators Associations provided NL911 with speaking opportunities and attendance at trade shows allowing ambulance operators an opportunity to provide direct feedback on the 911 service.
- The Autism Society provided 911 education and promotional items to emergency service personnel to distribute to families affected by autism in communities across the province.
- The AdventureSmart program provided 911 education and promotional items to children attending their program to teach the importance of how and when to call 911 for emergency help.
- Mothers Against Drunk Drivers (MADD) Canada, directly promoted the benefits of the emergency 911 telephone service to students and schools visited across Newfoundland and Labrador.
- The Red Cross and St. John Ambulance incorporated 911 education and information into their training material.
- The Department of Municipal Affairs and Environment provided support, guidance, and assistance to NL911 and also worked closely with other Provincial Government departments and agencies, including Newfoundland and Labrador Statistics Agency and Health and Community Services, to assist with planning for future enhancements to the service.

All of these stakeholders have shared commitments and partnerships with NL911 that have helped shape the emergency 911 telephone service.

**NL911'S DAY TO DAY OPERATIONS
COULD NOT BE ACHIEVED
WITHOUT THE PARTICIPATION AND
COOPERATION OF ITS PARTNERS.**

REPORT ON PERFORMANCE

During the first year of the 2017–20 Business Plan, NL911 focussed on improved service delivery, as well as public education and awareness. The following is a report on the goals and objectives NL911 accomplished during this reporting period.

ISSUE ONE: IMPROVED SERVICE DELIVERY

NL911 has an objective to ensure the emergency 911 telephone service is flexible and responsive to changing technologies. NL911 currently provides a Basic 911 service throughout Newfoundland and Labrador, which does not automatically provide the 911 Call Taker with the caller's number or location information. Technology that exists for enhancements from a Basic 911 service include Enhanced 911 (E911) and NG911. E911 provides the number and location information of the caller automatically to the 911 Call Taker when the call is received. NG911 also provides the phone number and location of the caller, but has additional capabilities for texting, video messaging, and calling from devices.

On June 1, 2017, a decision was made by the Canadian Radio-Television and Telecommunications Commission (CRTC) that telecommunications service providers in Canada needed to be ready to offer a NG911 voice service (911 calls delivered over IP networks) to PSAPs by June 2020. This decision also identified that NG911 text messaging needed to be available by December 31, 2020. Other NG911 services, such as the delivery of photos and video, are expected to follow in subsequent years based on industry working group recommendations and 911 PSAP ability to support them.

As this requirement aligned closely to the implementation of the NL911 enhancement plan, the decision was made to proceed with implementing a NG911 service instead of an E911 service as identified in the NL911 2017–20 Business Plan. Implementing a NG911 service instead of an E911 service avoids stranded investment in infrastructure that would be required to be replaced for the NG911 service requirement.

Implementing a NG911 service supports the Provincial Government's strategic direction of enhanced service delivery for Newfoundlanders and Labradoreans.

GOAL

By March 31, 2020, NL911 will have improved the efficiency and effectiveness of 911 service delivery.

FIRST YEAR OBJECTIVE

By March 31, 2018, NL911 will have begun implementation of an improved service delivery model.

PLANNED INDICATORS

INDICATOR 1: Appropriate infrastructure and technology requirements to support an enhanced 911 system are identified and a project plan for installation is launched.

NL911 HAS AN OBJECTIVE TO ENSURE THE EMERGENCY 911 TELEPHONE SERVICE IS FLEXIBLE.

ACTUAL RESULTS

NL911 coordinated with Bell throughout 2017-18 to identify the infrastructure and operational needs to implement a NG911 service. Requirements for implementing NG911 service include the following components:

- **Technical Infrastructure** - Technical infrastructure refers to the physical computer equipment and data lines required to allow for the transfer of data (phone number, location, text, pictures and video) to the 911 Call Takers.
- **Civic Addressing** - Civic addressing data from Municipalities and Local Service Districts (LSD) is required in order for the NG911 service to provide the 911 Call Taker with the location information of those calling 911 from land lines.
- **Geographical Information System (GIS) Data** - GIS is the computer system designed to capture, store, analyze, manage and present geographical referenced data related to the civic address or GPS coordinates that are provided. This system provides better accuracy on the map display for 911 Call Takers to determine the location of the caller.
- **Telecommunications Service Provider Data** - The telecommunications service provider is the main source for connecting a caller's phone number to an address in the system for display to the 911 Call Takers. It is incumbent upon NL911 to provide the telecommunications provider with the civic address data in order for them to be able to ensure the location and phone number of the caller is displayed to the 911 Call Taker correctly.

Additional opportunities for a Text with 911 (T911) service have been identified within the enhancement project plan to improve access to 911 for those who are deaf, hard of hearing and speech impaired in Newfoundland and Labrador. T911 will provide a texting capability for communicating with the NL911 PSAPs for those in Newfoundland and Labrador who are registered as deaf, hard of hearing or speech impaired.

All requirements and timelines for NG911 and T911 service have been incorporated into an enhancement project plan to facilitate and track progress towards system and service readiness.

INDICATOR 2: A plan for necessary civic addressing data capture, management, and maintenance to support NG911 is developed.

ACTUAL RESULTS

During this reporting period NL911 identified the civic addressing and corresponding mapping requirements needed to operate a NG911 service. As a result, NL911 developed a plan to identify those areas who have civic addressing already in place and established a strategy for how to best coordinate with Municipalities and LSDs to obtain that data.

The strategy includes the following main components:

- Survey Municipalities and LSDs to determine existing civic addressing status.
- Coordinate with the Newfoundland and Labrador Statistics Agency to obtain existing geographical mapping data for the province.

- Identify best method for capturing civic address data from Municipalities and Local Service Districts determined by their capabilities.

NL911 has initiated the survey of municipalities and LSDs to determine the current civic addressing data captured. Communication with the Newfoundland and Labrador Statistics Agency have determined the geographical data available and plans have been initiated to obtain the required data.

It is important to note that each Municipality and LSD will be responsible for providing NL911 with the civic address data needed to operate the NG911 service in their area. Those areas who do not have civic addressing completed or provided to NL911 (such as unincorporated areas) will continue to avail of the Basic 911 service that is provided today.

SECOND YEAR OBJECTIVE

By March 31, 2019, NL911 will have continued to implement an improved service delivery model.

INDICATORS:

- Appropriate infrastructure and technology requirements to support a Text with 911 (T911) service for the deaf, deafened, hard of hearing, and speech impaired persons in Newfoundland and Labrador are identified and project plan for installation is launched.
- Appropriate infrastructure and technology requirements to support a Next Generation 911 (NG911) system are initiated.
- NG911 civic addressing data capture requests to all Municipalities with a Geographic Information System (GIS) file is initiated.
- Civic addressing data request schedule for municipalities without GIS files is developed and initiated.

ISSUE TWO: PUBLIC EDUCATION AND AWARENESS

Public education and awareness is integral to the success of the emergency 911 telephone service. NL911 needs to ensure that the public completely understands the availability of the emergency 911 telephone service and how it supports the emergency response system.

Statistical analysis of 911 call data has shown the highest volume of calls to 911 were determined as non-emergency calls. Non-emergency calls include, but are not limited to, hang up calls, accidental calls (i.e. pocket dials), or calls for general information (i.e. caller meant to call the Information Line 411 or Health Line 811).

In an effort to reduce the number of non-emergency calls made to 911 and increase public knowledge of how to use the emergency 911 telephone service appropriately, NL911 will be focusing on public education and awareness efforts to reach a broader audience through a variety of communication channels and mediums.

GOAL

By March 31, 2020, NL911's public education and awareness campaign will have improved the appropriate use of the 911 service.

FIRST YEAR OBJECTIVE

By March 31, 2018, NL911 will have initiated public education and awareness activities to improve the appropriate use of the 911 service.

PLANNED INDICATORS

INDICATOR 1: The proportion of non-emergency calls made to 911 has decreased.

ACTUAL RESULTS

For this reporting period, the number of calls identified as ‘non-emergency’ under the category of non-transferred calls slightly increased by approximately two (2) per cent from the previous reporting period. Although the volume of non-emergency calls did not decrease over all, NL911 did see a decrease of six (6) per cent in accidental calls, hang ups, and information inquiries. These types of calls account for seventy-four (74) per cent of the non-emergency related calls received. There was a noted increase of forty-one (41) per cent in the categories of child playing, nuisance caller, non-emergency reports, pocket-dials, and test calls which attribute to twenty-six (26) per cent of the non-emergency calls received.

NL911 will continue to focus more education and awareness efforts to the appropriate use of the 911 service to reach the goal of reducing the volume of non-emergency calls received.

INDICATOR 2: Statistical reports on 911 call data are published and made publically available on the NL911 website.

ACTUAL RESULTS

NL911 recognizes that public access to statistical data will allow for a better understanding of how the 911 service is currently being utilized in Newfoundland and Labrador.

NL911 updated the ‘Publications’ section of the www.nl911.ca website with the statistics for each reporting year. Statistical data becomes available on the NL911 website as soon as the Annual Report for each reporting period is published.

INDICATOR 3: A report analyzing the results of a stakeholder engagement survey is completed and next steps for education and awareness will be determined.

ACTUAL RESULTS

NL911 identified that Emergency Service Providers (ESPs) and representatives of municipal governance (further referred to as stakeholders) can play an important role in promoting the province-wide emergency 911 telephone service. Support and promotion of the 911 service from these stakeholders is integral to the success of any NL911 education and awareness campaign as they provide a role that holds trust and confidence within their communities. Stakeholders supporting and promoting the 911 service will enhance the trust and confidence that the general public have in the 911 service.

NL911 hosted ten (10) stakeholder engagement meetings in early 2017 across all regions of Newfoundland and Labrador to discuss how the 911 service operates, the associated benefits to emergency responders and the public, and to gather stakeholder feedback. In addition to in-person stakeholder meetings, an online survey was also distributed to all stakeholder representatives in April 2017. This survey provided NL911 with an opportunity to engage with a wider audience of stakeholders and gather both quantitative and qualitative feedback.

A report analyzing the results of the stakeholder engagement initiative was finalized in June 2017. The report identified that continued public education and awareness campaigns, as well as enhancing the 911 service to a system that can identify location were important for NL911 to focus efforts.

As a result of the stakeholder feedback, NL911 was able to validate the necessity of continued focus on education and awareness initiatives and partnering with organizations that assist with educating communities such as NLAFS, Autism Society, Red Cross, St. John Ambulance, MADD, and the Adventure Smart program. This feedback also provided support for the implementation plan for enhancing the province-wide emergency 911 service to a NG911 service.

INDICATOR 4: The number of public facing events attended by or presented at by NL911 has increased.

ACTUAL RESULTS

During this reporting period NL911 attended seventeen (17) public facing events. This was an increase of two (2) events over the previous reporting period.

General public events (i.e. 50+ Club annual meeting and Placentia Age Friendly Fair), as well as stakeholder hosted meetings and trade shows (i.e. MNL, NLAFS, and Private Ambulance Operator's meetings) provided NL911 with an opportunity to speak to target audiences about the 911 service availability and use in Newfoundland and Labrador. These meetings also provided opportunities for NL911 to receive direct feedback from the public and our partners on the 911 service.

INDICATOR 5: The number of emergency vehicle apparatus displaying an Emergency 911 decal has increased throughout the province.

ACTUAL RESULTS

In order to increase public awareness of the 911 service, NL911 started an initiative in March, 2017 to provide 'EMERGENCY 911' decals free of charge to fire departments to display on their fire vehicles and apparatus.

In the first year of this initiative, NL911 received requests for these decals from 115 fire departments across Newfoundland and Labrador. These fire departments displaying the 'EMERGENCY 911' decals on their vehicles will provide awareness to those in their communities that the 911 service is available for them.

INDICATOR 6: A campaign in television, radio and digital media occurred from May to October 2017.

ACTUAL RESULTS

NL911 invested in a media campaign in an effort to increase public education and awareness of the 911 service availability. A television commercial, radio advertisements, sponsorships, and online content were launched throughout the province from May through to October, 2017.

The effectiveness of the campaign will be determined in a follow up report to the Board.

SECOND YEAR OBJECTIVE

By March 31, 2019, NL911 will have reassessed and adjusted public education and awareness needs based on results observed after the previous year.

INDICATORS:

- The proportion of non-emergency calls made to 911 has decreased.
- Statistical reports on 911 call data are published and made publically available on the NL911 website.
- A campaign for T911 service is launched in partnership with organizations representing persons who are deaf, hard of hearing, and speech impaired.
- Requirements are identified for potential NL911 social media platforms.
- Stakeholders increased support for NL911 education and awareness focused initiatives by incorporating NL911 information into their communications platforms.
- The number of emergency vehicle apparatus displaying an Emergency 911 decal has increased throughout the province.

OPPORTUNITIES AND CHALLENGES

NL911 has made great progress during this reporting period in implementing the plan for enhancing the province-wide emergency 911 telephone service to NG911. A part of the enhancement strategy includes implementing a Text with 911 (T911) service, which will provide a texting capability for communicating with NL911 PSAPs for those in Newfoundland and Labrador who are registered with their mobile telephone service provider as deaf, hard of hearing, or speech impaired. T911 service implementation requires coordination with telecommunication service providers, PSAPs, as well as organizations representing this community. A media campaign will be launched when the service becomes available to ensure there is an understanding of the T911 service functionality and how it operates.

There are continued opportunities to engage stakeholders and provide public education on the benefits and proper use of the province-wide emergency 911 telephone service. The challenges associated with public education include:

- Stakeholders understanding the NL911 role in the emergency response system so they can promote the emergency 911 telephone service in their communities.

- Ensuring the public is aware of the availability of an emergency 911 telephone service and how it works.

- Building public trust in the emergency 911 telephone service so residents of, and visitors to, Newfoundland and Labrador will use the service when needed.

NL911 plans to continue stakeholder engagement and public education and awareness initiatives with targeted messaging to address the challenges identified.

NL911 has a focus on advancing the efficiency and effectiveness of the emergency 911 telephone service for the province. With the assistance of the Provincial Government, as well as all partners and stakeholders, NL911 will continue to assist with saving lives and reducing property damage by having “911” as the primary emergency telephone number to be called throughout Newfoundland and Labrador.

APPENDIX I

FINANCIAL STATEMENTS

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Statement of responsibility

The accompanying financial statements are the responsibility of the management of the NL 911 Bureau Inc. ("NL 911") and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable.

The Board of Directors met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements.

Grant Thornton LLP, as the NL 911's appointed external auditors, have audited the financial statements. The auditors' report is addressed to the Directors of NL 911 and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the financial statements are free of material misstatement and present fairly the financial position and results of the NL 911 in accordance with Canadian public sector accounting standards.

 Acting Chair  Director

To the Directors of the

NL 911 Bureau Inc.

We have audited the accompanying financial statements of NL 911 Bureau Inc. ("NL 911"), which comprise the statements of financial position as at March 31, 2018, and the statements of operations and change in net accumulated surplus, net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to NL 911's preparation and fair presentation of the 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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 financial statements present fairly, in all material respects, the financial position of the NL 911 Bureau Inc. as at March 31, 2018, and the results of its operations, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

St. John's, Canada

June 29, 2018

Grant Thornton LLP
Chartered Professional Accountants

NL 911 Bureau Inc.
Statement of Financial Position

March 31	2018	2017
Financial assets		
Cash and cash equivalents	\$ 8,021,882	\$ 5,170,693
Receivables (Note 3)	<u>905,424</u>	<u>884,886</u>
	<u>8,927,306</u>	<u>6,055,579</u>
Liabilities		
Payables and accruals (Note 4)	<u>670,840</u>	<u>852,013</u>
Net financial assets	<u>8,256,466</u>	<u>5,203,566</u>
Non-financial assets		
Tangible capital assets (Page 12)	84,590	117,828
Prepays	<u>30,473</u>	<u>30,449</u>
	<u>115,063</u>	<u>148,277</u>
Accumulated surplus	<u>\$ 8,371,529</u>	<u>\$ 5,351,843</u>

Commitment (Note 5)

On behalf of NL 911

 Acting Chair  Director

See accompanying notes and schedules to the financial statements.

NL 911 Bureau Inc.

Statements of Operations and Change in Accumulated Surplus

Year ended March 31	(Note 7)		Actual 2017
	Budget 2018	Actual 2018	
Revenue			
Fees	\$ 6,096,384	\$ 6,172,011	\$ 6,226,873
Billing and collection charges	(568,996)	(573,360)	(578,873)
Allowance for bad debts incurred by telecom providers (Note 6)	<u>(56,645)</u>	<u>(48,535)</u>	<u>(48,110)</u>
	5,470,743	5,550,116	5,599,890
Interest income	-	70,308	24,289
Other income	<u>-</u>	<u>-</u>	<u>709</u>
	<u>5,470,743</u>	<u>5,620,424</u>	<u>5,624,888</u>
Expenses (Page 13)			
Public Safety Answering Point centres	1,951,667	1,683,571	1,596,186
Management, administration, and operations	<u>2,013,682</u>	<u>917,167</u>	<u>708,286</u>
	<u>3,965,349</u>	<u>2,600,738</u>	<u>2,304,472</u>
Annual surplus	<u>1,505,394</u>	<u>3,019,686</u>	<u>3,320,416</u>
Accumulated surplus, beginning of year	<u>5,351,843</u>	<u>5,351,843</u>	<u>2,031,427</u>
Accumulated surplus, end of year	<u>\$ 6,857,237</u>	<u>\$ 8,371,529</u>	<u>\$ 5,351,843</u>

See accompanying notes and schedules to the financial statements.

NL 911 Bureau Inc.
Statement of Net Financial Assets

Year ended March 31	(Note 7) Budget 2018	Actual 2018	Actual 2017
Annual surplus	\$ 1,505,394	\$ 3,019,686	\$ 3,320,416
Acquisition of tangible capital assets	(41,500)	(661)	(3,819)
Amortization of tangible capital assets	33,000	33,899	47,680
(Increase) decrease in prepaids	-	(23)	3,423
Increase in net financial assets	1,496,894	3,052,901	3,367,700
Net financial assets, beginning of year	5,203,565	5,203,565	1,835,865
Net financial assets, end of year	\$ 6,700,459	\$ 8,256,466	\$ 5,203,565

See accompanying notes and schedules to the financial statements.

NL 911 Bureau Inc. Statement of Cash Flows

Year ended March 31	2018	2017
Increase (decrease) in cash and cash equivalents		
Operating		
Annual surplus	\$ 3,019,686	\$ 3,320,416
Change in non-cash items		
Amortization of tangible capital assets	33,899	47,680
Change in non-cash operating working capital		
Receivables	(20,538)	(337,062)
Payables and accruals	(181,174)	88,490
Prepays	(23)	3,423
Cash provided by operating transactions	<u>2,851,850</u>	<u>3,122,947</u>
Capital		
Purchase of tangible capital assets	<u>(661)</u>	<u>(3,819)</u>
Net increase in cash and cash equivalents	2,851,189	3,119,128
Cash and cash equivalents, beginning of year	<u>5,170,693</u>	<u>2,051,565</u>
Cash and cash equivalents, end of year	<u>\$ 8,021,882</u>	<u>\$ 5,170,693</u>

See accompanying notes and schedules to the financial statements.

NL 911 Bureau Inc.

Notes to the Financial Statements

March 31, 2018

1. Nature of operations

The NL 911 Bureau Inc. ("NL 911") is a not for profit corporation that was formally established in March 2015, and operates under the *Emergency 911 Act* and the Emergency 911 Fee Regulations. NL 911 is responsible for; developing, establishing and operating an emergency 911 telephone service that protects personal information and is efficient, cost-effective and responsive to changing technologies.

NL 911 is funded by a \$0.75 monthly fee which is applied to every landline and mobile telephone account within the province. This fee is collected by the individual telephone service providers, who retain \$0.07 for administration for each fee they collect. The remaining \$0.68 is remitted to the NL 911 Fund on a monthly basis.

NL 911 is exempt from income tax under Section 149 of the Income Tax Act.

2. Summary of significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Standards Board (PSAB) of the Chartered Professional Accountants of Canada and reflect the following significant accounting policies.

Use of estimates

In preparing NL 911's financial statements in conformity with Canadian public sector accounting standards, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the period. Items requiring the use of significant estimates include the useful life of capital assets and rates of amortization.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements. Actual results could differ from these estimates.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks.

Capital expenditures

Expenditures of a capital nature made by the Public Safety Answering Points (PSAPs) and charged to NL 911 are expensed in NL 911 as the acquired assets are owned and operated by the PSAPs.

NL 911 Bureau Inc.

Notes to the Financial Statements

March 31, 2018

2. Summary of significant accounting policies (cont'd.)

Prepaid expenses

Prepaid expenses include software maintenance contracts, insurance, and rent that NL 911 has paid but the services have not been provided as of year-end.

Tangible capital assets

Tangible capital assets are recorded at cost. Depreciation is provided annually at rates calculated to write off the assets over their estimated useful life as follows:

Office furniture and equipment	20%, declining balance
Computer equipment	55%, declining balance
Computer software	30%, declining balance

Impairment of long lived assets

Long-lived assets are reviewed for impairment upon the occurrence of events or changes in circumstances indicating that the value of the assets may not be recoverable, as measured by comparing their net book value to the estimated undiscounted cash flows generated by their use. The net write downs would be accounted for as expenses in the statement of operations.

Revenue recognition

Revenues from telecom providers are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, based on when remittances from the telecom providers are received or receivable and collection is likely. Interest income is recognized as earned.

Financial instruments

NL 911 considers any contract creating a financial asset, liability, or equity instrument as a financial instrument, except in certain limited circumstances. NL 911 accounts for the following as financial instruments:

- cash and cash equivalents;
- receivables; and
- payables and accruals.

A financial asset or liability is recognized when NL 911 becomes party to contractual provisions of the instrument.

NL 911 initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

NL 911 Bureau Inc.
Notes to the Financial Statements
March 31, 2018

2. **Summary of significant accounting policies (cont'd.)**

NL 911 subsequently measures its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at fair value include cash and cash equivalents. Financial assets measured at cost include receivables.

Financial liabilities measured at cost include payables and accruals.

NL 911 removes financial liabilities, or a portion of, when the obligation is discharged, cancelled, or expires.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net annual surplus.

3. Receivables	<u>2018</u>	<u>2017</u>
Remittances due from telecom providers	\$ 894,596	\$ 867,172
Harmonized sales tax receivable	<u>10,828</u>	<u>17,714</u>
	<u>\$ 905,424</u>	<u>\$ 884,886</u>

4. Payables and accruals	<u>2018</u>	<u>2017</u>
Trade	\$ 33,367	\$ 46,053
PSAPs	629,205	794,129
Payroll and vacation pay accruals	<u>8,268</u>	<u>11,831</u>
	<u>\$ 670,840</u>	<u>\$ 852,013</u>

5. **Commitment**

NL 911 is committed to annual lease payments for office space in each of the next two years as follows: 2019 - \$102,463; and 2020 - \$93,924.

6. **Allowance for bad debts incurred by telecom providers**

Prior to remitting fees to NL 911, each telecom provider may deduct from the gross fees an amount equal to the rate of bad debts experienced by the telecom providers.

NL 911 Bureau Inc.

Notes to the Financial Statements

March 31, 2018

7. Budget figures

The reconciliation between the NL911's approved financial plan and the PSAS budget figures used in these statements is disclosed in the Schedule of Reconciliation of the Financial Plan to the Budget.

8. Financial instruments

NL 911's financial instruments consist of cash and cash equivalents, receivables, and payables and accruals.

Risks and concentrations

NL 911 is exposed to various risks through its financial instruments. The following analysis provides a measure of NL 911's risk exposure and concentrations at March 31, 2018.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. NL 911's credit risk is attributable to receivables in the amount of \$894,596 (2017 - \$867,172). As the telecom providers are required to remit fee to NL 911 under the *Emergency 911 Act*, management believes that the credit risk concentration with respect to financial instruments included in receivables is remote. There was no significant change in exposure from the prior year.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. NL 911 is exposed to this risk mainly in respect of its payables and accruals in the amount of \$665,782 (2017 - \$847,106). NL 911 reduces its exposure to liquidity risk by monitoring its cash flows and ensuring that it has sufficient cash available to meet its obligations and liabilities. In the opinion of management, the liquidity risk exposure to NL 911 is low and not material. There was no significant change in exposure from the prior year.

NL 911 Bureau Inc.
 Schedule of Tangible Capital Assets
 Year Ended March 31, 2018

	Office furniture and equipment	Computer equipment	Computer software	2018	2017
Cost					
Cost, beginning of year	\$ 32,474	\$ 10,289	\$ 216,956	\$ 259,719	\$ 255,900
Additions during the year	-	661	-	661	3,819
Cost, end of year	<u>\$ 32,474</u>	<u>\$ 10,950</u>	<u>\$ 216,956</u>	<u>\$ 260,380</u>	<u>\$ 259,719</u>
Accumulated Amortization					
Accumulated amortization, beginning of year	\$ 9,552	\$ 7,645	\$ 124,694	\$ 141,891	\$ 94,211
Amortization	4,584	1,636	27,679	33,899	47,680
Accumulated amortization end of year	<u>\$ 14,136</u>	<u>\$ 9,281</u>	<u>\$ 152,373</u>	<u>\$ 175,790</u>	<u>\$ 141,891</u>
Net book value of tangible capital assets	<u>\$ 18,338</u>	<u>\$ 1,669</u>	<u>\$ 64,583</u>	<u>\$ 84,590</u>	<u>\$ 117,828</u>

NL 911 Bureau Inc. Schedule of Expenses

Year ended March 31	2018	2017
Public Safety Answering Point centres		
St. John's	\$ 993,867	\$ 916,865
Corner Brook	<u>689,704</u>	<u>679,321</u>
	\$ 1,683,571	\$ 1,596,186
Management, administration, and operations		
Advertising and public relations	\$ 296,792	\$ 70,712
Amortization	33,899	47,680
Board meetings	2,065	4,760
Communications	17,679	14,870
Computer expense	5,510	4,126
Conferences and training	2,700	1,974
Consulting - IT	21,400	21,400
Insurance	8,590	3,579
Interest and bank charges	835	50
Meetings	860	1,943
Memberships	-	917
Miscellaneous	1,714	3,137
Office space rental	102,463	99,338
Office supplies and printing	1,386	3,299
Professional fees	21,775	31,687
Salaries and benefits	389,124	370,297
Travel	<u>10,375</u>	<u>28,517</u>
	\$ 917,167	\$ 708,286
Total expenses	\$ <u>2,600,738</u>	\$ <u>2,304,472</u>

NL 911 Bureau Inc.

Schedule of Reconciliation of the Financial Plan to the Budget

Year ended March 31, 2018

	<u>Financial Plan</u>	<u>Adjustments</u>	<u>PSAS Budget</u>
Revenue			
Fees	\$ 6,096,384	\$ -	\$ 6,096,384
Billing and collection charges	(568,996)	-	(568,996)
Allowance for bad debts incurred by telecom providers (Note 6)	<u>(56,645)</u>	<u>-</u>	<u>(56,645)</u>
	5,470,743	-	5,470,743
Interest income	-	-	-
Other income	<u>-</u>	<u>-</u>	<u>-</u>
	<u>5,470,743</u>	<u>-</u>	<u>5,470,743</u>
Expenses			
Public Safety Answering Point centres	1,951,667	-	1,951,667
Management, administration, and operations	<u>1,980,682</u>	<u>33,000</u>	<u>2,013,682</u>
	<u>3,932,349</u>	<u>33,000</u>	<u>3,965,349</u>
Annual surplus	<u>1,538,394</u>	<u>(33,000)</u>	<u>1,505,394</u>
Accumulated surplus, beginning of year	<u>5,351,843</u>	<u>-</u>	<u>5,351,843</u>
Accumulated surplus, end of year	<u>\$ 6,890,237</u>	<u>\$ (33,000)</u>	<u>\$ 6,857,237</u>



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