



Help. Anytime. Anywhere.

Annual Report

2020–2021



TABLE OF CONTENTS

Message from the NL911 Board Chair.....	3
Overview	4
Governance.....	4
Operations and Finance	5
Highlights and Partnerships.....	7
Report on Performance	11
Opportunities and Challenges.....	21
Appendix I – Financial Statements	

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 2020-2021 fiscal year in accordance with the **Emergency 911 Act** and the **Transparency and Accountability Act**. This report outlines NL911's achievements from April 1, 2020 to March 31, 2021, in operating the provincewide emergency 911 telephone service.

As part of the provincial emergency response system, NL911 remains focused on meeting the goals of improving the efficiency and effectiveness of the province wide 911 emergency telephone service and increasing public awareness of the 911 service. Although this reporting period was met with challenges related to the COVID-19 pandemic, NL911 was able to adjust operations to ensure public health guidelines were met and continue efforts towards meeting goals of improving service delivery and increasing education and awareness.

NL911 appreciates partnerships that help contribute to the success of 911 service delivery and assist in promoting 911 as the primary emergency number to call in Newfoundland and Labrador. NL911 is looking forward to continuing these partnerships into another successful year.

As the Chair of the NL911 Board of Directors, my signature below is indicative of the Board's overall accountability for the results reported within the NL911 2020-21 Annual Report.

A handwritten signature in blue ink that reads 'Donald C. Peckham'.

Donald Peckham

Chair

NL911 Board of Directors

OVERVIEW

NL911 Bureau Inc. (NL911) is a not-for-profit corporation that operates under the **Emergency 911 Act**, and the **Emergency 911 Fee Regulations**. Through the **Emergency 911 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 **Emergency 911 Fee Regulations** ensure that a fee is remitted by the telecommunication service providers each month to the NL911 Fund from all telephone line subscribers in Newfoundland and Labrador.

The NL911 office is located at 57 Old Pennywell Road, St. John’s. As of March 31, 2021, NL911 had a complement of six staff members; four females and two 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’s mandate, vision, business plan, operations and initiatives please visit www.nl911.ca.

Governance

As per the **Emergency 911 Act**, the NL911 Board of Directors (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, 2021, the Board consisted of the below listed members:

NL911 BOARD of DIRECTORS

Position	Board Member	Location	Service Expiry
Chair	Donald Peckham	St. John’s	September 27, 2022
Vice-Chair	Vince MacKenzie	Grand Falls-Windsor	April 10, 2023
Member/Corner Brook PSAP	Todd Flynn	Humber Village	June 26, 2024
Member/St. John’s PSAP	Robert Fowler	St. John’s	April 10, 2023
Member	Randy Letto	Happy Valley – Goose Bay	April 10, 2023
Member	Mark Brown	St. John’s	April 10, 2023
Member	George Andrews	Happy Valley – Goose Bay	November 6, 2023
Member/MNL	Vacant		
Member/NL911 Executive Director	Kerry Power	Conception Bay South	Not Applicable

Operations and Finance

A \$0.75 monthly fee is 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 was established by the **Emergency 911 Fee Regulations** and is collected by individual telecommunication 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.



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The NL911 Fund is used to develop, establish, operate and improve the province wide emergency 911 telephone service as outlined in Section 24(4)(a) of the **Emergency 911 Act**. NL911 may only use the fund 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 \$2,684,443. These expenditures were associated with developing, establishing, operating and improving the emergency 911 telephone service, as well as operating the corporation and paying for costs associated with administering the fund. NL911 revenues for the reporting period were \$5,547,991.

For detailed financial information for the fiscal year ended March 31, 2021 please see Appendix I - Financial Statements.

More information can be found on NL911's website at <https://nl911.ca/>.

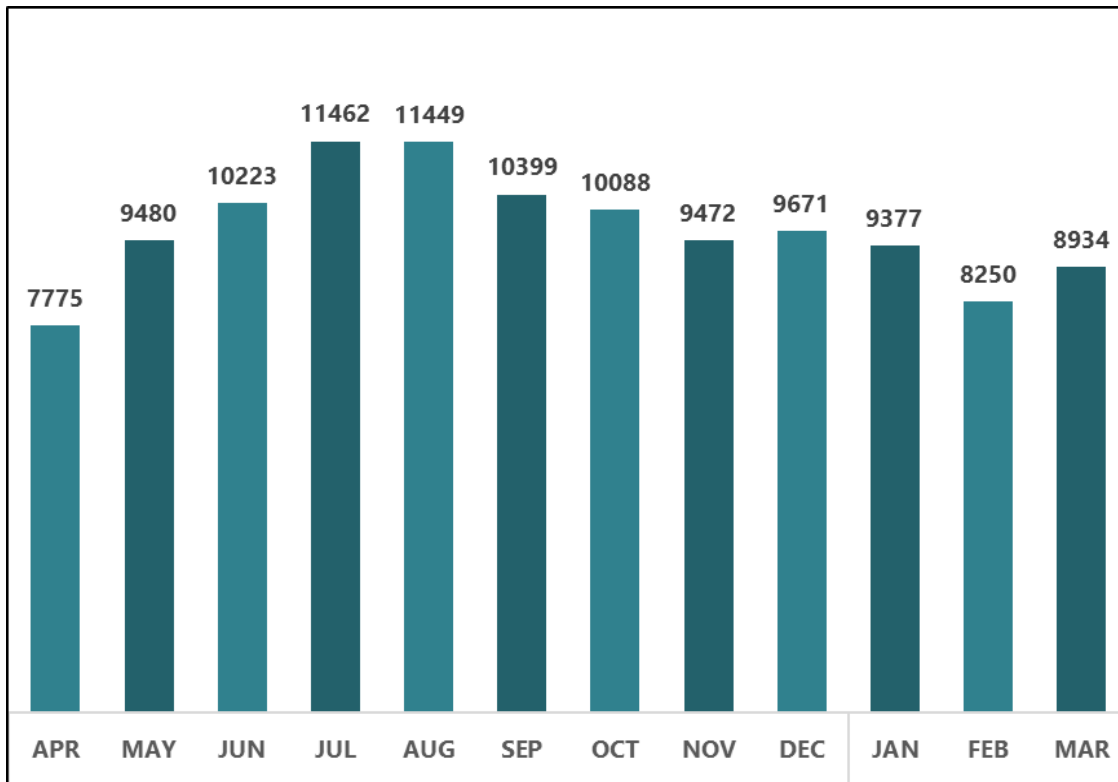
HIGHLIGHTS AND PARTNERSHIPS

During the 2020-21 reporting period, NL911 continued to meet operational, developmental and public engagement goals with the cooperation of stakeholders and partners. These partnerships continue to assist NL911 in fulfilling the corporation’s mandate of providing an efficient and effective emergency 911 telephone service.

NL911 Service Statistics

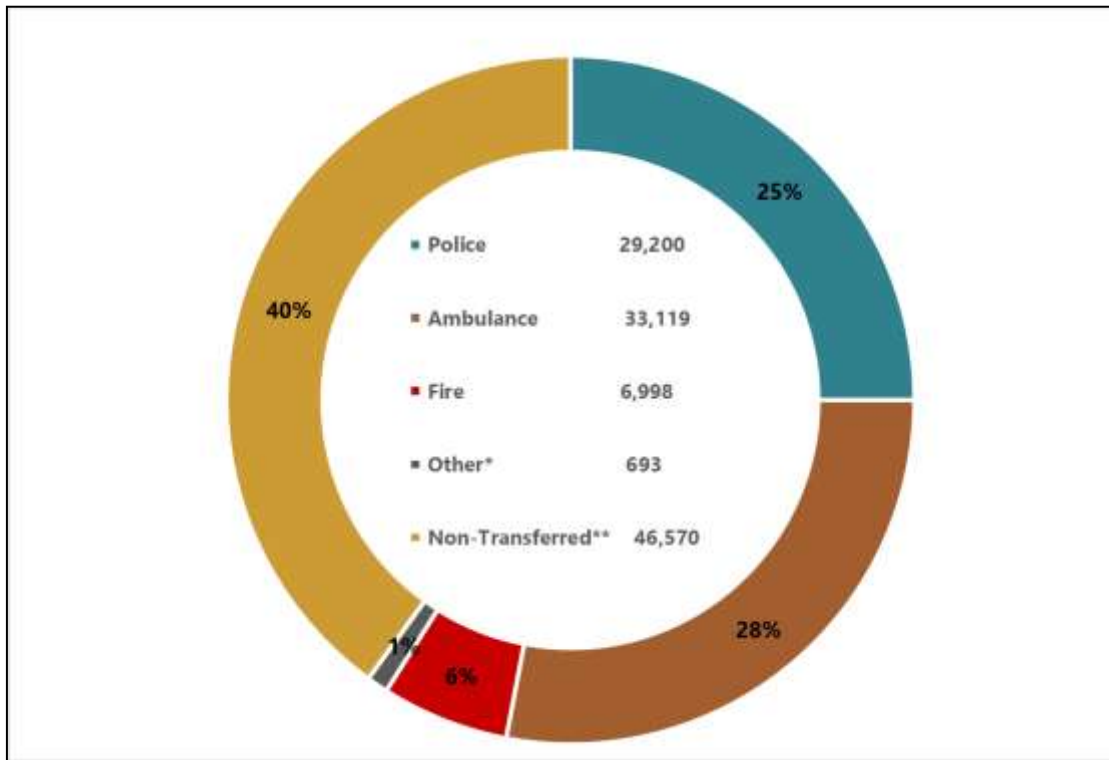
Between April 1, 2020 to March 31, 2021, NL911 PSAPs handled 116,580 calls (Chart 1), representing a five per cent increase over the previous reporting period.

Chart 1 – Total 911 Calls per Month: April 2020-March 2021



Of the 116,580 calls received, Chart 2 identifies the volume breakdown of where these calls were transferred as well as those not transferred.

Chart 2 – Total 911 Calls by Agency of Priority: April 2020-March 2021



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

** Non-Transferred: Calls that were not transferred to an emergency service provider for response.

Due to the nature of 911 calls, it is expected that volumes and the emergency response required will fluctuate. NL911 transferred 60 per cent of all calls to emergency service providers. A breakdown of these calls are as follows: 25 per cent were transferred to police, 28 per cent were transferred to ambulance, six per cent went to fire response and less than one percent went to other agencies.

Non-transferred calls are 911 calls that are not transferred to an ESP for response and account for 40 per cent of the call volume for this reporting period. The types of calls that are captured under the non-transferred category include non-emergency calls such as; accidental calls, hang ups, requests for information, etc. This category also captures emergency calls not

transferred to an ESP such as calls from emergency responders looking for information related to reported emergencies as well as multiple calls on the same incident where no additional information is provided and the ESPs are already responding.

The non-transferred category remains the largest type of 911 calls received with the majority of non-emergency calls (63 per cent) attributed to accidental calls to 911 and hang up calls. NL911 continues to review 911 call data reports to identify opportunities for public education and awareness initiatives and determine ways to support the efficiency of the emergency response system as a whole.

Learn Not to Burn Virtual Program

NL911 has a long-standing partnership with the Newfoundland and Labrador Association of Fire Services (NLAFS) which includes sponsoring their Learn Not to Burn Program. The COVID-19 pandemic affected the capabilities for the Learn Not to Burn Co-ordinator to access schools and provide the program to children in Newfoundland and Labrador. Understanding how important this program is for creating a culture of awareness related to fire safety and the 911 service availability and its proper use, NL911 coordinated with the NLAFS to provide a location, technical support and access for the Learn Not to Burn Co-ordinator to provide the program virtually.

Starting on January 27, 2021, the Learn Not to Burn Co-ordinator began providing the program to schools virtually. A total of 11 virtual presentations were completed with schools across Newfoundland and Labrador. NL911 also provided 911 educational items for the Learn Not to Burn Co-ordinator to send to schools by mail.

Call Verification Service

During this reporting period, NL911 began offering a voluntary Call Verification service for emergency service providers using pager or voice recorders for their dispatch. The purpose of this service is to assist with identifying any pager or voice recorder system issues timely by allowing the participating ESPs to call back to 911 to confirm receipt of the transferred call within a set timeframe.



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Any emergency service provider requesting the Call Verification service are identified in the 911 Call Taking system and for any calls or notices sent to these services, the 911 Call Takers are able to easily identify and apply the process related.

Communication was sent on June 8, 2020 to all municipalities, fire departments and ambulance operators known to be using pager and voice recorder systems, outlining the details of the service and the requirements to be met to be able to participate. As of March 31, 2021, two fire departments are availing of the Call Verification service.

NL911 recommends that ESPs utilizing pager systems and voice recorders enact a protocol to regularly check their systems operability to help mitigate any issues with receiving calls.

REPORT ON PERFORMANCE

In the first year of the 2020-2023 Business Plan, NL911 has maintained focus on set goals of improved service delivery and public education and awareness. The following is a report on the goals and objectives NL911 accomplished during the 2020-21 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 telephone number or location information.

NL911 has been working towards enhancing the current service to a Next Generation 911 (NG911) capability in Newfoundland and Labrador. A NG911 service will automatically provide the 911 Call Taker with the telephone number and location of a caller (civic address or x/y coordinates). This will allow 911 Call Takers to more effectively handle 911 calls by not having to rely on the caller for this critical information. The NG911 service will also provide an ability for a 911 PSAP to transfer important caller data to other NG911 capable dispatching agencies when transferring the caller. Other enhancements to the NG911 service are expected to follow in the future, including the delivery of texts, photos and video from the public to the PSAP.

The current NG911 model being developed in Canada can only accommodate 911 calls from landlines in areas with civic addresses or calls from a cellular device. In this model, landline callers from areas without civic addressing would most likely have to be answered outside of Newfoundland and Labrador. As NL911 provides a province wide 911 service, it is integral that the NG911 service in Newfoundland and Labrador accommodates all landline callers in areas with and without civic addressing. In December 2020, NL911 began working with telecommunications service providers and the Canadian Radio-Television and Telecommunications Commission (CRTC) by leading an Emergency Services Working Group (ESWG) dedicated to identifying a NG911 service solution that could accommodate calls from all areas of the province regardless of civic address data. This ESWG will identify

the standards needing to be met for NG911 service capabilities for Newfoundland and Labrador as well as other areas in Canada that currently have no civic addressing.

The NG911 enhancement project focuses on identifying all requirements related to a province-wide NG911 service capability, implementing the technical infrastructure needed, gathering all data requirements for civic addressing and ensuring quality standards are met for NG911 capability to ensure an efficient and effective launch when available. Due to the need to create an accommodated NG911 solution for Newfoundland and Labrador, the date for the NG911 service launch is pending the results of the standards identified through the dedicated ESWG. Once these requirements are identified, NL911 will proceed with procurement of the new equipment and infrastructure needed and determine the NG911 service implementation timeframe.

While working towards a NG911 service, NL911 continues to focus on identifying all technology enhancements available that can provide operational efficiencies for the 911 service in Newfoundland and Labrador.

GOAL

By March 31, 2023, NL911 will have improved the efficiency and effectiveness of 911 service delivery.

FIRST YEAR OBJECTIVE

By March 31, 2021, NL911 will have advanced enhancements for service delivery.

PLANNED INDICATORS

Indicator 1: Civic addressing data is compiled for an increased number of municipalities and Local Service Districts in the creation of a NG911 database.

Actual Results

Civic address data is required for the operation of a NG911 service. A solution is being developed to accommodate NG911 service in areas without civic addressing in Newfoundland and Labrador, however this solution will not be able to provide these areas with the benefits of having their landline location automatically supplied to the 911 PSAP when the call is

received. Communities with civic addressing data are being asked to voluntarily provide this data to NL911 so that they are able to avail of the full benefits of the NG911 service functionality when available.

NL911 has been working with municipalities and Local Service Districts to identify and request data from those with complete civic addressing in their areas. In partnership with the NL Statistics Agency, NL911 has been creating digitized maps of each area identified with civic addressing. These maps are sent to each community identified with civic addressing along with instruction for providing the data needed for NG911. Once the civic address data is obtained from these municipalities and Local Service Districts, the information supplied is added to the NL911 data file for the quality review process with telecommunication service providers. Follow up may be required with each community to identify and update any areas needing clarification and confirmation. Once the quality review process results in civic address data accuracy of 98 percent with each telecommunications service provider, the community data is considered NG911 ready. It is expected that any community that is identified with data that is NG911 ready will still need to provide regular updates to NL911 of changes that occur within their areas.

During this reporting period, NL911 was able to accomplish the following related to civic address data capture and quality review:

- Civic address data requests were sent to 114 communities, bringing the total number of communities that have been sent a civic address data request from NL911 to 331.
- Civic address data received back from 66 communities and partial data received from four communities with further follow up required. A total of 145 communities have shared their civic address data with NL911.
- Data was added to the NG911 master file for seven communities, bringing the total communities added to this file to 12. This file is sent to telecommunications service providers for the quality review process.
- Four communities have completed the quality review process and have data that has reached the 98 percent required to be considered NG911 ready. These four communities represent 17 per cent of the population.

NL911 continues to work with municipalities and Local Service Districts that have civic addressing in Newfoundland and Labrador to obtain their data so they can avail of the NG911 service when it becomes available.

Indicator 2: Enhancements for more efficient 911 service delivery are researched and select solutions are implemented.

Actual Results

During this reporting period, NL911 focused on identifying existing technology that could result in efficiencies to the 911 call handling process by providing location information of callers. These tools are especially beneficial in assisting 911 Call Takers with identifying the location of callers who are unsure of their location (i.e. 911 callers on a highway).

NL911 identified i911, a location identification application that can provide location information of callers using cellular phones. This application was easy to implement at each PSAP and had no cost. With the i911 tool, the 911 Call Taker must send a request to the caller's cellular phone to gain access to the phone's location. Once the caller approves release of the location details to 911, the coordinates are provided to the 911 Call Taker. This tool provides an advantage to 911 Call Takers to obtain the exact location of callers who do not know their location and this detail can then be shared with dispatching agencies for their response.

The i911 tool requires the caller to be able to speak and confirm on their phone the 911 Call Takers location request. As a result, this tool is not helpful for callers who are unable to communicate and the regular call trace process must be used to identify the location for these callers.

In July 2020 NL911 completed the testing on the i911 application at both PSAPs and developed the Standard Operating Policies and Procedures as well as self-paced related training material. All active 911 Call Takers have completed the training and are now using the application when needed.

SECOND YEAR OBJECTIVE

By March 31, 2022, NL911 will continue to implement an improved service delivery model.

INDICATORS:

- Civic addressing data is compiled for additional municipalities and Local Service Districts in the creation of a NG911 database.
- Creation of GIS community boundaries for call routing requirements within the NG911 service have started.
- Research and identify any technology that can assist with creating better efficiencies for service delivery.
- Actively contribute to CRTC working groups with focus on identifying requirements for NG911 service in Canada and Newfoundland and Labrador.

Issue Two: Public Education and Awareness

Educating the public about the province-wide emergency 911 telephone service is integral to NL911's focus on establishing 911 as the primary emergency telephone number for use throughout Newfoundland and Labrador. It is important that the public understands the availability of the emergency 911 telephone service throughout the province but also when to use the service and how it supports their local emergency response system.

During this reporting period, NL911 has focused on public education and awareness efforts that reach a broader audience through a variety of initiatives and communication channels. NL911 continues to look for opportunities to increase the public's knowledge and awareness of the province wide 911 service.

GOAL

By March 31, 2023, NL911's public education and awareness efforts will have improved the appropriate use of the 911 service.

FIRST YEAR OBJECTIVE

By March 31, 2021, NL911 will have initiated public education and an awareness framework to improve the appropriate use of the 911 service.

PLANNED INDICATORS

Indicator 1: A decrease in the percentage of non-emergency calls made to 911.

Actual Results

Non-emergency call categories are identified within the non-transferred call volume and include but are not limited to; accidental calls, hang ups, requests for information, non-emergency call, etc. For this reporting period, the volume of non-emergency categories increased by 17 percent from the previous reporting period.

Analyses of the non-emergency categories identified that 69 per cent of this volume were due to accidental calls, hang ups, pocket dials and no voice calls. These types of calls relate more to callers experiencing issues with their device rather than using 911 for non-emergency related inquiries. The call category identified specifically as a ‘non-emergency call’ captures the number of calls when a caller clearly reports a non-emergency related incident. During this reporting period, this specific call type increased by 69 per cent since the last reporting period with 10 per cent of the total non-emergency category call volume.

Education and awareness for the next reporting period will focus on ways to avoid accidental calls to 911 (ie: ensure phones are locked, not allowing children to play with phones, etc) as well as guidance to call 911 when there is a threat to health, life, safety and property and immediate response is needed from emergency services.

Indicator 2: Regularly scheduled social media posts focused on the appropriate use of 911 and how the emergency 911 telephone service operates.

Actual Results

NL911 launched the NL911 Official Facebook social media page on January 7, 2020 with a primary focus on educating the public about the province wide 911 service. NL911 creates Facebook posts that educate followers on: the availability of the 911 service, the appropriate

use of the service, and highlights partnerships demonstrating how we support local emergency responders.

During this reporting period NL911 completed a schedule of posts with the following themes:

- **Did You Know series:** A regular series with targeted messaging on 911 service availability, how the service works, what to expect when you call, and general details on 911 statistics and NL911 operations.
- **Emergency Service Providers series:** A regular series which highlighted and promoted emergency service providers from across the province. This series was very successful in:
 - sharing interesting information about local emergency service providers and highlighting the dedicated volunteers and workers who service their communities in their time of need.
 - educating the public that when someone calls 911 they will be connected to their local trusted emergency service providers who will respond but also 911 will assist with notifying others who may also need to respond.
- **NL911 Board member profile series:** A regular series which highlighted each of the NL911 Board of Directors and educated followers on the experience and leadership that each member brings to the NL911 Board.

NL911 created a total of 244 Facebook posts in this reporting period including sharing important information from partners and public service announcements. The average reach (ie: unique users who viewed a post) of NL911 Facebook posts is 1,353 users and the average number of engaged users (ie: users who interacted with a post) is 79 per post.

NL911 continues to plan strategic Facebook messaging to strive for increased knowledge and awareness of the province wide 911 service.

Indicator 3: An increase in the number of followers of the NL911 Facebook page.

Actual Results

During this reporting period, NL911 gained 437 followers for a total of 1,170 as of March 31, 2021.

Analyses of NL911 official Facebook activity assists with identifying what types of posts result in more engagement and more followers to the page. The following types of posts generated the most activity in reach and engagement:

- profiles of emergency service providers and other community-based content.
- images featuring NL911 owned pictures and original content catch the interest of users and keep them engaged long enough to get the intended message.
- posts related to the 911 process, how the 911 service works and EMERGENCY 911 decal promotion.
- posts that incorporate new forms of media where appropriate, such as videos.

To help increase the awareness of the province wide emergency 911 telephone service, NL911 also follows Facebook pages of emergency service providers, like agencies and municipalities. Engaging and sharing content of our partners creates goodwill allowing NL911 to engage with these groups in a positive manner.

Indicator 4: An increase in the number of emergency vehicle apparatus displaying the 911 Emergency decal throughout the province.

Actual Results

‘EMERGENCY 911’ decals displayed on local emergency response vehicles promotes 911 service availability and also assists with public trust in the 911 service as it is being promoted by locally trusted emergency service providers.

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. During this reporting period, NL911 extended the free 911 decal initiative to ambulance operators in Newfoundland and Labrador. The ‘Call 911’ decal for ambulance service providers was designed in collaboration with the Department of Health and Community Services. Communication was sent to all ambulance operators, representative organizations and Regional Health Authorities on October 20, 2020 to offer the free decals and outline the benefits of promoting 911 service in their areas.

During this reporting period NL911 provided 911 decals to 21 ambulance operators and 21 fire departments. The total number of fire departments with 911 decals in Newfoundland and Labrador is 166.

NL911 continues to engage with fire departments and ambulance operators across Newfoundland and Labrador to provide awareness of the decal initiative

Indicator 5: Partnerships utilized to assist with the 911 service messaging.

Actual Results

NL911 partners provide opportunities for 911 education and messaging to be delivered through their resources and programs. Municipalities Newfoundland and Labrador (MNL) promoted NL911 education messaging through social media platforms as well as targeted messaging at all regional meetings. MNL provides opportunities for NL911 to present each year directly to their membership. These opportunities allow NL911 to provide updates on 911 operations as well as encouraging support for supplying civic addressing data for their access to the benefits of the NG911 service enhancement when available.

NL911 supports programs aimed at educating children on the importance of how and when to call 911 for emergency help. The NLAFS Learn Not to Burn Program Coordinator directly promoted the benefits of the emergency 911 telephone service during presentations to students and schools across Newfoundland and Labrador. NL911 also coordinated with the NLAFS to create social media messages targeted for their membership.

The AdventureSmart program, a national prevention program focused on outdoor activities, distributed 911 education and promotional items to children attending their sessions.

NL911 is encouraged by the support of partners and continues to look for any opportunity to engage and educate other partners to help create a culture of awareness related to the province wide emergency 911 telephone service.

SECOND YEAR OBJECTIVE

By March 31, 2022, NL911 will have reassessed and adjusted public education and awareness needs based on results observed after the previous year.

INDICATORS:

- Utilize statistics to identify areas for public education and awareness.
- Complete a public opinion survey to determine level of understanding of the province-wide 911 service and identify targeted education and awareness initiatives.
- Send additional 911 Emergency vehicle decals to fire stations and ambulance operators throughout the province.
- Increase in the number of followers of the NL911 Facebook page.

OPPORTUNITIES AND CHALLENGES

With a focus on continued service improvements, NL911 has identified opportunities to enhance the province wide emergency 911 telephone service and provide education related to the availability and appropriate use of the service. Understanding that there is still much work to be done, NL911 continues working on initiatives that will assist with better efficiency and effectiveness of the 911 service, as well as improved coordination with partners in emergency response.

Current opportunities for service enhancements include the identification and implementation of any suitable location identification applications for 911 Call Takers, which will assist with identifying the location of callers using cellular devices. Challenges associated with service enhancements include identifying the standards for a NG911 solution that can accommodate areas that have civic addressing as well as those that do not, as well as NL911's reliance on municipalities and Local Service Districts to provide the civic address data required for the development and operation of a NG911 service. NL911 continues to focus on efforts to educate municipalities and Local Service Districts regarding the benefits of the NG911 service to encourage timely data submissions for NG911 readiness.

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. Through targeted initiatives to gain emergency service provider support as well as utilization of tools and partners to assist with distribution of 911 messaging, NL911 continues to actively address challenges associated with public education. Challenges continue to be strengthening the understanding of NL911's role in the emergency response system so that stakeholders will promote the emergency 911 telephone service in their communities, improving the public's awareness of the 911 service and how it works in the province, and building public trust in the 911 service so that residents of, and visitors to, Newfoundland and Labrador will use the service when needed.

With the assistance of partners and stakeholders, NL911 continues to strive towards having "911" as the primary emergency telephone number to be called throughout Newfoundland and Labrador.

APPENDIX I

FINANCIAL STATEMENTS



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Financial Statements

NL 911 Bureau Inc.

March 31, 2021

NL 911 Bureau Inc.

Contents

	Page
Statement of responsibility	1
Independent auditor's report	2-3
Statement of financial position	4
Statements of operations and change in accumulated surplus	5
Statement of net financial assets	6
Statement of cash flows	7
Notes to the financial statements	8-12
Schedule of tangible capital assets	13
Schedule of expenses	14
Schedule of reconciliation of the financial plan to the budget	15

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.


Donald C. Puckham Chair


Director



Independent auditor's report

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To the Directors of the NL 911 Bureau Inc.

Opinion

We have audited the financial statements of NL 911 Bureau Inc. ("NL 911"), which comprise the statements of financial position as at March 31, 2021, and the statements of operations and change in accumulated surplus, net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NL 911 Bureau Inc. as at March 31, 2021, and the results of its operations and change in accumulated surplus, net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of NL 911 in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance 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.

In preparing the financial statements, management is responsible for assessing NL 911's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate NL 911 or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing NL 911's financial reporting process.

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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian public sector accounting standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 NL 911's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NL 911's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause NL 911 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



St. John's, Canada

June 10, 2021

Chartered Professional Accountants

NL 911 Bureau Inc.
Statement of Financial Position

March 31	2021	2020
Financial assets		
Cash and cash equivalents	\$17,603,454	\$14,552,032
Receivables (Note 3)	<u>554,591</u>	<u>544,348</u>
	<u>18,158,045</u>	<u>15,056,380</u>
Liabilities		
Payables and accruals (Note 4)	<u>1,011,298</u>	<u>754,743</u>
Net financial assets	<u>17,146,747</u>	<u>14,311,637</u>
Non-financial assets		
Tangible capital assets (Page 13)	103,943	67,141
Prepays	<u>55,253</u>	<u>63,617</u>
	<u>159,196</u>	<u>130,758</u>
Accumulated surplus (Note 5)	<u>\$17,305,943</u>	<u>\$14,442,395</u>

Commitment (Note 6)

On behalf of NL 911

 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 9)	Actual	Actual
	Budget 2021	2021	2020
Revenue			
Fees	\$ 6,049,850	\$ 6,040,412	\$ 6,097,673
Billing and collection charges	(564,653)	(563,767)	(569,086)
Allowance for bad debts incurred by telecommunication service providers (Note 7)	<u>(60,586)</u>	<u>(48,709)</u>	<u>(48,726)</u>
	5,424,611	5,427,936	5,479,861
Interest income	<u>225,515</u>	<u>120,055</u>	<u>252,500</u>
	<u>5,650,126</u>	<u>5,547,991</u>	<u>5,732,361</u>
Expenses (Page 14)			
Public Safety Answering Point centres Management, administration, and operations	2,023,626	1,862,811	1,797,629
	<u>945,197</u>	<u>821,632</u>	<u>900,171</u>
	<u>2,968,823</u>	<u>2,684,443</u>	<u>2,697,800</u>
Annual surplus	<u>2,681,303</u>	<u>2,863,548</u>	<u>3,034,561</u>
Accumulated surplus, beginning of year	<u>14,442,395</u>	<u>14,442,395</u>	<u>11,407,834</u>
Accumulated surplus, end of year	<u>\$17,123,698</u>	<u>\$17,306,943</u>	<u>\$14,442,395</u>

See accompanying notes and schedules to the financial statements.

6

NL 911 Bureau Inc.
Statement of Net Financial Assets

Year ended March 31	(Note 9) Budget 2021	Actual 2021	Actual 2020
Annual surplus	\$ 2,681,303	\$ 2,863,548	\$ 3,034,561
Acquisition of tangible capital assets	(94,712)	(80,848)	(4,734)
Amortization of tangible capital assets	50,000	44,046	33,836
Decrease in prepaids	-	8,364	118,131
Increase in net financial assets	2,636,591	2,835,110	3,181,794
Net financial assets, beginning of year	<u>14,311,637</u>	<u>14,311,637</u>	<u>11,129,843</u>
Net financial assets, end of year	<u>\$16,948,228</u>	<u>\$17,146,747</u>	<u>\$14,311,637</u>

See accompanying notes and schedules to the financial statements.

7		
NL 911 Bureau Inc.		
Statement of Cash Flows		
Year ended March 31	2021	2020
Increase (decrease) in cash and cash equivalents		
Operating		
Annual surplus	\$ 2,863,548	\$ 3,034,561
Change in non-cash items		
Amortization of tangible capital assets	44,046	33,836
Change in non-cash operating working capital		
Receivables	(10,243)	333,315
Payables and accruals	256,555	(237,912)
Prepays	8,364	118,131
Cash provided by operating transactions	<u>3,162,270</u>	<u>3,278,931</u>
Capital		
Purchase of tangible capital assets	<u>(80,848)</u>	<u>(4,734)</u>
Net increase in cash and cash equivalents	3,081,422	3,277,197
Cash and cash equivalents, beginning of year	<u>14,522,032</u>	<u>11,244,835</u>
Cash and cash equivalents, end of year	<u>\$17,603,454</u>	<u>\$14,522,032</u>

See accompanying notes and schedules to the financial statements.

NL 911 Bureau Inc.
Notes to the Financial Statements

March 31, 2021

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 telecommunication service providers, who retain \$0.07 for administration for each fee they collect. The remaining \$0.68, net of any bad debt expense incurred by the telecommunication service providers, 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 when title to the acquired assets is retained by the PSAPs, otherwise, they are recorded as tangible capital assets in NL 911.

NL 911 Bureau Inc.
 Notes to the Financial Statements
 March 31, 2021

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

Prepaid expenses

Prepaid expenses include T911 service contract, 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 telecommunication service 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 telecommunication service 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, 2021

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	2021	2020
Remittances due from telecommunication service providers	\$ 550,825	\$ 544,348
Harmonized sales tax receivable	3,766	-
	<u>\$ 554,591</u>	<u>\$ 544,348</u>

4. Payables and accruals	2021	2020
Trade	\$ 71,794	\$ 47,410
PSAPs	926,828	700,451
Harmonized sales tax payable	-	2,432
Payroll and vacation pay accruals	12,676	4,450
	<u>\$ 1,011,298</u>	<u>\$ 754,743</u>

5. Accumulated surplus

NL 911 has accumulated surplus that is intended and will be required for the implementation of a Next Generation 911 (NG911) service. The necessary costs of the NG911 implementation and service cannot be reasonably estimated at this time but is expected by management to have a significant impact to the cost of operations in the future.

NL 911 Bureau Inc.
Notes to the Financial Statements
March 31, 2021

6. Commitment

NL 911 is committed to future lease payments for office space in each of the next four years as follows: 2022 - \$98,500; 2023 - \$98,500; 2024 - \$98,500; 2025 - \$90,292.

7. Allowance for bad debts incurred by telecommunication service providers

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

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, 2021.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. NL 911's credit risk is attributable to receivables in the amount of \$550,825 (2020 - \$544,348). As the telecommunication service 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 \$1,009,398 (2020 - \$751,140). 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.

9. Budget figures

The reconciliation between NL 911'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.

NL 911 Bureau Inc.
Notes to the Financial Statements
March 31, 2021

10. Impact of COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

During the year NL 911 was able to continue its operations and mandate without interruption. The pandemic had little financial impact on NL 911 which did not experience any significant fluctuations in its revenues or expenses, except for a decrease in interest revenue resulting from a lower prime interest rate.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, still remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as any possible impact on the financial position and results of NL 911 for future periods.

NL 911 Bureau Inc.
 Schedule of Tangible Capital Assets
 Year Ended March 31, 2021

	Office furniture and equipment	Computer equipment	Computer software	2021	2020
Cost					
Cost, beginning of year	\$ 33,463	\$ 43,302	\$ 234,302	\$ 311,067	\$ 306,333
Additions during the year	1,431	79,417	-	80,848	4,734
Cost, end of year	<u>\$ 34,894</u>	<u>\$ 122,719</u>	<u>\$ 234,302</u>	<u>\$ 391,915</u>	<u>\$ 311,067</u>
Accumulated Amortization					
Accumulated amortization, beginning of year	\$ 20,970	\$ 30,621	\$ 192,335	\$ 243,926	\$ 210,090
Amortization	2,642	28,814	12,590	44,046	33,836
Accumulated amortization end of year	<u>\$ 23,612</u>	<u>\$ 59,435</u>	<u>\$ 204,925</u>	<u>\$ 287,972</u>	<u>\$ 243,926</u>
Net book value of tangible capital assets	<u>\$ 11,282</u>	<u>\$ 63,284</u>	<u>\$ 29,377</u>	<u>\$ 103,943</u>	<u>\$ 67,141</u>

NL 911 Bureau Inc.
Schedule of Expenses

Year ended March 31	2021	2020
Public Safety Answering Point centres		
St. John's	\$ 1,091,050	\$ 1,090,151
Comer Brook	<u>771,761</u>	<u>707,478</u>
	<u>1,862,811</u>	<u>1,797,629</u>
Management, administration, and operations		
Advertising and public relations	37,364	61,988
Amortization	44,048	33,836
Board meetings	3,360	4,630
Communications	18,802	19,142
Computer expense	10,376	8,365
Conferences and training	3,099	9,818
Consulting - IT	24,116	22,968
Insurance	10,418	12,992
Interest and bank charges	91	276
Meetings	236	1,600
Miscellaneous	911	1,724
Office space rental	98,500	102,463
Office supplies and printing	3,060	3,400
Professional fees	27,873	26,816
Professional fees – T911	49,768	120,224
Salaries and benefits	489,605	454,564
Travel	<u>7</u>	<u>15,365</u>
	<u>821,632</u>	<u>900,171</u>
Total expenses	<u>\$ 2,684,443</u>	<u>\$ 2,697,800</u>

NL 911 Bureau Inc.
 Schedule of Reconciliation of the Financial Plan to the Budget
 Year ended March 31, 2021

	<u>Financial Plan</u>	<u>Adjustments</u>	<u>PSAS Budget</u>
Revenue			
Fees	\$ 6,049,850	\$ -	\$ 6,049,850
Billing and collection charges	(564,653)	-	(564,653)
Allowance for bad debts incurred by telecommunication service providers (Note 7)	<u>(60,586)</u>	<u>-</u>	<u>(60,586)</u>
	5,424,611	-	5,424,611
Interest income	<u>225,515</u>	<u>-</u>	<u>225,515</u>
	<u>5,650,126</u>	<u>-</u>	<u>5,650,126</u>
Expenses			
Public Safety Answering Point centres	2,023,626	-	2,023,626
Management, administration, and operations	<u>1,039,909</u>	<u>(94,712)</u>	<u>945,197</u>
	<u>3,063,535</u>	<u>(94,712)</u>	<u>2,968,823</u>
Annual surplus	<u>2,586,591</u>	<u>94,712</u>	<u>2,681,303</u>
Accumulated surplus, beginning of year	<u>14,442,395</u>	<u>-</u>	<u>14,442,395</u>
Accumulated surplus, end of year	<u>\$17,028,986</u>	<u>\$ 94,712</u>	<u>\$17,123,698</u>