



Annual Report & Strategic Plan **2018**



2018–2019 ONTARIO ONE CALL BOARD OF DIRECTORS

Tony DiPede

North Rock Group – Excavator Sector

Wayne Eichenberger

Wightman Telecom – Telecommunications and Cable Sector

Kevin Green

Bell Canada – Telecommunications and Cable Sector

Chris Hudson

Alectra Utilities – Electrical Sector

Karen Marner, Treasurer

OEC – Excavator Sector

Scott Mudie, Chair

Oakville Hydro Energy – Electrical Sector

John Oakley

Enbridge Gas Inc. – Gas/Oil/Pipeline Sector

Courtney Roedding

Bell Canada – Telecommunications and Cable Sector

Enrico Scalera

Town of Oakville – Municipal Sector

Ysni Semsedini

Festival Hydro – Electrical Sector

William Shea

City of Toronto – Municipal Sector

Nancy Taylor

Utilities Kingston – Gas/Oil/Pipeline Sector

CHAIR'S REPORT

April 15, 2019

As the Board of Directors, our role is to ensure Ontario One Call remains focused on reducing damages, improving the timely delivery of locates, providing quality service and increasing public awareness. We help direct Ontario One Call in its overall objective to protect communities from the loss of service and harm caused by damages to underground infrastructure. This document will show the progress we have made, outline the five-year strategic direction and explain the overall financial health of the organization.

In 2018, the Board worked on a number of tasks to improve governance and accountability. Ontario One Call conducted its first member survey to evaluate its operations and identify opportunities for growth. Furthermore, the Board went through its own self-evaluation and skill matrix study which helped identify what qualities were required for future Board Directors and underline training opportunities. The Board also continued its collaboration with the Operations Committee to get a better understanding of operational issues that might be affecting members and excavators.

Our relationship with the Ministry of Government and Consumer Services is an important part of Ontario One Call's operating model. We are currently working under a five-year Memorandum of Understanding with the provincial government. Although not a Delegated Administrative Authority, Ontario One Call strives to meet a high standard of service, transparency, and governance that stakeholders should expect.

I want to thank the Board, Operations Committee, and the talented team at Ontario One Call for all their hard work. I am confident that 2019 will be a great year.

Sincerely,



Scott Mudie
Board Chair, Ontario One Call

EXECUTIVE DIRECTOR'S REPORT

April 15, 2019

As Executive Director of Ontario One Call, it is my pleasure to present the 2018 Annual Report & Strategic Plan. This document will provide a brief overview of our progress plus highlight our future direction.

In 2018, Ontario One Call implemented system-wide improvements to help with the increased volume of excavation requests. The launch of Map Selection Notification (MSN) was a major success which saw a reduction of around 800,000 notifications saving members approximately \$5.2 million. In 2018, we also launched new web tools which are helping to increase map selection quality and accuracy. Another highlight is the work our teams are doing toward mitigating emergency locate abuse which has resulted in an overall reduction of about 40% compared to five years ago.

This year we brought forth an enhanced effort to increase public engagement through marketing which resulted in a 20% increase in unaided awareness. Our campaign netted just over 100 million impressions and three million video views with the Ontario One Call brand advertised on radio, TV, billboards, hardware tool rental departments, social media, and digital ads.

Going forward, Ontario One Call will continue to focus on initiatives that will enhance the value of our service to members and excavators. The feedback received from the first members' survey was very positive on how we deliver on our vision of being a "premier partner for members and excavators in enabling responsible excavation."

The Board of Directors has laid out a strategic plan that will keep Ontario One Call aligned to our mission and our vision statements. Even after several years of major change, we remain committed to further developing Ontario One Call to meet the expectations of our members, excavators and stakeholders.

Sincerely,



Ben Hamilton
Executive Director, Ontario One Call

TREASURER'S REPORT – 2018 AUDITED FINANCIALS

April 15, 2019

In 2018, Ontario One Call implemented a new assessment-based billing model that replaced the previous notification-based model. There was a decrease in revenues from \$8.5 million in 2017 to \$8.1 million in 2018. This decrease can be attributed to Map Selection Notification (MSN) implementation, which reduced member demand for ancillary services such as look-up, reporting, and mapping services.

Expenses in 2018 increased to \$8.3 million as compared to \$8.2 million in 2017. The increase in expenditures relates mainly to the increase in cost for mapping, system upgrades and telecommunications. There were a number of decreases as well including lower cost for consultant services, less money spent on conferences and sponsorships and lower IT support costs.

At the end of 2018, Ontario One Call's current assets were \$4.8 million, with an additional \$2.1 million in property and equipment.

The implementation of assessment-based billing was effective in ensuring that Ontario One Call's financial capacity was not undermined by the implementation of MSN. As part of MSN implementation, quarterly reports were sent to members to update their change in volume of notifications relative to their sector and to the membership at large. This communication allowed members to better access their own performance and project future costs.

Sincerely,



Karen Marner
Treasurer, Ontario One Call

2018 BUSINESS PLAN – PRIORITIES & OUTCOMES

Last year's Annual Report established 12 business plan priorities for 2018. Outcomes include:

1. Map Selection Notification (MSN) was successfully implemented for 2018. Members saw a reduction of approximately 800,000 notifications, leading to an estimated \$5.2 million in member savings. These savings will grow in future years as improved mapping helps reduce the number of over-notifications received by members
2. The percentage of tickets submitted online increased from 72% to 79% over the last year
3. Staff have worked with TelDig to develop the scope of the private property/single address ticket project
4. ON1Call met the demands of record requests volumes with about 5% less member revenue than the previous year
5. System improvements such as tree planting icons were developed in 2018 for implementation for the upcoming dig season
6. The work on emergency locate abuse has reduced the number of emergency requests processed by about 40% compared to five years ago
7. The Board of Directors conducted ON1Call's first members survey and also introduced its first organization-wide scorecard
8. A Board member self-evaluation and skill matrix was developed to identify gaps in competencies of Board members and help guide future Board training
9. The Operations Committee continued its work on behalf of members and focused on project locates and dedicated locator solutions
10. The largest twenty members in the ON1Call system are now receiving monthly reports on their locate delivery performance. All members are receiving quarterly reports comparing their notification volumes with other members in their sector and the membership at large
11. The organization-wide scorecard was introduced to enhance Board accountability to ON1Call's legislated mandate
12. ON1Call is now providing more advance billing information to help members budget for future year costs. A five-year financial forecast was developed to help the Board understand the future needs of the organization

2018 COMPLIANCE REVIEW

COMPLIANCE SUMMARY

Ontario One Call receives complaints from members, excavators and the public. Through our investigations and compliance group, our first priority is to work with the parties to reach a prompt resolution. Ontario One Call also refers matters to other regulatory bodies as circumstances merit.

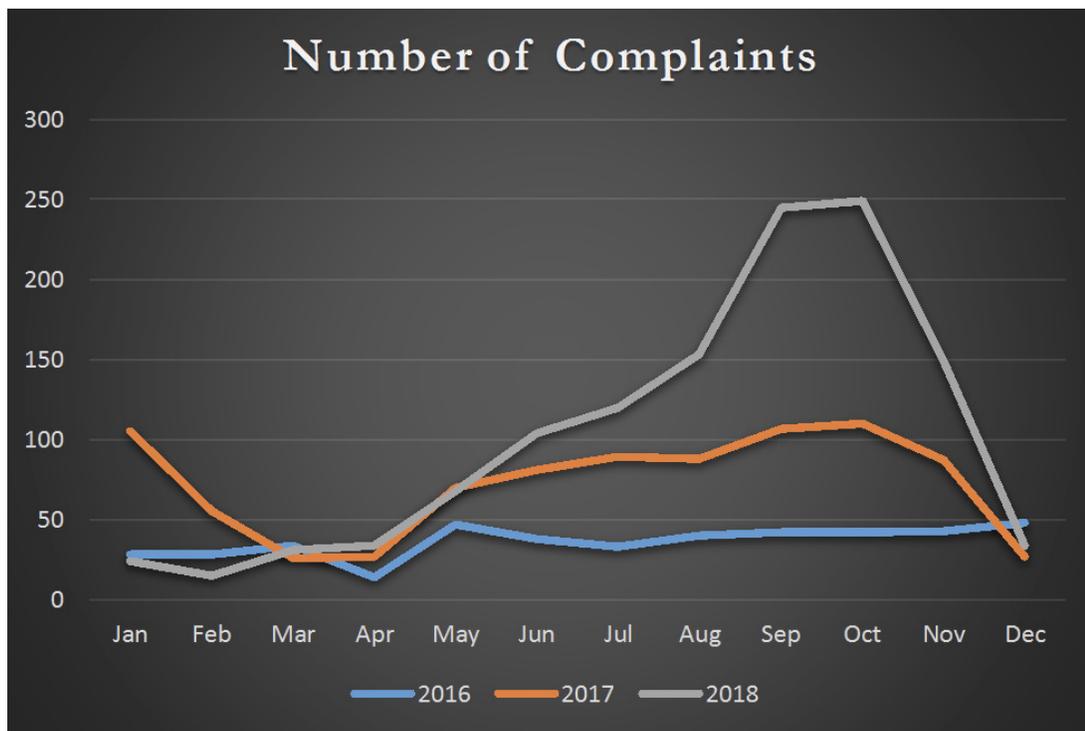
Overall Complaints in 2018 as they relate to the below stakeholders:

Complaints against Members: **1219**

Complaints against Excavators: **21**

Complaints against ON1Call: **0**

Year Over Year Comparison Of The Total Number Of Complaints 2016–2018



2018 COMPLIANCE REVIEW

Complaints are broken down into stakeholder, offence, and validity groups

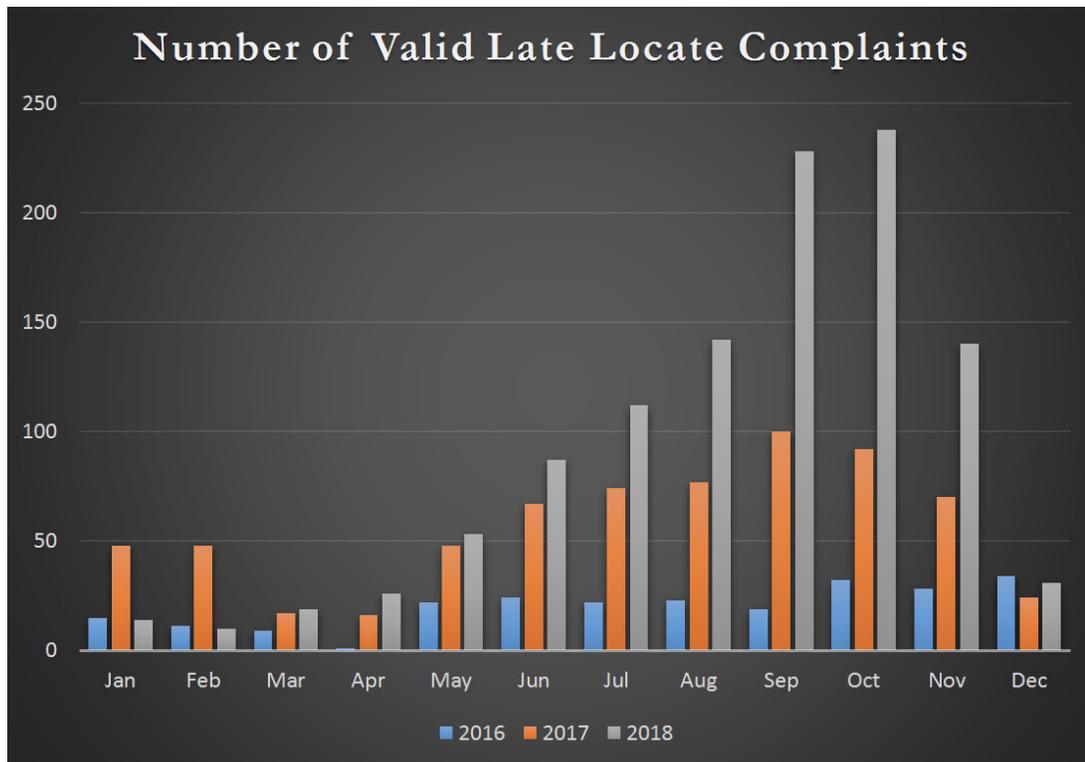
MEMBERS	Valid Total	Invalid Total
Late Locates	1100	17
False Renegotiated Date	41	2
Delinquent Account	20	0
Incomplete Locates	12	0
Emergency Abuse	6	1
Failed To Respond To A Locate	6	2
Excavation Without Locates	5	2
Deficient Clearance	2	1
Abuse	1	0
Failed To Register Infrastructure	1	0

MEMBERS	Valid Total	Invalid Total
Other	3	0
Excavation Without Locates	2	0
Relocate Abuse	0	1
Emergency Abuse	1	0

Complaints by Geographic Area

Area	2016	2017	2018
Chatham-Essex	10	19	64
Grey-Bruce	4	6	14
GTA-East	12	68	58
Hamilton-Niagara	14	65	195
London-St. Thomas	11	12	16
ON-Central	31	49	38
ON-East	16	50	20
ON-North	10	19	30
ON-Northwest	5	6	3
ON-Southeast	8	11	2
ON-West	35	35	90
Sarnia	3	7	1
Toronto	278	525	593

2018 COMPLIANCE REVIEW



Complaints as % of Overall Requests	
2016	0.05%
2017	0.08%
2018	0.12%

2018 BUSINESS PLAN AND 2019–2023 STRATEGIC PLAN

Ontario One Call includes its annual business plan and five-year strategic plan as part of our Annual Report. This is to allow members, excavators and stakeholders the opportunity to consider both our current performance and future direction in a single document.

Mission

ON1Call's mission statement reads:

“Protecting your community from the loss of service and harm caused by damages to underground infrastructure”

Vision

ON1Call's vision reads:

“Members should view us as their premier partner enabling responsible excavation”

Foundational Areas

The future direction envisioned by the Board was then grouped under three foundational areas:

- Member Focus & Value
- Governance & Accountability
- Openness & Transparency

Five-Year Strategic Imperatives

- Reduce damages to buried plant in Ontario
- Measure the timely delivery of locates and support members in achieving their objectives
- Provide a quality service to members and excavators
- Increase public awareness of ON1Call's mandate and the need for safe excavation

2018 BUSINESS PLAN AND 2019–2023 STRATEGIC PLAN

MISSION	<i>“Protecting your community from the loss of service and harm caused by damages to underground infrastructure”</i>			
VISION	<i>“Members should view us as their premier partner enabling responsible excavation”</i>			
FOUNDATIONAL AREAS	Member Focus & Value	Openness & Transparency	Governance & Accountability	
STRATEGIC IMPERATIVES	Reducing Damages	Timely Locate Delivery	Providing Quality Service	Increasing Public Awareness

MEMBER FOCUS & VALUE

- Implementation of new web ticket platform
- Improved mapping tools to reduce over-notification
- Improved service levels
- Reducing abuse of emergency locates

OPENNESS & TRANSPARENCY

- Increased disclosure on performance metrics, member billing, and complaints
- First member survey completed in 2018
- Revised MOU signed with Ministry of Government and Consumer Services

GOVERNANCE & ACCOUNTABILITY

- Delivering on education mandate, including multi-platform public advertising campaign
- Province-wide member and excavator education delivered in person and through online platforms

CORPORATE SCORECARD METRICS

The corporate scorecard measures progress towards ON1Call’s legislated objectives. It is different from the employee scorecard as it measures the multi-year progress that members, excavators and ON1Call are making towards a better locate system.

TOPIC	METRIC	WEIGHTING	2018	80%	100%	120%	SCORE
Reducing Damages	2018 Damages/1,000 Requests (ORCGA)	25%	4.90	4.90	4.80	4.70	
Timely Locate Delivery	% of Major Station Codes with "A" Level Delivery	25%	68%	70%	75%	80%	
Providing Quality Service	Service Levels (% Calls Answered within 20 seconds)	10%	78%	70%	80%	90%	
Providing Quality Service	Turnaround of Suspended Web Tickets	10%	85%	85% in 24 hrs	90% in 24 hrs	>95% in 24 hrs	
Providing Quality Service	Quality Metric for Agent Performance	5%	85%	80%	85%	90%	
Public Awareness	Public Awareness of ON1Call – Unaided	12.5%	12%	12%	14%	16%	
Public Awareness	Public Awareness of ON1Call – Aided	12.5%	39%	39%	41%	43%	

2019 BUSINESS PLAN PRIORITIES

Member Focus & Value

1. Increase member participation in DIRT Report
2. Develop homeowner/single property ticket for 2021 implementation
3. Launch incremental system improvements to enhance functionality
4. Create training certification for system users
5. Evaluate changes to MSN buffers & base map

Openness & Transparency

6. Develop five-year financial forecast
7. Improve how fee schedule changes and by-law changes are enacted
8. Develop enhanced marketing and education strategies

Governance & Accountability

9. Enhance Board governance & committee structures
10. Implement Board self-evaluation & skills matrix surveys

OTHER 2018 BUSINESS ACTIVITIES

Information Technology

The security, reliability, and performance of our information technology platform is a constant consideration. It is our policy to continually review and adopt newly identified security best practices to ensure the continued security of our systems. In 2018, Ontario One Call upgraded its core infrastructure in Guelph resulting in a significant increase in performance and reliability.

Disaster Recovery & Backup

Ontario One Call's data systems are contained in our in-house data centre. Our data is also backed up every 5 Mb or 5 minutes (whichever comes first) at our system platform provider's main office (Pelican Corp. in Quebec City). Our offices in Guelph and Sudbury are supported by natural gas backup generators which can provide immediate backup power in the case of an electricity failure.

Marketing

Ontario One Call has the mandate to create public awareness toward the need to Call or Click Before You Dig. In an effort to strengthen public awareness, Ontario One Call led an integrated marketing campaign that focused on television, billboard, retail partnerships, social media, and digital advertising. By the end of 2018, Ontario One Call increased its unaided awareness by 20% and its aided awareness by 18%. The campaign had over 100 million impressions and the online videos had over 3 million views.

In 2019, the new campaign will work on building awareness using television, public relations, social media, enhanced digital marketing & retail partnerships, and radio. We will also work on establishing a more consistent messaging strategy with the membership that will include an online Toolkit with infographics, collateral, icons, logos and social media packages that members can download and use.

OTHER 2018 BUSINESS ACTIVITIES

Human Resources

Recruitment continues to be a major focus for the Human Resources department. As a result of internal adjustments, the organization was able to substantially reduce recruitment costs when filling our peak season positions in the contact centre.

2018 was a busy year in employment law. Early in the year, we saw the implementation of many aspects of Bill 148, the *Fair Workplaces, Better Job Act, 2017*. Towards the end of 2018, Bill 47, the *Making Ontario Open for Business Act* resulted in a reversal and revision of many of the Bill 148 reforms. In addition, cannabis was legalized and Bill 66, *Restoring Ontario's Competitiveness Act* was introduced. Our Human Resources team is busy keeping a close watch on these developments and Ontario One Call will respond to these legislative changes with up to date policies, procedures and processes.

With an eye towards future business needs and regulatory requirements, the department dedicated a significant amount of effort into researching an upgraded HRIS (Human Resource Information System). We are pleased to be moving forward with the integration of new technology in 2019 that will enhance our information and performance management, streamline recruitment and onboarding, boost employee engagement and reduce time-consuming processes.

OTHER 2018 BUSINESS ACTIVITIES

Member & Excavator Training

The annual Spring webinars were extremely successful in 2018, with over 850 individuals participating. That's a 102% increase in attendance from 2017. The topics focused on the phone to web migration, alternate locate agreements (ALA's), web refresher, troubleshooting difficult map scenarios and working with the relocate delay.

The Education and Training team attended select industry trade shows, answered questions and spoke to many individuals about all aspects of Ontario One Call. They also visited members, excavators and locators to provide in-person training sessions. Many of these sessions focused on late locates and compliance issues, map selection notification, using the web portal and overall damage prevention awareness.

Ontario One Call maintained a presence at ORCGA events to ensure we were available to support the industry. At these meetings, we presented to more than 1,000 individuals on what was new at Ontario One Call and basic excavator safety.

The Education and Training team strives to ensure anyone that reaches out for support is provided with the information they need to be successful. In 2019, the Education and Training team will be focusing on reaching more people with an enhanced educational platform.

INDEPENDENT AUDITOR'S REPORT



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To the Members of Ontario One Call

Opinion

I have audited the financial statements of Ontario One Call (the Corporation), which comprise the statement of financial position as at December 31, 2018, and the statements of revenue and expenses, net assets and cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2018 and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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.

(continues)

INDEPENDENT AUDITOR'S REPORT

(continued)

- 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 the Corporation'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 the Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

I 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 I identify during my audit.

Toronto, ON
April 22, 2019



Chartered Accountant Professional Corporation
Authorized to practise public accounting by the
Chartered Professional Accountants of Ontario

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL Statement of Financial Position December 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 2,352,004	\$ 3,251,321
Term deposits (Note 3)	1,001,500	1,001,500
Accounts receivable (Note 4)	1,324,593	908,226
Prepaid expenses	159,253	149,377
	<u>4,837,350</u>	<u>5,310,424</u>
PROPERTY AND EQUIPMENT (Note 5)	2,131,596	2,103,168
	<u>\$ 6,968,946</u>	<u>\$ 7,413,592</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities (Note 6)	\$ 260,307	\$ 263,827
Harmonized sales tax payable	61,719	11,720
	<u>322,026</u>	<u>275,547</u>
NET ASSETS	6,646,920	7,138,045
	<u>\$ 6,968,946</u>	<u>\$ 7,413,592</u>

ON BEHALF OF THE BOARD



Director



Director

See notes to financial statements

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL Statement of Revenue and Expenses Year Ended December 31, 2018

	2018	2017
REVENUE	\$ 8,057,126	\$ 8,449,133
EXPENSES		
Salaries, wages, and fees	\$ 4,686,169	\$ 4,536,024
Mapping expenses	941,690	928,119
Advertising and promotion	795,639	861,156
Rent and utilities	591,870	519,868
Amortization	445,193	354,264
IT maintenance and support	256,143	346,543
Telecommunications	198,332	184,921
Office & general expenses	141,788	136,258
Professional fees	115,098	111,921
Employees' travel and other expenses	95,104	106,420
Consultants	48,843	61,445
Insurance	29,654	35,742
Sponsorships	25,309	30,033
Shows and conferences	17,968	21,005
Bad debt expense	932	1,707
Interest and bank charges	(5,239)	(3,585)
	8,384,493	8,231,841
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES BEFORE NOTIFICATION AND MEMBER REBATES	(327,367)	217,292
Notification and member rebates	163,758	220,860
DEFICIENCY OF REVENUE OVER EXPENSES	\$ (491,125)	\$ (3,568)

See notes to financial statements

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL
Statement of Changes in Net Assets
Year Ended December 31, 2018

	2018	2017
NET ASSETS - BEGINNING OF YEAR	\$ 7,138,045	\$ 7,141,613
Excess (Deficiency) of revenue over expenses	<u>(491,125)</u>	<u>(3,568)</u>
NET ASSETS - END OF YEAR	<u>\$ 6,646,920</u>	<u>\$ 7,138,045</u>

See notes to financial statements

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL
Statement of Cash Flows
Year Ended December 31, 2018

	2018	2017
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (491,125)	\$ (3,568)
Item not affecting cash:		
Amortization property and equipment	445,193	354,264
	<u>(45,932)</u>	<u>350,696</u>
Changes in non-cash working capital:		
Accounts receivable	(416,367)	50,853
Accounts payable and accrued liabilities	(3,520)	(128,386)
Prepaid expenses	(9,876)	15,273
Harmonized sales tax payable	49,999	7,114
	<u>(379,764)</u>	<u>(55,146)</u>
Cash flow provided by operating activities	<u>(425,696)</u>	<u>295,550</u>
INVESTING ACTIVITY		
Additions to property and equipment	(473,621)	(1,095,174)
DECREASE IN CASH FLOW	(899,317)	(799,624)
Cash - beginning of year	<u>3,251,321</u>	<u>4,050,945</u>
CASH - END OF YEAR	\$ 2,352,004	\$ 3,251,321

See notes to financial statements

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL
Notes to Financial Statements
Year Ended December 31, 2018

1. DESCRIPTION OF ORGANIZATION

On August 10, 2011 Ontario One Call (the "Corporation") was continued as a not-for-profit corporation under the Corporations Act (Ontario). It is not subject to Income Tax. It was originally incorporated on February 22, 1996 under the Business Corporations Act (Ontario). The purpose of the Corporation is to operate contact centres to receive excavator requests for the location of underground infrastructure within Ontario; to identify for excavators whether underground infrastructure is located in the vicinity of a proposed excavation or dig site; to notify a member of the Corporation of proposed excavations or digs that may affect the underground infrastructure of the member; and to raise public awareness of the Corporation and the need for safe digging.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation of the Financial Statements

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and are in accordance with Canadian generally accepted accounting principles the most significant of which are summarized as follows:

Revenue Recognition

Revenue is recognized at the time the call is received and notification made. Unrestricted investment income is recognized as revenue when earned.

Property and equipment

Property and equipment are stated at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Computer Software	3 and 5 years	straight-line method
Computer Equipment	3 and 5 years	straight-line method
Furniture and equipment	3 and 10 years	straight-line method
Leasehold improvements	10 years	straight-line method

(continues)

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL
Notes to Financial Statements
Year Ended December 31, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial Instruments

Measurement of financial Instruments

The Corporation initially measures its financial assets and financial liabilities at fair value, except for certain non-arm's length transactions. The Corporation subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, term deposits and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable.

Impairment

Financial assets measured at cost are tested annually for impairment if there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Accounting Estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates. Specifically, these financial statements include management estimates and assumptions relating to the valuation of accounts receivable and the valuation of property and equipment and their useful lives.

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL Notes to Financial Statements Year Ended December 31, 2018

3. TERM DEPOSITS

	2018	2017
Guaranteed Investment certificate bearing interest at 0.5% maturing September 9, 2019	\$ 1,001,500	\$ 1,001,500

4. ACCOUNTS RECEIVABLE

	2018	2017
Accounts receivable	\$ 1,324,593	\$ 909,275
Less: Allowance for doubtful accounts	-	(1,049)
	\$ 1,324,593	\$ 908,226

5. PROPERTY AND EQUIPMENT

	Cost	Accumulated amortization	2018 Net book value	2017 Net book value
Computer Software	\$ 896,563	\$ 555,146	\$ 341,417	\$ 350,134
Computer Equipment	821,921	412,509	409,412	222,305
Furniture and equipment	432,071	128,207	303,864	322,720
Leasehold improvements	1,464,317	387,414	1,076,903	1,208,009
	\$ 3,614,872	\$ 1,483,276	\$ 2,131,596	\$ 2,103,168

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL Notes to Financial Statements Year Ended December 31, 2018

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Accounts payable and accrued liabilities	\$ 122,035	\$ 131,446
Member Rebates - Credits in Accounts Receivable	138,272	132,381
	\$ 260,307	\$ 263,827

7. RELATED PARTIES

	2018	2017
<i>Director-member</i>		
Fee revenue	\$ 1,138,490	\$ 1,138,529
Accounts receivable	\$ 214,145	\$ 122,448
<i>Director-member</i>		
Fee revenue	\$ 820,621	\$ 831,819
Accounts receivable	\$ 75,838	\$ 90,005
<i>Director-member</i>		
Fee revenue	\$ 490,059	\$ –
Accounts receivable	\$ 54,949	\$ –
<i>Director-member</i>		
Fee revenue	\$ 457,702	\$ 459,536
Accounts receivable	\$ 85,562	\$ 19,426
<i>Director-member</i>		
Fee revenue	\$ –	\$ 633,055
Accounts receivable	\$ –	\$ 136,181

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Economic Dependence

These four members were the source of 36% of the total fee revenue generated by the Corporation in 2018 (2017 - 36%).

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL Notes to Financial Statements Year Ended December 31, 2018

8. CAPITAL DISCLOSURES

The Corporation's objectives when managing capital are to safeguard cash and its ability to continue to provide services and benefits for its members.

Capital at the Corporation is comprised of net assets. In order to maintain or adjust its capital structure, the Corporation may obtain additional funding from its members.

The Corporation is not subject to any externally imposed capital requirements.

9. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Credit Risk

Credit risk represents the financial loss that the Corporation would experience if a counterparty to a financial instrument failed to meet its obligations. The Corporation's credit risk is primarily attributable to its accounts receivable. The amounts disclosed on the balance sheet are net of allowances for doubtful accounts, estimated by the Corporation's management based on prior experience. The Corporation believes that its allowance for doubtful accounts is sufficient to reflect the related credit risk.

The Corporation has established various internal controls designed to mitigate credit risk such as account monitoring procedures.

Liquidity risk

Liquidity risk is the risk that the Corporation will be unable to fulfill its obligations on a timely basis or at reasonable cost. Management manages liquidity risk by monitoring its operating requirements and preparing budgets to ensure it has sufficient funds to fulfill its obligations.

Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. Management has attempted to control the effects of market risk by maintaining a conservative investment portfolio 100% invested in GIC's and high interest savings accounts.

(continues)

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL Notes to Financial Statements Year Ended December 31, 2018

9. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(continued)*

Interest and Currency Risks

It is management's opinion that the Corporation is not exposed to significant interest or currency risks arising from these financial instruments.

There has been no change to the extent of exposure to the above risks from 2018.

10. CONTINGENT LIABILITIES

- a) On August 16, 2018, a utilities company, as Plaintiff, filed a statement of claim against a number of Defendants. On October 15, 2018, Ontario One Call and a number of others were named as third party defendants. The Plaintiff alleges that during the course of excavation, the Defendants' mechanical equipment struck and damaged a gas main or service, which required the Plaintiff to attend at the site for repair. The claim for damages is \$100,000 which includes contribution and indemnity from Ontario One Call on behalf of any of the defendants in the main action being found liable. Ontario One Call is seeking to have this claim discontinued against it by explaining that it is not liable but will defend the action if necessary.
- b) On November 28, 2018, various companies and entities, as Plaintiffs, filed a statement of claim against Ontario One Call and number of other Defendants. The Plaintiffs allege that during construction at the plaza where the businesses' operated, damage was done to a water-main, which separated and caused significant damage and loss to the Plaintiffs' businesses. The claim for damages is \$700,000 plus costs. Ontario One Call is seeking to have this claim discontinued against it by explaining that it is not liable but will defend the action if necessary.
- c) On January 4, 2019, a municipal government, as Plaintiff, filed a statement of claim against a number of Defendants. Ontario One Call was named as a third party defendant to this claim. The Plaintiff alleges that a buried sewer main was damaged as a result of construction activities by the defendants. The claim for damages is \$200,000 which includes contribution and indemnity from Ontario One Call on behalf of any of the defendants in the main action found liable. Ontario One Call is seeking to have this claim discontinued against it by explaining that it is not liable but has filed a notice of intent to defend on the Plaintiff.

In management's opinion these claims are without merit and no provision has been recognized in the financial statements as the possible outcomes are not determinable.

INDEPENDENT AUDITOR'S REPORT

ONTARIO ONE CALL
Notes to Financial Statements
Year Ended December 31, 2018

11. LEASE COMMITMENTS

The Corporation leases premises under two long term leases expiring June 30, 2025 and December 31, 2026. Future minimum lease payments exclusive of harmonized sales tax and operating charges are as follows:

2019	\$ 297,080
2020	297,080
2021	297,080
2022	310,445
2023	318,040
Thereafter	<u>667,434</u>
	<u>\$ 2,187,159</u>