

2017-2018

ANNUAL REPORT





THE KEYANO ADVANTAGE.



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We respectfully acknowledge that we are on Treaty No. 8 Territory, the traditional meeting grounds and gathering places of Canada's First Nations, Métis, and Inuit peoples.

Keyano is a Cree word roughly translated, means, "Sharing".

ACCOUNTABILITY STATEMENT

Keyano College's Annual Report for the year ended June 30, 2018, was prepared under the Board's direction in accordance with the Fiscal Planning and Transparency Act and ministerial guidelines established pursuant to the Post-Secondary Learning Act. All material economic, environmental or fiscal implications of which we are aware have been considered in the preparation of this report.

[Original signed by Margaret Farrington]

Margaret Farrington, MA, JD

Chair, Keyano College Board of Governors

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

Keyano College's management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements.

The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained and assets are properly accounted for and safeguarded.

The Annual Report has been developed under the oversight of the College's Finance and Audit committee, as well as approved by the Board of Governors and is prepared in accordance with the Fiscal Planning and Transparency Act and the Post-Secondary Learning Act. The Auditor General of the Province of Alberta, the institution's external auditor appointed under the Auditor General Act, performs an annual independent audit of the consolidated financial statements which are prepared in accordance with Canadian public sector accounting standards.

[Original signed by Dr. Trent Keough]

Dr. Trent Keough

President & CEO

[Original signed by Dale Mountain]

Dale Mountain

Vice President, Corporate Services and CFO



MESSAGE FROM THE BOARD CHAIR

2017/18 WAS A YEAR OF TRANSFORMATION FOR KEYANO COLLEGE. ADMINISTRATION ENGAGED SIGNIFICANT CHALLENGES AND DISCOVERED NEW OPPORTUNITIES.

With the support of the Board of Governors, Keyano College explored opportunities to improve access to high quality education and training as it collaborated with other post-secondary institutions, community organizations, and industry partners to provide programs and services tailored to the needs of the Regional Municipality of Wood Buffalo.

Throughout the year, the Board remained committed to the College's three institutional goals: Enhance the Student Experience, Pursue Academic Excellence, and, Advance Institutional Sustainability. While we work with the College leadership to consider new and innovative paths for Keyano, these goals will remain important considerations.

A significant change to the College's leadership came at the end of the 2017/18 reporting period as Keyano welcomed a new President and CEO, Dr. Trent Keough.

In his short time with Keyano, Dr. Keough has been a champion for improvements to student mental health support, has extensively engaged staff and students, has developed important relationships with First Nations and Métis peoples, and has fostered effective relationships with leaders in industry, business, and government.

Through his direction and leadership, we believe the College will be even more successful in the coming years.

Thank you all for your continued support of Keyano College and the Region of Wood Buffalo.

On behalf of the Keyano College Board of Governors,

[Original signed by Margaret Farrington]

Margaret Farrington, MA, JD

Chair, Keyano College Board of Governors

MESSAGE FROM THE PRESIDENT

IT IS MY PRIVILEGE TO PROVIDE THIS MESSAGE
FOR KEYANO COLLEGE'S 2017/18 ANNUAL REPORT.

The Report presents Keyano's accomplishments and evidence of hard work and celebrates student achievements made during what was a year of tectonic shifting for industry in the Wood Buffalo region, as well as for the College.

Keyano College strives to be responsive to individuals and communities within the Regional Municipality of Wood Buffalo (RMWB). In the 2017/18 year, Keyano served more than 4,000 students along with many businesses and corporate partners.

Enrolments are steadily increasing as RMWB moves towards full post-wildfire recovery and oil sands stability. There is a beautiful resilience at play here, within and outside of Keyano. We were at full capacity in several programs. Trades programming appears to be moving towards new stability and perhaps even recovery. We expect further improvements 'all round' in 2018/19.

Change and flux did impede us in several areas, but despite these challenges, opportunities presented themselves during 2017/18 and much was accomplished. Thank you to Keyano's instructors, staff, administration, students, and Board of Governors. I am so happy to have joined in this work with you. There is exciting work still to be done!



- Keyano students were the recipients of \$350,000 in awards, scholarships and bursaries. The Advancement Team worked with individuals, small businesses, and corporations to grow our endowment funds. The Keyano College Gala and Keyano College Golf Classic raised \$425,000 for college operations. We are grateful for the ongoing participation and financial support of our communities, industries, students, and employees. Thank you all.
- Development of the Advanced Care Paramedic program was completed, and the program will launch in early 2019.
- Strategic Enrolment Management (SEM) workshop sessions identified communication gaps throughout the student life cycle and resulted in recommendations on how to better communicate funding opportunities to current and potential students. Retention strategies were developed.
- An Indigenous Education Committee was established to assist Keyano in better serving Indigenous learners and Indigenous communities in the region. Consultations were also held with local Elders to get feedback on the best ways to meet their communities' needs.
- 2017/18 saw the introduction of the Bachelor of Environmental Science in collaboration with Mount Royal University. The fledgling offering is the beginning of our movement towards developing an environmental program cluster to support our oil sands industries. Keyano is a pro-pipeline, pro-oil sands institution and a proud supporter of RMWB.
- More than just an education and training provider, Keyano is a cultural hub. The Keyano Theatre and Arts Centre drew more than 30,000 patrons to its shows.

The coming years will be transformational for Keyano, RMWB, and our businesses and industries. As the College works to fulfil its mandate and progresses towards achieving its institutional goals of administrative efficiency, responsiveness, and affordability, the accuracy of our financial reporting will be a core focus. Some positive change has been realized in 2017/18, but it was insufficient for meeting our own expectations.

The coming years will be transformational for Keyano, RMWB, and our businesses and industries.

Keyano will adapt and we will be even more successful. Partnerships with industry and alumni relationships will enhance program delivery and institutional sustainability. Within an uncertain and challenging fiscal environment, Keyano will move towards full enrolment recovery while operating with less revenue from corporate training, frozen tuition, and fewer donations. Keyano is focused on achieving meaningful change, purposeful growth, and transparency with all its stakeholders, especially our students.

There will be many opportunities to engage with industry partners to develop the next generation of professionals, and we will endeavor to be a provincial leader in this work. We will also engage with the Arts Council Wood Buffalo and RMWB municipal leadership to rebuild performance arts programming. We also expect to make significant additions to our athletics programs.

Through these past accomplishments and hopeful future changes, we will be positioned for increased success.

[Original signed by Dr. Trent Keough]

Dr. Trent Keough

President & CEO, Keyano College

PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

Keyano College offers clear avenues for the safe disclosure of concerns related to wrongdoing and misconduct. Keyano did not receive any disclosures or conduct any investigations under the Public Interest Disclosure (Whistleblower Protection) Act from July 1, 2017, to June 30, 2018.

On behalf of Keyano College,

[Original signed by Dr. Trent Keough]

Dr. Trent Keough

President & CEO, Keyano College

OPERATIONAL OVERVIEW

Keyano College is a comprehensive community institution, proudly resident in Treaty 8 territory in the Regional Municipality of Wood Buffalo (RMWB). Stretching from north-central Alberta to the borders of Saskatchewan and the Northwest Territories, the RMWB is one of the largest municipalities in Canada. Established as the Alberta Vocational Centre in 1965, the institution changed its name to Keyano College ten years later. Keyano is a Cree word for “sharing.”

In 1978, Keyano completed its transformation into a community college with the appointment of its first Board of Governors. Keyano's programs and services have been continuously improved to align with the changing demands and interests of the region, its broadening multicultural orientation, and changing technologies. Keyano has proactively positioned itself as a community builder meeting both the training and skills acquisition needs of industry, and the personal enrichment and cultural needs of the Wood Buffalo communities. Keyano provides opportunities for lifelong, relevant, and practical learning, and is committed to increasing access to post-secondary programs.

Keyano serves students through its Clearwater Campus and Suncor Energy Industrial Centre in Fort McMurray, the Fort Chipewyan Campus, and the learning centres in Fort McKay, Gregoire Lake, and Janvier. Keyano offers programs that lead to certificates, diplomas, certificates of qualification (trades), and baccalaureate degrees. Keyano also supports the development of professional knowledge and skills in several sectors, including energy, construction, business, health and safety, arts, sciences, education, human services, and transportation. A wide range of corporate training options are available to client companies.

Keyano is strongly committed to providing programs that are affordable, timely, and relevant. Keyano continues to enhance local access to post-secondary learning while contributing to the Government of Alberta's long-term economic and social objectives.

PROGRAMMING

Keyano offers a comprehensive range of credit and non-credit programming. The School of University Studies, Career Programs, and Academic Upgrading and the School of Trades and Heavy Industrial undertake credit programming in arts, humanities, sciences, social sciences, fine arts, health, human services, business, education, technologies, trades, transportation, heavy equipment operations, and industrial skills. Courses to strengthen English language skills are offered through the Language Instruction for Newcomers to Canada (LINC) program, which is sponsored by Immigration, Refugees and Citizenship Canada. The School of Continuing Education provides a complete range of training, program development, delivery, and administrative services to client companies. Offerings include several professional certificate credentials as well as other career and personal enrichment opportunities. The goal of the program mix is to satisfy both the training and skills acquisition needs of local businesses and industry, as well as the community's special interest and cultural needs. Keyano also collaborates with other post-secondary institutions to provide access to programming for students in the Regional Municipality of Wood Buffalo (RMWB).

ACADEMIC UPGRADING AND LANGUAGE

Advanced High School Equivalency
College Preparation
General High School Equivalency
Language Instruction for Newcomers to Canada

ARTS

Art and Design

BUSINESS & ADMINISTRATIVE STUDIES

Aboriginal Entrepreneurship Certificate
Business Administration Certificate – Accounting
Business Administration Certificate – Business
Business Administration Diploma – Accounting
Business Administration Diploma – Business
Human Resource Management Certificate
Office Administration Certificate

ENVIRONMENTAL STUDIES

Environmental Technology Diploma

HUMAN SERVICES

Early Learning and Child Care Certificate
Educational Assistant Certificate
Social Work Diploma

NURSING AND ALLIED HEALTH

Emergency Medical Technician – Ambulance
Health Care Aide
Practical Nurse

POWER ENGINEERING AND PROCESS OPERATION

Power Engineering 3rd Class
Power Engineering 3rd Class Co-op
Power Engineering 4th Class
Power Engineering 4th Class Co-op
Process Operator Co-op

PRE-EMPLOYMENT

Pre-employment Carpentry
Pre-employment Electrician
Pre-employment Heavy Equipment Technician
Pre-employment Plumber
Pre-employment Welder

TRADES AND HEAVY INDUSTRIAL

Carpenter Apprenticeship
Crane and Hoisting Equipment Operator (Mobile Crane) Apprenticeship
Crane and Hoisting Equipment Operator (Tower Crane) Apprenticeship
Electrician Apprenticeship
Heavy Equipment Technician Apprenticeship
Millwright Apprenticeship
Plumber Apprenticeship
Steamfitter-Pipefitter Apprenticeship
Welder Apprenticeship

UNIVERSITY AND OPEN STUDIES

Open Studies
University Transfer

COLLABORATIVE DEGREES

Bachelor of Business Administration – Northern Alberta
Institute of Technology
Bachelor of Education, Elementary Route – University of Alberta
Bachelor of Science in Environmental Science – Mount Royal University
Bachelor of Science in Nursing – University of Alberta

ENROLMENT PLAN AND PROGRAM CHANGES

Keyano College empowers learners to develop the skills needed to reach their professional, personal, and economic goals. Keyano offers a wide range of programs that lead to certificates, diplomas, trades qualifications, and baccalaureate degrees.

ENROLMENT OVERVIEW

GRADUATES



students graduated
in 2017/18.

CREDIT PROGRAMMING QUALIFIED APPLICATIONS

The number of qualified
applicants for credit programs
(excluding apprenticeship) was

2,431

in 2017/18 COMPARED
TO 2,205 in 2016/17

APPLICATION TO REGISTRATION RATES



54%

was the application
to registration rate
in 2017/18

FLES FROM INTERNATIONAL STUDENTS



There were
73,630 FLES FOR
INTERNATIONAL
STUDENTS in 2017/18.

NON-CREDIT PROGRAMMING

Continuing Education
Registrations: **4,378**

Corporate
Registrations: **546**

Continuing Education
Headcount: **2,851**

Corporate
Headcount: **395**

OVERALL TOTAL
REGISTRATIONS:

4,924

OVERALL TOTAL
HEADCOUNT:

3,246

COMPARISON OF 2017/18 FLE PROJECTIONS TO ACTUALS

COMPARISON OF 2017/18 FLE PROJECTIONS TO ACTUALS BY PROGRAM BAND

PROGRAM BAND	CIP PROJECTIONS 2017/18	ACTUALS 2017/18	VARIANCE
Business	148.850	146.789	(1.4%)
Education	42.000	68.411	62.9%
Health Sciences	175.803	176.452	0.4%
Languages, Social Sciences, Arts & Humanities	101.000	117.750	16.6%
Physical, Natural & Applied Sciences	18.000	10.125	(43.8%)
Preparatory & Basic Upgrading	215.010	232.419	8.1%
Trades & Technologies	475.401	292.890	(38.4%)
Total FLEs (without collaborative FLEs)	1,176.064	1,044.836	(11.2%)

COMPARISON OF 2017/18 FLE PROJECTIONS TO ACTUALS BY CREDENTIAL

CREDENTIAL	CIP PROJECTIONS 2017/18	ACTUALS 2017/18	VARIANCE
Apprenticeship	263.596	156.365	(40.7%)
Certificate	371.807	313.512	(15.7%)
Diploma	96.000	106.530	11.0%
Non-Credential	444.661	468.429	5.3%
Total FLEs (without collaborative FLEs)	1176.064	1,044.836	(11.2%)

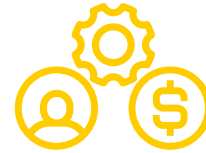
SCHOOL OF UNIVERSITY STUDIES, CAREER PROGRAMS AND ACADEMIC UPGRADING

The School of University Studies, Career Programs, and Academic Upgrading offers diplomas in Business Administration, Environmental Technology, Practical Nurse, and Social Work. The School offers certificates in Aboriginal Entrepreneurship, Art and Design, Business Administration, Early Learning and Child Care, Educational Assistant, Emergency Medical Technician - Ambulance, Health Care Aide, Human Resources Management, and Office Administration.

The Educational Assistant Certificate program was delivered in collaboration with Medicine Hat College and Red Deer College. The program reflects strong collaboration and commitment between the partner colleges. Keyano will continue to refine this collaboration to improve student access to the program. The Educational Assistant Certificate is also offered in a face-to-face format for students who prefer that delivery method.

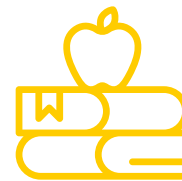
The Bachelor of Science in Environmental Science was first delivered in the 2017/18 academic year. The program uses a blended approach that includes face-to-face instruction from Keyano faculty, as well as instruction from Mount Royal University faculty.

THE SCHOOL OFFERS FOUR COLLABORATIVE DEGREES:



BACHELOR OF BUSINESS ADMINISTRATION

NORTHERN ALBERTA INSTITUTE
OF TECHNOLOGY



BACHELOR OF EDUCATION, ELEMENTARY ROUTE

UNIVERSITY OF ALBERTA



BACHELOR OF SCIENCE IN ENVIRONMENTAL SCIENCE

MOUNT ROYAL UNIVERSITY



BACHELOR OF SCIENCE IN ENVIRONMENTAL SCIENCE

MOUNT ROYAL UNIVERSITY

PROGRAMS	2017/18		
	PROJECTED FLE	ACTUAL FLE	VARIANCE
Art and Design	6.000	9.667	61.1%
Art and Design	6.000	9.667	61.1%
Business Administration Certificate	85.000	81.206	(4.5%)
Accounting	20.000	21.185	5.9%
Business	65.000	60.021	(7.7%)
Business Administration Diploma	30.000	30.950	3.2%
Accounting	15.000	10.600	(29.3%)
Business	15.000	20.350	35.7%
Business Administration Diploma Co-op	0.000	0.273	-
Accounting	0.000	0.000	-
Business	0.000	0.273	-
Early Learning and Child Care Certificate	10.000	14.077	40.8%
Early Learning and Child Care	10.000	14.077	40.8%
Educational Assistant	12.000	25.741	114.5%
Educational Assistant	12.000	25.741	114.5%
Emergency Medical Technician - Ambulance	17.152	16.329	(4.8%)
Emergency Medical Technician - Ambulance	17.152	16.329	(4.8%)
Environmental Monitoring Certificate	13.000	0.000	0%
Environmental Monitoring Certificate	13.000	0.000	0%
Environmental Technology Diploma	20.000	15.893	(20.5%)
Environmental Technology Diploma	20.000	15.893	(20.5%)
Environmental Technology Diploma Co-op	0.000	0.000	-
Environmental Technology Diploma Co-op	0.000	0.000	-
Health Care Aid	20.000	11.900	(40.5%)
Health Care Aide	20.000	11.900	(40.5%)
Human Resources Management Certificate	8.000	3.875	(51.6%)
Human Resources Management Certificate	8.000	3.875	(51.6%)
Mount Royal - Bachelor of Science - Environmental Science	8.000	4.000	(50.0%)
Bachelor of Science - Environmental Science	8.000	4.000	(50.0%)
Office Administration Certificate	20.000	25.518	27.6%
Office Administration	20.000	25.518	27.6%
Open Studies	2.000	31.818	1490.9%
Open Studies	2.000	31.818	1490.9%
Practical Nurse	28.000	42.128	50.5%
Practical Nurse	28.000	42.128	50.5%
Social Work Diploma	18.000	17.286	(4.0%)
Social Work Diploma	18.000	17.286	(4.0%)
Upgrading	128.010	128.935	0.7%
Advanced High School Equivalency	2.010	0.333	(83.4%)
College Preparation	117.000	118.867	1.6%
General High School Equivalency	9.000	9.735	8.2%

PROGRAMS	2017/18		
	PROJECTED FLE	ACTUAL FLE	VARIANCE
UT: Bachelor of Arts	18.000	13.134	(27.0%)
UT: Bachelor of Arts	18.000	13.134	(27.0%)
UT: Bachelor of Commerce	4.000	0.400	(90.0%)
UT: Bachelor of Commerce	4.000	0.400	(90.0%)
UT: Bachelor of Education	30.000	42.670	42.2%
Elementary	27.000	37.436	38.7%
Secondary	3.000	5.234	74.5%
UT: Bachelor of Engineering	10.000	6.125	(61.3%)
UT: Bachelor of Engineering	10.000	6.125	(61.3%)
UT: Bachelor of Nursing	110.651	106.095	(4.1%)
Nursing	110.651	106.095	(4.1%)
UT: Bachelor of Science	45.000	20.934	(53.5%)
UT: Bachelor of Science	45.000	20.934	(53.5%)
UT: Bachelor of Social Work	2.000	10.834	441.7%
UT: Bachelor of Social Work	2.000	10.834	441.7%
SCHOOL SUB TOTAL	644.813	659.788	2.3%

OVERALL, THE SCHOOL OF UNIVERSITY STUDIES, CAREER PROGRAMS, AND ACADEMIC UPGRADING EXCEEDED ENROLMENT PROJECTIONS FOR THE REPORTING PERIOD. THE FOLLOWING PROGRAMS HAD THE GREATEST POSITIVE IMPACT ON ENROLMENT:

- Art and Design Certificate
- Business Administration Diploma (Business specialization)
- Early Learning and Child Care Certificate
- Educational Assistant Certificate
- Office Administration Certificate

When preparing projections, the School did not factor growth for these programs. This was largely due to the continued economic downturn, lack of post-wildfire labour market information, and scarcity of reliable trend data.

The gap in reliable data contributed equally to over-projecting enrolment for some programs, including Health Care Aide Certificate, Environmental Technology Diploma, and Human Resources Management Certificate. Projections for the Environmental Monitoring Certificate also negatively impacted the variance. The program was included in 2017/18 projections, but it was not approved in time for delivery in that academic year.

Variance in Open Studies and University Transfer options is largely the result of internal process changes. During the reporting period, a change was made to how students were enrolled in Open Studies. As a result, some current students who were previously included in University Transfer were moved to Open Studies and fewer new students were coded as University Transfer. This change improved accuracy of student data and reporting at the program level.

SCHOOL OF TRADES AND HEAVY INDUSTRIAL

Keyano currently offers eight trades: Carpenter, Crane and Hoisting Equipment Operator, Electrician, Heavy Equipment Technician, Millwright, Plumber, Steamfitter-Pipefitter, and Welder. Keyano offers five Pre-employment options – Carpentry, Electrician, Heavy Equipment Technician, Plumber, and Welder. These programs offer an alternate pathway into apprenticeship.

Keyano also delivers the Power Engineering and Process Operations Co-op certificate programs. The Oil Sands Power and Process Engineering Lab provides students with an opportunity to complete their steam time training requirements when work placements are not available. During the reporting period, 26 students registered for the lab.

SCHOOL

TRADES AND HEAVY INDUSTRIAL

PROGRAMS	2017/18		
	PROJECTED FLE	ACTUAL FLE	VARIANCE
Apprenticeship	263.596	156.365	(40.7%)
Carpenter	4.272	4.272	0%
Crane and Hoisting Equipment Operator (Mobile Crane)	4.800	3.400	(29.2%)
Crane and Hoisting Equipment Operator (Tower Crane)	1.600	2.000	25.0%
Electrician	48.574	52.175	7.4%
Heavy Equipment Technician	84.420	40.317	(52.2%)
Millwright	48.240	22.161	(54.1%)
Plumber	2.010	0.000	0%
Steamfitter-Pipefitter	36.180	13.884	(61.6%)
Welder	33.500	18.156	(45.8%)
Power Engineering	104.375	85.250	(18.3%)
3rd Class	13.000	3.000	(76.9%)
3rd Class Co-op	46.375	40.125	(13.5%)
4th Class	45.000	29.750	(33.9%)
4th Class Co-op	0.000	12.375	-
Pre-employment Trades	21.930	3.257	(85.1%)
Pre-employment Carpentry	4.350	0.000	0%
Pre-employment Electrician	4.380	0.000	0%
Pre-employment Heavy Equipment Technician	4.400	0.000	0%
Pre-employment Plumber	4.400	0.000	0%
Pre-employment Welder	4.400	3.257	(26.0%)
Process Operations Co-op	52.500	32.125	(38.8%)
Process Operator Co-op	52.500	32.125	(38.8%)
SCHOOL SUB TOTAL	442.401	276.997	(37.4%)

The 2017/18 enrolment for the School of Trades and Heavy Industrial reached 63% of the original projection. The May 2016 wildfire destroyed or irreparably damaged 1,935 residential structures and 23 commercial or industrial spaces. As a result of the significant rebuild required, Keyano anticipated an increased demand for apprentices in the region, particularly for construction-related trades, including carpentry, electrical, plumbing, and welding. Increases were also expected for the heavy equipment technician, millwright, and steamfitter/pipefitter trades. The projections were not achieved.

The number of apprenticeship seats assigned to Keyano is determined by the Apprenticeship and Industry Training (AIT) branch of Alberta Advanced Education. As a result of the prolonged economic downturn and labour market changes, the number of designated apprenticeship seats was significantly reduced. This impacted enrolment in Pre-employment offerings as well. Changing industry needs and the perception of decreased opportunities impacted the number of students in Power Engineering and Process Operations Co-op employment programs.

Projections for Pre-employment HET and Pre-employment Plumber also negatively impacted the enrolment variance. The Pre-employment programs were included in 2017/18 projections, but they were not approved in time for delivery during the reporting period.



SCHOOL OF CONTINUING EDUCATION

In response to industry and community demand, the School of Continuing Education offered an extensive suite of programs focused on professional certifications, safety and driver training, corporate training and specialized testing. Additional training requests from industry were accommodated and program offerings were adjusted according to demand and enrolment.

The School enrolled 3,207 people, accounting for 4,924 registrations in continuing education courses and customized corporate training offerings.

In 2017/18, the School assisted the RMWB in developing and delivering a Business Workshop Series. A total of ten workshops were scheduled in Fort McMurray to provide foundational training for entrepreneurs, businesses, and the general public. Keyano also partnered with the RMWB to provide the Keyano College Voucher Program, which was implemented at the end of the reporting period in June 2018. In 2018/19, eligible recipients of the Canadian Red Cross Support to Small Business Program will receive a \$500.00 credit voucher for non-credit or certificate course costs.

Relationships and training contracts were developed with Women Building Futures, Careers: The Next Generation, Community Futures, Northeastern Alberta Aboriginal Business Association, the Chamber of Commerce, the Newcomers Interagency Network, and industry partners. Many of these relationships resulted in significant training partnerships.

PROGRAMS	2017/18		
	PROJECTED FLE	ACTUAL FLE	VARIANCE
Aboriginal Entrepreneurship	1.850	4.567	146.9%
Aboriginal Entrepreneurship	1.850	4.567	146.9%
Language Instruction for Newcomers to Canada	87.000	103.484	18.9%
Language Instruction for Newcomers to Canada	87.000	103.484	18.9%
SCHOOL SUB TOTAL	88.850	108.051	21.6%

Programs in the School of Continuing Education achieved higher enrolment than projected. There was concerted effort to increase enrolment in the Aboriginal Entrepreneurship Certificate program. More students also enrolled in the Language Instruction for Newcomers to Canada (LINC) than anticipated. LINC enrolment is directly related to the number of newcomers in the RMWB as well as the specific LINC levels approved for delivery by Immigration, Refugees and Citizenship Canada (IRCC).



GOAL 1: ENHANCE THE STUDENT EXPERIENCE

Keyano provides a learning environment where students can excel academically, as well as thrive and grow as individuals. Keyano offers experiences, both in and out of the classroom, that meet students' varied needs and interests while supporting them in the achievement of their goals. At Keyano, students are exposed to a variety of co-curricular and social opportunities that encourage leadership and community involvement; this is strengthened by an overall environment that supports excellence in learning. Students leave Keyano with positive attitudes towards lifelong learning. This goal aligns with the adult learning system principles of Accessibility, Quality, and Coordination.

RATES



496

GRADUATES IN 2017/18 ¹

41

Number of **RURAL AND REMOTE LEARNERS IN SATELLITE CAMPUSES** and learning centres in 2017/18 (credit programming) ¹

PROGRAM PARTICIPATION

1,085

CERTIFICATES



135

DIPLOMA

1,007

NON-CREDENTIAL



2,195

TOTAL UNIQUE HEADCOUNT (credit programming) ¹

1,044.836

FULL LOAD EQUIVALENT (FLES) in 2017/18 (credit programming) ¹



107

VISA STUDENTS in 2017/18 (credit programming) ¹

4,924

REGISTRATIONS in 2017/18 (non-credit programming) ²

PROGRAM AND FACILITY SATISFACTION

QUALITY OF EDUCATIONAL EXPERIENCE

PERCENTAGE OF STUDENTS SATISFIED WITH THE EDUCATIONAL EXPERIENCE (credit students and graduates)



93%

STUDENTS in 2014/15 ⁵



73%

GRADUATES in 2015/16 ⁴

RECOMMEND PROGRAM TO OTHERS

PERCENTAGE WHO WOULD RECOMMEND THE PROGRAM TO OTHERS (credit students and graduates)



93%

STUDENTS in 2014/15 ⁵

PERCENTAGE OF SELF-IDENTIFIED INDIGENOUS STUDENTS SATISFIED WITH THEIR EDUCATIONAL EXPERIENCE

NEW - No baseline data. Instrument developed in 2017/18. To be piloted 2018/19. ⁶

PERCENTAGE OF STUDENTS SATISFIED WITH COLLEGE FACILITIES

NEW - No baseline data. Instrument developed in 2017/18. To be piloted 2018/19. ⁶

¹ DATA COLLECTION AND REPORTING (DCaR) – LEARNER & ENROLMENT REPORTING SYSTEM | ² POWERCAMPUS | ³ KEYANO COLLEGE YEAR END SURVEY
⁴ GRADUATE OUTCOMES SURVEY (2013/14 GRADUATES) | ⁵ KEYANO COLLEGE YEAR END SURVEY | ⁶ KEYANO COLLEGE STUDENT FEEDBACK SURVEY

PRIORITY INITIATIVE 1.1

ENHANCE AND EXPAND STUDENT HOUSING OPTIONS.

EXPECTED OUTCOMES

- Increased availability of high-quality, affordable student accommodations.
- Partnership opportunities to renovate and renew student housing.
- List of alternative student housing opportunities.

2017/18 UPDATE

- Keyano reviewed partnership opportunities to renovate and renew student housing as part of the overall housing improvement process.
- Keyano completed the majority of upgrades to Clearwater Hall.
 - The expected project completion date is September 2018.
 - Funds allocated to upgrades during the reporting period totalled \$2.70 million.

PRIORITY INITIATIVE 1.2

PERFORM A STUDENT EXPERIENCE REVIEW.

EXPECTED OUTCOMES

- Timely and responsive student services and supports.
- Assessment of effectiveness and quality of services and supports offered to Keyano students.
- Summary of communication gaps related to student awareness of funding opportunities.

2017/18 UPDATE

- Keyano implemented a critical reorganization to enhance and centralize student support services. The Skill Centre was merged with Counseling and Accessibility Services to create a new department – Student Academic Support Services. Library Services was later added to this newly formed department to further align student-serving areas.
- The physical relocation of Accessibility Services ensured closer proximity to the Skill Centre and maximized efficiency in how students are served by both departments.
- Keyano held six facilitated Strategic Enrolment Management workshops. This activity identified communication gaps throughout the student life cycle and resulted in recommendations on how to better communicate funding opportunities to current and potential students.



PRIORITY INITIATIVE 1.3

ESTABLISH INDIGENOUS CENTRE SERVICES AND SUPPORTS.

EXPECTED OUTCOMES

- Indigenous Centre that provides services, supports, and resourcing for Indigenous students.
- Institutional plan for Indigenous Centre services, supports, and resourcing.

2017/18 UPDATE

- The Indigenous Education Committee was established to assist Keyano in better serving Indigenous learners and Indigenous communities in the region. A strategic plan was drafted and terms of reference were developed for the committee.
- Consultations were held with local Indigenous elders to gather feedback on the best ways to meet their identified needs.

PRIORITY INITIATIVE 1.4

RENEW AND MAINTAIN LEARNING SPACES.

EXPECTED OUTCOMES

- College facilities, equipment, and technology that are accessible, promote learning, and meet student needs and expectations.
- Three renovated or enhanced learning spaces.
- Maintenance plan.

2017/18 UPDATE

- Keyano renovated and enhanced three art studios at the Clearwater Campus. This involved correcting water infiltration issues and refurbishing affected building finishes.
- The Doug Schmidt Lecture Theatre was renovated. Changes included the addition of an extensive video collaboration system. In addition, entrance doors were replaced on classrooms throughout Clearwater Campus to enhance security.
- A maintenance plan was developed for Keyano. Key elements include cyclical furniture replacement and occupancy adjustments; this will support the efficient management and maintenance of College resources.



PRIORITY INITIATIVE 1.5

IMPROVE RURAL AND REMOTE COMMUNITY ACCESS TO KEYANO PROGRAMS USING A RANGE OF DELIVERY METHODS.

EXPECTED OUTCOMES

- New ways to access programs in rural and remote communities and new opportunities for collaboration to expand delivery and programming options.
- Additional partnerships and sources of funding to ensure adequate resourcing of new initiatives.
- Increased donor funding to expand delivery options for rural and remote communities.
- Diversified/alternate delivery options.

2017/18 UPDATE

- Funding was secured to deliver the Community-Based Environmental Monitoring program in Fort Chipewyan.
- There were ongoing funding efforts related to Indigenization of Social Work curriculum with existing funding being used to engage local Indigenous Elders in content delivery.
 - The Social Work Diploma program added SOWK 201 Introduction to Social Welfare and Social Work, which was designed for delivery to students in Fort Chipewyan via Adobe Connect.
- The Community Adult Learning Program funded literacy within the region.
- Scholarships were donated to support students in Indigenous programs.
- Classroom technology was in place whereby courses were remotely delivered to students in Fort Chipewyan.
- The first Bachelor of Education cohort in the Bridging to B.Ed. program began their studies at the Fort Chipewyan Campus.
- Keyano collaborated with Careers: The Next Generation to deliver "Introduction to Carpentry" to high school students in Fort Chipewyan.
- Keyano partnered with NAIT and SAIT to deliver career and occupation training using mobile simulation trailers. As part of this initiative, Heavy Equipment Operator training was delivered in Grande Cache and Grande Prairie in collaboration with Grande Prairie Regional College.



GOAL 2: PURSUE ACADEMIC EXCELLENCE

Learning at Keyano is of high quality and our graduates are highly sought after. Strong partnerships result in integrative programs that meet business, industry, and community needs. Collaboration within the Campus Alberta network ensures Keyano delivers best-in-class programming for the Wood Buffalo region. This goal aligns to the adult learning system principles of Accessibility and Quality.

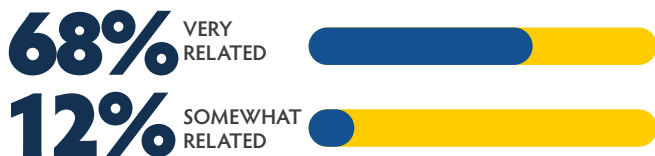
PROGRAM PARTICIPATION

69% OF GRADUATES WHO
ARE EMPLOYED in 2015/16 ²

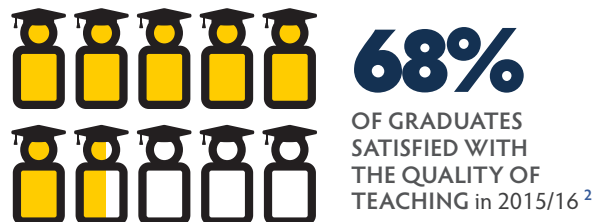
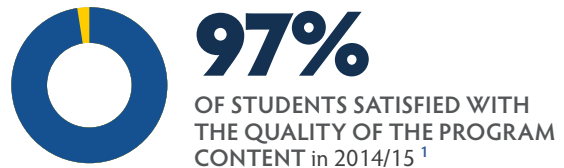


(graduates who completed the Graduate Outcomes Survey with the exception of those who were full-time students when surveyed)

GRADUATES WHO HAVE WORK
RELATED TO THE PROGRAM
in 2015/16 ²



PROGRAM AND TEACHING QUALITY



¹ KEYANO COLLEGE YEAR END SURVEY | ² GRADUATE OUTCOMES SURVEY (2013/14 GRADUATES)

PRIORITY INITIATIVE 2.1

IMPROVE PROGRAM REVIEW PROCESSES.

EXPECTED OUTCOMES

- Program review processes that guide the development and continuous improvement of academic programs.
- Processes for evaluating effectiveness and quality of teaching practices and curriculum.
- Prioritized list of program development and enhancement opportunities.
- Documented processes for:
 - quality assurance,
 - program proposals and approval,
 - program development, and
 - program revision.

2017/18 UPDATE

- Keyano developed a draft Program Quality Assurance Framework that includes new Academic Council processes for course and program development and revision, as well as a new Academic Council Guide.
- The PQA Framework was designed to align with recent process and documentation changes to Alberta's Provider and Program Registry System (PAPRS). This supports greater efficiency moving forward.
- The Learning Innovation and Library Services department was restructured to increase focus on quality assurance and quality control processes. The department was renamed Quality Assurance and Research Services to highlight this change and to further demonstrate Keyano's commitment to delivering quality programs and services.



PRIORITY INITIATIVE 2.2

PROVIDE RESPONSIVE PROGRAMS AND TRAINING OPPORTUNITIES.

EXPECTED OUTCOMES

- New programming or, where relevant material already exists in the provincial system, collaborative programming that meets business, industry, and community needs.
- A regional needs assessment that identifies 1 to 2 new programs and / or new training requirements in response to community, industry, and wildfire reconstruction needs.
- Delivery of programs that meet community and industry needs and contribute to reconstruction efforts.

2017/18 UPDATE

- Keyano carried out a training needs assessment for a Bachelor of Arts program as well as health and human service programs.
- Keyano prepared for reactivation of two programs identified as being important to the community: Advanced Care Paramedic (ACP) Diploma and Early Learning and Child Care Diploma.
- A feasibility study for Class 1 and Class 3 driver training indicated regional demand for both programs and Alberta Transportation approved delivery to commence in 2018/19.
- Programs, including Bachelor of Science – Nursing and Emergency Medical Technician – Paramedic, were critically reviewed, resulting in the revision of program courses and structure, as well as application and graduation criteria and processes.
- Keyano developed the Community-Based Environmental Monitoring program which provides training through a holistic approach that reflects Indigenous perspectives and worldviews. Curriculum integrates Indigenous knowledge with western science focusing on monitoring land, water, air, and wildlife across the four seasons of the year.
- Keyano developed two new Pre-employment programs (Plumber and Heavy Equipment Technician) to support rebuild efforts.
- Keyano partnered with Women Building Futures (WBF) to deliver an introduction to the Heavy Equipment Technician program.
- Keyano delivered the Canadian Welding Bureau (CWB) Mind Over Metal program to high school students in July 2017.



PRIORITY INITIATIVE 2.3

ENHANCE INDUSTRY CONNECTIONS.

EXPECTED OUTCOMES

- Expanded industry outreach that increases hands-on learning opportunities for students and ensures high levels of industry representation on advisory committees and engagement in College activities.
- Enhanced program-industry connections through:
 - business and industry outreach,
 - quarterly meetings and Program Advisory Committee meetings,
 - placements, co-ops, and apprenticeships, and
 - donations (e.g., time and equipment).

2017/18 UPDATE

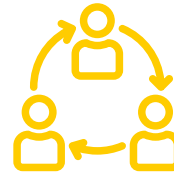
- Program Advisory Committees met on a quarterly basis and business, community, and industry partners provided feedback on key factors, including labour market trends, program structure, and graduate outcomes.
- Keyano maintained active Program Advisory Committees for the following programs:
 - Business Administration Certificate/Diploma,
 - Early Learning and Child Care Certificate,
 - Educational Assistant Certificate,
 - Environmental Technology Diploma,
 - Power Engineering Co-op Certificate,
 - Process Operator Co-op Certificate,
 - Practical Nurse Diploma,
 - Primary Care Paramedic (PCP) Certificate,
 - Social Work Diploma, and
 - Trades programming.
- Students in human service programs completed practicums in school districts and social agencies. Environmental Technology Diploma students participated in work placements at a range of industry sites.
- Keyano enhanced partnerships through participation in external committees, including the Wood Buffalo Regional Innovation Network (WBRIN), Trades Standing Committee, Fort McMurray Rebuild Committee, and Careers: The Next Generation Career Expo Steering Committee.
- Keyano participated in provincial trade advisory committees, curriculum reviews, and exam review/writing. These activities helped maintain current work placement seats, ensured the use of relevant curriculum, and provided access to reliable exam banks and test instruments.
- Keyano added a Career Co-op Coordinator in Student Services to act as a liaison between industry and Keyano. Information was shared to enhance partnerships with industry stakeholders and provide more student placement opportunities.



GOAL 3: ADVANCE INSTITUTIONAL SUSTAINABILITY

Keyano is a community hub and a key contributor to the economic and cultural development within the Regional Municipality of Wood Buffalo (RMWB). Keyano considers its broader environment when planning for the future, implements programs and services responsibly, and communicates progress on planned actions. Keyano values its relationships with staff, students, industry and business partners, and the community. Keyano delivers on its promises. This goal aligns to the adult learning system principles of Accessibility, Affordability, and Quality.

EMPLOYEES



17.9%

PERCENTAGE OF EMPLOYEE TURNOVER
in 2017/18 ¹

FINANCIAL



\$342,828

VALUE OF SCHOLARSHIPS
AND BURSARIES in 2018/19 ¹



¹ HRIS DATA | ² OFFICE OF THE REGISTRAR | ³ ANNUAL CONSOLIDATED OPERATING STATEMENT | ⁴ ANNUAL BUDGET

PRIORITY INITIATIVE 3.1

DEVELOP A COMPLIANCE AND BUSINESS CONTINUITY FRAMEWORK.

EXPECTED OUTCOMES

- Business continuity and risk management plans, including specific actions on compliance, policy, and process.

2017/18 UPDATE

- Business Continuity Framework was developed with input from all departments and finalized through an internal Human Resources department review process.

PRIORITY INITIATIVE 3.2

CREATE AND IMPLEMENT A STRATEGIC ENROLMENT PLAN THAT ADDRESSES THE NEEDS OF DIFFERENT STUDENT POPULATIONS.

EXPECTED OUTCOMES

- Strategic enrolment management (SEM) plan that guides student recruitment, retention, and support, while meeting changing academic demands, regional employment needs, and the increasing diversity of learners.

2017/18 UPDATE

- Keyano developed terms of reference for the new Strategic Enrolment Management (SEM) Committee. As part of the launch, SEM meetings were held with key stakeholders to ensure the collection of a diverse range of feedback related to student recruitment, retention, completion, and satisfaction. Initial goal development commenced for departments across Keyano.
- A new Recruitment Strategy was developed. It included a multi-prong, multi-leveled approach with a focus on regional students.
 - Keyano advisors visited regional high schools to personally assist grade 11 and 12 students with program selection.
 - Grade 10 students from across the region attended a Career Expo at Keyano that highlighted program and regional career opportunities.
 - Over 800 grade 8 students from across the region attended Keyano for a full day of hands-on learning that highlighted what Keyano has to offer.
- Student Services department was restructured to provide better services to students:
 - An additional Admissions Advisor position was assigned to the Office of the Registrar to process applications in a timelier fashion;
 - One Student Advisor position was reassigned from being responsible for only one program to having a more general scope, thereby evening out the number of cases to approximately 400 per advisor and making the work more manageable throughout the department; and
 - A student support position was revised to create the Student Academic Success Coach position, which focuses on early intervention for students at risk of being on academic probation.

PRIORITY INITIATIVE 3.3

CREATE A PEOPLE PLAN.

EXPECTED OUTCOMES

- A People Plan that supports, empowers, enables, and motivates faculty and staff, and identifies the skills and capacities required to achieve organizational goals.

2017/18 UPDATE

- Keyano focused on manager training and leadership development. Training opportunities were provided throughout the year.
 - 150 employees participated in Respectful Workplace Training in January 2018.
 - 55 employees received Safety Leader Training in June 2018.
- Employee engagement was a priority. This included training opportunities and Keyano Employee Social Association (KESA) events.
 - 40 new employees completed onboarding through the Employee Orientation process.
 - 56 employees received awards at the annual Employee Recognition event.
 - More than 100 employees participated in the Fall and Spring Picnic in the Park events, as well as the annual KESA Christmas Party.
 - New KESA events were launched, including an Easter Coffee Break that attracted over 75 employees.



PRIORITY INITIATIVE 3.4.1

DEVELOP A HEALTHY CAMPUS PLAN THAT ADDRESSES STUDENT, FACULTY, AND STAFF WELLNESS.

EXPECTED OUTCOMES

- Campus environment where students, faculty, and staff support each other and participate actively in maintaining their own physical, mental, and academic health and wellbeing.
- Review of existing on-campus mental health supports available for faculty, staff, and students.
- Improved mental health services for students.
- Training opportunities for faculty, staff, and students.
- Student mental health framework.

2017/18 UPDATE

- Keyano joined the Healthy Campus Alberta partnership.
- Keyano's Director of Student Services and Mental Health Coordinators attended the provincial Healthy Campus Alberta meetings and summit to align services provided at Keyano with provincial standards.
- A regional committee was formed to bring together service providers to reduce duplication of services and maximize available supports.
- Keyano's Suicide Prevention Protocol was finalized.
- Newly created Student Academic Support Services department provided additional mental health supports for students, increased access to services on campus, and supported a more holistic student-centred approach to wellness.
- Critical incident and referral process documents were developed and distributed to Keyano leadership and student-serving departments.
- Twenty employees participated in the two-day Psychological Health and Safety Advisor Training in February 2018.
- Five Heart Math sessions were held for employees and students in December 2017.
- Keyano increased access to mental health supports on campus:
 - 144 unique students received individual counseling.
 - 13 targeted group workshops were delivered, including Mindfulness and Cognitive Behavioural Therapy.
 - 231 universal interventions were provided, including Test Anxiety Prevention and Self-Care.



PRIORITY INITIATIVE 3.4.2

DEVELOP A SEXUAL VIOLENCE POLICY.

EXPECTED OUTCOMES

- Finalized sexual violence policy.
- Training opportunities for faculty and staff.

** Keyano did not include required initiatives related to student mental health and a sexual violence policy in its 2017/18 – 2019/20 Comprehensive Institutional Plan. To address this gap, Priority Initiative 3.4.1 was revised to include student mental health and 3.4.2 was added to cover the sexual violence policy.*

2017/18 UPDATE

- Keyano consulted with the Royal Canadian Mounted Police on the development of Keyano's sexual violence policy.
- Keyano finalized the sexual violence policy and sexual violence disclosure and reporting procedures in March 2018.
- Fifteen employees and five community members completed the First Responder to Sexual Assault and Abuse Training.
- Two employees attended the Investigation of Sexual Misconduct Workshop.

PRIORITY INITIATIVE 3.5

EXTEND INDUSTRY PARTNERSHIPS AND ALUMNI RELATIONSHIPS TO ENHANCE PROGRAM DELIVERY AND SUSTAINABILITY.

EXPECTED OUTCOMES

- Mutually beneficial relationships with informed, involved, and invested stakeholders who engage in, and financially support, organizational goals.
- Industry partnerships and alumni relationships that focus on enhancing program delivery and sustainability

2017/18 UPDATE

- Keyano created an Alumni Plan that includes developing a webpage, establishing affinity partnerships, distributing quarterly newsletters, introducing distinguished alumni awards, and hosting alumni events.
- Keyano strengthened connections with community and industry stakeholders through various committees, including but not limited to Fort McMurray Rebuild, Trades Standing Committee, Skills Canada, RMWB Stakeholder Group, Apprenticeship and Industry Training Board, National Council of Deans of Technology, Alberta Heads of Trades, and Alberta Deans of Business.



RESEARCH, APPLIED RESEARCH, AND SCHOLARLY ACTIVITIES

Applied research and scholarly activities are desired areas of growth for Keyano College. In 2017/18, Keyano developed a suite of policies and procedures related to research and scholarly activities. The policies went through an extensive consultation process before being finalized.

Keyano is currently preparing to apply for eligibility with three granting agencies:

- Natural Sciences and Engineering Research Council (NSERC),
- Social Sciences and Humanities Research Council (SSHRC), and
- Canadian Institutes of Health Research (CIHR).

Keyano is also part of a network of researchers in post-secondary institutions through Alberta Innovates and the Regional Innovation Networks (RINs), including the Wood Buffalo RIN (WBRIN). The WBRIN is composed of several organizations working together to promote innovation in the Regional Municipality of Wood Buffalo (RMWB) and to help support small businesses, start-ups, and entrepreneurs.

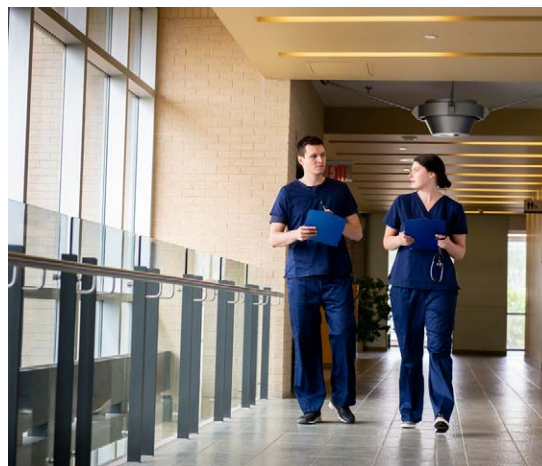
Keyano participated in Labour Education Applied Research North (LEARN) in 2017/18. LEARN is a joint initiative between the Northern Alberta Development Council (NADC) and four northern Alberta post-secondary institutions: Keyano College, Grande Prairie Regional College, Northern Lakes College, and Portage College. During the reporting period, LEARN carried out research on the use of digital educational resources in northern Alberta colleges, including delivery, access, barriers, preferences,

and best practices. The results of this project provided LEARN with the data needed to improve integration of resources into northern teaching. The final report supported the development of a digital education strategy.

Faculty at Keyano engaged in research and scholarly activities in the following collaborative degree programs:

- Bachelor of Business Administration
Northern Alberta Institute of Technology
- Bachelor of Education, Elementary Route
University of Alberta
- Bachelor of Science in Environmental Science
Mount Royal University
- Bachelor of Science in Nursing
University of Alberta

Faculty and staff were able to apply to the Learning Innovation department for financial support through the Learning Innovation Fund and Research Innovation Fund, which could be used for classroom or research innovation. Faculty in the University Studies department organized the annual Keyano College Lecture Series. The Series gave instructors an opportunity to share their research and academic passions with college and community members.



COMMUNITY OUTREACH AND UNDERREPRESENTED LEARNERS

Keyano College is a comprehensive community institution responsible for regional stewardship. Keyano collaborates with its Campus Alberta partners, community adult learning providers, business and industry partners, regional school districts, Indigenous communities, and all levels of government to ensure access to a broad spectrum of learning opportunities for the Regional Municipality of Wood Buffalo (RMWB).

Keyano operates two campuses in Fort McMurray and one in Fort Chipewyan, as well as learning centres in Fort McKay, Janvier, and Gregoire Lake. A variety of learning options are provided, with face-to-face classroom, online, and blended delivery models available.

The majority of programming offered in the regional centres is part of larger, collaborative workforce initiatives undertaken by communities, with support from various provincial and federal partners. Keyano's Indigenous Education division manages these programs and works with the communities to identify learning needs and to find partners or secure grant funding. Due to funding and logistical constraints, program delivery is usually cohort-based. Programming beyond the foundational level is rotated throughout the communities. The Community Adult Learning Program, funded by Advanced Education, fosters learner transitions from the community-based, informal, non-credit adult learning system to the for-credit post-secondary system. It is focused on the needs of Indigenous learners in particular.

Keyano works closely with partners to meet the education and training needs of Indigenous communities and the foundational, upskilling, and literacy development needs of underrepresented learners, including newcomers to Canada. Keyano also relies on partnerships to provide sport-specific clinics and programming for active, healthy living in local schools and community organizations.



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SUPPORT STRATEGIES AND PROGRAMMING

INDIGENOUS LEARNERS AND LEARNERS IN RURAL AND REMOTE COMMUNITIES

The RMWB is home to five First Nations Communities - Mikisew Cree First Nation, Athabasca Chipewyan First Nation, Fort McKay First Nation, Fort McMurray No. 468 First Nation, and Chipewyan Prairie Dene First Nation. Métis peoples are represented by six Métis Locals - 63 (Fort McKay), 125 (Fort Chipewyan), 193 (Conklin), 780 (Anzac), and 1935 and 2020 (both in Fort McMurray). Keyano collaborated with Indigenous communities and other organizations to increase access to learning opportunities for Indigenous students and to support Indigenous student success. Expanding and enhancing the services and supports already offered through its Indigenous Room will help Keyano further support student access and program completion. Efforts will focus on facilitating learner pathways into and through the post-secondary education system.

During the reporting period, the Indigenous Education Committee was established to assist Keyano in better serving Indigenous learners and Indigenous communities in the region. Indigenous Education programming was focused on improving access to learning opportunities through campuses in Fort McMurray and Fort Chipewyan as well as the Regional Learning Centres in Fort McKay, Gregoire Lake, and Janvier. The Community Adult Learning Program fostered learner transitions to the post-secondary system and focused on the needs of Indigenous learners in particular.

In 2017/18, Keyano maintained a staffed campus in Fort Chipewyan and staffed learning centres in Fort McKay and Gregoire Lake. Learning centre staff consulted with community organizations; assessed learner readiness, skills, and progress; and delivered full-time literacy and foundational learning instruction. In addition, a Regional Coordinator supported foundational level curriculum development, delivered staff professional development, and provided administrative guidance. Specialized support service providers, such as career planners, were contracted to visit each community annually. The Office of the Registrar designated one Student Advisor position to provide services for Indigenous students. This allowed regional students access to program advising from a consistent source. The advisor acted as a liaison with the Campus Manager to provide accurate and up-to-date information.

A concentrated effort was made to coordinate and align programming so that clear pathways are provided for learners from basic literacy through to post-secondary, with a range of entry and exit points. Keyano coordinated basic education programming with skilled labour workforce initiatives to ensure learners were adequately prepared and supported as they moved through a learning pathway. Keyano worked closely with community partners during this process. All workforce initiative programs were governed by a steering committee with representation from community, provincial funder, and industry partners.

During the reporting period, Keyano enrolled the first cohort in the Bridging to B.Ed. program. After completing the first two years in Fort Chipewyan, students will join the University of Alberta's Bachelor of Education collaborative program at the Clearwater campus in Fort McMurray. The Bridging to B.Ed. program provided English and Math instruction for six students to prepare them for entrance into the first year of the Bachelor of Education degree program. This was a collaborative effort involving the Community Adult Learning Program and the College and Career Preparation department.

In the Fall 2017 semester, Science 10 and Math 10C were delivered to students at the Fort Chipewyan campus. There was an on-site faculty member who assisted students when they needed help or additional guidance. Virtual office hours were available for students, meaning that students could connect online through Adobe Connect and work through questions with their instructor at the main campus. Support from Information Technology Services and Learning Innovations was critical for ensuring the effective delivery of these online classes. Both departments provided necessary technical support to faculty delivering courses. Math 20-2 was delivered online to students in Fort Chipewyan in the Winter 2018 semester and in the Spring 2018 semester, a section of Math 30-2 was delivered online with students accessing this course from Clearwater campus and Fort Chipewyan campus. To support student success in these courses, the instructor visited the campus several times throughout the semester offering to meet the students and deliver the class in a face-to-face format.

Keyano continued to deliver the Aboriginal Entrepreneurship Certificate program. In consultation with members of the Northeastern Alberta Aboriginal Business Association (NAABA), more Indigenous case studies and Indigenous governance practices were integrated into the curriculum and a renewed focus was placed on hosting Indigenous guest speakers. The Social Work Diploma program also introduced SOWK 201 Introduction to Social Welfare and Social Work, which was designed for delivery to students in Fort Chipewyan via Adobe Connect.

Keyano dedicated resources to the development of the Community-Based Environmental Monitoring certificate program. This program focuses on land, water, air, and wildlife monitoring as relevant for the Peace-Athabasca Delta. All monitoring activities to be taught in the program are based on the types of data currently collected by industry, government, researchers, and local communities. Curriculum was developed in collaboration with Indigenous knowledge holders. This provided opportunities for faculty and staff to encounter new learning through the blending and co-teaching of western science and traditional Indigenous knowledge. The act of co-creating curriculum with Indigenous knowledge holders significantly enriched the development process and will positively impact instruction for faculty and students. The program will be delivered for the first time in Fort Chipewyan in 2018/19.

The School of Trades and Heavy Industrial collaborated with Careers: The Next Generation to deliver "Introduction to Carpentry" to high school students in Fort Chipewyan. Additional partnerships involved the delivery of career and occupation training using mobile simulation trailers. As part of this initiative, Heavy Equipment Operator training was delivered in Grande Cache and Grande Prairie in collaboration with Grande Prairie Regional College. Pre-employment Trades programs were delivered within rural and Indigenous communities and this allowed greater access to trades training for non-indentured students.

RATES



43
GRADUATES
IN 2017/18¹

(includes apprentices who successfully completed their last period of technical training and passed the final AIT exam)

35

Number of RURAL AND REMOTE LEARNERS IN SATELLITE CAMPUSES and learning centres in 2017/18 (credit learning only)¹

PROGRAM PARTICIPATION



9 DIPLOMA

95 CERTIFICATES



111 NON-CREDENTIAL



202 TOTAL UNIQUE HEADCOUNT (credit programming)¹

91.823

FULL LOAD EQUIVALENT (FLES) in 2017/18 (credit programming)¹

STUDENT SUCCESS



78%

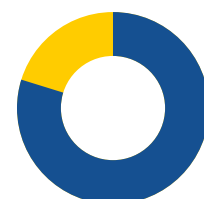
ENROLLED CREDITS SUCCESSFULLY COMPLETED in 2017/18²

(enrolled credits for full-time/part-time students, excluding Apprenticeship students)

77%

APPRENTICES SUCCESSFULLY COMPLETED TECHNICAL TRAINING in 2017/18³

(excludes apprentices who successfully completed their last period of technical training and passed the final AIT exam; they are included in the number of graduates)



¹ DATA COLLECTION AND REPORTING (DCaR) – LEARNER & ENROLMENT REPORTING SYSTEM | ² POWERCAMPUS | ³ APPRENTICESHIP AND INDUSTRY TRAINING



LEARNERS WITH **DISABILITIES**

Student Services provides services and supports to learners with disabilities including:

- assessing student needs and accommodations for learning,
- enhancing learners' academic skills through the provision of learning strategies applied in context,
- providing training and access to assistive technology to develop independent learners, and
- providing counselling services for learners with disabilities who require assistance with personal issues.

During the reporting period, Student Services also collaborated with the Skill Centre and Learning Innovation to form a working group focused on Universal Design for Learning (UDL), an educational framework based on research in the learning sciences, including cognitive neuroscience. UDL guides the development of flexible learning environments that can accommodate individual learning differences to develop an inclusive learning environment. The Office of the Registrar added an additional Learning Strategist position, which focuses on early identification of students who may require intervention and adoption of learning strategies to increase their likelihood of achieving academic success.



LEARNERS FROM **LOW-INCOME BACKGROUNDS**

In 2017/18, costs (tuition and supplies) for Indigenous and rural and remote community learners in Literacy, Foundational Learning, and Workforce Initiative programs were often covered by program grants managed by the Indigenous Education division. Low income learners in Academic Upgrading, College Preparation, and Pre-employment programs had the opportunity to access the Alberta Works Learner Income Support program. Full-time Keyano students could also access the Student Emergency Fund, which is designed to help students address unexpected financial challenges. In addition, Keyano provided a small-scale Student Food Bank and helped connect students to the Wood Buffalo Food Bank and other regional support services. Keyano provided 430 student awards valued at \$531,099.

FOUNDATIONAL LEARNERS

LITERACY AND FOUNDATION LEARNING

Keyano's Indigenous Education division offered literacy and foundational learning programming in Language Arts and Math up to Grade 10 in four remote communities – Janvier, Gregoire Lake, Fort McKay, and Fort Chipewyan. Learners could enter the programs at any level of skill below grade 10 and transition out when they were assessed as having obtained skills sufficient to allow them to succeed in basic education grade 10 to 12 environments. Learners experiencing financial barriers were provided access at no cost. All programming was non-credit and was funded through a Community Adult Learning Program grant offered by the Indigenous and Community Connections Branch of Alberta Advanced Education.

ACADEMIC UPGRADING

Academic Upgrading (high school equivalency courses from grade 10 to 12) was offered at the Clearwater Campus in Fort McMurray. Throughout the Wood Buffalo region, learners were able to register in online high school equivalency courses.

ENGLISH LANGUAGE TRAINING

Keyano offered English language training under the *Immigration, Refugees and Citizenship Canada's* Language Instruction for Newcomers to Canada (LINC) program. LINC is designed to assist in the process of cultural, social, and economic understanding to help newcomers integrate more quickly and easily into Canadian society. Keyano offered part-time LINC instruction from Low Beginner to Upper Intermediate levels – Canadian Language Benchmarks (CLB) levels 0-6.

ADULT BASIC EDUCATION

Keyano's Indigenous Education division collaborated with Indigenous communities and provincial partners to offer a series of customized, cohort-based, 12- to 15-week employment readiness programs focused on helping community members earn a High School Equivalency Diploma and high school equivalency courses including GED Plus, Upskilling to GED, and GED Upskilling. These programs were sponsored through Alberta Labour Workforce Initiatives with support from Métis Training to Employment Services and the Athabasca Tribal Council Employment and Training Department.

Courses were developed and delivered in consultation with the five RMWB First Nations - Mikisew Cree First Nation, Athabasca Chipewyan First Nation, Fort McKay First Nation, Fort McMurray No. 468 First Nation, and Chipewyan Prairie Dene First Nation.



SERVICES AVAILABLE TO COMMUNITY MEMBERS

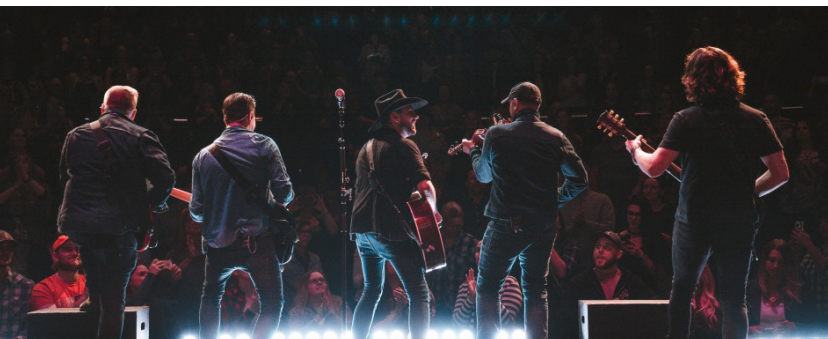
SYNCRUDE SPORT & WELLNESS CENTRE

The Syncrude Sport & Wellness Centre (SSWC) is a premier facility built in 2007 that is equipped to host basketball, indoor lacrosse, badminton, indoor soccer, futsal, and volleyball. Keyano served as a host venue for the 2018 Alberta Winter Games. Several upgrades were completed at the SSWC, including the addition of a new score clock, turf, indoor lighting, and a point of sale (POS) system. There was a 17.1% increase in SSWC membership from 11,186 in 2016/17 to 13,096 in 2017/18. In addition, a variety of fitness classes were offered free of charge to members, including yoga and high intensity interval training.

KEYANO THEATRE & ARTS CENTRE

Keyano Theatre & Arts Centre is an integral part of the arts community and serves as the public venue for live entertainment and social gathering. Keyano Theatre is a cultural hub that delivers a wide range of entertaining, emotional, and thought-provoking experiences to over 30,000 community members by offering over 200 performances each year. The 2017/18 season included modern dance, east coast folk and contemporary music, live theatre, acts highlighting youth social issues, international artists, and family-based interactive performances.

A major partnership was formed with seven other theatres in Alberta that present similar professional touring artists. This partnership allows for "group buying power" to attract high-demand performers. This enabled Keyano to secure the National Canadian Tour of Menopause The Musical and the sell out performance of country star Brett Kissel.



TESTING SERVICES

Keyano's Testing Services is a recognized testing facility authorized to supervise examinations on behalf of educational institutions, government agencies, corporations, and professional regulatory bodies. The department provides invigilation of external exams from institutions across Canada, as well as internal Keyano student exam supervision. Certified Testing Facilitators deliver assessments of the Differential Aptitude Test (DAT), General Educational Development (GED), Alberta Water and Waste Water Certification, Test of Workplace Essential Skills (TOWES), and Canadian English Language Proficiency Index Program (CELPIP). Testing Services also deliver talent assessments and oversee tests for safety certifications, including Workplace Hazardous Materials Information System (WHMIS), and Construction Safety Training System (CSTS). The department engaged in 5,094 service interactions during the reporting period.

INTERNATIONALIZATION

In June 2014, Keyano College was designated as a provincial institution to facilitate the entry of international students for the purpose of study in Canada by Alberta's Minister of Innovation and Advanced Education. This is consistent with the Immigration and Refugee Protection Act (2001). To date, Keyano remains compliant with the elements of distinction.

In the 2017/18 academic year, 107 international students were enrolled from 25 countries. Academic programs that were most attractive to international students include:

- Business Administration Certificate/Diploma,
- Environmental Technology Diploma,
- Upgrading,
- Practical Nurse Diploma, and
- Bachelor of Science in Nursing

CREDENTIAL	PROGRAMS	2017/18				
		PROJECTED FLE	% OF TOTAL PROJECTED FLE	ACTUAL FLE	% OF TOTAL ACTUAL FLE	VARIANCE
Certificate	Art and Design	0.861	14%	1.667	17%	93.6%
	Business Administration Certificate	28.741	34%	20.667	25%	(28.1%)
	Early Learning and Child Care Certificate	2.116	21%	2.359	17%	11.5%
	Educational Assistant	1.246	10%	-	-	-
	Human Resources Management Certificate	1.777	22%	1.375	35%	(22.6%)
	Office Administration Certificate	2.002	10%	1.066	4%	(46.8%)
Diploma	Business Administration Diploma	10.532	35%	9.350	30%	(11.2%)
	Environmental Technology Diploma	6.990	35%	3.109	20%	(55.5%)
	Practical Nurse	3.574	13%	4.791	11%	34.1%
	Social Work Diploma	2.001	11%	2.366	14%	18.2%
Non-Credential	Mount Royal University Bachelor of Science - Environmental Science	-	-	1.000	25%	-
	Open Studies	0.342	17%	0.634	2%	85.4%
	Upgrading	17.597	14%	13.434	10%	(23.7%)
	UT: Bachelor of Arts	1.909	11%	0.500	4%	(73.8%)
	UT: Bachelor of Education	0.632	2%	3.400	8%	438.0%
	UT: Bachelor of Engineering	0.901	9%	0.650	11%	(27.9%)
	UT: Bachelor of Science	2.776	6%	-	-	-
	UT: Bachelor of Nursing	4.385	4%	5.795	5%	32.2%
	UT: Bachelor of Social Work	0.617	31%	1.467	14%	137.8%
KEYANO COLLEGE INTERNATIONAL TOTAL		89.000	15%	73.630	12%	(17.3%)

In April 2017, Keyano engaged the services of M Square Global to review and provide recommendations on an internationalization strategy. Internal review and discussion occurred in June 2017 and a final report was received in September 2017.

The International Student Project Steering Committee (ISPSC) was established in fall 2017. The Committee created a terms of reference and identified high-level stages of strategy development and implementation based on recommendations from M Square Global. The stages are as follows.

- Stage 1: Preparation,
- Stage 2: Moderate Growth, and
- Stage 3: Expansion.

INTERNATIONALIZATION *(continued)*

For Stage 1: Preparation, the Committee focused on preparing Keyano to accept and better serve international students by improving our systems, processes, and supports to enhance the student experience prior to recruiting additional international students.

The Committee identified the following key strategic categories that will be priority in Stage 1:

- Academic programs,
- International admissions,
- Tuition fees,
- Branding and marketing, and
- Student experience.

To further support internationalization efforts, Keyano realigned responsibilities of Student Advisor positions to have one advisor be responsible for international students. This advisor will work consistently with students who have shared experiences. Keyano also adjusted international tuition fees to better align with the provincial standard. Current Keyano students will not be impacted by this change and there will be ongoing evaluation of recent tuition decisions.



CAPITAL PLAN

Capital spending in 2017/18 supported several projects. Notably, upgrades to the heating plant were completed. Important deferred maintenance projects for Suncor Energy Industrial Campus were completed and significant gains were made for deferred maintenance projects at Clearwater Campus and the Clearwater Hall renovation during the reporting period. In addition, the Doug Schmidt Lecture Theatre renovation was completed, increasing Keyano's capability of delivering essential education and employment training to our region's rural and Indigenous communities.

CAPITAL PRIORITY 1: HEATING PLANT UPGRADE

Description	This project focuses on upgrading aging building components in the heating plant at Keyano's main campus. Some of these components are decades old, at risk of failure, or no longer have parts available for repair. These upgrades increase the building's reliability and efficiency, which reduces on-going operational costs and contributes to Keyano's environmental sustainability.
Planned vs. Actual project cost	Planned for 2017/18 – \$8.30M Actual for 2017/18 – \$7.20M Planned for Total Project – \$11.60M Actual for Total Project – \$10.50M
Planned vs. Actual project cost	Planned – November 2016 to March 2018 Actual – December 2016 to April 2018
Project Status	Complete
Funding strategy	Strategic Infrastructure Fund – \$3.14M Provincial grant – \$7.36M

CAPITAL PRIORITY 2A: CLEARWATER CAMPUS DEFERRED MAINTENANCE

Description	This maintenance includes the replacement of the building management system, motor control centres, windows, skylights, and exterior fire doors. Many building components have passed their useful life and support parts are no longer available. Addressing this deferred maintenance will improve energy efficiency and lower operating costs, while contributing to a comfortable and safe learning environment.
Planned vs. Actual project cost	Planned for 2017/18 – \$3.31M Actual for 2017/18 – \$3.55M Planned for Total Project – \$6.90M Actual for Total Project – \$3.57M
Planned vs. Actual project cost	Planned – November 2016 to March 2018 Actual – September 2017 to November 2018
Project Status	Construction at 96% completion as of October 26, 2018
Funding strategy	Strategic Infrastructure Fund – \$1.90M Provincial grant – \$5.00M



CAPTIAL PLAN

CAPITAL PRIORITY 2B: SUNCOR ENERGY INDUSTRIAL CAMPUS DEFERRED MAINTENANCE

Description	The Suncor Energy Industrial Campus is home to heavy industrial training and programming at Keyano. This project will increase building efficiency and safety through the replacement of aging condenser units and overhead doors, and renovation of dated washrooms. These upgrades will eliminate reoccurring maintenance issues, lower operating costs, increase environmental sustainability, and create a healthier and safer environment for students and staff.
Planned vs. Actual project cost	Planned for 2017/18 – \$0.50M Actual for 2017/18 – \$1.34M Planned for Total Project – \$0.50M Actual for Total Project – \$1.34M <i>*Project scope expanded due to available provincial funding</i>
Planned vs. Actual project cost	Planned – January 2017 to July 2017 Actual – January 2017 to April 2018
Project Status	Complete
Funding strategy	Strategic Infrastructure Fund – \$0.26M Provincial grant – \$1.08M

CAPITAL PRIORITY 4: REFURBISHMENT OF THE RIEDEL PROPERTY

Description	Riedel Place provides student housing at a location approximately 1.5 kilometers from the main Clearwater campus. This property poses significant challenges for capital improvements.
Planned vs. Actual project cost	Planned for 2017/18 – n/a Actual for 2017/18 – n/a Planned for Total Project – TBD Actual for Total Project – TBD
Planned vs. Actual project cost	Planned – TBD Actual – TBD
Project Status	Deferred Keyano reviewed partnership opportunities to refurbish the Riedel property as part of the overall housing improvement process. Partnerships were not secured in the 2017/18 academic year. This will be revisited in 2018/19.
Funding strategy	TBD

CAPITAL PRIORITY 3: CLEARWATER HALL RENOVATION

Description	Clearwater Hall is a student residence located on the main Clearwater campus in downtown Fort McMurray. The building was constructed in 1983 and comprises twenty suites and one hundred and eighteen bedrooms. The facility is in poor condition and poses a health and safety concern. In support of its international strategy and plans to increase student enrolment, Keyano requires an adequate and reliable supply of housing.
Planned vs. Actual project cost	Planned for 2017/18 – \$2.90M Actual for 2017/18 – \$2.70M Planned for Total Project – \$4.00M Actual for Total Project – \$3.80M
Planned vs. Actual project cost	Planned – May 2017 to August 2018 Actual – May 2017 to September 2018
Project Status	To be completed in September 2018
Funding strategy	Keyano funding

CAPITAL PRIORITY 5: DOUG SCHMIDT LECTURE THEATRE RENOVATION

Description	Renovation of the existing Doug Schmidt Lecture Theatre at Keyano's main campus. In addition to classroom upgrades, new technology will create a video collaboration room to increase Keyano's capability of delivering essential education and training for employment opportunities to our region's rural and Indigenous communities, and beyond.
Planned vs. Actual project cost	Planned for 2017/18 – \$0.48M Actual for 2017/18 – \$0.45M Planned for Total Project – \$0.48M Actual for Total Project – \$0.45M
Planned vs. Actual project cost	Planned – May 2016 to August 2016 Actual – October 2016 to October 2017
Project Status	Completed
Funding strategy	Strategic Infrastructure Fund – \$0.24M Provincial grant – \$0.24M

INFORMATION TECHNOLOGY PLAN

The Information Technology Services (ITS) department made progress on or completed a number of initiatives in 2017/18.

SUMMARY OF MAJOR PROJECTS

- ITS completed the My Trades Secrets (MTS) project during the reporting period. This provincial project provides students with a common system for apprenticeship courses. This was a multi-year project spanning from 2015 to 2018.
- ITS completed classroom enhancements:
 - Installation of a video collaboration suite in the Doug Schmidt Lecture Theatre and all remote campuses, allowing for the synchronous delivery of courses to Indigenous communities.
 - Installation of new computer infrastructure in computer labs, the Information Commons, and the library.
- ITS participated in the development of Keyano's Business Continuity Framework. A business impact analysis of the ITS area was completed and a high-level plan with recommendations for additional ITS business continuity initiatives was developed. Additionally, the following ITS infrastructure was implemented or upgraded:
 - Enterprise backup solution,
 - Network traffic prioritizer,
 - IT Helpdesk appliance,
 - Enterprise perimeter firewall,
 - Wireless infrastructure, and
 - Remote customer assistance appliance.
- ITS completed implementation of the Alberta Post-secondary Application System (APAS) Provincial Approach to Student Information project to facilitate the exchange of high school transcripts into the post-secondary system.
- ITS completed implementation of enterprise budgeting software, including modules for operating budgets and salaries.
- ITS completed migration of the Syncrude Sport & Wellness Centre's member and facility management software from CLASS to Activenet.



FINANCIAL AND BUDGET INFORMATION

MANAGEMENT'S DISCUSSION & ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

This Management Discussion and Analysis (MD&A) should be read in conjunction with the 2017/18 audited consolidated financial statements and accompanying notes included in the Annual Report. The MD&A and consolidated financial statements are reviewed and approved by the College's Board of Governors. These statements are expressed in Canadian dollars and have been prepared in accordance with Public Sector Accounting Standards (PSAS) which the College adopted as of July 1, 2012.

Although the consolidated financial statements and notes are presented in PSAS format, the comparative analysis of revenue and expenses included in this MD&A is based on object type reporting used in Canadian generally accepted accounting principles (GAAP) rather than functional expense reporting classification used in PSAS. It is management's belief this analysis provides the reader with greater continuity and visibility into the College's operating activities.

The MD&A is an overview of the consolidated financial results of the College for the fiscal year ended June 30, 2018 and offers a detailed discussion on the following:

1. Operating Environment Overview
2. Issues with Financial Reporting
3. Financial Results
4. Net Assets
5. Capital Spending
6. Consolidated Entities

OPERATING ENVIRONMENT AND OVERVIEW

The prolonged economic slowdown in Alberta, low oil prices, constraints in Canadian pipeline infrastructure limiting access of oil to key markets and a host of other contributing factors continue to affect the economy in the Regional Municipality of Wood Buffalo. On May 3, 2016 a severe Wildfire led to the evacuation of Fort McMurray, surrounding communities and most of the oil sands sites within Wood Buffalo. The Wildfire caused significant damage to some neighborhoods within Fort McMurray and portions of some of the surrounding hamlets. The total number of buildings and structures destroyed is 1,595. There were also reported approximately 500 dwelling units damaged. As of June 2018, there had been approximately 2,055 development permits issued by the Regional Municipality of Wood Buffalo since the wildfire. The College sustained smoke damage and with no property losses to either the College or the Keyano College Land Trust.

In 2018, the College grew by 48 (4.8%) Full Load Equivalent (FLEs) in diploma and certificate programs from 996.66 FLE in 2016-17. This is in sharp contrast to 1,317.5 FLE in 2014-15 when the economic

slowdown began. Tuition and student fee revenue has decreased by 32% since 2014-15, from \$12,040,500 to \$8,195,004. Sales of services and products revenue has decreased by 30% since 2014-15 from \$12,293,729 to \$8,596,278. Key within sales of services and products is continuing education and corporate training which accounts for the majority of the decline.

In 2017-18 the College received a 2% inflationary increase to the Campus Alberta Operating Grant as part of the Government of Alberta's commitment to provided sustainable and predictable funding to post-secondary institutions. Tuition fees continued to be frozen at 2014-15 levels as regulated by the Government of Alberta. Tuition fee offset funding of \$116,998 was provided to the College in the 2017-18 Campus Alberta Grant.

ISSUES WITH FINANCIAL REPORTING

Since 2015, the College has received poor grades from the Office of the Auditor General of Alberta in their annual report on Public Post Secondary's, noting that significant improvement is required by the College in preparing accurate and timely consolidated financial statements. In addition, there remains two outstanding audit recommendations as of June 30, 2018:

1. Improve financial reporting processes; originally reported February 2016;
2. Improve systems to comply with legislation; originally reported February 2013.

The College acknowledged the findings reported by the Office of the Auditor General of Alberta and recognizes the importance of having accurate and timely financial information for good governance, management decision making, efficient and effective use of Alberta Taxpayer dollars and ensuring the overall financial sustainability of the College.

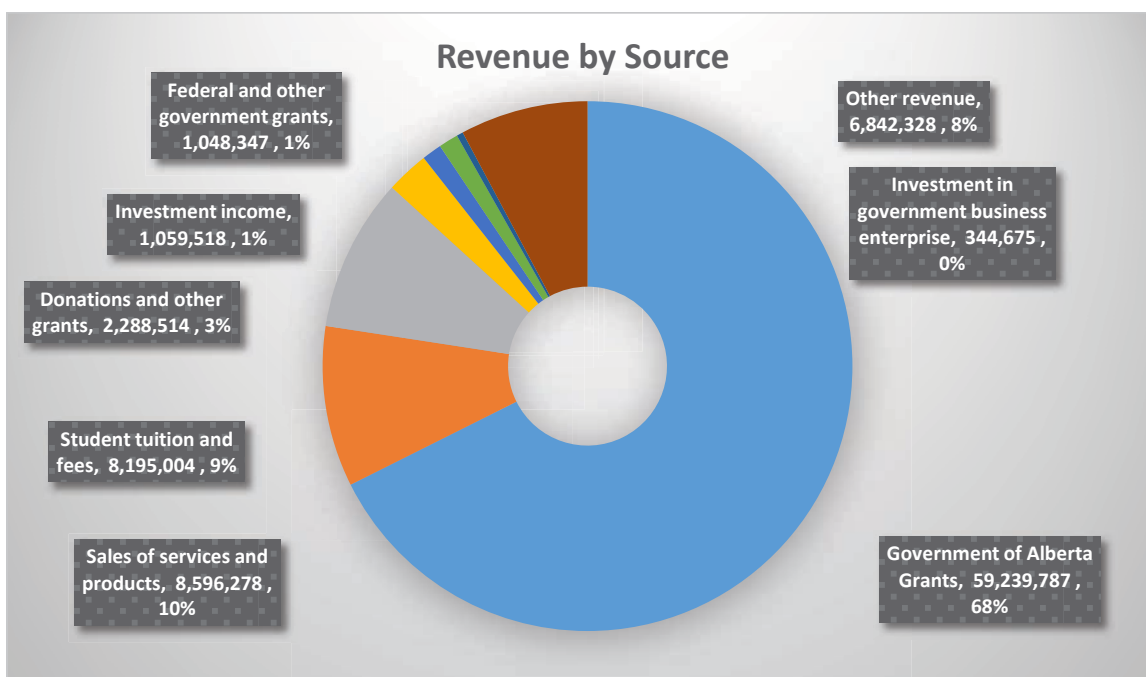
The College is taking measures to address these issues beginning with the recruitment of new senior leadership and addressing a backlog of accountability reporting. Administration has identified three areas where deficiencies reside (1) People resources, (2) Financial systems and processes and (3) Technology. Due to the complexity of these issues, Administration is expecting to see incremental improvement in 2018-19 with full compliance by 2021-22.

FINANCIAL RESULTS

The College ended the year with an operating surplus of \$2,814,253, an increase of \$394,607 over the prior year and an increase of \$2,112,835 over budget.

REVENUE

Total revenues for the year ended June 30, 2018 were \$87,614,451, an increase of \$20,074,224 over the prior year and an increase of \$17,501,260 over budget. Revenue from the Government of Alberta represented the College's single largest source of income at 68% of total revenue. Major components of revenue are as follows:



Government of Alberta Grants

Revenues from Alberta Government grants were \$59,239,787, an increase of \$13,347,252 over prior year and \$12,334,243 over budget. Changes over prior year actual is depicted below:

	Increase(decrease) prior year
Campus Alberta grant 2% inflation plus timing	655,641
Infrastructure Maintenance Program	(313,268)
Fort McMurray Cost of Living Allowance (COLA)	79,532
Access to the Future	(311,341)
Apprenticeship Training	(1,122,504)
Strategic Investment Funded capital projects	5,288,962
Capital Infrastructure grant	6,698,934
Conditional grants	1,564,577
Spent deferred capital revenue earned	646,076
Other grants	160,643

Sales of services and products

Revenues from sales of services and products were \$8,596,278, an increase of \$303,344 over prior year and an increase of \$265,171 over budget. This category includes revenues from educational contracts, corporate training, student housing, parking, food services, bookstore, facility rentals and leasing, interest income, Sports & Wellness Centre memberships, Keyano Theatre and other sources. Revenues from student housing, bookstore and interest income improved over the prior year, however, this was partially offset from a decrease in revenues from the Keyano Theatre, Sports & Wellness Centre and facility rentals and leasing.

Student tuition and fees

Revenues from student tuition and fees were \$8,195,004, a decrease of \$75,436 over prior year and a decrease of \$1,323,626 over budget. The decrease over prior year is primarily due to reduced fees collected from testing services, partially offset by an increase in credit tuition fee revenues. Full Load Equivalents (FLE) were 1,044.8, an increase of 48.1 over prior year and a decrease of 131.2 over budget. Also, the Government of Alberta mandated tuition freeze continued into 2018 which froze tuition fees at 2014-15 levels.

Donations and other grants

Revenues from donations and other grants were \$2,288,514, a decrease of \$148,750 over prior year and a decrease of \$598,618 over budget. This reduction is partly due a prolonged economic downturn and challenges with fundraising. In addition, the decrease reflects the proportional share of spent deferred capital revenue earned due to a write-down of assets where management assessed there was no remaining value.

Investment income

Revenues from investment income were \$1,059,518, an increase of \$80,010 over the prior year and an increase of \$299,518 over budget. Portfolio investments performed better than anticipated over budget, however, the year-over-year rate of return declined from 8.84% in 2017 to 4.06% in 2018. Earnings from restricted portfolio investments for endowments are recorded as deferred revenue until funds are used for the purposes intended.

Federal and other government grants

Revenues from Federal and other government grants were \$1,048,347, an increase of \$811 over prior year and a decrease of \$13,191 over budget. The change is nominal and reflects grant use activity.

Investment in government business enterprise

Revenues from the Keyano College Land Trust were \$344,675, a decrease of \$275,335 over prior year and a decrease of \$304,565 over budget. This represents the Land Trust net comprehensive income for the year. Income is derived primarily from the rental of non-serviced laydown lots to third party companies. In 2018, the Land Trust recorded a \$407,500 impairment loss for three townhouses held as investment property resulting in lower comprehensive net income. There was no impairment loss recorded in 2017.

Other revenue

Other revenues were \$6,842,328, an increase of \$6,842,328 over prior year and an increase of \$6,842,328 over budget. Other revenue consisted entirely of insurance proceeds from the 2016 Fort McMurray wildfire to remediate smoke damage to College facilities. This revenue does not include a provision for the outstanding business interruption insurance claim from the 2016 Fort McMurray wildfire where negotiations are ongoing.

Spent Deferred Capital Revenue Earned

Tangible capital assets purchased with externally restricted funds result in an obligation to the funding agency to use the acquired assets over their useful lives in the provision of College services. Under PSAS, spent deferred capital when earned as revenue must be attributed to the primary revenue source in the consolidated statement of operations. The following table depicts operating and spent deferred capital revenue earned by object grouping for the year ended June 30, 2018.

	Operating	Spent deferred capital earned	Total
Government of Alberta Grants	\$54,528,793	\$4,710,994	\$59,239,787
Sales of services and products	8,596,278		8,596,278
Student tuition and fees	8,195,004		8,195,004
Donations and other grants	1,065,677	1,222,837	2,288,514
Investment income	1,059,518		1,059,518
Federal and other government grants	1,048,347		1,048,347
Investment in government business enterprise	344,675		344,675
Other revenue	6,842,328		6,842,328
Total revenue	\$81,680,620	\$5,933,831	\$87,614,451

EXPENSES

Total expenses for the year ended June 30, 2018 were \$84,800,198, an increase of \$19,679,617 over prior year and an increase of \$15,388,425 over budget. Salaries and benefits represented Keyano's single largest expense at 45.5% of the total. Major components of expenses are as follows:

Salaries and benefits

Salaries and benefits, comprised of salaries, labor contracts and employee benefits were \$38,621,235, an increase of \$941,298 over prior year and a decrease of \$1,448,079 over budget. The increase spending over prior year accounts for a full twelve months of operating activity versus a disrupted period in 2016-17 due to the Fort McMurray Wildfire.

Material, supplies and services

Materials, supplies and services were \$32,389,112, an increase of \$18,686,053 over prior year and an increase of \$16,838,123 over budget. Key variances include: \$10,554,707 Heating Plant, Clearwater Campus, Suncor Energy Industrial Campus SIF and deferred maintenance (grant revenue offset), \$5,979,395 insurance costs (2016 Fort McMurray Wildfire remediation) with insurance proceeds offset and \$1,503,971 capital assets below original cost of \$5,000.

Amortization of tangible capital assets

Amortization expenses were \$8,443,911, an increase of \$224,684 over prior year and a decrease of \$183,089 over budget. Amortization expenses reflect capital spending of \$3,241,355 (excludes work-in-progress). In 2018, a \$1.5M asset write down was recorded from an assessment that certain assets no longer had economic productive value.

Utilities

Utilities expenses were \$2,153,322, an increase of \$172,358 over prior year and a decrease of \$460,632 over budget. The increase reflects increased usage which varies from year to year depending on weather conditions by season.

Cost of goods sold

Cost of Goods Sold expenses were \$774,432, an increase of \$33,476 over prior year and a decrease of \$19,068 over budget. The increase over prior year reflects an increase in Bookstore sales.

Interest on debt

Interest on debt expenses were \$698,185, a decrease of \$26,949 over prior year and an increase of \$5,449 over budget (note: 2018 budget reflected in materials, supplies and services). This cost reflects borrow costs in capital lease agreements and loans with the Alberta Capital Finance Authority.

Scholarships and bursaries

Scholarships and bursaries expenses were \$342,828, a decrease of \$355,276 over prior year and a decrease of \$240,672 over budget. This variance relates to scholarships paid directly by the Keyano Foundation in the prior year.

Fundraising expenses

Fundraising expense costs were \$1,377,173, an increase of \$3,973 over prior year and an increase of \$203,657 over budget. The variance on budget relates to the College budget not being restated after the transfer of advancement activities from the Foundation to the College.

NET ASSETS

Net assets are comprised of accumulated operating surplus, internally restricted surplus, investments in tangible capital assets, endowments and remeasurement gains and losses and is described in Note 16 to the consolidated financial statements. Net Assets increased by \$2,775,420 (5.5%) from \$50,683,758 in 2016-17 to \$53,459,178 in 2017-18 and is further disclosed as follows:

	2017-18	2016-17	Increase (decrease)	% Change
Accumulated operating surplus	\$ 6,670,996	\$ 3,400,001	\$ 3,270,995	96.2%
Internally restricted surplus	\$ 8,292,224	\$ 12,966,774	(\$ 4,674,550)	-36.1%
Invested in tangible capital assets	\$ 32,694,317	\$ 28,476,509	\$ 4,217,808	14.8%
Endowments	\$ 4,892,423	\$ 4,665,516	\$ 226,907	4.9%
Accumulated remeasurement gains	\$ 909,218	\$ 1,174,958	(\$ 265,740)	-22.6%
Total	\$ 53,459,178	\$ 50,683,758	\$ 2,775,420	5.5%

Accumulated Operating Surplus

The accumulated operating surplus is the net result of life-to-date operating surpluses at Keyano which have not been designated for specific purposes through internally restricted surplus or investment in tangible capital assets. Accumulated operating surplus increased by \$3,270,995 over the prior-year consisting of the following:

- 2017-18 annual operating surplus \$2,814,253
- Amortization of tangible capital assets \$2,510,080
- Disposals of tangible capital assets \$1,640,145
- Debt repayment (\$3,180,640)
- Transfers to internally restricted surplus (\$ 512,843)

Internally Restricted Surplus

Internally restricted surplus decreased by \$4,674,550 over the prior year. This decrease is comprised of a \$5,187,393 transfer to invested in tangible capital assets for acquisitions and \$512,843 appropriated into internally restricted reserves for Faculty professional development (\$197,400) and housing reserve (\$315,443).

Investment in Tangible Capital Assets

Investment in tangible capital assets increased by \$4,217,808 over 2016-17. This consisted of capital acquisitions \$5,178,393, debt repayment for capital leases and Alberta Capital Finance Authority loans \$3,180,640 less amortization on tangible capital assets \$2,510,080 and net book value of tangible capital asset disposals \$1,640,145. Included in tangible capital asset disposals is a provision for an asset write down on certain assets that were deemed to have no economic value.

Endowments

Endowments increased by \$226,907 over the prior year consisting of new endowments of \$81,450, transfer to endowments of \$94,000 and capitalization of interest of \$51,457 for inflation proofing of certain endowments.

Accumulated Remeasurement Gains

Remeasurement gains are an instrument to adjust investment portfolio to fair market value and is reported as \$909,218 on June 30, 2018. Accumulated remeasurement gains decreased by \$265,740 over the prior year of which \$244,961 was reclassified as realized gains in the consolidated statement of operations.

CAPITAL SPENDING

Tangible capital assets

Every year the College invests in the acquisition of tangible capital assets for expansion, renewal and replacement of College assets.

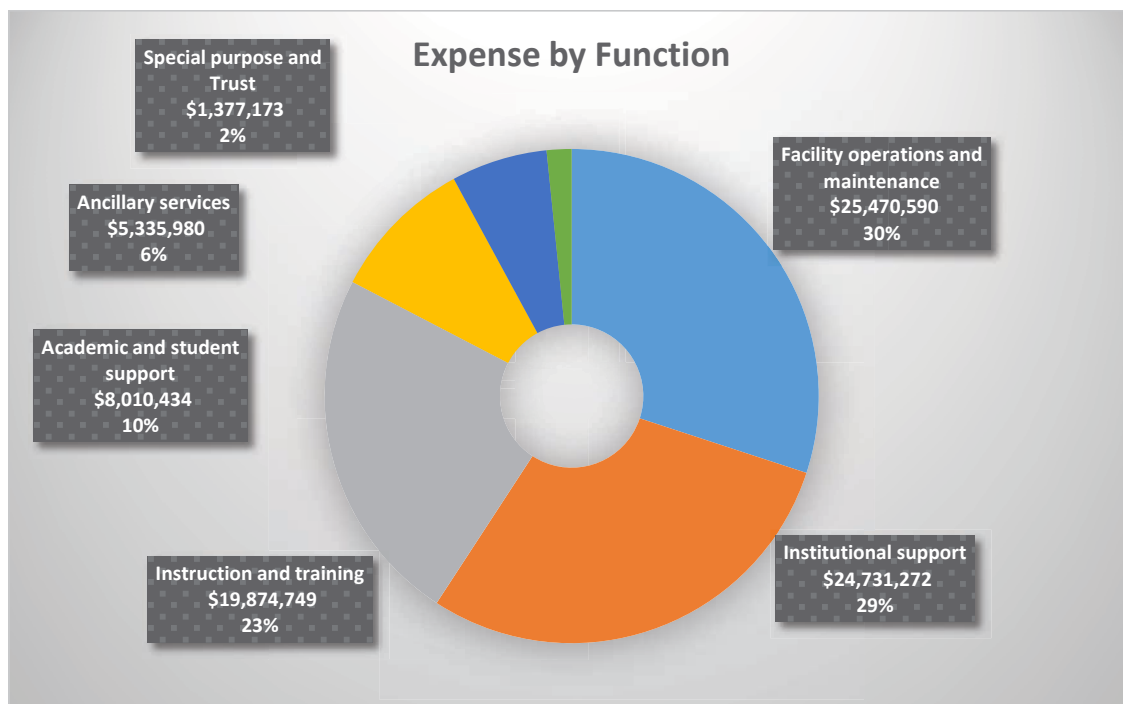
In 2017-18, the College spent \$5,697,468 on tangible capital assets in the categories below:

	Additions	Work-in-progress	Total Additions	Comments
Land	\$ Nil	\$ Nil	\$ Nil	
Land improvements	\$ 147,771	\$ Nil	\$ 147,771	Turf replacement at SSWC and enhancements in the Doug Schmidt Theatre.
Buildings and renovations	\$ 1,925,497	\$ 1,119,228	\$ 3,044,725	\$1.2M Building automation system at Clearwater Main Campus, capital improvements in the Heating Plant.
Equipment	\$ 816,722	\$ 1,042,755	\$1,859,477	Facilities vehicles, mobile equipment and various equipment.
Computer Hardware & software	\$ 1,999	\$ 294,150	\$ 296,149	Replacement of computer hardware and servers, FMW budget software and IT server monitoring software.
Other	\$439,366	\$ Nil	\$ Nil	
Total	\$3,241,355	\$ 2,456,133	\$5,697,488	

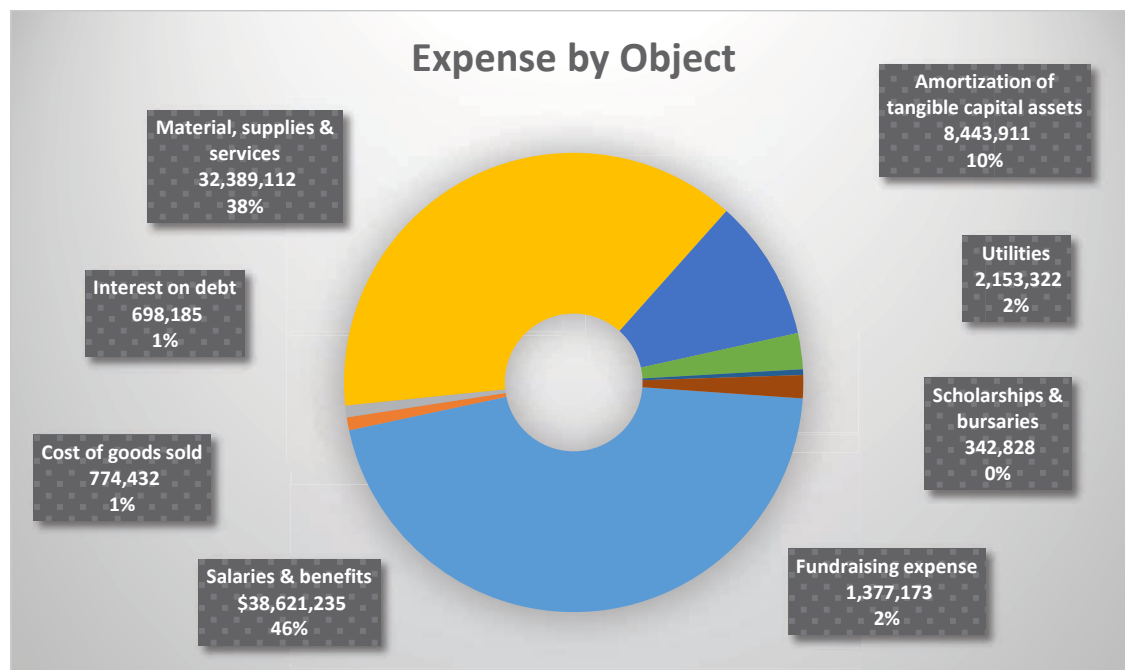
During the normal course of business, tangible capital assets are be disposed of for various reasons. In 2017-18 management performed a detailed review of tangible capital assets and determined that several no longer had future economic value, as a result the College made a change in accounting estimate and recorded an asset write-down of \$1.5M.

Tangible capital asset category	Cost	Effect of disposal/write down on accum amortization	Net disposal/write down
Land	\$ Nil	\$ Nil	\$ Nil
Land improvements	\$ 5,847	\$ 1,005	\$ 4,842
Buildings and renovations	\$ 6,599	\$ 2,665	\$ 3,934
Equipment	\$ 7,162,785	\$ 5,654,107	\$ 1,508,678
Computer Hardware & software	\$ 1,745,409	\$ 1,707,957	\$ 37,452
Other	\$ 802,235	\$ 726,026	(\$ 76,209)
Total	\$ 9,731,902	\$ 8,091,760	\$ 1,640,142

Expense by Function



Expense by Object



CONSOLIDATED ENTITIES

Keyano College Land Trust

The Keyano College Land Trust (Land Trust) was established in March 2012 following an approved Order-In-Council authorizing the College to transfer 611 acres of undeveloped land to the Land Trust. The purpose of the Land Trust is to provide development of the lands to generate a sustainable and predictable revenue source for the College. In March of 2012, the Keyano College Land Trust Corporation was established to protect the charitable status of the College under Canadian Tax law.

In 2013, the Land Trust business plan included development of more than 1,300 mixed residential lots over a seven to ten year period to meet the needs of 7,000 residents in Fort Mc Murray. This was at a time when the population of the region was estimated to grow from ~80,000 in 2013 to 139,000 by 2020. By the summer of 2015, the initial land development, Stage 5A Phase 1, has developed 47 residential lots. Stage 5A Phase 2, which includes 79 planned residential lots and an apartment building site, was engineered, site cleared and graded by 2016.

In 2015, the Land Trust Board of Directors suspended further development of lands, including the registration of 47 developed lots for sale, due to the slowdown in the Alberta economy. This was further impacted by the 2016 Fort McMurray Wildfire that created more uncertainty and increased inventory of dwellings on the market as some Fort McMurray residents never returned post rebuild.

The Land Trust generates income from the rental of un-serviced laydown lots to companies primarily in the construction and transport industries. In October 2017, the Land Trust entered into a lease contract with Stony Valley Construction Ltd. to excavate gravel and sand at the Saline Creek gravel pit pending land use plan permit approval from Alberta Environment and Parks.

For the year ended June 30, 2018 the Land Trust had revenues of \$2,186,368 (2017 - \$2,244,702) resulting in comprehensive income of \$344,675 (2017- \$620,010). The decline in comprehensive income was primarily due to a \$407,500 impairment loss recorded on three townhouses held as investment property.

As at June 30, 2018 the College had an investment in government business enterprise (Land Trust) of \$15,784,019 (2017- \$15,113,622). The Keyano College Land Trust is consolidated in the College financial statements on a modified equity basis.

Keyano College Foundation

The Keyano College Foundation (Foundation) is a registered public foundation created to solicit, receive and administer funds and property donated for the advancement of Keyano College. The Foundation is exempt from the payment of income tax under section 149 of the Income Tax (Canada).

In June 2017, the Foundation went through an organizational restructure transferring all fiduciary responsibility from the Foundation to the Keyano College Board of Governors. The Foundation would continue to exist as an entity with its only focus on generating gaming revenues. The Foundation Board of Directors resigned in June 2017 and three College Board of Governors were appointment as Foundation Board Directors. Foundation Advancement staff and fundraising activity transferred to the College in fiscal 2017-18. However, some fundraising activity remained in the Foundation during the transition period.

The Foundations' present governance structure does not meet the requirements of the Alberta Gaming, Liquor and Cannabis Commission (AGLC). As a result, College Administration has undertaken a Foundation governance review to become compliant with AGLC requirements and ensure appropriate authorities exist with the Foundation Board of Directors.

The Foundation is consolidated on a line-by-line basis with the College with the elimination of inter-organization transactions.

On a stand-alone basis, the Foundation had a surplus of \$177,519 for the year-ended June 30, 2018, an increase of \$18,530 over the prior year. In 2017-18 revenues were \$340,082, a decrease of \$3,254,390 over the prior year. This reflects the transfer of advancement activity from the Foundation to the College.

As at June 30, 2018 \$1,224,947 of cash, receivables and a guaranteed investment certificate remain in the Foundation of which \$56,086 is deferred gaming revenue.

KEYANO COLLEGE

CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

KEYANO COLLEGE
CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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Independent Auditor's Report

To the Board of Governors of Keyano College

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of Keyano College, which comprise the consolidated statement of financial position as at June 30, 2018, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets (net debt), and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Keyano College as at June 30, 2018, and the results of its operations, its remeasurement gains and losses, its change from net debt to net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

July 11, 2019
Edmonton, Alberta

KEYANO COLLEGE

STATEMENT OF MANAGEMENT RESPONSIBILITY

YEAR ENDED JUNE 30, 2018

The consolidated financial statements of Keyano College have been prepared by management in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements present fairly the consolidated financial position of the College as at June 30, 2018 and the consolidated results of its operations, remeasurement gains and losses, changes in net financial assets (net debt) and cash flows for the year then ended.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has developed and maintains a system of internal controls designed to provide reasonable assurance that College assets are safeguarded from loss and that the accounting records are a reliable basis for the preparation of the consolidated financial statements.

The Board of Governors is responsible for reviewing and approving the consolidated financial statements, and overseeing management's performance of its financial reporting responsibilities.

The Board of Governors carries out its responsibility for review of the consolidated financial statements principally through its Finance & Audit Committee. With the exception of the President and the Board of Governors' CUPE representative, all members of the Finance & Audit Committee are not employees of the College. The Finance & Audit Committee meets with management and the external auditors to discuss the results of audit examinations and financial reporting matters. The external auditors have full access to the Finance & Audit Committee, with and without the presence of management.

These consolidated financial statements have been reported on by the Auditor General of Alberta, the auditor appointed under the *Post-Secondary Learning Act*. The Independent Auditor's Report outlines the scope of the audit and provides the audit opinion on the fairness of presentation of the information in the consolidated financial statements.

[Original signed by Dr. Trent Keough]

[Original signed by Dale Mountain]

President & Chief Executive Officer

Vice President Corporate Services and
Chief Financial Officer

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

	2018	2017
Financial assets excluding portfolio investments restricted for endowments		
Cash and cash equivalents (Note 4)	\$ 2,807,730	\$ 20,298,691
Portfolio investments - non-endowment (Note 5)	11,832,005	11,708,294
Accounts receivable (Note 7)	7,192,517	1,814,838
Inventories held for sale	284,179	259,270
Loan receivable (Note 8)	391,478	418,781
Investment in and advances to government business enterprises (Note 9)	15,784,019	15,113,622
	38,291,928	49,613,496
Liabilities		
Bank indebtedness (Note 11)	-	1,764,028
Accounts payable and accrued liabilities	8,238,492	11,424,702
Debt (Note 12)	18,837,115	20,253,727
Deferred revenue (Note 13)	15,053,039	20,995,703
	42,128,646	54,438,160
Net debt excluding portfolio investments restricted for endowments	(3,836,718)	(4,824,664)
Portfolio investments - restricted for endowments (Note 5)	5,330,800	4,665,515
Net financial assets/(net debt)	1,494,082	(159,149)
Non-financial assets		
Tangible capital assets (Note 14)	108,441,052	112,827,617
Prepaid expenses	433,665	348,647
	108,874,717	113,176,264
Net assets before spent deferred capital contributions	110,368,799	113,017,115
Spent deferred capital contributions (Note 15)	56,909,621	62,333,357
Net assets (Note 16)	\$ 53,459,178	\$ 50,683,758
Net assets is comprised of:		
Accumulated surplus	\$ 52,549,960	\$ 49,508,800
Accumulated remeasurement gains	909,218	1,174,958
	\$ 53,459,178	\$ 50,683,758

Contingent assets and contractual rights (Notes 18 and 20)
Contingent liabilities and contractual obligations (Notes 19 and 21)

Approved by the Board of Governors:

[Original signed by Margaret Farrington]

[Original signed by Matthew Creighton]

Chair, Board of Governors

Chair, Finance & Audit Committee

The accompanying notes are an integral part of these consolidated financial statements.

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED JUNE 30, 2018

	Budget (Note 28)	2018	2017
Revenues			
Government of Alberta grants (Note 24)	\$ 46,905,544	\$ 59,239,787	\$ 45,892,535
Sales of services and products	8,331,107	8,596,278	8,292,934
Student tuition and fees	9,518,630	8,195,004	8,270,440
Donations and other grants	2,887,132	2,288,514	2,437,264
Investment income	760,000	1,059,518	979,508
Federal and other government grants (Note 24)	1,061,538	1,048,347	1,047,536
Investment in government business enterprise (Notes 9 and 26)	649,240	344,675	620,010
Other revenue (Note 27)		6,842,328	-
	70,113,191	87,614,451	67,540,227
Expenses (Note 22)			
Facility operations and maintenance	7,658,131	25,470,590	8,897,280
Institutional support	24,512,027	24,731,272	21,305,103
Instruction and training	24,271,881	19,874,749	20,616,958
Academic and student support	6,645,229	8,010,434	9,205,797
Ancillary services	5,150,989	5,335,980	3,722,243
Special purpose and Trust	1,173,516	1,377,173	1,373,200
	69,411,773	84,800,198	65,120,581
Annual operating surplus	701,418	2,814,253	2,419,646
Endowment contributions (Note 16)	-	175,450	107,500
Capitalized income (Note 16)	-	51,457	7,322
Annual surplus	701,418	3,041,160	2,534,468
Accumulated surplus, beginning of year		49,508,800	46,974,332
Accumulated surplus, end of year	\$ 701,418	\$ 52,549,960	\$ 49,508,800

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (NET DEBT)
YEAR ENDED JUNE 30, 2018

	Budget (Note 28)	2018	2017
Annual surplus	\$ 701,418	\$ 3,041,160	\$ 2,534,468
Acquisition of tangible capital assets (Note 14)	(3,757,500)	(5,697,488)	(7,202,636)
Proceeds from sale of tangible capital assets		1,787	24,688
Amortization of tangible capital assets (Note 14)	8,627,000	8,443,911	8,219,227
Loss (gain) on disposal of tangible capital assets		134,385	(20,986)
Change in prepaid expenses		(85,018)	(114,806)
Write downs during the year		1,503,971	1,984,076
Change in spent deferred capital contributions (Note 15)		(5,423,736)	(322,312)
Change in accumulated remeasurement gains (losses)		(265,740)	475,053
Decrease in net debt		1,653,231	5,576,771
Net debt, beginning of year		(159,149)	(5,735,920)
Net financial assets (net debt), end of year		\$ 1,494,082	\$ (159,149)

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
YEAR ENDED JUNE 30, 2018

	2018	2017
Accumulated remeasurement gains, beginning of year	\$ 1,174,958	\$ 699,905
Unrealized gains (losses) attributable to:		
Portfolio investments - non-endowment	(20,779)	740,522
Amounts reclassified to the consolidated statement of operations:		
Portfolio investments - non-endowment	(244,961)	(265,469)
Accumulated remeasurement gains, end of year	\$ 909,218	\$ 1,174,958

KEYANO COLLEGE
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2018

	2018	2017
Operating transactions		
Annual surplus	\$ 3,041,160	\$ 2,534,468
Add (deduct) non-cash items:		
Amortization of tangible capital assets (Note 14)	8,443,911	8,219,227
Gain on disposal of portfolio investments	(616,753)	(265,469)
Loss (gain) on disposal of tangible capital assets	134,385	(20,986)
Write down of tangible capital assets (Note 14)	1,503,971	1,984,076
Expended capital recognized as revenue (Note 15)	(5,933,831)	(5,194,389)
Investment earnings in government business enterprise (Note 9)	(344,675)	(620,010)
Government business enterprise non-cash interest revenue (Note 9)	(325,722)	(316,738)
Change in non-cash items	5,902,446	6,320,179
(Increase) decrease in accounts receivable (Note 7)	(5,377,679)	1,072,978
(Increase) decrease in inventories for held for sale	(24,909)	85,152
Decrease in accounts payable and accrued liabilities	(3,186,210)	(684,466)
(Decrease) increase in deferred revenue	(5,942,664)	6,865,291
Increase in prepaid expenses	(85,018)	(114,809)
Cash (applied to) provided by operating transactions	(8,714,035)	13,544,325
Capital transactions		
Acquisition of tangible capital assets (Note 14)	(5,697,488)	(4,238,778)
Proceeds on sale of tangible capital assets	1,787	24,688
Cash applied to capital transactions	(5,695,701)	(4,214,090)
Investing transactions		
Loan receivable repayments (Note 8)	27,303	26,518
Purchases of portfolio investments	(2,847,613)	(3,559,571)
Proceeds on sale of portfolio investments	2,409,630	3,649,134
Cash (applied to) provided by investing transactions	(410,680)	116,081
Financing transactions		
Debt repayment (Note 11 and 12)	(3,180,640)	(1,598,309)
Increase in spent deferred capital contributions, less expended capital recognized as revenue (Note 15)	510,095	4,872,076
Cash (applied to) provided by financing transactions	(2,670,545)	3,273,767
(Decrease) increase in cash and cash equivalents	(17,490,961)	12,720,083
Cash and cash equivalents, beginning of the year	20,298,691	7,578,608
Cash and cash equivalents, end of the year	\$ 2,807,730	\$ 20,298,691

KEYANO COLLEGE

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2018

1. Authority and purpose

The Board of Governors of Keyano College is a corporation that manages and operates Keyano College (the "College") under the *Post-Secondary Learning Act* (Alberta). All members of the Board of Governors are appointed by either the Lieutenant Governor in Council or the Minister of Advanced Education, with the exception of the President, who is an *ex officio* member. Under the *Post-Secondary Learning Act*, Campus Alberta Sector Regulation, the College is a comprehensive community institution offering mandated credentials and programs. The College is a registered charity, and under section 149 of the *Income Tax Act* (Canada), is exempt from the payment of income tax. This tax exemption does not extend to its wholly-owned subsidiary, Keyano College Land Trust Corporation (the "Land Trust").

2. Summary of significant accounting policies and reporting practices

a) General - Public Sector Accounting Standards ("PSAS") and Use of Estimates

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS).

The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these consolidated financial statements requires the use of estimates, which may vary from actual results. The College's management uses judgment to determine such estimates. Restricted expended capital recognized as revenue, along with collectability of accounts receivable, accrued liabilities and the useful life and corresponding amortization of tangible capital assets are considered the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below. These significant accounting policies are presented to assist the reader in evaluating these consolidated financial statements and, together with the following notes, should be considered an integral part of the consolidated financial statements.

b) Valuation of Financial Assets and Liabilities

The College's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and cash equivalents	Cost or amortized cost
Portfolio investments	Fair value and amortized cost
Inventories held for sale	Lower of cost or net realizable value
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost

Unrealized gains and losses from changes in the fair value of financial assets and liabilities are recognized in the consolidated statement of remeasurement gains and losses. When the restricted nature of a financial instrument and any related changes in fair value create a liability, unrealized gains and losses are recognized as deferred revenue.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recognized in the consolidated statement of operations. A write-down of a portfolio investment to reflect a loss in value is not reversed for a subsequent increase in value.

For financial assets and liabilities measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and cash equivalents and portfolio investments are accounted for using trade-date accounting.

The College does not use foreign currency contracts or any other type of derivative financial instruments for trading or speculative purposes.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the College's normal purchase, sale or usage requirements are not recognized as financial assets or liabilities. The College does not have any embedded derivatives.

c) Revenue Recognition

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as deferred revenue.

i) Government grants, non-government grants and donations

Government transfers are referred to as government grants.

Restricted grants and donations are recognized as deferred revenue if the terms for the use, or the terms along with the College's actions and communications as to the use, create a liability. These grants and donations are recognized as revenue as the terms are met. If the grants and donations are used to acquire or construct tangible capital assets, revenue will be recognized over the useful life of the tangible capital assets.

Government grants without terms for the use of the grant are recognized as revenue when the College is eligible to receive the funds. Unrestricted non-government grants and donations are recognized as revenue in the year received or in the year the funds are committed to the College if the amount can be reasonably estimated and collection is reasonably assured.

In kind donations of services, materials and tangible capital assets are recognized at fair value when such value can reasonably be determined. Transfers of tangible capital assets from related parties are recognized at the carrying value.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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

ii) Grants and donations related to land

Grants and donations for the purchase of land are recognized as deferred revenue when received, and recognized as revenue when the land is purchased.

The College recognizes in kind contributions of land as revenue at the fair value of the land when a fair value can be reasonably determined. When the College cannot determine the fair value, it recognizes such in-kind contributions at nominal value.

iii) Endowment donations

Endowment donations are recognized as revenue in the consolidated statement of operations in the year in which they are received, and are required by donors to be maintained intact in perpetuity.

iv) Investment income

Investment income includes dividends, interest income and realized gains or losses on the sale of portfolio investments. Investment income from restricted grants and donations is recognized as deferred revenue when the terms for use create a liability, and is recognized as investment income when the terms of the grant or donation are met.

The endowment spending allocation portion of investment income earned by endowments is recognized as deferred revenue when the terms for the use by the endowment create a liability. Realized investment income allocated to endowment balances for the preservation of endowment capital purchasing power is recognized in the statement of operations.

d) Endowments

Endowments consist of externally restricted donations received by the College and internal allocations by the College's Board of Governors, the principal of which is required to be maintained intact in perpetuity.

Investment income earned (excluding unrealized income) on endowments must be used in accordance with the various purposes established by the donors or the Board of Governors. Benefactors, as well as the College's policy, stipulates that the economic value of the endowments must be protected by limiting the amount of income that may be expended and by reinvesting unexpended income.

Under the *Post-Secondary Learning Act*, the College has the authority to alter the terms and conditions of endowments to enable:

- Income earned by the endowments to be withheld from distribution to avoid fluctuations in the amounts distributed, generally to regulate the distribution of income earned by the endowments.
- Encroachment on the capital of the endowments to avoid fluctuations in the amounts distributed and generally to regulate the distribution of investment income earned by the endowments if, in the opinion of the Board of Governors, the encroachment benefits the College and does not impair the long-term value of the fund.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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

In any year, if the investment income earned on endowments is insufficient to fund the spending allocation, the spending allocation is funded from the accumulated capitalized investment income. However, for individual endowments without sufficient accumulated capitalized income, the spending allocation will be suspended until sufficient accumulated capitalized income is available. The principal of the endowment will remain intact.

Endowment contributions, matching contributions, and associated investment income allocated for the preservation of endowment capital purchasing power are recognized in the consolidated statement of operations in the period in which they are received.

e) Inventories held for sale

Inventories held for sale are valued at the lower of cost and expected net realizable value and are determined using the first-in, first-out ("FIFO") method basis.

f) Tangible Capital Assets

Tangible capital assets are recognized at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets, and costs associated with asset retirement obligations. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. Work in progress, which includes facilities and improvement projects, furniture and equipment, and development of information systems, is not amortized until after the project is complete and the asset is in service. Assets or disposal groups that are classified as held-for-sale are measured at the lower of carrying amount and fair value less costs to sell.

Capital lease liabilities are recognized at the present value of the future minimum lease payments at the inception of the lease, excluding executor costs (e.g. insurance, maintenance costs, etc.). The discount rate used to determine the present value of the lease payments is the lower of the College's rate for incremental borrowing or the interest rate implicit in the lease.

The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over the estimated useful lives as follows:

Land improvements	20 - 40 years
Buildings & renovations	10 - 40 years
Equipment	5 - 25 years
Other	5 - 25 years
Computer hardware & software	3 - 15 years

Tangible capital asset write-downs are recognized when conditions indicate that they no longer contribute to the College's ability to provide services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Net write-downs are recognized as expense.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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

Intangible assets, works of art, historical treasures and collections are expensed when acquired and not recognized as tangible capital assets because a reasonable estimate of the future benefits associated with such property cannot be made.

g) Asset Retirement Obligations

Asset retirement obligations are recognized for statutory, contractual or legal obligations, associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related asset. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations.

h) Foreign Currency Translation

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and liabilities and non-monetary items included in the fair value category reflect the exchange rates at the consolidated statement of financial position date. Unrealized foreign exchange gains and losses are recognized in the consolidated statement of remeasurement gains and losses.

In the period of settlement, foreign exchange gains and losses are reclassified to the consolidated statement of operations, and the cumulative amount of remeasurement gains and losses is reversed in the consolidated statement of remeasurement gains and losses.

i) Employee Future Benefits

Pension

The College participates with other employers in the Local Authorities Pension Plan (LAPP). This pension plan is a multi-employer defined benefit pension plan that provide pensions for the College's participating employees based on years of service and earnings.

The College does not have sufficient plan information on the LAPP to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the LAPP is comprised of employer contributions to the plan that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plan's future benefits.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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

j) Basis of Consolidation

Consolidated entities

The consolidated financial statements consolidate the accounts of Keyano College Foundation (the "Foundation") on a line-by-line basis. The Foundation is a registered public foundation created to solicit, receive and administer funds for the advancement of Keyano College.

Investment in Keyano College Land Trust

The consolidated financial statements include the accounts of Keyano College Land Trust (the "Land Trust"), a Government business enterprise (GBE), using the modified equity basis, with equity being computed in accordance with accounting standards applicable to the Land Trust. The purpose of the Land Trust is to maximize the value of specific College lands through development, sales and leases for purposes aligned with College needs. Under the modified equity method, the accounting policy of the GBE is not adjusted to conform to that of the other government entities.

k) Liability for Contaminated Sites

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. The liability is recognized net of any expected recoveries. A liability for remediation of contaminated sites normally results from an operation(s) that is no longer in productive use and is recognized when all of the following criteria are met:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the College is directly responsible or accepts responsibility;
- iv) it is expected that future economic benefits will be given up; and
- v) a reasonable estimate of the amount can be made.

l) Expense by Function

The College uses the following categories of functions in its consolidated statement of operations:

Instruction and training

Expenses directly related to the delivery of programming and training within the College, whether for credit or non-credit programs.

Academic and student support

Expenses relating to activities directly supporting the academic functions of the College. This includes items such as libraries, galleries and expenses for Deans. Academic and student support also includes expenses for centralized functions that support individual students or groups of students.

Facility operations and maintenance

Expenses relating to maintenance and renewal of facilities that house the teaching, research and administrative activities within the College. These include utilities, facilities administration, building maintenance, custodial services, landscaping and grounds keeping, as well as major repairs and renovations.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

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

Institutional support

Includes expenses for centralized College-wide administration including executive management, public relations, alumni relations and development, corporate insurance premiums, corporate finance, human resources, centralized and core computing, network and data communications.

Ancillary services

Expenses related to services and products provided to the College community and to external individuals and organizations. Services include the bookstore, parking, student residences, theatre and the Sport & Wellness Centre.

Special Purpose and Trust

Fundraising expenses related to sales of services and products and donations and other contributions earned.

m) Funds and Reserves

Certain amounts, as approved by the Board of Governors, are set aside in accumulated operating surplus for future operating and capital purposes. Transfers to/from funds and reserves are an adjustment to the respective fund when approved.

n) Future Accounting Changes

In June 2015, the Public Sector Accounting Board issued PS 3430 Restructuring transactions. This accounting standard is effective for fiscal years starting on or after April 1, 2018. PS 3430 Restructuring transactions defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction.

In March 2018, the Public Sector Accounting Board approved PS 3280 Asset Retirement Obligations. This accounting standard is effective for fiscal years starting on or after April 1, 2021. PS 3280 Asset Retirement Obligations provides guidance on how to account for and report a liability for retirement of a tangible capital asset.

Management is currently assessing the impact of these new standards on the consolidated financial statements.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

3. Adoption of new accounting standards

The College has prospectively adopted the following standards from April 1, 2017:

- PS 2200 - Related party disclosures defines a related party and identifies disclosures for related parties and related party transactions, including key management personnel and close family members.
- PS 3420 - Inter-entity transactions, establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.
- PS 3210 - Assets provides guidance for applying the definition of assets set out in PS 1000, Financial statement concepts, and establishes general disclosure standards for assets.
- PS 3320 - Contingent assets defines and establishes disclosure standards for contingent assets.
- PS 3380 - Contractual rights defines and establishes disclosure standards on contractual rights.

4. Cash and cash equivalents

	2018	2017
Cash	\$ 1,512,537	\$ 18,908,547
Money market funds and interest bearing accounts	1,239,107	1,336,736
Restricted cash	56,086	53,408
	<u>\$ 2,807,730</u>	<u>\$ 20,298,691</u>

Cash equivalents includes money market funds, interest bearing accounts and short term investments with a maturity date of less than three months from the date of acquisition.

Restricted cash relates to a casino bank account with external restrictions from the Alberta Gaming and Liquor Commission.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

5. Portfolio investments

	2018	2017
Portfolio investments - non-endowment	\$ 11,056,382	\$ 10,936,530
Portfolio investments - restricted for endowments	5,330,800	4,665,515
Total portfolio investments at fair market value	16,387,182	15,602,045
Guaranteed investment certificate - non-endowment	775,623	771,764
	\$ 17,162,805	\$ 16,373,809

Total portfolio investments (non-endowment) amounts presented on the statement of financial position, are made up of investments in pooled funds and guaranteed investment certificate totaling \$11,832,005 (2017 - \$11,708,294).

The composition of portfolio investments measured at fair value is as follows:

	2018			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian government and corporate bonds	-	\$ 7,914,097	-	\$ 7,914,097
Equities				
Canadian equity fund	-	3,963,523	-	3,963,523
Foreign equity fund	-	4,509,562	-	4,509,562
Total portfolio investments	-	\$ 16,387,182	-	\$ 16,387,182
	0%	100%	0%	100%

	2017			
	Level 1	Level 2	Level 3	Total
Portfolio investments at fair value				
Bonds				
Canadian government and corporate bonds	-	\$ 7,111,476	-	\$ 7,111,476
Equities				
Canadian equity fund	-	4,164,934	-	4,164,934
Foreign equity fund	-	4,325,635	-	4,325,635
Total portfolio investments	-	\$ 15,602,045	-	\$ 15,602,045
	0%	100%	0%	100%

The guaranteed investment certificate is carried at amortized cost, therefore, its carrying amount is not included in the fair value hierarchy tables above.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

5. Portfolio investments (cont'd)

The fair value measurements are those derived from:

Level 1 - Quoted prices in active markets for identical assets;

Level 2 - Fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the assets that are not based on observable market data (unobservable inputs).

6. Financial Risk Management

The College is exposed to the following risks:

Market price risk

The College is exposed to market price risk - 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, its issuer or general market factors affecting all securities. To manage this risk, the College has established an investment policy with a target asset mix that is diversified by asset class with individual issuer limits and is designed to achieve a long-term rate of return that in real terms equals or exceeds total endowment expenditures with an acceptable level of risk.

The College assesses its portfolio sensitivity to a percentage increase or decrease in the market prices. The sensitivity rate is determined using the historical annualized standard deviation for the total portfolio investment pool over a four year period as determined by the asset management consulting firm. At June 30, 2018, if market prices had a 10% (2017 – 10%) increase or decrease, with all other variables held constant, the increase or decrease in accumulated remeasurement gains and losses and deferred revenue for the year would be \$1,605,944 (2017 - \$1,529,000).

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The College is exposed to foreign exchange risk on investments that are denominated in foreign currencies. The College does not use foreign currency forward contracts or any other type of derivative financial instruments to manage the foreign currency exposure on these investments. The College's exposure to foreign exchange risk is very low due to minimal business activities conducted in a foreign currency.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

6. Financial Risk Management (cont'd)

Credit risk

Counterparty credit risk is the risk of loss arising from the failure of a counterparty to fully honor its financial obligations with the College. To manage the risk the College has established an investment policy with required minimum credit quality standards and issuer limits. The credit risk from accounts receivable is low as the majority of balances are due from government agencies and corporate sponsors.

The credit risks on investments held are as follows:

	2018	2017
Credit rating		
AAA	22.4%	22.7%
AA	22.7%	33.8%
A	36.5%	31.4%
BBB	18.4%	12.1%
Below BBB	0.0%	0.0%
	100.0%	100.0%

Liquidity risk

Liquidity risk is the risk that the College will encounter difficulty in meeting obligations associated with its financial liabilities. The College maintains a short-term line of credit that is designed to ensure that funds are available to meet current and forecasted financial requirements in the most cost effective manner. As at June 30, 2018 the College has (1) a lease line of credit of \$4.5 million (2017- \$4.5 million) which has not been withdrawn and (2) a revolving line of credit of \$1.5 million (2017- \$1.5 million) which has not been withdrawn.

Interest rate risk

Interest rate risk is the risk to the College's earnings that arise from the fluctuations in interest rates and the degree of volatility of these rates. This risk is managed by investment policies that limit the term to maturity of certain fixed income securities that the College holds. If interest rates increased by 1.00%, and all other variables are held constant, the potential loss in fair value to the College would be approximately 3.5% of total investments (2017: 3.8%). Interest risk on the College's debt is managed through fixed-rate agreements with Alberta Capital Finance Authority (Note 12). The maturity and effective market yield of interest bearing investments are as follows:

	< 1 year	1 - 5 years	> 5 years	Average effective market yield
Cash and cash equivalents	100%	0%	0%	1.48%
Portfolio investments, short term notes and treasury bill	100%	0%	0%	1.48%
Portfolio investments, Canadian government and corporate bonds	0%	17.70%	82.30%	3.98%

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

7. Accounts Receivable

	2018	2017
Trade receivables	\$ 629,462	\$ 563,680
Accrued receivables	5,744,628	1,101,484
Loan receivables from staff	25,346	19,811
Canada Revenue Agency (Goods and Services Tax)	817,447	93,665
Student receivables	-	44,022
Less: Allowance for doubtful accounts	(24,367)	(7,824)
	<u>\$ 7,192,517</u>	<u>\$ 1,814,838</u>

Accounts receivable are unsecured and non-interest bearing. Trade receivables are related to corporate training, continuing education and other rentals paid for by corporations.

Accrued receivables balance includes amount owed from the Ministry of Advanced Education of \$5,035,796 (2017- \$821,850), and an additional \$1,224 (2017 - \$80,450) from other Government of Alberta departments and agencies. These amounts are also included in government transfers balances (Note 24).

Loans receivable from staff includes computer loans that are repaid within 30 months with no interest.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

8. Loan Receivable

During fiscal 2015, the College entered into a lease agreement with YMCA of Wood Buffalo by providing a renovated space. The College charges YMCA of Wood Buffalo interest on the capital cost of the renovations at a rate of 2.92% per annum. The capital cost is to be repaid by YMCA of Wood Buffalo over a period of 15 years.

Principal payments in each of the next five years and thereafter are as follows:

	2018
2019	\$ 28,110
2020	28,942
2021	29,799
2022	30,680
2023	31,588
Thereafter	242,359
	<u>\$ 391,478</u>

9. Investment In and Advances to Government Business Enterprise (Note 26)

On July 4, 2013, the College transferred 611.04 acres of land development to the Land Trust with a cost base of \$6,876,225. This transaction occurred outside the course of normal operations, and was measured at its carrying value.

Included in sales of services and products is \$450,000 (2017 - \$450,000) in service fees related to cost recoveries from the Land Trust. The transaction occurred in the normal course of operations and was measured at the exchange amount. The exchange amount has been agreed to and established by the Land Trust and the College through a signed master service agreement.

On June 26, 2015, the College entered into a signed agreement with the Land Trust that set the terms of repayment to principal amount upon demand of the College. Until such demand is made, the Land Trust covenants and agrees to pay compounding interest monthly. The advances are to bear interest at a rate not to exceed the expected rate of return set by the investment policy of the College. As at June 30, 2018 the interest rate was 2.8% (2017 - 2.8%) with no covenants or repayment plan. The College records interest income on the advances to the Land Trust of \$325,722 (2017 - \$316,738). Principal repayment of the advances has been postponed pursuant to financing with RBC.

Interest revenue and other advances in the amount of \$325,722 (2017 - \$316,738) were non-cash transactions and have been excluded from the consolidated statement of cash flows.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

9. Investment In and Advances to Government Business Enterprise (Note 26) (cont'd)

The balance represents the investment in the Land Trust with the following breakdown:

	2018	2017
100 Class "A" common voting shares⁽¹⁾	\$ 10	\$ 10
Opening advances	\$ 11,484,358	\$ 11,167,622
Advances	325,722	316,736
Total advances to Keyano College Land Trust	11,810,080	11,484,358
Opening accumulated investment earnings	3,629,254	3,009,244
Current investment earnings (Note 26)	344,675	620,010
Total accumulated earnings	3,973,929	3,629,254
	<u><u>\$ 15,784,019</u></u>	<u><u>\$ 15,113,622</u></u>

⁽¹⁾ The Board of Governors of Keyano College is the registered holder of 100 Class "A" common voting shares of the Keyano College Land Trust Corporation.

10. Employee Future Benefit Liabilities

Defined benefit plan accounted for on a defined contribution basis

The Local Authorities Pension Plan ("LAPP") is a multi-employer contributory defined benefit pension plan for support staff members and is accounted for on a defined contribution basis. At December 31, 2017, the LAPP reported an actuarial surplus of \$4,835,515,000 (2017 - \$637,357,000 deficiency). An actuarial valuation of the LAPP was carried out as at December 31, 2016 and was then extrapolated to December 31, 2017. The pension expense recorded in these financial statements is \$2,983,297 (2017 - \$3,038,401). Other than the requirement to make additional contributions, the College does not bear any risk related to the LAPP.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

11. Bank indebtedness

In the prior year, the College entered in to an agreement with the Royal Bank of Canada (RBC) to increase its revolving lease line of credit up to \$4.5M to finance improvements for the Clearwater Hall residence. During the year, the College was advanced additional funds under the lease line of credit, and on June 27, 2018 the lease line of credit totalling \$3,635,684 was repaid in full, resulting in \$nil (2017 - \$1,764,028) being outstanding as of June 30, 2018. Interest is paid monthly at prime, amounts due on demand are secured by College buildings.

12. Debt

Debt is measured at amortized cost and is comprised of the following:

	Collateral*	Maturity	Interest Rate	2018	2017
Debentures payable to Alberta Capital Finance Authority:					
Campus Development Project	1	June 2026	6.5%	\$ 2,745,407	\$ 3,001,225
Deferred Housing Maintenance	2	December 2020	3.4%	507,985	696,358
Power & Process Lab	3	June 2032	2.9%	15,164,544	16,023,648
				18,417,936	19,721,231
Obligations under capital leases	4	Various	0% to 5.6%	419,179	532,496
				\$ 18,837,115	\$ 20,253,727

*Collateral:

- (1) Title to building with a net book value of \$3,564,370 (2017 - \$3,658,874).
- (2) None.
- (3) Title to the land for the College's Suncor Energy Industrial Campus main building with a net book value of \$754,038 (2017 - \$825,078).
- (4) Title to leased assets with a net book value of \$462,415 (2017- \$526,862) (Note 14).

Principal and interest repayments are as follows:

	Principal	Interest	Total
2019	\$ 1,572,567	\$ 635,116	\$ 2,207,683
2020	1,546,956	580,151	2,127,107
2021	1,431,514	527,084	1,958,598
2022	1,301,048	477,435	1,778,483
2023	1,351,047	427,435	1,778,482
Thereafter	11,633,983	1,666,972	13,300,955
	\$ 18,837,115	\$ 4,314,193	\$ 23,151,309

Interest expense on debt is \$698,185 (2017 - \$725,134) (Note 22) and is included in the consolidated statement of operations.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

13. Deferred Revenue

Deferred revenues are set aside for specific purposes as required either by legislation, regulation or agreement:

	2018			2017	
	Unspent externally funded grants and donations	Tuition, fundraising and other fees	Total	Total	
Balance, beginning of year	\$ 18,273,629	\$ 2,722,074	\$ 20,995,703	\$	13,926,338
Grants, tuition, and donations	12,075,505	2,744,293	14,819,798		18,986,287
Investment income	124,720	-	124,720		547,127
Unrealized gain (loss) on investments	130,843	-	130,843		(138,292)
Transfers to spent deferred capital contributions	(247,131)	(262,964)	(510,095)		(4,905,721)
Transfers to other deferred contributions	(94,000)	-	(94,000)		-
Recognized as revenue	(17,844,539)	(2,569,392)	(20,413,932)		(7,420,036)
Balance, end of year	<u>\$ 12,419,027</u>	<u>\$ 2,634,011</u>	<u>\$ 15,053,039</u>	<u>\$</u>	<u>20,995,703</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

14. Tangible Capital Assets

	2018						2017	
	Land	Land Improvements	Buildings & Renovations	Equipment ⁽¹⁾	Computer Hardware & Software	Other ⁽²⁾	Total	Total
Cost								
Balance, beginning of year	\$ 12,980,333	\$ 1,683,424	\$ 151,295,530	\$ 41,362,937	\$ 9,041,139	\$ 3,730,272	\$ 220,093,635	\$ 217,499,114
Acquisitions	-	147,771	3,044,725	1,859,477	296,149	349,366	\$ 5,697,488	7,202,637
Disposals, including write-downs	-	(5,874)	(6,599)	(7,162,785)	(1,754,409)	(802,235)	\$ (9,731,902)	(4,608,115)
	12,980,333	1,825,321	154,333,656	36,059,629	7,582,879	3,277,403	216,059,222	220,093,636
Accumulated Amortization								
Balance, beginning of year	\$ -	\$ 571,731	\$ 70,741,290	\$ 24,537,148	\$ 7,975,963	\$ 3,439,887	\$ 107,266,019	\$ 101,667,126
Amortization expense	-	75,840	4,149,771	3,498,735	504,673	214,892	8,443,911	8,219,227
Effects on disposals, including write-downs	-	(1,005)	(2,665)	(5,654,107)	(1,707,957)	(726,026)	(8,091,760)	(2,620,334)
	-	646,566	74,888,396	22,381,776	6,772,679	2,928,753	107,618,170	107,266,019
Net book value at June 30, 2018	\$ 12,980,333	\$ 1,178,755	\$ 79,445,261	\$ 13,677,853	\$ 810,200	\$ 348,650	\$ 108,441,052	\$ 112,827,617
Net book value at June 30, 2017	\$ 12,980,333	\$ 1,111,693	\$ 80,554,240	\$ 16,825,789	\$ 1,065,176	\$ 290,385	\$ 112,827,617	

⁽¹⁾ Equipment includes vehicles, heavy equipment, office equipment, furniture and leasehold improvements.

⁽²⁾ Other tangible capital assets include audio/visual equipment and library books.

Buildings and renovations includes work in progress of \$1,119,228 (2017 - \$5,128,622). Computer hardware and software includes work in progress of \$294,150 (2017 - \$225,000). Furniture and equipment includes work in progress of \$1,042,755 (2017 - \$nil). Acquisitions during the year includes gift-in-kind contributions of \$nil (2017 - \$46,411). During the year there was a write down of work in progress buildings in the amount of \$nil (2017 - \$1,984,076) for projects the College is no longer continuing. There was a write down of tangible capital assets of \$1,503,971 (2017 \$ - nil) for assets where management has assessed there is no remaining value.

Total cost of capital leases included in equipment is \$1,189,180 (2017 - \$1,189,180), accumulated amortization is \$726,765 (2017 - \$662,318) and amortization expense is \$79,215 (2017 - \$165,178). During the year, lease equipment with a cost of \$nil (2017 - \$39,378) and accumulated amortization of \$nil (2017 - \$85,110) were disposed.

Gift-in-kind contributions, acquisitions in accounts payable and accrued liabilities, bank indebtedness and capital leases are non-cash transactions and have been excluded from the consolidated statement of cash flows.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

15. Spent Deferred Capital Contributions

Spent deferred capital contributions is comprised of externally restricted grants and donations spent on tangible capital acquisitions (not yet recognized as revenue).

	<u>2018</u>	<u>2017</u>
Spent deferred capital contributions		
Balance, beginning of year	\$ 62,333,357	\$ 62,655,669
Transfers from unspent externally restricted grants and donations	510,095	4,872,076
Expended capital recognized as revenue	<u>(5,933,831)</u>	<u>(5,194,389)</u>
Balance, end of year	<u>\$ 56,909,621</u>	<u>\$ 62,333,357</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

16. Net Assets

	Accumulated surplus from operations	Investment in tangible capital assets	Internally restricted surplus (Note 17)	Endowments	Total
Net assets, as at June 30, 2016	\$ 4,699,841	\$ 31,324,286	\$ 7,099,415	\$ 4,550,694	\$ 47,674,236
Annual operating surplus	2,419,646	-	-	-	2,419,646
Endowments					-
New donations	-	-	-	107,500	107,500
Capitalized investment income	-	-	-	7,322	7,322
Tangible capital assets					
Acquisition of tangible capital assets	-	566,530	(566,530)	-	-
Amortization of tangible capital assets	3,024,838	(3,024,838)	-	-	-
Debt repayment	-	1,598,309	(1,598,309)	-	-
Net book value of tangible capital asset disposals	1,987,778	(1,987,778)	-	-	-
Net board appropriation to internally restricted surplus	(8,032,198)	-	8,032,198	-	-
Change in accumulated remeasurement gains (losses)	475,053	-	-	-	475,053
Net assets, as at June 30, 2017	4,574,958	28,476,509	12,966,774	4,665,516	50,683,758
Annual operating surplus	2,814,254				2,814,254
Endowments					
New donations	-	-	-	81,450	81,450
Capitalized investment income	-	-	-	51,457	51,457
Transfer to endowments	-	-	-	94,000	94,000
Tangible capital assets					
Acquisition of tangible capital assets		5,187,393	(5,187,393)	-	-
Amortization of tangible capital assets	2,510,080	(2,510,080)	-	-	-
Debt repayment	(3,180,640)	3,180,640	-	-	-
Net book value of tangible capital asset disposals	1,640,145	(1,640,145)	-	-	-
Net board appropriation to internally restricted surplus	(512,843)	-	512,843	-	-
Change in accumulated remeasurement gains (losses)	(265,740)	-	-	-	(265,740)
Net assets, as at June 30, 2018	7,580,214	32,694,317	8,292,224	4,892,423	53,459,178
Net assets is comprised of:					
Accumulated surplus	6,670,996	32,694,317	8,292,224	4,892,423	52,549,960
Accumulated remeasurement gains and losses	909,218	-	-	-	909,218
Balance as at June 30, 2018	<u>\$ 7,580,214</u>	<u>\$ 32,694,317</u>	<u>\$ 8,292,224</u>	<u>\$ 4,892,423</u>	<u>\$ 53,459,178</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

17. Internally Restricted Surplus

Internally restricted surplus represent amounts set aside by the College's Board of Governors for specific purposes. The Board passed a motion for internally restricted surplus on May 30, 2014 where the unrestricted operating surplus is to be maintained at 5% of the budgeted operating revenues; \$2,000,000 is to be restricted for educational purposes and the rest is restricted for future capital activities. Those amounts are not available for other purposes without the approval of the Board and do not have interest allocated to them. This policy is under review and no adjustment has been made for fiscal 2017/18. Total restricted professional development for the year per agreement with Faculty Association is \$197,400 (2017-\$233,020). Total restricted housing reserve for the year is \$315,443 (2017-\$323,176) as per the Board of Governors resolution passed on April 22, 2016.

18. Contingent Assets

The College, in the conduct of its normal activities, initiated legal matters and insurance claims where possible assets are being sought. These contingent assets are not recognized in the financial statements. The outcomes of these matters cannot be reasonably estimated at this time, and any settlement may or may not have a material effect on the financial position or the results of operations of the College.

19. Contingent Liabilities

The College is a defendant in one civil lawsuit, where the total claimed approximates \$87,347 (2017: \$nil). The College believes that any settlement will not have a material adverse effect on the consolidated financial position or the results of operations.

The College has identified potential asset retirement obligations related to the existence of asbestos in a number of its facilities. Although not a current health hazard, upon renovation or demolition of these facilities, the College may be required to take appropriate remediation procedures to remove the asbestos. As the College has no legal obligation to remove the asbestos in these facilities as long as the asbestos is contained and does not pose a public health risk, the fair value of the obligation cannot be reasonably estimated due to the indeterminate timing and scope of the removal. The asset retirement obligations for these assets will be recorded in the period in which there is certainty that the capital project will proceed and there is sufficient information to estimate fair value of the obligation.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

20. Contractual Rights

Contractual rights are rights of the College to economic resources arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

Estimated amounts that will be received or receivable for each of the next five years and thereafter are as follows:

	Operating Leases
2019	\$ 167,002
2020	82,224
2021	82,224
2022	75,178
2023	40,376
Thereafter	-
	\$ 447,004
Total at June 30, 2017	\$ 497,936

21. Contractual Obligations

The College has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met. The estimated aggregate amount payable for the unexpired terms of these contractual obligations are as follows:

	Service Contracts	Capital Projects	Information Systems and Technology	Theatre	Long-term Leases	Total
2019	\$ 2,208,560	\$ 5,171,115	\$ 415,309	\$ 30,100	\$ 98,400	\$ 7,923,484
2020	52,588	-	123,202	-	-	175,790
2021	9,680	-	80,977	-	-	90,657
2022	6,290	-	81,748	-	-	88,038
2023	3,868	-	48,781	-	-	52,649
Thereafter	967	-	-	-	-	967
	\$ 2,281,953	\$ 5,171,115	\$ 750,017	\$ 30,100	\$ 98,400	\$ 8,331,585
Total at June 30, 2017	\$ 2,598,737	\$ 11,528,639	\$ 859,044	\$ 38,613	\$ 98,400	\$ 15,123,431

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

22. Expense by Object

The following is a summary of expense by object:

	2018		2017
	Budget (Note 28)	Actual	Actual
Salaries and benefits	\$ 40,069,314	\$ 38,621,235	\$37,679,937
Materials, supplies and services	15,550,989	32,389,112	13,703,059
Amortization of tangible capital assets	8,627,000	8,443,911	8,219,227
Utilities	2,613,954	2,153,322	1,980,964
Cost of goods sold	793,500	774,432	740,956
Interest on debt (Note 12)		698,185	725,134
Scholarships and bursaries	583,500	342,828	698,104
Fundraising expenses	1,173,516	1,377,173	1,373,200
	\$ 69,411,773	\$ 84,800,198	\$65,120,581

23. Related Parties

The College is a related party with organizations within the Government of Alberta reporting entity. Key management personnel of the institution and their close family members are also considered related parties. The College may enter into transactions with these entities and individuals in the normal course of operations and on normal terms.

The College has liabilities with Alberta Capital Finance Authority (Note 12). There were no other related party transactions that met PS 2200 disclosure requirements.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

24. Government Transfers

	2018	2017
Grants from Government of Alberta		
Advanced Education:		
Operating	\$ 36,912,669	\$35,848,520
Apprenticeship	834,752	2,146,896
Capital	4,875,293	13,583,074
Other	1,316,638	610,252
Total Advanced Education	<u>43,939,352</u>	<u>52,188,742</u>
Other Government of Alberta departments and agencies:		
Human Services	5,200	63,606
Other	259,965	1,163,525
Total other Government of Alberta departments and agencies	<u>265,165</u>	<u>1,227,131</u>
Total contributions received	<u>44,204,517</u>	<u>53,415,873</u>
Restricted expended capital recognized as revenue	4,710,994	4,101,616
Add: change in deferred contributions	10,324,276	(11,624,953)
	<u>\$ 59,239,787</u>	<u>\$45,892,535</u>
Federal and other government grants		
Contributions received	<u>\$ 1,048,347</u>	<u>\$ 1,047,536</u>
Accounts receivable (Accrued receivables (Note 7))		
Advanced Education	5,035,796	821,850
Other Government of Alberta departments and agencies	1,224	80,450
Alberta public post-secondary institutions	595	-
	<u>\$ 5,037,615</u>	<u>\$ 902,300</u>

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

25. Salary and Employee Benefits

	2018			2017	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-Cash Benefits ⁽³⁾	Total	Total
Governance					
Members of the Board of Governors	\$ -	\$ 4,065	\$ -	\$ 4,065	\$ 338
Executive					
President & CEO ⁽⁴⁾	212,800	63,412	19,287	295,499	384,485
President & CEO ⁽⁵⁾	4,521	240	906	5,668	-
Vice-Presidents:					
Vice-President Finance and Administration & CFO ⁽⁶⁾	225,500	89,505	30,617	345,622	337,194
Acting, Vice President Capital Projects & Facilities Operations ⁽⁷⁾	-	-	-	-	205,186
Vice President Capital Projects & Facilities Operations ⁽⁷⁾	-	-	-	-	221,496
Acting VP Academic ⁽⁸⁾	-	-	-	-	254,795
Vice President Academic ⁽⁸⁾	245,046	24,480	30,361	299,887	24,813
Vice-President External Relations & Advancement ⁽⁹⁾	204,000	24,480	30,193	258,673	79,492

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include severance payments, honoraia, automobile allowances, living allowances, bonuses, and other allowances.

(3) Other non-cash benefits include the College's share of all employee benefits and contributions or payments made on behalf of employees including pension, group life insurance, and accidental death dismemberment insurance. An automobile is included is provided to the President and no associated dollar amount is included in the table above.

(4) President & CEO departed March 6, 2018.

(5) President & CEO appointed June 25, 2018.

(6) Also became CEO of the Keyano College Land Trust Corporation effective June 7, 2017. Vice President Finance and Administration & CFO position started January 25, 2016.

(7) Vice President Capital Projects and Facilities Operations vacated the position on February 28, 2017. The Acting position filled in the position to May 16, 2017. The position remained vacant to June 30, 2018.

(8) Acting Vice President Academic occupied the position from March 16, 2017 to May 31, 2017. VP Academic was appointed on June 1, 2017 and remained on the position for the entire fiscal period. Also became Acting President & CEO from February 7, 2018 to June 22, 2018.

(9) Vice President External Relations and Advancement appointed April 1, 2017 and departed June 29, 2018.

KEYANO COLLEGE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2018

26. Condensed Supplementary Financial Information of Keyano College Land Trust (Note 9)

The following table provides condensed financial information reported separately for Keyano College Land Trust. The Land Trust audited financial statements are prepared in accordance with the International Financial Reporting Standards.

	2018	2017
Assets		
Cash and cash equivalents	\$ 942,036	\$ 700,694
Accounts receivable	19,433	104,356
Prepaid expenses	118,061	123,549
Inventory - land for resale	13,314,913	13,314,913
Property and equipment	4,378	10,165
Investment property	4,497,925	4,956,424
	\$ 18,896,746	\$ 19,210,101
Liabilities		
Bank indebtedness and lot development loan	\$ 2,931,327	\$ 3,931,327
Accounts payable and accrued liabilities	55,443	36,394
Advances from Keyano College	11,810,092	11,484,371
Due to Keyano College Land Trust Corporation	10	10
Deferred lease rental revenue	4,200	-
Security deposits	121,765	128,765
	\$ 14,922,837	\$ 15,580,867
Equity		
Trust Surplus	\$ 3,973,909	\$ 3,629,234
	\$ 18,896,746	\$ 19,210,101
Comprehensive income		
Revenues	\$ 2,186,368	\$ 2,244,702
Expenses	(1,841,693)	(1,624,692)
	\$ 344,675	\$ 620,010

KEYANO COLLEGE
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27. Significant Events

On May 3, 2016 the City of Fort McMurray and other areas within the Regional Municipality of Wood Buffalo were issued a mandatory evacuation order due to a wildfire event, with a phased re-entry beginning June 1, 2016.

Although the College did not lose any buildings or equipment due to the wildfire, significant damage, primarily smoke damage, was incurred. Remediation and mitigation efforts to restore facilities and equipment to pre-fire condition continued into the 2017-2018 fiscal year. The College is insured through AIG Insurance Company of Canada (AIG), as part of the Alberta Colleges, Universities & Technical Institutes Consortium. AIG has been and will be used to fund the cost of the remediation and recovery efforts.

There are two parts to the wildfire insurance claim; property loss and business interruption loss. The property loss was finalized in 2017-2018 and the business interruption claim is still ongoing.

As of June 30, 2018, the total property loss claim was settled at \$17.4 million. The total cost of remediation and restoration of buildings and equipment was \$15.8 million while property loss replacement was \$1.6 million. The majority of the remediation and restoration costs were paid directly to the vendors by AIG and was not recognized in the consolidated financial statements. In 2016 the College received an advance of \$5.0 million, for the property loss insurance claim, which was recorded in accounts payable and accrued liability in the Consolidated Statement of Financial Position. In 2018, this amount was utilized to pay the remainder of the remediation and restoration costs and therefore was recognized as revenue. As of June 30, 2018 the College has earned \$6.8 million (2017 - \$nil) in insurance proceeds, which were recorded as Other revenue in the Consolidated Statement of Operations.

Expenses in the amount of \$5.9 million (2017 - \$0.3 million, 2016 - \$0.2 million) have been recognized in the Consolidated Statement of Operations. Capital items in the amount of \$146,245 (2017 - \$30,592, 2016 - \$nil) have been recognized in the Consolidated Statement of Financial Position.

The impact of the wildfire event is subject to a high degree of estimation and judgment, particularly as it relates to the business interruption loss. As of June 30, 2018, the business interruption claim is still ongoing, and no reasonable estimate can be provided.

28. Budget Figures

Budgeted figures have been provided for comparison purposes and have been derived from the College's Comprehensive Constitutional Plan as approved by the Board of Governors.

29. Approval of Financial Statements

The consolidated financial statements were approved by the Board of Governors of Keyano College.

30. Comparative Figures

Certain comparative figures have been reclassified to conform to current year presentation.



8115 Franklin Avenue
Fort McMurray, Alberta T9H 3N2
780-791-4800
1-800-251-1408
keyano.ca