

City's investment program earns \$750 million over decade

The City's [investments](#) contributed nearly \$750 million to support civic programs and facilities over the last decade, the City reported this week. If the \$750 million from investment earnings was generated by property taxes instead, Edmontonians would have faced a tax increase of more than 7% over that time.



In 2014 alone, approximately \$75 million of investment earnings and dividends went to support the City's major capital projects.

"The success of our investment program has helped leave money in the pockets of our citizens," says Todd Burge, Chief Financial Officer for the City of Edmonton. "The City's investment management team has been able to generate revenue to help deliver capital projects Edmontonians depend on every day, while lessening our dependence on taxes."

While the world's major investment markets produced mixed results in 2014, all of the City's seven investment funds outperformed their benchmarks last year. The City had investment returns ranging from a low of 1.2% to a high of 12.2%, depending on each fund's asset mix and investment strategy—as reflected in the 2014 investment committee [annual report](#) presented to City Council May 5.

"A strong governance structure, continued innovation and a commitment to financial sustainability have led to the success of the investment program," says Sandy McPherson, Chief Investment Officer for the City of Edmonton.

The City's current investment program evolved from the sale of Edmonton Telephones to Telus Corporation in 1995. Rather than use that money to pay for specific projects, City Council decided to set up the Ed Tel Endowment Fund to build upon the financial assets generated from the sale in order to help ensure the City's long-term financial stability. Revenue generated from the City's investments goes toward the City's capital budget every year. This revenue is generated outside the standard municipal revenue streams (for example, grants and property taxes), which gives the City options to pursue capital projects that, otherwise, may not have been possible.

Since 1995, the City's [investment program](#) has evolved to become one of the most unique and successful of Edmonton's city-building activities, managing approximately \$2.5 billion worth of assets across seven investment funds.

For more information:

[2014 Investment Highlights](#)
[Investments](#)
[Investment White Paper](#)

Media contact:

[Olga Mkheenkova](#)
Communications Officer
780-944-0307

3rd Floor, City Hall
1 Sir Winston Churchill Square NW
Edmonton, AB
T5J 2R7
www.edmonton.ca



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