Addendum to 2024 Asset Management Plan

Municipality of Trent Hills

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March 9, 2026

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Chapter 1
Introduction

1. Introduction

1.1 Background

Municipalities in Ontario are required to prepare asset management plans under Ontario Regulation (O. Reg.) 588/17. The regulation came into effect on January 1, 2018 and has provided municipalities several years to come into compliance. A summary of the key requirements of the regulation, by compliance phase, is provided in the table below.

Phase 1: Core[1] Assets (due July 1, 2022)	Phase 2: Non-core[2] Assets (due July 1, 2024)	Phase 3: All Assets (due July 1, 2025)
• Summary information on the assets, including replacement costs, condition, and average age • Current levels of service and performance • 10-year forecast of lifecycle activities and costs to maintain current levels of service	• Summary information on the assets, including replacement costs, condition, and average age • Current levels of service and performance • 10-year forecast of lifecycle activities and costs to maintain current levels of service	In addition to the information required for the two prior phases: • Proposed levels of service and performance (including an explanation of why the proposed levels of service are appropriate for the municipality) • 10-year forecast of lifecycle activities and costs to provide the proposed levels of service • Financial strategy that identifies how the lifecycle expenditures required to provide the proposed levels of service will be funded

[1]Core infrastructure assets are defined by O. Reg. 588/17 as being roads, bridges, culverts, and any asset that is utilized in the provision of water, wastewater, and stormwater services.

[2]Non-core infrastructure assets are any other assets owned and managed by a municipality that are not included within the definition of core infrastructure assets.

The Municipality of Trent Hills (Municipality) completed an asset management plan in 2024. The Municipality's 2024 Asset Management Plan included all of its assets and focused on compliance with the Phase 1 and Phase 2 (i.e., July 1, 2022 and July 1, 2024) requirements of O. Reg. 588/17. As noted in the 2024 Asset Management Plan, in order to meet the Phase 3 (i.e., July 1, 2025) requirements of O. Reg. 588/17, a more robust financial strategy would need to be developed to support the asset management plan.

The Municipality retained Watson & Associates Economists Ltd. (Watson) to develop a comprehensive financial strategy to support the Municipality's asset management plan. The purpose of this addendum report is to document the details of the financial strategy developed, thereby bringing the Municipality into compliance with the Phase 3 requirements of O. Reg. 588/17.

It is noted that this addendum report only covers the Municipality's tax-funded assets (i.e., excludes assets used in the provision of Water and Wastewater services). A financial strategy for the Municipality's Water and Wastewater assets was provided in the Municipality's 2025 Water and Wastewater Rate Study.

1.2 Asset Overview

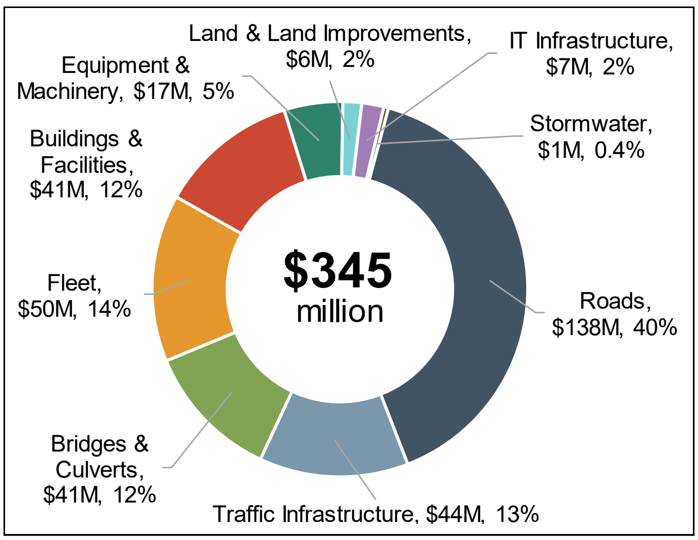
The estimated current replacement cost for the Municipality's tax-supported infrastructure assets is $345 million. Transportation assets (i.e., roads, traffic infrastructure, bridges and culverts) comprise the largest share of this replacement cost at $223 million (65%), followed by fleet at $50 million (14%), buildings and facilities at $41 million (12%), equipment and machinery at $17 million (5%), land and land improvements at $6 million (2%), information technology (IT) infrastructure assets at $7 million (2%), and lastly, stormwater assets at $1 million (0.4%).

A breakdown of the replacement cost by asset category is provided in Table 1-1 and is further illustrated in Figure 1-1.

Table 1-1: Distribution of Replacement Cost by Asset Category

Asset Category	Current Replacement Cost
Roads	$137,768,000
Traffic Infrastructure	$44,316,000
Bridges and Culverts	$40,736,000
Fleet	$49,697,000
Buildings and Facilities	$41,473,000
Equipment and Machinery	$17,420,000
Land and Land Improvements	$5,575,000
IT Infrastructure	$6,556,000
Stormwater	$1,356,000
Total	**$344,897,000**

Figure 1-1: Distribution of Replacement Cost by Asset Category



1.3 Levels of Service

The Municipality's 2024 Asset Management Plan identified the current levels of service provided by each asset class. The current levels of service were described both qualitatively (descriptions of scope and quality) and quantitatively (technical metrics).

Over time, the Municipality should consider engaging with Council and the public to assess whether the current levels of service align with the community's expectations and financial realities.

As an interim measure, the Municipality will endeavour to maintain current levels of service, as identified in the 2024 Asset Management Plan.

Chapter 2
Financial Strategy

2. Financial Strategy

2.1 Introduction

This chapter outlines the financial strategy that would sustainably fund the lifecycle management strategies described in the Municipality's 2024 Asset Management Plan. The financial strategy provides a suggested approach to funding the lifecycle activities required to achieve the proposed levels of service, as identified in Section 1.3. The strategy should be examined and re-evaluated during the annual budgeting process to ensure the sustainability of the Municipality's financial position as it relates to its assets.

O. Reg. 588/17 requires, at minimum, a 10-year capital plan that forecasts the costs of implementing the lifecycle management strategy and the lifecycle activities required therein. The financial strategy in this addendum report has been developed for a 10-year forecast period to satisfy this requirement.

Various financing options, including reserve funds, debt, and grants, were considered during the process of developing the financial strategy and are described in more detail in section 2.5 below.

2.2 Financial Strategy Development

The key steps in the development of this financial strategy are summarized below:

1. Develop a 10-year forecast of capital expenditures utilizing the following sources:
    - Capital investment recommendations provided in the Municipality's 2023 Road Needs Study for its road network.
    - Capital investment recommendations provided in the Municipality's 2022 Ontario Structure Inspection Manual (OSIM) inspection report for bridges and culverts.
    - For the remaining tax-supported assets, the capital expenditure forecast is based on each asset's age and expected useful life, as per the asset inventory database underlying the 2024 Asset Management Plan.
2. Determine the level of capital funding that should be provided to assets on an annual basis to sustain the proposed levels of service over the long term.
3. Analyze the Municipality's financial data and develop a financial strategy model to determine the financial impacts of undertaking the lifecycle activities required

to sustain proposed levels of service. The financial strategy model also informs the extent of the Municipality’s current infrastructure funding gap and outlines a long-term approach to eliminate it.

4. Document the financial strategy in a formal report to inform future decision-making and to communicate planning to the public.

2.3 Annual Contribution and Lifecycle Funding Target

An annual lifecycle funding target represents the amount of funding that would be required annually to fully finance a lifecycle management strategy over the long term. By planning to achieve this annual funding level, the Municipality would theoretically be able to fully fund capital works as they arise. In practice, capital expenditures often fluctuate year-to-year based on the asset replacement and renewal/rehabilitation projects being undertaken in a particular year. By planning to achieve the lifecycle funding target over the long term, however, the periods of relatively low capital needs would allow for the building up of capital reserve funds that could be drawn upon in times of relatively high capital needs.

Table 2-1 summarizes the methods that have been utilized to derive the annual lifecycle funding target for tax-funded assets.

The annual lifecycle funding target for the Municipality’s tax-supported assets is $8.7 million. A breakdown of the lifecycle funding target by asset category is provided in Table 2-2 and illustrated in Figure 2-1.

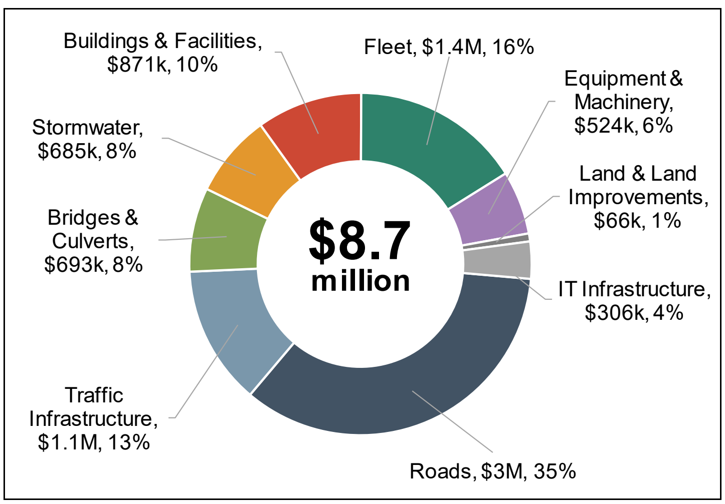
Table 2-1: Methods Utilized to Determine Annual Lifecycle Funding Targets by Asset Category

Asset Category	Modelling Approach
Transportation	Roads: Annual reinvestment rate equal to 2.50% of current replacement cost (paved roads only as gravel roads are assumed to be funded through the Municipality's operating budget) Bridges & Culverts: Annual reinvestment rate equal to 1.70% of current replacement cost Traffic Infrastructure: Useful life analysis (i.e., determined by dividing the current replacement cost of each asset by its expected useful service life)
Facilities	Annual reinvestment rate equal to 2.1% of current replacement cost
Stormwater	Useful life analysis (i.e., determined by dividing the current replacement cost of each asset by its expected useful service life)
Fleet	
Equipment & Machinery	
Land & Land Improvements	
IT Infrastructure	

Table 2-2: Annual Lifecycle Funding Target (2026$) by Asset Category

Asset Category	Annual Lifecycle Funding Target (2026$)
Roads	$3,032,000
Traffic Infrastructure	$1,144,000
Bridges and Culverts	$693,000
Stormwater	$685,000
Buildings and Facilities	$871,000
Fleet [1]	$1,399,000
Equipment and Machinery	$524,000
Land and Land Improvements	$66,000
IT Infrastructure	$306,000
Total	**$8,720,000**

Figure 2-1: Annual Lifecycle Funding Target (2026$) by Asset Category



In comparison, the Municipality budgeted to contribute approximately $5.7 million from the tax levy and other current revenue sources towards capital-related needs in 2026. Included in this are contributions to capital projects, ongoing federal and provincial grants (i.e., Canada Community-Building Fund (CCBF) and Ontario Community

[1] The lifecycle funding target for fleet excludes the four vehicles utilized by the Municipality's Building Department, as these are funded through building permit fees.

Infrastructure Fund (OCIF)). This allocation comprised approximately $1.12 million in repayments for debt previously incurred to fund tangible capital asset purchases, approximately $638,000 in contributions to capital reserves and reserve funds, approximately $2.80 million that was directly allocated from the 2026 tax levy to fund in-year capital expenditures, and approximately $1.15 million in ongoing transfer payment revenues (i.e., OCIF and CCBF).

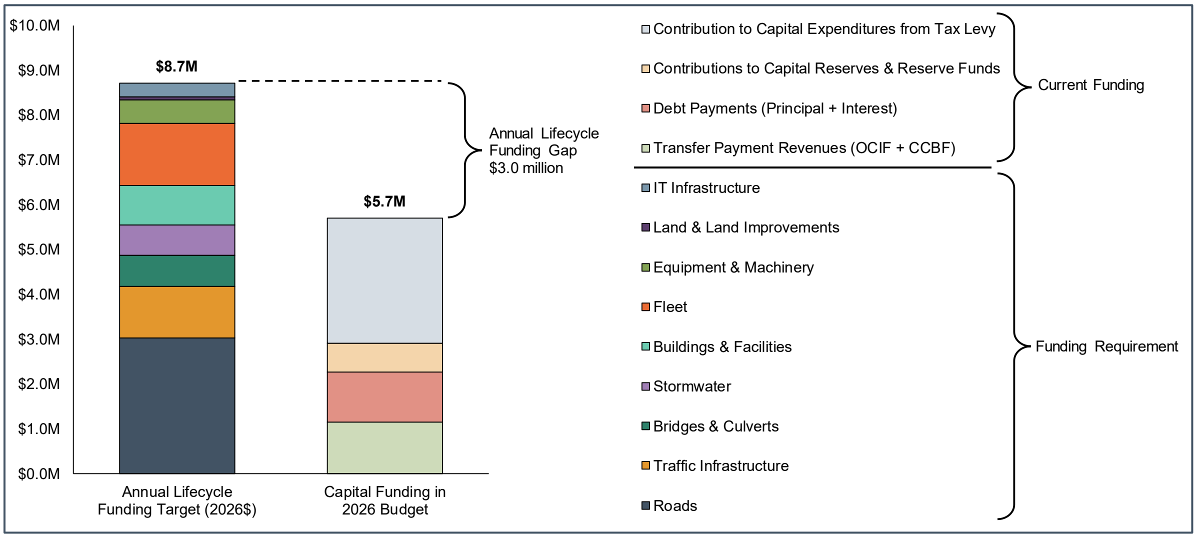
A breakdown of the capital funding budgeted in the Municipality's 2026 budget is provided in Table 2-3.

Table 2-3: Capital Funding Allocated in 2026 Budget

Capital Funding Source	Amount
Transfer Payments (OCIF & CCBF)	$1,145,000
Debt Payments (Principal + Interest)	$1,121,000
Contributions to Capital Reserves & Reserve Funds	$638,000
Contribution to Capital Expenditures from Tax Levy	$2,800,000
Total	**$5,704,000**

The difference between the annual lifecycle funding target and current budgeted capital funding is referred to as the lifecycle funding gap. Based on this analysis, the Municipality is currently facing an annual lifecycle funding gap of approximately $3 million for tax-supported assets, as illustrated in Figure 2-2.

Figure 2-2: Annual Lifecycle Funding Gap



2.4 Annual Capital Expenditure Forecast

This section summarizes the expenditures associated with undertaking the lifecycle activities required to sustain proposed levels of service. As noted previously in Section 2.2, the capital expenditure forecast was developed using the following sources:

- Capital investment recommendations provided in the Municipality's 2023 Road Needs Study for its road network.
- Capital investment recommendations provided in the Municipality's 2022 Ontario Structure Inspection Manual (OSIM) inspection report for bridges and culverts.
- For the remaining tax-supported assets, the capital expenditure forecast is based on each asset's age and expected useful life, as per the asset inventory database underlying the 2024 Asset Management Plan.

Capital expenditures over the 10-year forecast horizon are expected to total $129.6 million, an average of $13.0 million annually, in current (2026) dollars (i.e., uninflated). Inflation on capital costs has been estimated based on the historical 20-year annual average rate of inflation as witnessed in the Statistics Canada Non-residential Building Construction Price Index and is expected to be approximately 4.42% annually. Once inflationary impacts are incorporated, lifecycle expenditures over the next 10 years are expected to total $161.0 million.

Figure 2-3 presents the inflated capital expenditure forecast for the Municipality's tax-supported assets and this information is provided in tabular form in Table 2-4.

Figure 2-3: Overall Capital Expenditure Forecast (Inflated)

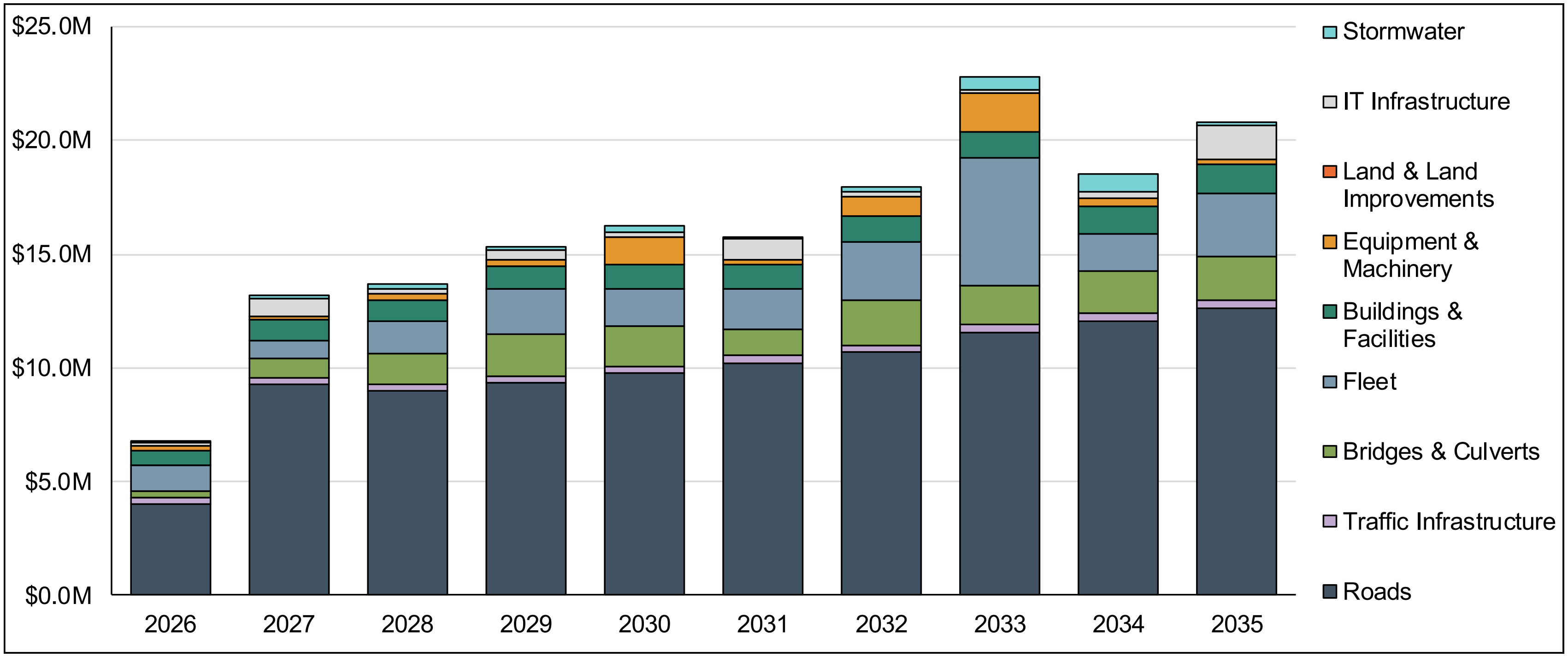


Table 2-4: Overall Capital Expenditure Forecast (Inflated)

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Roads	$ 3,983,715	$ 9,318,211	$ 8,990,457	$ 9,388,037	$ 9,803,199	$ 10,236,721	$ 10,689,414	$ 11,570,365	$ 12,082,035	$ 12,616,332
Traffic Infrastructure	$ 316,440	$ 256,296	$ 267,630	$ 279,465	$ 291,823	$ 304,729	$ 318,204	$ 332,276	$ 346,970	$ 362,314
Bridges & Culverts	$ 280,000	$ 852,986	$ 1,369,998	$ 1,854,071	$ 1,775,257	$ 1,154,108	$ 1,994,189	$ 1,758,566	$ 1,836,335	$ 1,917,542
Fleet	$ 1,116,520	$ 767,182	$ 1,439,673	$ 1,993,409	$ 1,638,816	$ 1,809,546	$ 2,522,657	$ 5,568,957	$ 1,609,564	$ 2,802,322
Buildings & Facilities	$ 661,000	$ 909,449	$ 949,667	$ 991,664	$ 1,035,518	$ 1,081,311	$ 1,129,129	$ 1,179,062	$ 1,231,203	$ 1,285,650
Equipment & Machinery	$ 255,000	$ 203,049	$ 284,568	$ 248,110	$ 1,229,365	$ 163,028	$ 880,946	$ 1,683,895	$ 394,487	$ 173,523
Land & Land Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
IT Infrastructure	$ 74,650	$ 782,173	$ 179,181	$ 441,247	$ 218,909	$ 933,865	$ 247,854	$ 166,821	$ 260,276	$ 1,495,880
Stormwater	$ 60,000	$ 106,252	$ 200,133	$ 133,232	$ 246,562	$ 93,261	$ 191,698	$ 514,910	$ 760,647	$ 134,107
Total Capital Expenditures	**$ 6,747,325**	**$ 13,195,598**	**$ 13,681,307**	**$ 15,329,235**	**$ 16,239,448**	**$ 15,776,569**	**$ 17,974,091**	**$ 22,774,852**	**$ 18,521,517**	**$ 20,787,670**

2.5 Annual Capital Financing Forecast

This section summarizes the recommended strategy to finance the capital expenditures identified in Section 2.4. The lifecycle costs required to sustain the established level of service targets are being partially recovered through several funding sources:

- Ontario Community Infrastructure Fund (OCIF) formula-based funding. OCIF funding is expected to be a stable and predictable source of funding for eligible capital projects. Annual funding estimates are based on the Municipality's 2026 funding allocation of approximately $692,000 and are held constant over the forecast period. It is noted that the Ministry of Infrastructure recently shifted from using historical costs to using replacement costs in the formula used for calculating annual OCIF funding allocations. As a result of this formula change, the Municipality's OCIF allocation may continue to change in the coming years. The amount of OCIF funding will need to be monitored by the Municipality's staff and, if a significant variance occurs relative to the estimate provided in this asset management plan, the financial strategy may need to be updated;
- Canada Community-Building Fund (CCBF) funding. CCBF funding is expected to be a stable and long-term funding source for eligible capital projects. Annual funding estimates are based on the Municipality's allocations for 2026 to 2028, with 4% increases for every two-year period thereafter. As such, the Municipality's annual CCBF funding is expected to increase from approximately $454,000 in 2026 to approximately $552,000 by 2035;
- Funds projected to be available in capital reserves and reserve funds. To manage risks associated with unexpected capital expenditures that may arise, the financial strategy maintains a minimum balance in capital reserve and reserve funds. The minimum balance was set at 10% of average annual capital expenditures over the forecast period, approximately $1.6 million;
- Contributions from the Building Reserve for replacement of vehicles utilized by the Building Department; and
- Proceeds from external debt financing. The financial strategy proposes approximately $86.1 million in additional debt financing to fund forecasted capital expenditures.

This financial strategy has been developed to be fully funded, and therefore no funding shortfall has been identified. This means, however, that if identified grants are not received at expected amounts, shortfalls may present themselves. In such an event, the difference could be made up through increases to the tax levy over and above those presented hereafter.

It is noted that this fully funded financial strategy phases in annual contributions towards capital such that the Municipality reaches full lifecycle funding levels over a 5-year period (i.e., by 2031).

2.6 Overall Financial Forecast and Estimated Impact on Tax Levy

This section presents the overall impact on the Municipality's financial position of gradually eliminating the funding gap over a 5-year timeframe (i.e., by 2031).

As noted earlier, the capital financing forecast proposes additional debt financing of approximately $86.1 million over the forecast period. As such, annual repayments on external debt (i.e., principal and interest payments) are expected to rise from approximately $1.1 million in 2026 to approximately $7.2 million by 2035. It should be noted that while this level of borrowing is expected to remain within the provincially-mandated debt repayment limit (i.e., 25% of own-source revenue), it may cause the Municipality to exceed its current self-imposed debt repayment limit towards the end of the forecast period.

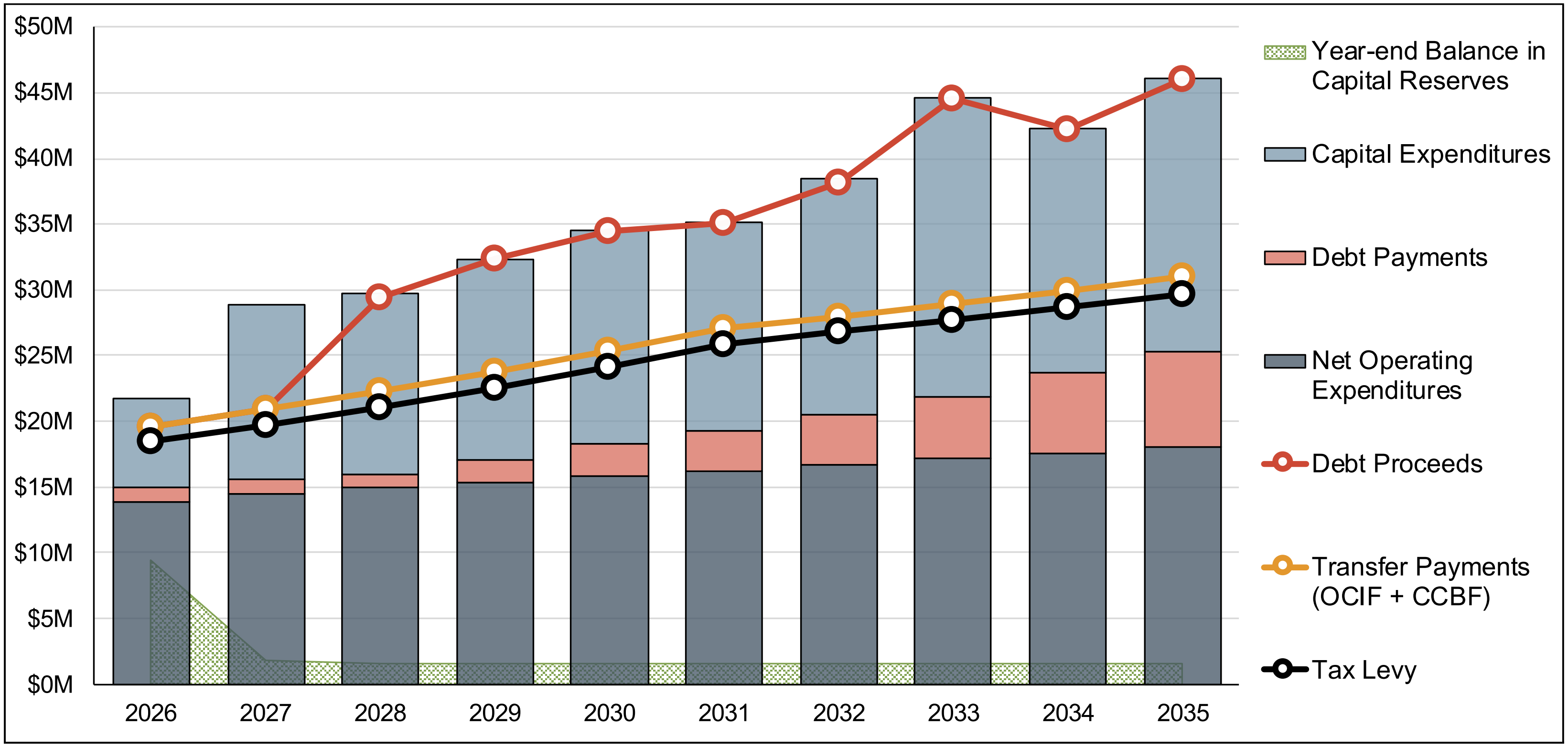
The Municipality is expected to have approximately $9.5 million in its tax-supported capital reserves and reserve funds at the end of 2026. By 2035, that balance is expected to decline to approximately $1.6 million. A detailed continuity schedule of capital reserves and reserve funds can be found in Appendix A.

In order to fund the recommended lifecycle management strategy and gradually eliminate the infrastructure funding gap over the next 5 years, the Municipality's tax levy would need to increase at an annual rate of 7.00% from 2026 to 2030, increasing from approximately $18.4 million in 2026 to approximately $25.9 million by 2030. Tax levy increases over the remainder of the forecast period (i.e., 2032 to 2035) have been estimated to range from approximately 3.51% to 3.60% annually, generally in line with forecast inflation for that period.

The taxation impacts identified above include inflationary adjustments to the Municipality’s operating costs and revenues as identified in its 2026 budget (i.e., general operating inflation of 2.21% annually).

Figure 2-4 illustrates the overall financial forecast for the Municipality. Full details of the financial strategy are provided in Appendix A.

Figure 2-4: Overall Financial Forecast (Inflated)



2.7 Estimated Impact on Tax Bills

This section presents the estimated impact resulting from the financial strategy on the annual tax bill of a typical single-family detached house in the Municipality with a current value assessment of $220,000[1].

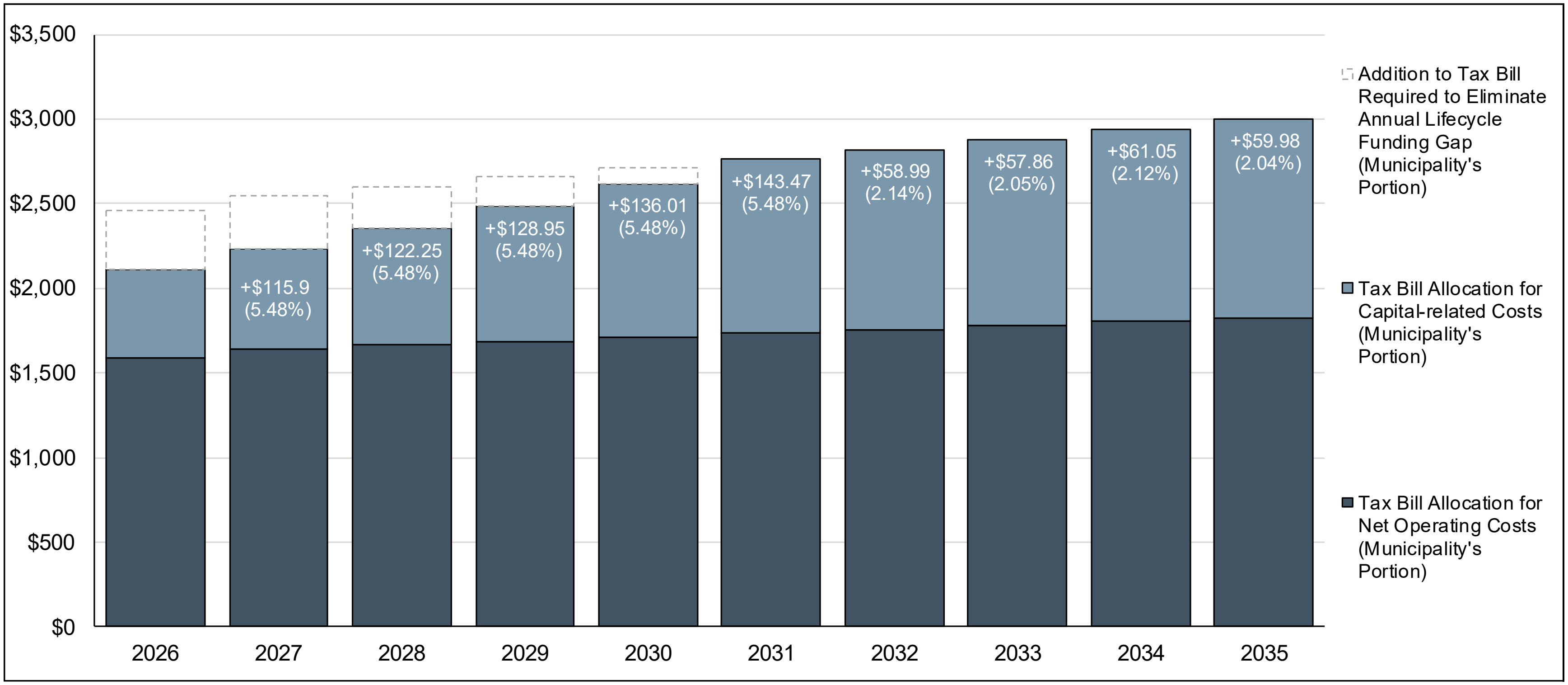
As noted in the previous section, the Municipality would need to increase its tax levy by 7.00% annually to eliminate the current infrastructure funding gap by 2031. Layering on assessment increases resulting from new assessment growth, assumed to be 1.44% annually over the forecast period, the impact on the Municipality's portion of individual property tax bills would be increases of 5.48% annually from 2027 to 2031. A typical single-family detached house in the Municipality with a current value assessment of $220,000 would see the Municipality's portion of its tax bill rise from approximately $2,115 as of 2026 to approximately $2,761 by 2031.

As also noted in the previous section, tax levy increases over the remainder of the forecast period (i.e., 2032 to 2035) are estimated to range from approximately 3.51% to 3.60% annually. Once assessment increases resulting from new assessment growth are layered on, the impact on the municipal portion of individual property tax bills would be increases ranging from approximately 2.04% to 2.14% annually from 2032 to 2035.

Figure 2-5 illustrates the estimated impact on the Municipality portion of the tax bill for a typical single-family detached house with a current value assessment of $220,000.

[1]Current Value Assessment is determined by MPAC for taxation purposes and is not reflective of current market values.

Figure 2-5: Estimated Impact on the Municipal Portion of the Tax Bill for Typical Single-family Detached House Assessed at $220,000 (2026-2035)



Chapter 4
Recommendations and Next Steps

3. Recommendations and Next Steps

3.1 Recommendations

The following recommendations are provided for the Municipality's consideration:

- That the Addendum to the Municipality of Trent Hills 2024 Asset Management Plan be received and approved by Council; and
- That consideration be made as part of the annual budgeting process to ensure sufficient capital funding is available to implement the asset management plan, as amended.

3.2 Next Steps

Following the approval of this addendum report by Council, the Municipality's asset management journey will transition from developing the asset management plan to its operationalization. The Municipality will need to establish processes and implement systems to keep asset information (e.g., condition, replacement costs, etc.) updated and relevant, so that it can be relied on to identify capital priorities and inform the annual budget process.

To ensure ongoing compliance with O. Reg. 588/17, the Municipality will need to start conducting annual reviews of the progress being made towards implementing the asset management plan, with the first review required to be conducted prior to July 1, 2027. The annual reviews must identify any factors impeding progress towards full implementation and outline a strategy to address those impeding factors. Following the completion of this asset management plan, the Municipality should shift its focus to developing the format and content of these annual progress reviews to enable informed decision-making by Council and staff.

Furthermore, O. Reg. 588/17 requires updates to the asset management plan to be conducted at a minimum every five years. The Municipality should plan to proactively update the underlying data utilized to inform the current performance of the included level of service measures on a regular basis. Tracking the current performance of included measures over time relative to their targeted performance provides a key measure of success in fully implementing the asset management plan.

Appendix A
Financial Strategy Tables

Table A-1: Capital Budget Forecast (Inflated) Municipality of Trent Hills

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Capital Expenditures										
Roads	$ 3,983,715	$ 9,318,211	$ 8,990,457	$ 9,388,037	$ 9,803,199	$ 10,236,721	$ 10,689,414	$ 11,570,365	$ 12,082,035	$ 12,616,332
Traffic Infrastructure	$ 316,440	$ 256,296	$ 267,630	$ 279,465	$ 291,823	$ 304,729	$ 318,204	$ 332,276	$ 346,970	$ 362,314
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Fleet	$ 1,116,520	$ 767,182	$ 1,439,673	$ 1,993,409	$ 1,638,816	$ 1,809,546	$ 2,522,657	$ 5,568,957	$ 1,609,564	$ 2,802,322
Buildings & Facilities	$ 661,000	$ 909,449	$ 949,667	$ 991,664	$ 1,035,518	$ 1,081,311	$ 1,129,129	$ 1,179,062	$ 1,231,203	$ 1,285,650
Equipment & Machinery	$ 255,000	$ 203,049	$ 284,568	$ 248,110	$ 1,229,365	$ 163,028	$ 880,946	$ 1,683,895	$ 394,487	$ 173,523
Land & Land Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
IT Infrastructure	$ 74,650	$ 782,173	$ 179,181	$ 441,247	$ 218,909	$ 933,865	$ 247,854	$ 166,821	$ 260,276	$ 1,495,880
Stormwater	$ 60,000	$ 106,252	$ 200,133	$ 133,232	$ 246,562	$ 93,261	$ 191,698	$ 514,910	$ 760,647	$ 134,107
Total Capital Expenditures	**$ 6,747,325**	**$ 13,195,598**	**$ 13,681,307**	**$ 15,329,235**	**$ 16,239,448**	**$ 15,776,569**	**$ 17,974,091**	**$ 22,774,852**	**$ 18,521,517**	**$ 20,787,670**
Capital Financing										
Contributions from Capital Reserves & Reserve Funds	$ 3,947,203	$ 13,153,682	$ 6,484,342	$ 6,753,056	$ 7,123,179	$ 7,770,431	$ 7,524,616	$ 7,101,075	$ 6,209,008	$ 5,715,327
Contributions from Operating	$ 2,800,122	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions from Building Reserve	$ -	$ 41,916	$ -	$ -	$ -	$ -	$ 248,259	$ 54,314	$ -	$ -
Non-Growth Related Debenture Requirements	$ -	$ -	$ 7,196,965	$ 8,576,179	$ 9,116,269	$ 8,006,138	$ 10,201,216	$ 15,619,462	$ 12,312,509	$ 15,072,343
Total Capital Financing	**$ 6,747,325**	**$ 13,195,598**	**$ 13,681,307**	**$ 15,329,235**	**$ 16,239,448**	**$ 15,776,569**	**$ 17,974,091**	**$ 22,774,852**	**$ 18,521,517**	**$ 20,787,670**

Table A-2: Schedule of Debt Payments (Inflated) Municipality of Trent Hills

Description	New Debt	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
2026 (Existing)	$ 8,329,254	$ 1,133,594	$ 1,099,440	$ 1,068,690	$ 1,037,945	$ 1,037,945	$ 832,477	$ 832,477	$ 832,477	$ 832,477	$ 756,477
2027	$ -			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2028	$ 7,196,965				$ 651,559	$ 651,559	$ 651,559	$ 651,559	$ 651,559	$ 651,559	$ 651,559
2029	$ 8,576,179					$ 776,422	$ 776,422	$ 776,422	$ 776,422	$ 776,422	$ 776,422
2030	$ 9,116,269						$ 825,318	$ 825,318	$ 825,318	$ 825,318	$ 825,318
2031	$ 8,006,138							$ 724,815	$ 724,815	$ 724,815	$ 724,815
2032	$ 10,201,216								$ 923,541	$ 923,541	$ 923,541
2033	$ 15,619,462									$ 1,414,067	$ 1,414,067
2034	$ 12,312,509										$ 1,114,681
2035	$ 15,072,343										
Total Annual Debt Payments	**$ 94,430,336**	**$ 1,133,594**	**$ 1,099,440**	**$ 1,068,690**	**$ 1,689,503**	**$ 2,465,925**	**$ 3,085,775**	**$ 3,810,590**	**$ 4,734,130**	**$ 6,148,198**	**$ 7,186,879**

Table A-3: Schedule of Capital Reserves and Reserve Funds Continuity (Inflated)
Municipality of Trent Hills

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Opening Balance	$ 11,642,684	$ 9,478,729	$ 1,788,710	$ 1,610,276	$ 1,610,276	$ 1,610,276	$ 1,610,276	$ 1,610,276	$ 1,610,276	$ 1,610,276
Transfer from Operating	$ 637,793	$ 4,110,476	$ 5,106,521	$ 5,538,354	$ 5,908,477	$ 6,536,089	$ 6,290,274	$ 5,846,308	$ 4,954,240	$ 4,439,317
OCIF Revenue	$ 691,505	$ 691,505	$ 691,505	$ 691,505	$ 691,505	$ 691,505	$ 691,505	$ 691,505	$ 691,505	$ 691,505
CCBF Revenue	$ 453,949	$ 472,107	$ 472,107	$ 490,992	$ 490,992	$ 510,631	$ 510,631	$ 531,057	$ 531,057	$ 552,299
Transfer to Capital	$ 3,947,203	$ 13,153,682	$ 6,484,342	$ 6,753,056	$ 7,123,179	$ 7,770,431	$ 7,524,616	$ 7,101,075	$ 6,209,008	$ 5,715,327
Interest Earned	n/a	$ 189,575	$ 35,774	$ 32,206	$ 32,206	$ 32,206	$ 32,206	$ 32,206	$ 32,206	$ 32,206
Closing Balance	**$ 9,478,729**	**$ 1,788,710**	**$ 1,610,276**	**$ 1,610,276**	**$ 1,610,276**	**$ 1,610,276**	**$ 1,610,276**	**$ 1,610,276**	**$ 1,610,276**	**$ 1,610,276**
Minimum Balance Threshold	n/a	*$ 1,610,276*	*$ 1,610,276*	*$ 1,610,276*	*$ 1,610,276*	*$ 1,610,276*	*$ 1,610,276*	*$ 1,610,276*	*$ 1,610,276*	*$ 1,610,276*

Table A-4: Operating Budget Forecast (Inflated)
Municipality of Trent Hills

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Expenditures										
Operating Expenditures										
Council	$ 428,859	$ 438,346	$ 448,042	$ 457,953	$ 468,083	$ 478,437	$ 489,021	$ 499,838	$ 510,894	$ 522,196
General Government	$ 2,215,189	$ 2,264,190	$ 2,314,274	$ 2,365,467	$ 2,417,792	$ 2,471,275	$ 2,525,940	$ 2,581,815	$ 2,638,926	$ 2,697,300
Corporate Services	$ 375,938	$ 384,254	$ 392,754	$ 401,442	$ 410,322	$ 419,398	$ 428,675	$ 438,158	$ 447,850	$ 457,757
Health & Safety	$ 131,124	$ 134,024	$ 136,989	$ 140,019	$ 143,117	$ 146,282	$ 149,518	$ 152,826	$ 156,206	$ 159,662
Information Technology	$ 413,234	$ 422,375	$ 431,718	$ 441,268	$ 451,029	$ 461,006	$ 471,203	$ 481,627	$ 492,280	$ 503,170
Fire	$ 1,775,979	$ 1,815,265	$ 1,855,419	$ 1,896,462	$ 1,938,412	$ 1,981,290	$ 2,025,117	$ 2,069,914	$ 2,115,701	$ 2,162,501
Police	$ 2,855,591	$ 2,918,758	$ 2,983,322	$ 3,049,314	$ 3,116,766	$ 3,185,710	$ 3,256,179	$ 3,328,207	$ 3,401,828	$ 3,477,078
Conservation Authority	$ 376,476	$ 384,804	$ 393,316	$ 402,017	$ 410,909	$ 419,999	$ 429,289	$ 438,785	$ 448,491	$ 458,412
Protective Services	$ 41,920	$ 42,847	$ 43,795	$ 44,764	$ 45,754	$ 46,766	$ 47,801	$ 48,858	$ 49,939	$ 51,043
Building	$ 657,745	$ 672,295	$ 687,166	$ 702,367	$ 717,903	$ 733,784	$ 750,015	$ 766,606	$ 783,563	$ 800,896
By-law	$ 109,900	$ 112,331	$ 114,816	$ 117,355	$ 119,951	$ 122,605	$ 125,317	$ 128,089	$ 130,922	$ 133,818
Emergency Measures	$ 21,010	$ 21,475	$ 21,950	$ 22,435	$ 22,932	$ 23,439	$ 23,957	$ 24,487	$ 25,029	$ 25,583
Public Works	$ 6,620,281	$ 6,766,724	$ 6,916,406	$ 7,069,400	$ 7,225,778	$ 7,385,615	$ 7,548,988	$ 7,715,974	$ 7,886,654	$ 8,061,110
Storm Sewers	$ 169,916	$ 173,675	$ 177,516	$ 181,443	$ 185,457	$ 189,559	$ 193,752	$ 198,038	$ 202,419	$ 206,896
Waste	$ 10,000	$ 10,221	$ 10,447	$ 10,678	$ 10,915	$ 11,156	$ 11,403	$ 11,655	$ 11,913	$ 12,176
Cemeteries	$ 193,428	$ 197,707	$ 202,080	$ 206,550	$ 211,119	$ 215,789	$ 220,562	$ 225,441	$ 230,428	$ 235,525
Parks and Recreation	$ 3,627,730	$ 3,707,976	$ 3,789,998	$ 3,873,835	$ 3,959,525	$ 4,047,112	$ 4,136,635	$ 4,228,139	$ 4,321,667	$ 4,417,264
Library	$ 760,874	$ 777,705	$ 794,908	$ 812,492	$ 830,464	$ 848,834	$ 867,611	$ 886,803	$ 906,419	$ 926,470
Cultural Services	$ 26,945	$ 27,541	$ 28,150	$ 28,773	$ 29,409	$ 30,060	$ 30,725	$ 31,405	$ 32,099	$ 32,809
Planning	$ 646,798	$ 661,106	$ 675,730	$ 690,677	$ 705,955	$ 721,571	$ 737,532	$ 753,847	$ 770,522	$ 787,567
Community Development	$ 385,133	$ 393,653	$ 402,360	$ 411,261	$ 420,358	$ 429,656	$ 439,161	$ 448,875	$ 458,804	$ 468,953
Sub-Total Operating Expenditures	**$ 21,844,070**	**$ 22,327,269**	**$ 22,821,157**	**$ 23,325,970**	**$ 23,841,950**	**$ 24,369,343**	**$ 24,908,403**	**$ 25,459,386**	**$ 26,022,558**	**$ 26,598,187**
Capital-related Expenditures										
Contributions to Capital Reserves & Reserve Funds	$ 637,793	$ 4,110,476	$ 5,106,521	$ 5,538,354	$ 5,908,477	$ 6,536,089	$ 6,290,274	$ 5,846,308	$ 4,954,240	$ 4,439,317
Contributions to Capital	$ 2,800,122	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Debt Payments	$ 1,120,798	$ 1,099,440	$ 1,068,690	$ 1,689,503	$ 2,465,925	$ 3,085,775	$ 3,810,590	$ 4,734,130	$ 6,148,198	$ 7,186,879
Sub-Total Capital Related Expenditures	**$ 4,558,713**	**$ 5,209,916**	**$ 6,175,212**	**$ 7,227,857**	**$ 8,374,403**	**$ 9,621,864**	**$ 10,100,864**	**$ 10,580,438**	**$ 11,102,438**	**$ 11,626,196**
Total Expenditures	**$ 26,402,783**	**$ 27,537,185**	**$ 28,996,369**	**$ 30,553,828**	**$ 32,216,352**	**$ 33,991,207**	**$ 35,009,266**	**$ 36,039,824**	**$ 37,124,996**	**$ 38,224,383**

Table A-5: Operating Budget Forecast (Inflated) cont'd
Municipality of Trent Hills

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenues										
Council	$ 98,500	$ 100,679	$ 102,906	$ 105,182	$ 107,509	$ 109,887	$ 112,318	$ 114,802	$ 117,342	$ 119,937
General Government	$ 968,500	$ 751,919	$ 768,552	$ 785,553	$ 802,929	$ 820,690	$ 838,844	$ 857,400	$ 876,366	$ 895,751
Corporate Services	$ 28,451	$ 29,080	$ 29,724	$ 30,381	$ 31,053	$ 31,740	$ 32,442	$ 33,160	$ 33,893	$ 34,643
Fire	$ 33,800	$ 34,548	$ 35,312	$ 36,093	$ 36,891	$ 37,707	$ 38,542	$ 39,394	$ 40,266	$ 41,156
Police	$ 92,000	$ 94,035	$ 96,115	$ 98,241	$ 100,414	$ 102,636	$ 104,906	$ 107,227	$ 109,598	$ 112,023
Protective Services	$ 23,400	$ 23,918	$ 24,447	$ 24,987	$ 25,540	$ 26,105	$ 26,683	$ 27,273	$ 27,876	$ 28,493
Building	$ 657,745	$ 672,295	$ 687,166	$ 702,367	$ 717,903	$ 733,784	$ 750,015	$ 766,606	$ 783,563	$ 800,896
By-law	$ 2,000	$ 2,044	$ 2,089	$ 2,136	$ 2,183	$ 2,231	$ 2,281	$ 2,331	$ 2,383	$ 2,435
Emergency Measures	$ 3,000	$ 3,066	$ 3,134	$ 3,204	$ 3,274	$ 3,347	$ 3,421	$ 3,497	$ 3,574	$ 3,653
Public Works	$ 79,000	$ 80,748	$ 82,534	$ 84,359	$ 86,225	$ 88,133	$ 90,082	$ 92,075	$ 94,112	$ 96,193
Waste	$ 4,000	$ 4,088	$ 4,179	$ 4,271	$ 4,366	$ 4,462	$ 4,561	$ 4,662	$ 4,765	$ 4,871
Cemeteries	$ 58,200	$ 59,487	$ 60,803	$ 62,148	$ 63,523	$ 64,928	$ 66,364	$ 67,832	$ 69,333	$ 70,867
Parks and Recreation	$ 1,063,676	$ 1,087,205	$ 1,111,255	$ 1,135,836	$ 1,160,961	$ 1,186,642	$ 1,212,891	$ 1,239,721	$ 1,267,144	$ 1,295,173
Planning	$ 120,500	$ 123,166	$ 125,890	$ 128,675	$ 131,521	$ 134,430	$ 137,404	$ 140,443	$ 143,550	$ 146,725
Community Development	$ 500	$ 511	$ 522	$ 534	$ 546	$ 558	$ 570	$ 583	$ 596	$ 609
Supplemetary Taxation	$ 167,000	$ 170,694	$ 174,470	$ 178,329	$ 182,274	$ 186,306	$ 190,427	$ 194,639	$ 198,945	$ 203,346
PILs	$ 344,325	$ 351,942	$ 359,727	$ 367,684	$ 375,817	$ 384,131	$ 392,628	$ 401,313	$ 410,190	$ 419,263
OMPF	$ 4,107,100	$ 4,107,100	$ 4,107,100	$ 4,107,100	$ 4,107,100	$ 4,107,100	$ 4,107,100	$ 4,107,100	$ 4,107,100	$ 4,107,100
Other Grants	$ 116,000	$ 116,000	$ 116,000	$ 116,000	$ 116,000	$ 116,000	$ 116,000	$ 116,000	$ 116,000	$ 116,000
Total Revenues	**$ 7,967,698**	**$ 7,812,525**	**$ 7,891,925**	**$ 7,973,080**	**$ 8,056,031**	**$ 8,140,817**	**$ 8,227,479**	**$ 8,316,057**	**$ 8,406,595**	**$ 8,499,136**

Table A-6: Tax Levy Forecast (Inflated)
Municipality of Trent Hills

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Prior Year Tax Levy		$ 18,435,085	$ 19,724,660	$ 21,104,444	$ 22,580,747	$ 24,160,321	$ 25,850,389	$ 26,781,787	$ 27,723,767	$ 28,718,401
Add: Tax Revenues from Incremental Assessment Growth		$ 264,744	$ 283,264	$ 303,079	$ 324,280	$ 346,964	$ 371,235	$ 384,610	$ 398,138	$ 412,422
Add: Tax Revenues from Existing Assessment Base		$ 1,024,831	$ 1,096,520	$ 1,173,224	$ 1,255,294	$ 1,343,105	$ 560,163	$ 557,369	$ 596,496	$ 594,424
Total Tax Levy	**$ 18,435,085**	**$ 19,724,660**	**$ 21,104,444**	**$ 22,580,747**	**$ 24,160,321**	**$ 25,850,389**	**$ 26,781,787**	**$ 27,723,767**	**$ 28,718,401**	**$ 29,725,247**
Tax Levy Increase %		*7.00%*	*7.00%*	*7.00%*	*7.00%*	*7.00%*	*3.60%*	*3.52%*	*3.59%*	*3.51%*
Tax Rate Increase %		*5.48%*	*5.48%*	*5.48%*	*5.48%*	*5.48%*	*2.14%*	*2.05%*	*2.12%*	*2.04%*