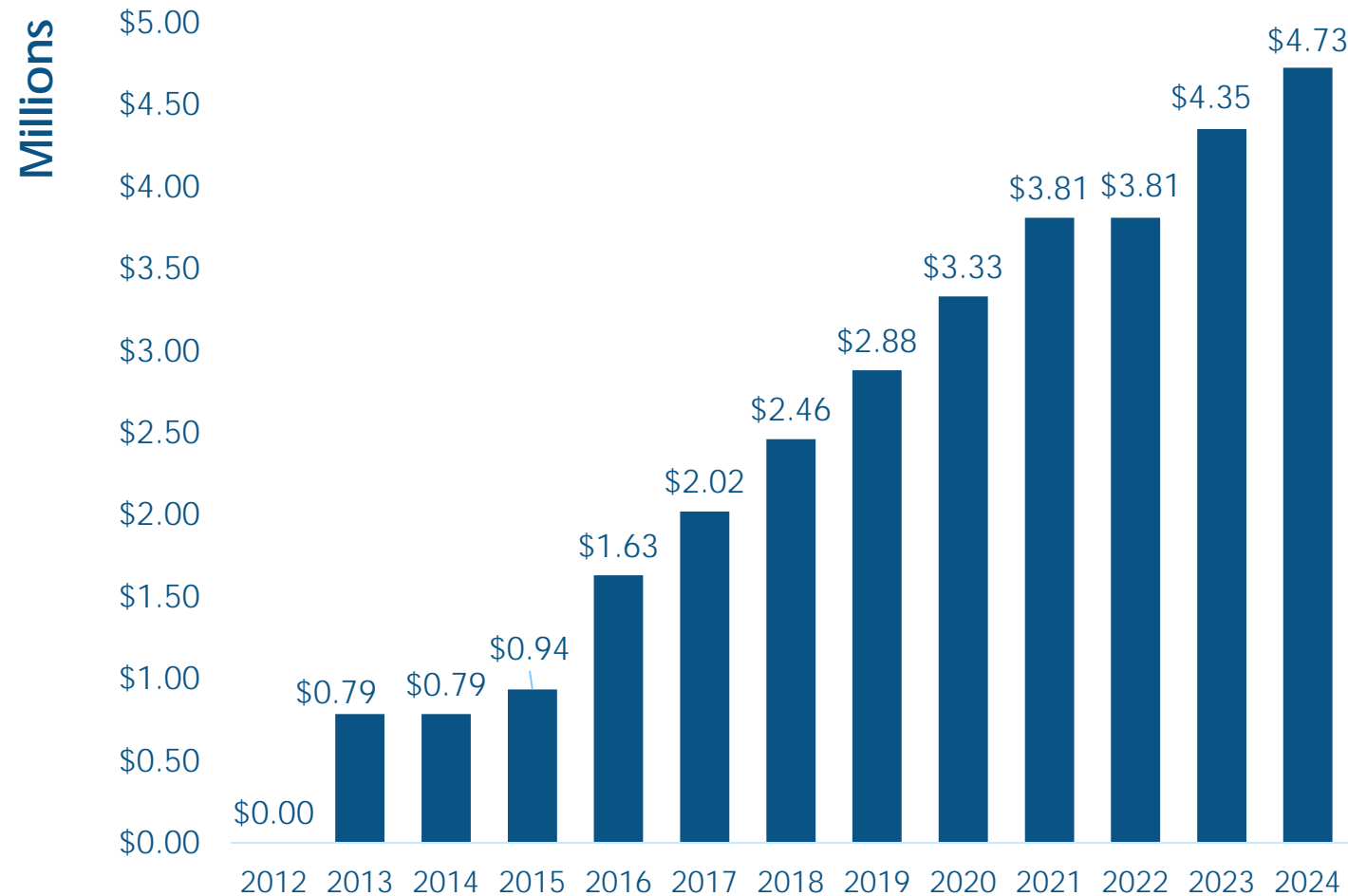


# Chart 1

## Annual Lifecycle Reserve Fund Contributions

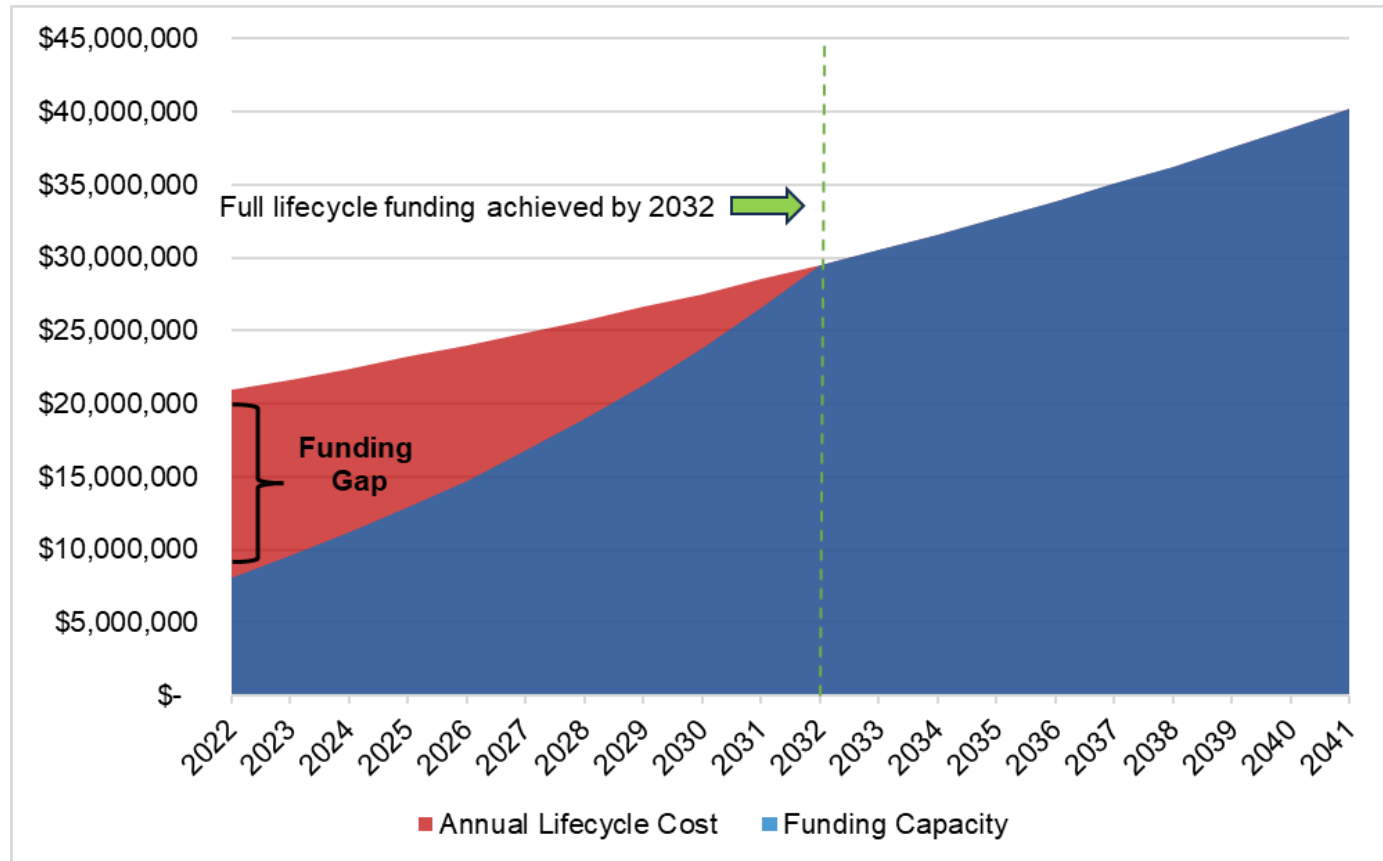


- Historical AMP contributions increased by the equivalent of a 3% annual tax rate increase since 2013
- Some budget years included a 1.5% tax rate increase or nil



# Chart 2

## Recommended AMP Financing Strategy

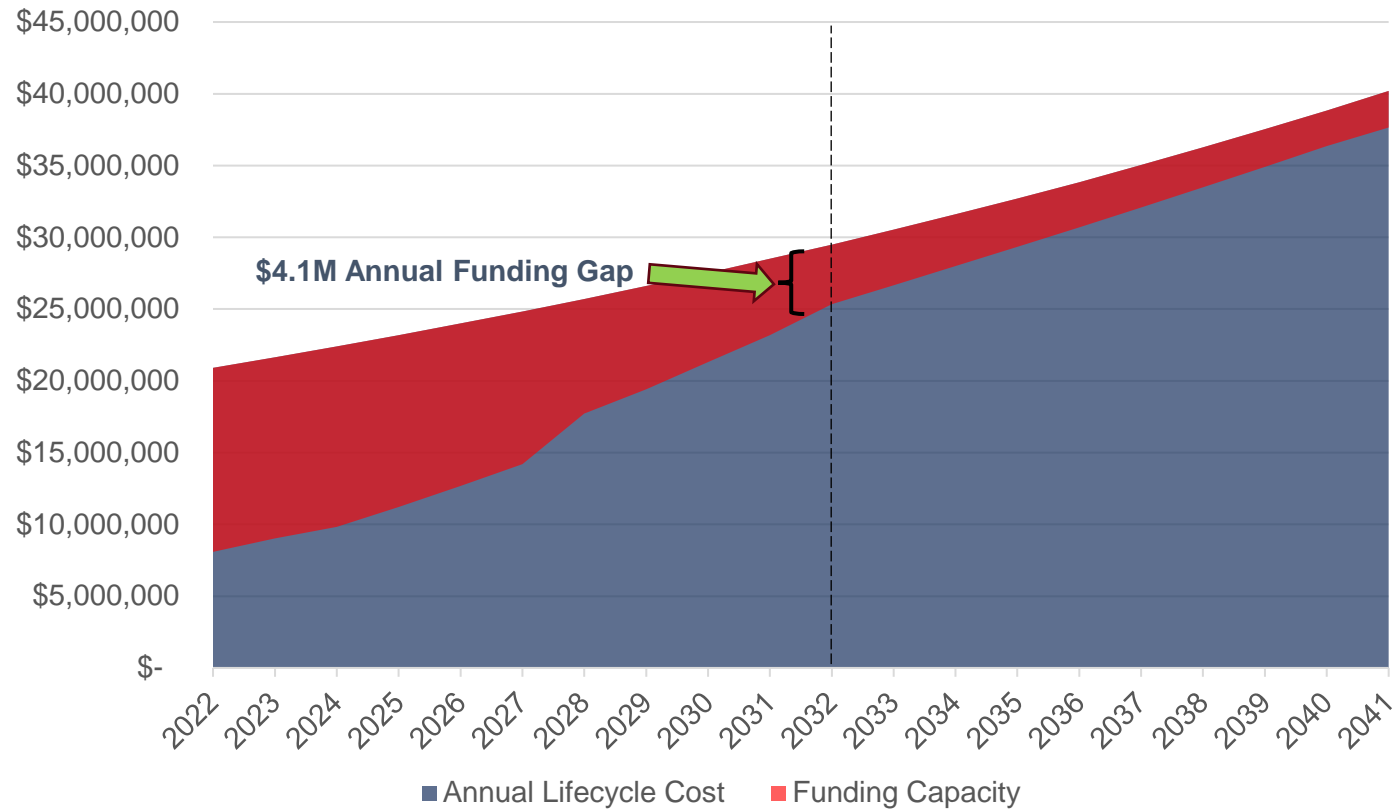


- Kincardine is underfunding its infrastructure by ~ \$11.2 million annually (2022 AMP Report)
- Financial strategy designed to reach full lifecycle funding levels by 2032
- Red area is the funding gap
- Blue area is the recommended funding level under the AMP
- Requires deferring repair and replacement, closing or removal of infrastructure, increased borrowing, or increased taxes



# Chart 3

## Funding Gap with 3% Annual Tax Rate Increase

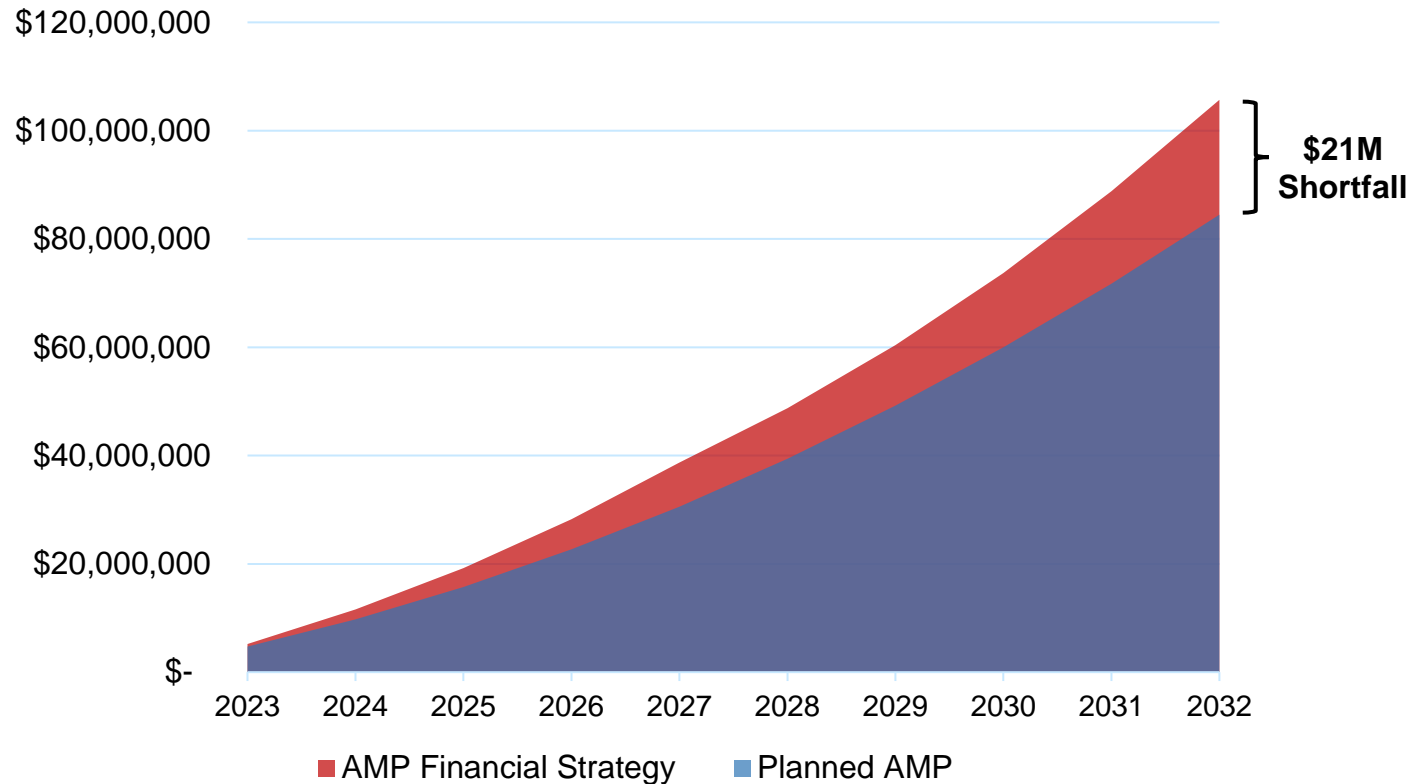


Annual underfunding of Infrastructure Replacement Costs results in closing the annual funding gap to \$4.1 million by 2032.

Full lifecycle funding is not achieved over the next 20 years.



# Chart 4 AMP Financial Strategy versus Budget



## AMP Recommended Financial Strategy:

- 6.7% annual tax levy increase 2023 to 2032
- 2.8% annual increases from 2033 to 2041
- Includes growth = 1.4%

- Red area represents cumulative funding levels as per the AMP Financial Strategy
- Blue area represents planned cumulative AMP contributions using the budgeted annual 3% tax rate increase

*The projected shortfall has increased from \$16 million (2023) to \$21 million (2024) due to eliminating the 3% tax rate increase in the 2024 budget*

