

Inflation rate

The **Inflation Rate** setting defines the annual percentage increase applied to future expenses in your maintenance plan.

It helps you account for the rising cost of materials, labour, and services over time — ensuring your forecasts remain realistic and accurate.

How it works

When an expense recurs periodically (for example, every 2, 5, or 10 years), its cost increases by the inflation rate for each year that passes between occurrences.

Example:

- Current cost: **\$1,000**
- Next due: **2025**
- Frequency: **Every 2 years**
- Inflation rate: **1%**

Year	Calculation	Adjusted Cost
2025	Base year	\$1,000.00
2027	$\$1,000 \times (1.01)^2$	\$1,020.10
2029	$\$1,000 \times (1.01)^4$	\$1,040.60
2031	$\$1,000 \times (1.01)^6$	\$1,061.52
...	and so on	...

Each new occurrence uses **compound inflation**, meaning the increase applies cumulatively over time.

Updating the inflation rate

You can update the inflation rate at any time.
However, changes only affect **future values** — any amounts already approved or recorded for past years remain unchanged.

This allows you to adjust your plan annually (or whenever needed) to better reflect real-world economic conditions.

Summary

- The inflation rate increases **future** expenses based on the number of years until they occur.
 - Updates apply **only going forward** — past approved values remain fixed.
 - Adjusting the rate periodically helps keep your plan **accurate and realistic** over time.
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