Growing Wisely Webinar: Questions & Answers

Please contact AMO's CCBF Team at ccbf@amo.on.ca if you have any questions.

This document summarizes the responses to unanswered questions that were posed during the Growing Wisely webinar that took place on October 7, 2025. The responses were provided by the webinar panelists: Dan Wilson, CAO at the Township of Centre Wellington; Vineet Bhatia, Director of Tax Policy & Financial Planning at the District Municipality of Muskoka; Amy Coomes, Program Leads in Asset Management at the City of Thunder Bay; and Gordon Duff, Treasurer and Deputy CAO at the Town of Minto.

1. **When growth doesn't pay for growth, how do you decide how much to invest in growth, knowing that every dollar spent on expansion reduces the resources available for maintaining and renewing existing assets?**

Minto noted that it is important to answer a number of critical questions to enable better planning:

- How confident are we that the development will actually go forward in the timeframe presented?
- Is the new development close to existing services?
- Does it align with current zoning, the official plan, and Conservation Authority practices?
- If it is residential, will it provide the types of housing that our community needs?
- If it is industrial/commercial, how many jobs will it create? Is it a wet or dry industry and do we have sufficient water/wastewater/fire protection flows to service the development?
- What does the development bring in terms of new assessments/taxes and water/wastewater customers?
- Is there political pressure to approve or disallow this development?

In the case of Muskoka, historically, growth-related revenues – particularly development charges (DCs) – did not fully cover the costs of expansion, with residential DCs discounted by over 50% and commercial/industrial by up to 90%. That meant every dollar spent on new infrastructure was effectively competing with renewal dollars for limited fiscal room.

To address this, you can anchor capital investment decisions in the Asset Management Plan (AMP) and apply performance-based prioritization. Muskoka's 2025 AMP uses asset performance indicators – including capacity to meet demand and criticality – to identify where expansion is truly justified versus where renewal and level-of-service upgrades should take precedence.

Muskoka also has a new Development Charges by-law approved and implemented starting Jan 1st 2025 to collect 100% of the eligible rate for the first time in over a decade along with additional services included. But even with that, not every growth scenario gets fully serviced. Instead, we sequence growth strategically, aligning expansion investments to where there's capacity, external funding support (e.g., HEWSF grants), or clear community benefit, while maintaining renewal as a baseline priority.

In the case of Centre Wellington, for projects that are growth-related (partially or fully), we allocate them to year 10 of our 10-year capital forecast until the developers show enough interest to sign a service financing agreement to up-front the growth component. Even then, the project moving forward is not guaranteed unless the Township can fund the non-growth share. Unfortunately funding the non-growth share does take away funding from other projects. The Senior Management Team prioritizes all projects through the development of the annual budget. To assist with cash flow, you can also ask develops to front-end the growth share of projects.

2. **We have growth projections, but the municipality cannot directly control how much growth happens, or when and where it happens. Many other external factors affect growth. Do you have any tips for managing the uncertainty around growth projections, particularly the timing of future population growth?**

We recognize that municipalities can't control the timing or location of growth, but we can build adaptability into our policies, infrastructure, and financial strategies. This means controlling the form growth takes by:

- Using multiple population projection scenarios through our Growth Strategy, so that financial and infrastructure planning isn't pinned to a single trajectory.
- Embedding capacity assessments within the AMP, so that we understand the elasticity in the system—how much growth we can accommodate before needing major capital investments.
- Staging infrastructure projects so that we can time major expansions closer to when growth actually materializes, avoiding premature investments.
- Using multi-year budgeting to create rolling windows of flexibility—this allows us to respond annually to new data without committing to 30-year spend trajectories on day one.
- promoting infill and intensification, we make sure that when growth does come, it leverages existing servicing capacity instead of triggering expensive greenfield expansion.
- Adopting policies such as a Water and Wastewater Allocation Policy (which allocates water/wastewater capacity based on phases of developments with a "use it or lose it" philosophy) and a Staging Policies (where priority growth should occur and in what order).
- Updating DC background studies more often as growth evolves.
- Meet regularly with regional organizations, vital industry representatives, municipal councillors and staff to share information related to growth patterns and related needs.
- Continuing to engage with provincial ministries and regional partners to monitor external drivers like migration patterns, housing market shifts, and infrastructure grants. This constant feedback loop allows us to recalibrate as needed.

3. **Are you seeing any additional operational needs surfacing related to maintaining upgraded and/or expanded infrastructure to accommodate growth? If so, how are you ensuring those operational expenses are being accounted for and funded?**

Increased capital programs (for growth related needs) results in many operational pressures that, if not kept up to date, can make the operating budget very obsolete. For example:

1. Staffing, especially capital project managers and purchasing. If we are unable to manage a project or even tender it, it won't happen.

2. New roads and parks mean more time and resources for plowing, road maintenance, and grass cutting. With many new developments coming on board, this can add up quickly.
3. Expanded water/wastewater systems require additional services and maintenance.
4. Social and community services related to services like policing, paramedics, libraries, and community centres requiring additional staffing and maintenance as use increases.
5. Transfers to capital reserves – each new asset means an increased need to invest annually for future lifecycle costs.

To address this, you can integrate operational impact assessments into the multi-year budget process. Each capital submission should be accompanied by a capital project worksheet and operational budget form, ensuring that new assets are not only built but also funded for their lifecycle operations from day one.

Furthermore, it is critical to integrate operational needs into other municipal documents such as the Asset Management Plans, DC Background Studies, and Water/Wastewater Financial Plans.

You can also consider using digitization and computerized maintenance management systems (CMMS) to forecast and manage operational workload more precisely. With proper long-term planning, reserve strategies can be optimized over a 20-year horizon to sustainably fund these growing operational pressures.

4. Are you seeing any additional awareness and knowledge transfer at all levels and effective stakeholder engagement (both internal and external stakeholder) related to growth?

Yes. In the case of Muskoka, building in-house asset management capacity has allowed staff to take ownership of the growth–infrastructure relationship, but just as importantly, we've invested in educating Council and senior leadership to ensure decision-making is informed and strategic.

On the internal side, we've established cross-organizational governance structures, bringing together finance, planning, engineering, and asset management teams. This horizontal integration has created shared language and understanding around growth impacts.

On the external side, you can expand engagement beyond traditional stakeholders. This includes:

- Outreach to seasonal residents (Second Home Study for Muskoka), who significantly shape infrastructure use patterns;
- Engagement with trades and housing sector partners to align housing delivery with infrastructure readiness; and
- Targeted engagement with First Nations communities for infrastructure planning related to critical access routes.

This broader, structured stakeholder engagement has improved our ability to sequence growth, set realistic service expectations, and maintain political and community alignment.

In the case of Centre Wellington, more staff internally are aware of and support asset management practices, such as growth management. We have evolved from a municipality that does AM planning because we must, to one that sees the benefits of the process and have developed processes that greatly assist other areas, such as budget preparation and reports to Council. Externally, we have some work to do. Recently we completed a levels of servicen(LOS) framework and the interest from the public from an engagement perspective was low. This is partially due to the fact that the LOS concept is difficult to understand. Developers very much operate in silos, so it is up to the Township to plan for growth from a macro perspective.

In the case of Minto, we have found that all stakeholders are more aware of the effects of growth. For example, long-time residents are often not happy to see more intense development or increased traffic/parking problems which have not been part of the community in the past. New residents who left the city for a quieter life do not wish to see the negative aspects of urban life come to their new rural home. The change in demographics leads to local politicians needing to listen to all opinions, from both long-term and new residents. There may be new ethnic and cultural groups which add to the quality of life in the community. However, they may require a different mix of commercial outlets and municipal services which are often not under the ability of a lower-tier municipality to satisfy.

We are all aware of the pressures of growth on housing supply and affordability. Many of us struggle to solve this problem and we rely on Provincial and Federal initiatives to help to find fiscally responsible solutions.