



Administration and Operations Committee Report

To: The Chair and Members of the Administration and Operations Committee
From: Halie Gilmore, Project Manager Corporate Strategy
Date: June 17, 2025
Report #: RPT-0244-25
Subject: Road Safety Reserve Fund Policy
Purpose: For Approval

Recommendation

Whereas the Municipal Act, S.O. 2001, c.25, as amended, authorizes municipal Councils to establish reserve funds for any purpose for which it has authority to spend money;

And whereas the County of Brant has established an independent Automated Speed Enforcement (ASE) program;

And whereas Council directed staff to prepare policies to ensure the responsible and sustainable management of potential revenues generated by the ASE program to fund program expansion, reserve funds to cover potential revenue shortfalls, and support future road safety initiatives;

That RPT-0244-25 - Road Safety Reserve Fund Policy be received and the Road Safety Reserve Fund Policy be approved;

And that a Road Safety Reserve Fund be established, to be funded by revenue from the ASE Program.

Executive Summary

The County of Brant's Automated Speed Enforcement (ASE) program has been in operation for over four months. As expected, the program is currently revenue-neutral, with fines from penalty orders covering its operating costs. Early analysis shows that the program is also generating a net revenue, as operating income is surpassing operating expenses. To store and manage these surplus funds effectively and transparently, the County has developed a Road Safety Reserve Fund Policy. This policy establishes a discretionary Road Safety Reserve Fund to hold annual net revenue generated from the ASE program. The reserve fund is designed to stabilize fluctuations in ASE revenue, support future program expansion, and fund initiatives that improve road safety. The policy outlines the funding method, the purpose of the reserve fund, and the responsibilities for its management and administration.

Strategic Plan Priority

Strategic Priority 3 - Healthy, Safe, and Engaged Citizens

Strategic Priority 4 – Stable and Responsive Governance

Impacts and Mitigation

Social Impacts

ASE programs have proven to be effective in reducing vehicle speeds, making them a valuable addition to existing enforcement efforts. By lowering vehicle speeds, these programs improve traffic safety by increasing driver reaction time and reducing the likelihood of collisions, especially with pedestrians. This policy supports community safety and well-being by fostering a stable ASE program, encouraging future expansion, and advancing other initiatives that protect the health and safety of all road users, including drivers, pedestrians, and cyclists.

Environmental Impacts

There are no environmental impacts associated with this report.

Economic Impacts

The Road Safety Reserve Fund will provide a stable source of funding to support program expansion and offset potential revenue shortfalls resulting from improved speed limit compliance. It will also serve as a dedicated funding source for road safety initiatives aligned with the *Brant Safe Streets Strategy*, which will reduce reliance on the tax levy.

Report

Background

At the September 3, 2024, Policy Development Committee meeting, staff presented a business case that showed that ASE would operate as a self-funding program, where revenue collected through fines was expected to cover operating costs. Based on estimates and experiences from comparable municipalities, the business case also showed that the program was likely to generate excess revenue. To ensure effective management of funds and foster transparency, Council directed staff to:

Prepare policies to ensure the responsible and sustainable management of potential revenues generated by the ASE Program to fund program expansion, reserve funds to cover potential revenue shortfalls, and support future road safety initiatives.

To respond to this direction, staff have collaborated to develop the Road Safety Reserve Fund Policy. This policy provides clear guidelines for managing the revenue generated and costs incurred through the operation of the County's ASE program. This policy establishes the Road Safety Reserve Fund (the reserve fund), a discretionary reserve fund developed to manage annual operating surpluses generated by the ASE program. The reserve supports the program's funding model, allowing it to operate independently outside of the general tax levy. The policy defines the fund's purpose, funding method, and the responsibilities for its management and administration.

This policy aligns with the County's *Reserve and Reserve Fund Management Plan* effective July 1, 2017. As per the plan, a discretionary reserve fund will be established through bylaw/policy. The policy must clearly identify the name of the reserve fund, the funding method, and its purpose. A reserve fund can only be used for the identified purpose, unless Council amends or repeals the existing bylaw/policy. The *Reserve and Reserve Fund Management Plan* is currently being reviewed and is expected to be updated November 2025.

Analysis

Purpose of the Policy

As the ASE program grows and expands throughout the County, formalizing a policy is essential to guide the collection, storage, and use of net revenue generated. Across Ontario municipalities, it is a best practice to reinvest revenue generated from automated traffic enforcement programs into road safety initiatives. This approach reinforces a direct connection between the purpose of ASE, supporting road safety, and ongoing efforts to advance this goal.

This policy is designed to achieve several important objectives:

- Support the expansion of ASE systems throughout the County by reinvesting program revenues.
- Ensure a consistent source of funding to stabilize the program.
- Fund additional road safety measures, including the construction or enhancement of engineered safety solutions.
- Support ASE as a self-funded program and maintain a clear and sustainable business case for its continued operation independent of general tax levy.
- Foster accountability and public trust by clearly communicating how net revenue from the program will be used.

Early analysis indicates the necessity of this policy and the associated reserve fund. Since its implementation, from February to May, the operating surplus (net revenue) from the ASE program totals roughly \$170,000. Establishing a clear process for managing and administering this revenue is vital to support continued program success, transparency, and community trust.

Priorities of the Policy and Reserve Fund

The policy aims to support effective, consistent, and sustainable delivery of the ASE program. Specifically, the Road Safety Reserve Fund will be used for the following purposes:

- (1) **Program Stabilization** – As compliance with speed limits improves, the ASE program is expected to experience a decline in revenue from penalty orders. This could lead to revenue fluctuations and potential operating deficits in the future. Storing annual net revenue within a reserve fund will build a funding base to stabilize the program and ensure it remains independently funded. As outlined in the policy, staff will use their expertise and available program data to ensure a sufficient, positive balance is retained in the reserve.
- (2) **Program Expansion** – Revenue generated through the ASE program will be reinvested to support expansion to new locations in Community Safety Zones throughout the County.
- (3) **Road Safety Initiatives** – In addition to stabilizing and expanding the program, revenue generated will contribute to the [*Brant Safe Streets Strategy*](#) vision. Funds will be used to support projects and initiatives that enhance safety for all road users, including pedestrians, drivers, and cyclists.

Communicating the Policy

ASE programs are often negatively perceived as a “cash grab,” with municipalities focused solely on generating revenue and using it to support non-road safety municipal priorities. The establishment and clear communication of the Road Safety Reserve Fund will help address this concern and demonstrate how the County is using fines collected to directly support the

safety and well-being of all road users. Whether reinvested into the ASE program or directed toward additional road safety projects, such as trails, traffic calming measures, and infrastructure improvements, this reserve fund outlines exactly how surplus revenue will be used to benefit the community.

As the reserve fund balance grows and the ASE program becomes more stable, it can offer a consistent, dedicated source of funding for *Brant Safe Streets Strategy* initiatives. Since the implementation of the Strategy in 2019, the County has continued to invest funds from the tax levy into road safety initiatives. Using revenue from the ASE program to fund these efforts will reduce reliance on the tax base.

To foster transparency and build public trust, upon approval the policy will be posted on the County's [ASE webpage](#).

Policy Development and Review Process

Staff across the organization collaborated to develop the policy. To ensure alignment with best practices, policies from comparable municipalities were also reviewed and consulted as part of this work. Moving forward, staff will continue to monitor the implementation of the ASE program and the Road Safety Reserve Fund Policy and bring forward updates and improvements as required.

Summary and Recommendations

In summary, it is recommended that the County of Brant Council approve the Road Safety Reserve Fund Policy to support the continued delivery and growth of the ASE program. This policy will establish a discretionary reserve fund, providing a dedicated source of funding to ensure program stability, enable future expansion, and support road safety initiatives.

Attachments

- 1. Road Safety Reserve Fund Policy

Reviewed By

Adam Crozier, Director of Corporate Strategy
Greg Bergeron, Director of Enforcement and Regulatory Services
Greg Demers, Director of Roads
Heather Bailey, Manager of Budgets and Long-Term Financial Plan

Copied To

Senior Management Team

By-law and/or Agreement

By-law Required	No
Agreement(s) or other documents to be signed by Mayor and /or Clerk	No