

Subject:

## Road Safety Reserve Fund Policy

**Policy #:** Enter policy #

**Effective Date:** 2025-06-17

**Amendment date:** Enter date

**Replaces:** Enter policy #

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### **Policy Statement**

The Road Safety Reserve Fund Policy is established to manage the revenue variability of the Automated Speed Enforcement (ASE) Program and to outline how operating surpluses and deficits from the ASE program will be accounted for and used in a transparent and effective manner.

### **Purpose**

The purpose of this policy is to provide clear guidelines for managing revenues and expenses associated with the County of Brant's Automated Speed Enforcement (ASE) program. It establishes the Road Safety Reserve Fund, a discretionary reserve used to hold annual operating surpluses from the ASE program and to fund operating deficits, program expansion, and other eligible road safety initiatives. The policy also defines the fund's purpose, funding methods, and the responsibilities for its administration and oversight.

### **Scope**

This policy applies to all funds generated and expended through the ASE program and to the management of the Road Safety Reserve Fund (the reserve fund).

### **Definitions**

For the purpose of this policy:

**Automated Speed Enforcement (ASE) System:** An enforcement system that consists of a combination of a camera and speed-measuring device that can be used to take a photograph of a motor vehicle and determine and record the rate of speed at which the motor vehicle is travelling at the time the photograph is taken.

**Automated Speed Enforcement (ASE) Program:** A program involving the use of ASE systems throughout the County of Brant. The program involves issuing penalty orders and collecting fines.

**County:** The Corporation of the County of Brant.

**Council:** The County of Brant Council.

**Discretionary Reserve Fund:** Reserve funds created at the discretion of Council whenever revenues are earmarked to finance future expenditures of a purpose designated by Council through a policy.

**Program Expenses:** Costs associated with the ongoing delivery of the ASE program (for example staff training, technology costs, and software fees).

**Operating Deficit:** A negative balance that occurs when the annual revenue generated through the ASE program is less than the annual program expenses.

**Operating Surplus (Net Revenue):** A positive balance that occurs when the annual revenue generated through the ASE program is greater than the annual program expenses.

**Road Safety Initiatives:** Programs and projects aimed at reducing speed and collisions and promoting the safety of all road users, including, but not limited to, drivers, pedestrians, cyclists, and transit users. These initiatives may include capital projects, such as trail enhancements to reduce roadway congestion, road redesigns to slow traffic, and the installation of pedestrian crossings or bike lanes. They may also include actions such as public education campaigns, community outreach, and policy development.

**Reserve Fund:** A fund that is segregated and restricted to meet a specified purpose and includes both obligatory reserve funds and discretionary reserve funds.

**Reserve and Reserve Fund Management Plan:** A document (as may be amended) that outlines the procedures for establishing and managing reserves and reserve funds at the County of Brant.

**Revenue:** Funds collected from the payment of penalty orders issued through the ASE program.

**Staff:** Staff employed by the Corporation of the County of Brant that are involved in the administration and delivery of the ASE Program.

**Road Safety Reserve Fund:** Discretionary reserve fund established to hold operating surpluses (net revenue) generated through the County's ASE program. Reserve fund to be used in accordance with this policy.

## **Policy Communication**

This policy will be posted on the County's website. This policy will be shared with relevant staff and posted on the County's intranet (Jostle).

## **Policy**

### **1.0 Reserve Fund Use**

- 1.1 Any revenue generated from the ASE program will first be used to cover the ongoing costs of delivering the program. Program expenses could include any costs required to deliver the program such as software fees, staffing requirements, staff training costs, maintenance and replacement fees, and administration costs. Staff shall determine how to allocate revenue to support the ongoing operation of the program.
- 1.2 At the end of the fiscal year, annual operating surpluses (net revenue) from the ASE program will be transferred to the reserve fund through the established budget practice.
- 1.3 At the end of the fiscal year, annual operating deficits from the ASE program will be funded by the reserve fund through the established budget practice.
- 1.4 Use of funds available in the reserve fund will be first allocated to support program expansion. Program expansion could include the costs associated with adding new ASE cameras, locations and associated hardware.
- 1.5 After program expansion, funds from the reserve fund may be used to support eligible initiatives that enhance road safety. This may include but is not limited to:
  - Elements of road reconstruction projects that are designed to encourage safer driving practices and engineered traffic calming solutions.
  - Electronic speed radar and display signs.
  - Community education campaigns.
  - Other road safety initiatives focused on reducing speed, collisions, and supporting safer streets in line with the *Brant Safe Streets Strategy* (such as sidewalk improvements, pedestrian crossings, and trail enhancements).

## **2.0 Reserve Fund Management**

- 2.1 Funds in the reserve will be used in accordance with the process and eligible uses outlined in section 1.0.
- 2.2 Staff will direct annual operating surpluses from the ASE Program to be contributed to the reserve fund through the annual budget practice.
- 2.3 Staff will direct annual operating deficits to be covered through the reserve fund through the annual budget practice.
- 2.4 Withdrawals from the reserve fund to cover program expansion and/or eligible road safety initiatives exceeding \$250,000 shall require Council approval by resolution.
- 2.5 Staff will monitor ASE program data and the Road Safety Reserve Fund to ensure a sufficient balance is maintained in the reserve to address revenue variability and cover annual operating deficits as needed. The reserve fund must maintain a positive balance at all times.
- 2.5.1 Maintaining a positive balance in the reserve fund is required to stabilize the program and manage unforeseen impacts to revenue. Staff will use their expertise and available program data to maintain a reasonable balance to support revenue variability, while encouraging program expansion and other eligible road safety initiatives.
- 2.5.2 A reserve fund balance represents the stabilization portion of the fund and is intended to manage unforeseen impacts to revenue in the current year. Any sustained impact to program revenues (such as a change in legislation, automated enforcement technologies) must be addressed in the following budget year.

## **3.0 Roles and Responsibilities**

- 3.1 Council's responsibility will be to:
- Evaluate and approve this policy.
  - Evaluate and approve any operating or policy directions that may impact the function of the reserve fund.
  - Approve requests to use the reserve fund for eligible purposes as directed by staff over \$250,000.
  - Approve the closure of the reserve fund should it no longer be required.

3.2 Staff will work collaboratively to administer, monitor, and use the reserve fund. In general, staff responsibilities include:

- Direct use of the reserve fund for eligible initiatives and bring forward reports for Council approval for withdrawals exceeding \$250,000 to fund program expansion and/or eligible road safety initiatives.
- Review and update this policy as needed.
- Report on the balance of the reserve fund as part of semi-annual ASE program reporting.

3.2.1 The reserve fund will be administered by the County of Brant's Finance Division to ensure compliance with applicable legislation, laws, and accounting practices including the *Reserves and Reserve Fund Management Plan* (as may be amended). The Finance Division will:

- Direct contributions to the reserve fund through the annual budget process.
- Direct the closure of the reserve should it no longer be required.
- Monitor the program and the balance of the reserve fund to ensure it remains at a positive and suitable level to stabilize the program.
- Report on the balance of the reserve fund as part of the annual budget process.

## 4.0 Reporting

4.1 The balance of the reserve fund will be communicated to Council on a semi-annual basis as part of the ASE program reporting and the annual budget process as outlined in the *Reserve and Reserve Fund Management Plan* (as may be amended).

## 5.0 Closure

5.1 If the reserve fund is no longer required, the closing process outlined in the *Reserve and Reserve Fund Management Plan* (as may be amended) will be followed.

## **POLICY REVIEW**

This policy will be reviewed every five years, or earlier if significant changes are warranted. Any proposed amendments will be submitted to Council for consideration and approval.