Dallas County
Office of Budget and Evaluation

August 10, 2026

TO: Commissioners Court

THROUGH: Dr. Ronica Watkins, PhD, Budget Officer

FROM: Alexis Calloway, Senior Budget and Policy Analyst

SUBJECT: Road and Bridge Districts FY2027 Baseline Budget Funding Levels

BACKGROUND

Each Road and Bridge District's budget is developed according to appropriation parameters established by Administrative Policy 4.01, Sec. J. The budget is made up of three items: 1) New Revenue, 2) New Allocation, and 3) Rollover Beginning Balance. A portion of the New Allocation is based on a weighted allocation formula applied to a total amount of Type "A" roadway (or County-owned roadway) located within each district, respectively. The purpose of this analysis is to identify the process used to determine the funding levels for the Road and Bridge Districts FY2027 Baseline Budgets.

NEW ALLOCATION

Pursuant to County policy, the Office of Budget and Evaluation (OBE) calculates the appropriate budget allocation to be distributed to each of the Road and Bridge Districts in each fiscal year. The aggregate budget amount has been decreased from $42.5 million, which was a one-time increase in FY2026, to $22.5 million. This amount consists of new revenue allocated from the application of a $10 fee levied on automobile registrations issued within the County. New revenue is provided by the Auditor's Office as part of the certified revenue.

To align with County policy and address emergency repairs, an additional 10.5% of revenue, totaling approximately $2.4 million, is included in the Road and Bridge Reserve.

An amount of $11.6 million is estimated for countywide road and bridge expenses, up from $3.4 million in FY2026. The balance of these funds is included in the Road and Bridge Reserve.

ANALYSIS AND METHODOLOGY

The estimated revenue totaling $22.5 million is first allocated to each district for salaries and benefits to ensure that personnel costs are addressed. For FY2027, salaries and benefits for all districts total $8.9 million. The remaining funds, totaling approximately $13.6 million, will be allocated to each Road and Bridge District. Each district will receive an allotment equal to 0.04

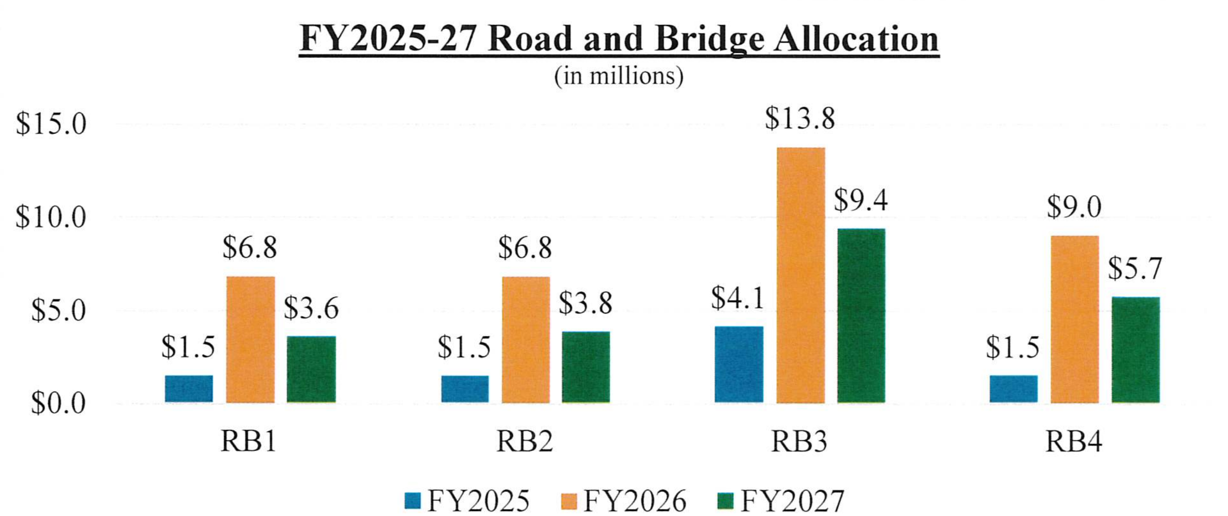
(1/25), aligned with the average lifespan of an asphalt lane mile being 25 years, times the number of documented type "A" miles, times the annual cost to reconstruct an asphalt lane mile. The FY2027 cost to reconstruct an asphalt lane mile totals $594,000. The cost to reconstruct an asphalt lane mile will be calculated by the Office of Budget and Evaluation each fiscal year. Please see Table 1 below, which details the methodology and allocation for each Road and Bridge district.

TABLE 1

FY2027 Estimated New Revenue					**$ 22,500,000**
FY2027 Summary	**District #1**	**District #2**	**District #3**	**District #4**	**Total**
FY27 Proposed Salary and Benefits	**820,863**	**1,083,482**	**4,106,216**	**2,936,922**	**$ 8,947,483**
Remaining for distribution					$ 13,552,517
# of Miles of Type "A" Roads	-	-	105.949	0.495	106.444
Road Lifespan (25 years)	-	-	4.238	0.020	4.258
Cost to Reconstruct an Asphalt Lane Mile	$ 594,000	$ 594,000	$ 594,000	$ 594,000	$ 594,000
Type "A" Roads Allocation	**$ -**	**$ -**	**$ 2,517,348**	**$ 11,761**	**$ 2,529,109**
Remaining Distributed Funds	**$ 2,755,852**	**$ 2,755,852**	**$ 2,755,852**	**$ 2,755,852**	**$ 11,023,408**
Total District Allocation	**$ 3,576,715**	**$ 3,839,334**	**$ 9,379,416**	**$ 5,704,535**	**$ 22,500,000**

New mileage calculated based on the latest redistricted maps, provided by Public Works

Please see the following table, which details the distribution of funds from FY2025 to FY2027 for the four Road and Bridge districts.



Each fiscal year, districts may not expend their entire allocated budget. For this fact, Districts are left with available funds that are rolled over to the next year as a beginning balance (referred to as New Program Contingency), and combined with the current fiscal year budget to establish the total budget allocation.

This revised allocation methodology has been reflected in the Dallas County Administrative Policy Manual, Division 3 – Road and Bridge District Budget.

The specific budget allocation assigned to each Road and Bridge District changes in direct proportion to the amount of each District's total Type "A" or County-owned road mileage, which may increase or decrease due to such factors as annexation or de-annexation by municipalities, increased district operating expenditures, and/or additional road construction completed by the County. Type "A" road mileage is confirmed each year by the Public Works Department, serving to assure accurate budget allocation computations. Mileage reflects the changes from this year's redistricting.

New allocations (see Table 1) are not completely transferred into Road and Bridge revenue accounts until funding is available from revenue, which may be completed in the third quarter of the respective fiscal year. As such, these allocations are included in our internal Interfund Balance Transfer list that OBE and Audit develop for revenues and fund balancing.

RECOMMENDATION

Based on this allocation formula, the Office of Budget and Evaluation will establish a Baseline Budget for the County's four operational Road and Bridge Districts. Prior to the adoption of the FY2027 Budget, the Office of Budget and Evaluation will work with the Auditor's Office to produce FY2026 ending balance projections and FY2027 revenue projections. The Office of Budget and Evaluation will also work with County Administration and the District Attorney's Office to revise and finalize the Dallas County Administrative Policy Manual, Division 3 – Road and Bridge District Budget, as attached.