FY 2027 Proposed Budget Overview

VIA Metropolitan Transit

August 18, 2026

Budget Topics

Executive Summary - FY26 in Review

Service & Customers

- Accelerated Better Bus Plan (BBP) implementation, with 70% of the plan implemented through FY26
- Expanded microtransit service through Transportation Network Company (TNCs) partnerships
- Continued ridership growth through Fixed-route, VIAtrans, Vanpool and VIA Link service improvements

KSAM & Capital Support

- Advanced KSAM priorities, including VIA Rapid Green/Silver Line work and supporting capital planning
- Aligned workforce, operational capacity, and capital expenditures around VIA Rapid delivery needs
- Continued focus on State of Good Repair (SOGR) and core system infrastructure

Financial Baseline

- FY26 Forecast aligns with BBP and operator hiring acceleration
- Operating expense increases are attributable to front-line staffing, purchased transportation, and fuel
- FY26 sales tax forecast of $318.6M supports core operations and accelerated initiatives

64	2.5M+	70%	1,000+	87%
Net Promoter Score (NPS)	FY26 Ridership Estimate	Better Bus Plan Implemented	Bus Operator Staff	Customer Satisfaction

Executive Summary - Financial Framework for FY27 Budgeting Process

1 Continue deploying KSAM Reserves

Continue using previously accumulated KSAM reserves for the purpose intended: advancing the capital program and VIA Rapid delivery

2 Begin 2024 Bond Debt Service

FY27 begins to carry the debt-service requirements associated with the 2024 bond financing as the capital program advances

3 Bring ATD II to Full Strength

Integrate ATD II as a full funding stream supporting VIA Rapid, microtransit and the regional mobility program

4 Reset the Operating Base

Reflects the recurring cost of expanded service, workforce capacity, purchased transportation and other external cost pressures in the ongoing budget versus one-time costs

FY27 Priorities Aligned to Strategic Pillars

Customer & Rider Experience

- **Expand the Transit Ambassador program**
  - Provide rider support, improved safety, customer communication and reliability
- **Enhance bus shelter program**
  - Provide greater convenience and protection for bus travelers during inclement weather conditions and ensures ongoing compliance with Americans with Disabilities Act (ADA) standards
- **Pilot late-night connectivity**
  - Providing flexible, late-night travel options during off-peak hours utilizing TNC partnerships

90%
Customer Satisfaction Score goal

10
Total number of Transit Ambassadors

150
Increased number of bus shelter improvements

>80%
VIAtrans Reservation Line Service Level

1,400
Sales & Outreach contacts planned

FY27 Priorities Aligned to Strategic Pillars (continued)

Better Bus Plan & Service Delivery Improvements

- **Continue Better Bus Plan**
  - Continued focus on improving frequency with 61 fixed routes offering service every 30 minutes or better
- **Support VIAtrans demand**
  - Increasing accessibility and mobility for our high demand mobility offering, supporting equitable access to opportunity for residents of the San Antonio region
- **Expanded VIA Link coverage**
  - Expanding VIA Link service to 1 new zone and to better connect with the fixed route system

35.3M
Projected total customer trips in FY27

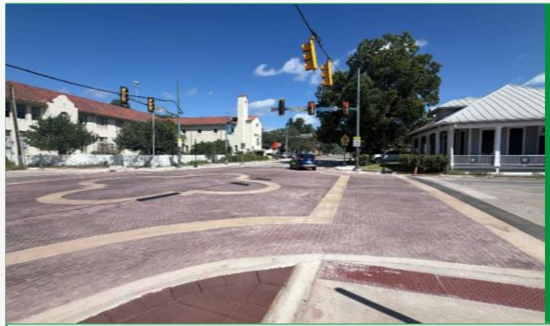
7.6%
Fixed Route ridership growth

8.4%
VIAtrans ridership growth

7
In-Service VIA Link zones by end of FY27

11.5%
VIA Link ridership growth

FY27 Priorities Aligned to Strategic Pillars (continued)



VIA Rapid Project Delivery

- **Major Green Line work moves forward for Go-Live in FY28**
  - Advance final engineering, and station construction along the Green Line corridor
  - Complete utility relocation, grade-level preparation, right-of-way coordination, and corridor construction sequencing
- **Align workforce, operations, and capital around VIA Rapid delivery**
  - Focus staffing and training efforts on new operators, customer-facing teams, and safety/security staff needed to support expanded and higher-frequency service
  - Prepare and implement service changes, detours, customer communication, and safety plans during construction

80%
Greenline project under construction or completed by end of FY27

1,000+
Maintain Bus Operator staff goal for FY27

33
New 40’ Gillig buses replacing aging fleet

22,000
Fleet mechanical reliability miles

100%
Safety critical preventative maintenance services performed

FY27 Priorities Aligned to Strategic Pillars (continued)

Operations Excellence & Financial Stewardship

- **Operating Cadence & Accountability**
    - Turn FY27 resources into measurable improvements in reliability, frequency, safety and customer experience
    - Tie department initiatives to agency goals, performance metrics, and regular financial reviews to improve execution and decision-making
- **Address external cost pressures**
    - Maintain long-term budget stability through realistic and defensible revenue assumptions and disciplined capital planning

19% or less
Bus Operator annual turnover

26
Roles reassigned or repurposed

27
Total net new roles added agency-wide

97.9%
IT Service Desk requests resolved within target time (SLA)

7% or better
Procurement cost savings target

Ridership Trends FY23 – FY26F, and FY27 Ridership Forecast

Ridership *(in Millions)*	**FY23 Actuals**	**FY24 Actuals**	**FY25 Actuals**	**FY26 Forecast**	**FY27 Projection**	**% Growth FY26 vs FY27**
Fixed Route	23.5	29.0	28.3	30.6	33.0	*7.6%*
Special Events	0.1	0.1	0.1	0.1	0.1	*0.0%*
VIAtrans	1.0	1.0	1.1	1.2	1.3	*8.4%*
VIA Link	0.3	0.4	0.6	0.8	0.9	*11.5%*
Total Ridership	**24.9**	**30.5**	**30.1**	**32.7**	**35.3**	***7.7%***

Summary of FY27 Proposed Budget

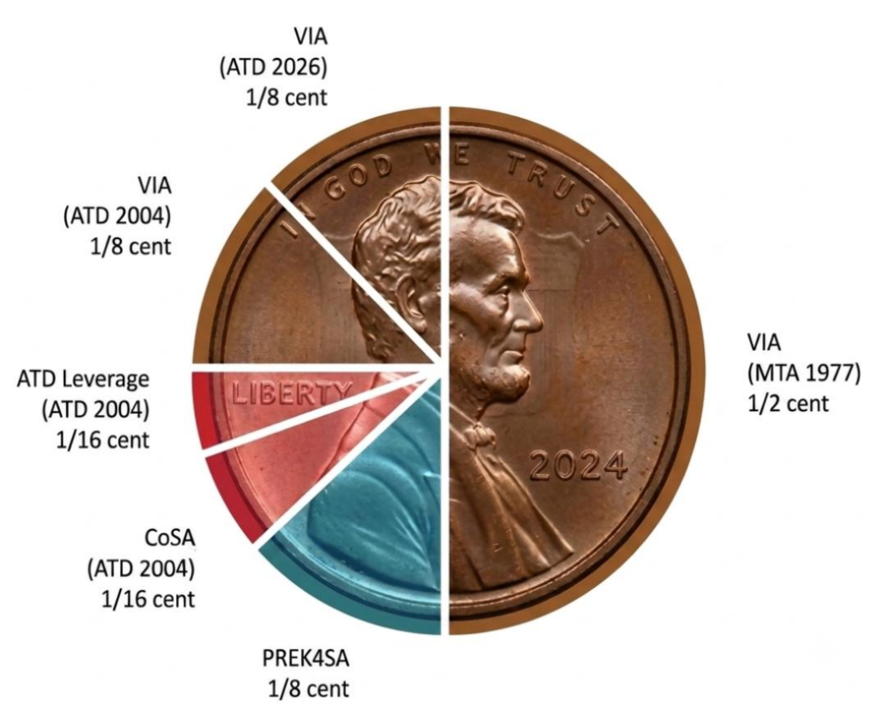
$431.4M	$382.8M	$26.6M	2,521	$371.8M
Total FY27 Revenue	**FY27 Proposed Operating Budget**	**FY27 One-Time Expenses**	**FY27 Proposed Positions**	**Capital Budget**
Sales tax is 78.8% of revenue	+$37.1M / +10.7% vs FY26 forecast	7.0% of Total Operating Budget Preparation for service enhancements	+27 net new positions	72% focused on KSAM projects

Key Highlights for FY27

- FY27 represents a foundational reset to align resources with Better Bus Plan acceleration and KSAM projects
- We isolated one-time costs to reflect how we are managing our daily operations versus the impact of preparations for KSAM and our modernized operating model
- FY27 incorporates the impact of external cost pressures which primarily impact benefits, fuel, purchased transportation, and liability reserves
- Operating budget growth is driven primarily by labor/fringes and purchased transportation

Sales Tax Allocation

~$50M ATD sales tax transferred annually to CoSA & Bexar



VIA MTA

- $237.7M projected in FY27
- MTA (1977) 1/2¢ delivers baseline funding for core transit operations

VIA ATD I & ATD II

- $102.4M projected in FY27
- ATD (2004) 1/8¢ and ATD (2026) 1/8¢ allocations to fund regional mobility, micro-transit services, and VIA Rapid projects

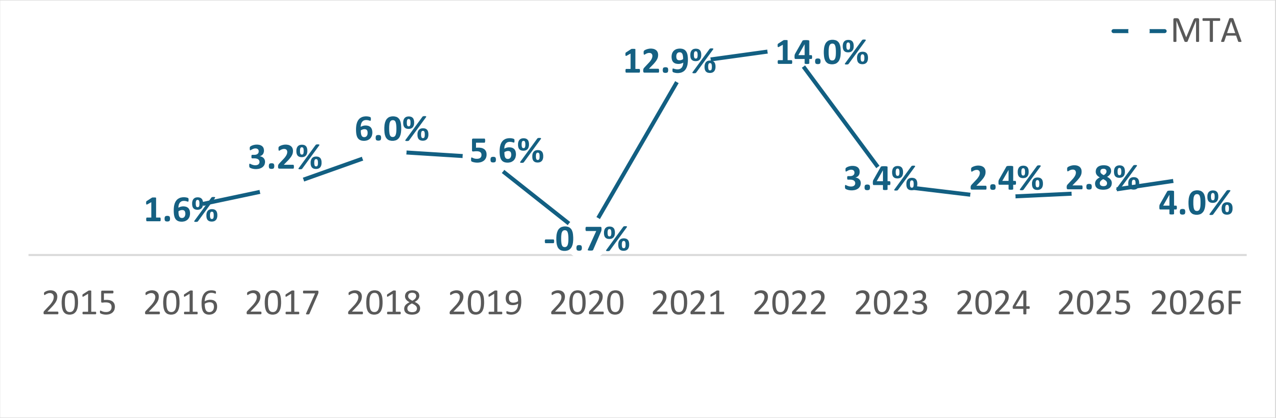
City of San Antonio

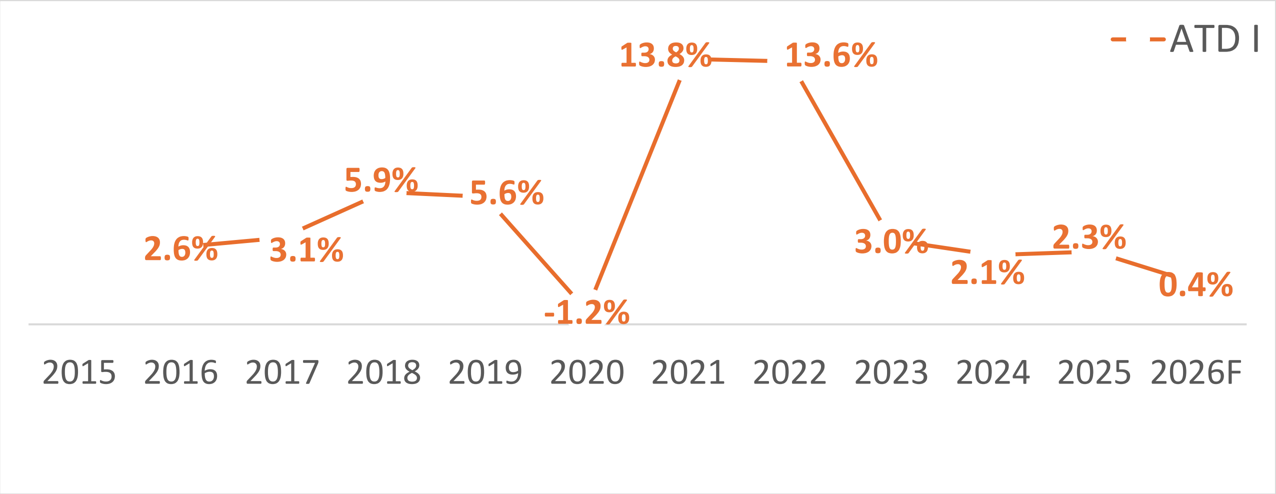
- Average of $25M in annual funds
- ATD (2004) 1/16¢ funds City of San Antonio projects that improve mobility, ease congestion and enhance connectivity

Bexar County

- Average of $25M in annual funds
- ATD (2004) 1/16¢ serves as grant-matching leverage funds for major regional mobility projects

Historical Sales Tax Performance FY15 to FY26F





Understanding sales tax growth rates

- FY15 through FY26 Compound Average Growth Rate (CAGR) is 4.9% for MTA and 4.6% for ATD I
- FY21 and FY22 each posted approximately 13%–14% growth as taxable sales rebounded from COVID disruption and stimulus-driven spending

A “new normal” post-COVID

- MTA normalized to ~2%–4%
- ATD slowed more sharply, reaching only ~0.4% in FY26F

FY27 Budget implications

- MTA has stabilized within a range of 2.4% - 4.0%
- ATD has stabilized within a range of 0.4% - 3.0%
- For the FY27 Budget sales tax is estimated with a growth rate of 2.5% for each sales tax stream

FY27 Total Revenue Summary

$431.4M
Total Revenue
FY27 Proposed

$340.1M
Sales Tax
78.8% of revenue

$53.7M
Grants
Preventive maintenance & capital support

$17.1M
Farebox
4.5% recovery rate

$19.6M
Investment Income
Based on investable cash

Revenue Source *($ in Millions)*	FY26 Forecast	FY27 Proposed	FY26 vs FY27	% Change	Notes on Revenue
MTA Sales Tax	$231.8	$237.7	$5.9	*2.5%*	Funds core transit operations
ATD Sales Tax	50.0	51.2	1.2	*2.4%*	Funds Primo service and Vanpool
ATD II Sales Tax	36.8	51.2	14.4	*39.1%*	Funds VIA Rapid and VIA Link
Grants	50.9	53.7	2.8	*5.5%*	Federal/state support
Farebox	15.7	17.1	1.4	*8.9%*	Projected 35.3M trips in FY27
Investment Income	25.7	19.6	(6.1)	*(23.7%)*	Lower investable cash from capital spend
Intergovernmental Revenue	10.1	0.0	(10.1)	*(100.0%)*	One-Time $10M from CoSA
Other Revenue	3.3	0.9	(2.4)	*(72.7%)*	From advertising, real estate revenue, interest and other
Total Revenue	**$424.3**	**$431.4**	**$7.1**	***1.7%***	

FY27 Operating Expense Summary

$382.8M
FY27 Operating Expense
+$37.1M / +10.7%

$259.6M
Labor & Fringes
Largest cost category

$29.1M
Purchased Transportation
+$7.7M / +36.0%

$17.9M
Fuel & Utilities
+$3.4M / +23.4%

$26.6M
One-Time
KSAM, SOGR, VIA Rapid, other

Expense Category *($ in Millions)*	**FY26 Forecast**	**FY27 Proposed**	**FY26 vs FY27**	**% Change**
Labor & Fringes	$238.8	$259.6	$20.8	*8.7%*
Services	37.9	41.2	3.3	*8.7%*
Materials & Supplies	22.3	23.6	1.3	*5.8%*
Fuel & Utilities	14.5	17.9	3.4	*23.4%*
Purchased Transportation	21.4	29.1	7.7	*36.0%*
Casualty & Liability	4.7	3.3	(1.4)	*(29.8%)*
Other	6.1	8.1	2.0	*32.8%*
Total Operating Expenses	**$345.7**	**$382.8**	**$37.1**	***10.7%***

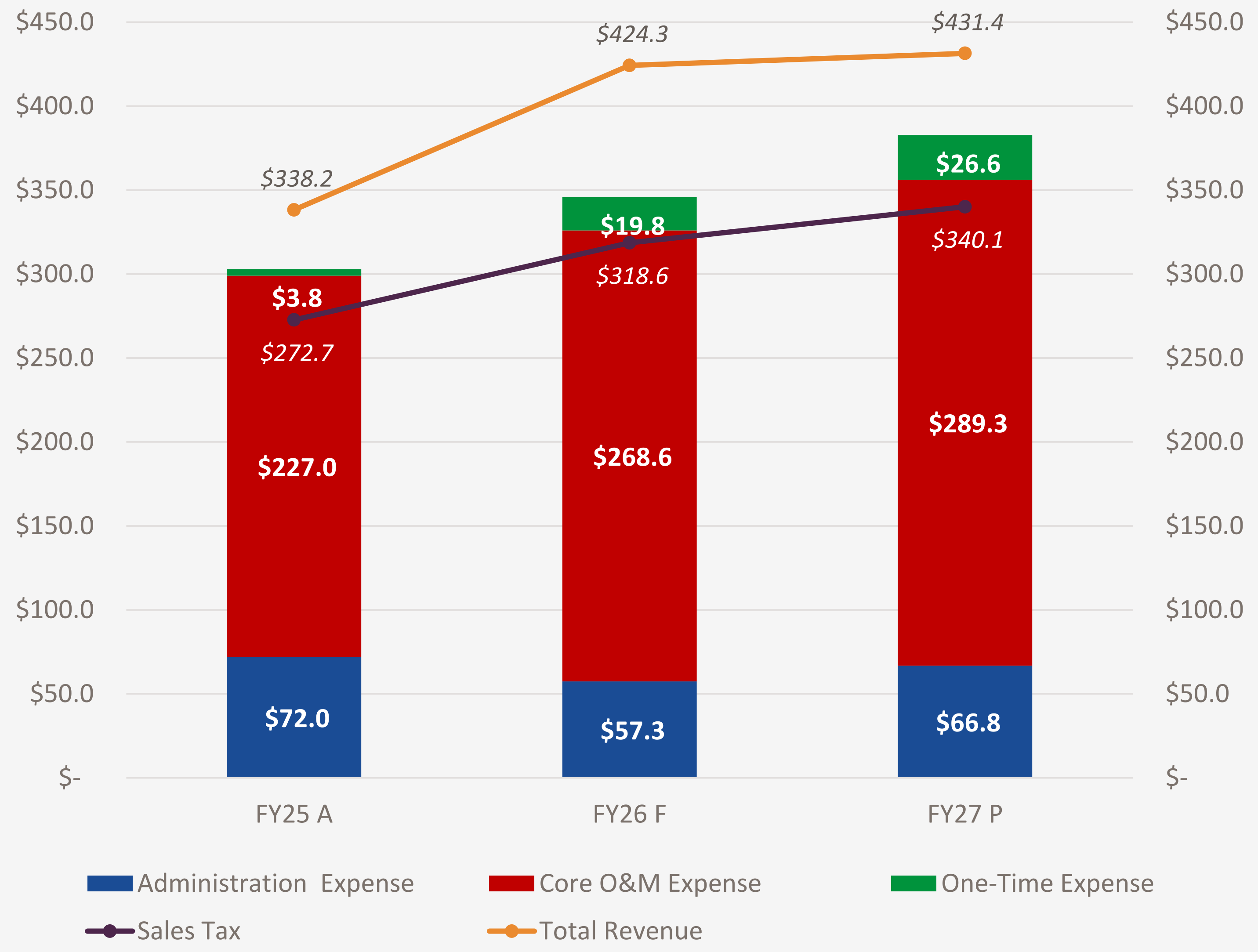
Comparison of Year over Year Budget

- Labor & Fringes: 3.5% salary increase ($5.1M), VIAcare ($7.9M) and Pension ($6.8M)
- 27 net new positions: 13 Van Operators, 9 Transit Ambassadors, 4 KSAM support and 3 business support positions offset by reduction of 2 vacant positions
- Purchased transportation: VIA Link ($3.0M) and Paratransit ($2.8M)
- Fuel & Utilities: CNG price and service demand ($2.7M)
- Other increases include costs associated with service expansion, maintaining current service levels, and KSAM

Note on FY27 One -Time expenses

- Account for $26.6M, or 7.0%, of the total operating budget
- Include short-term lease of right-of-way, KSAM-support personnel, SOGR and other one-time funding

Total Operating Expenses versus Revenues



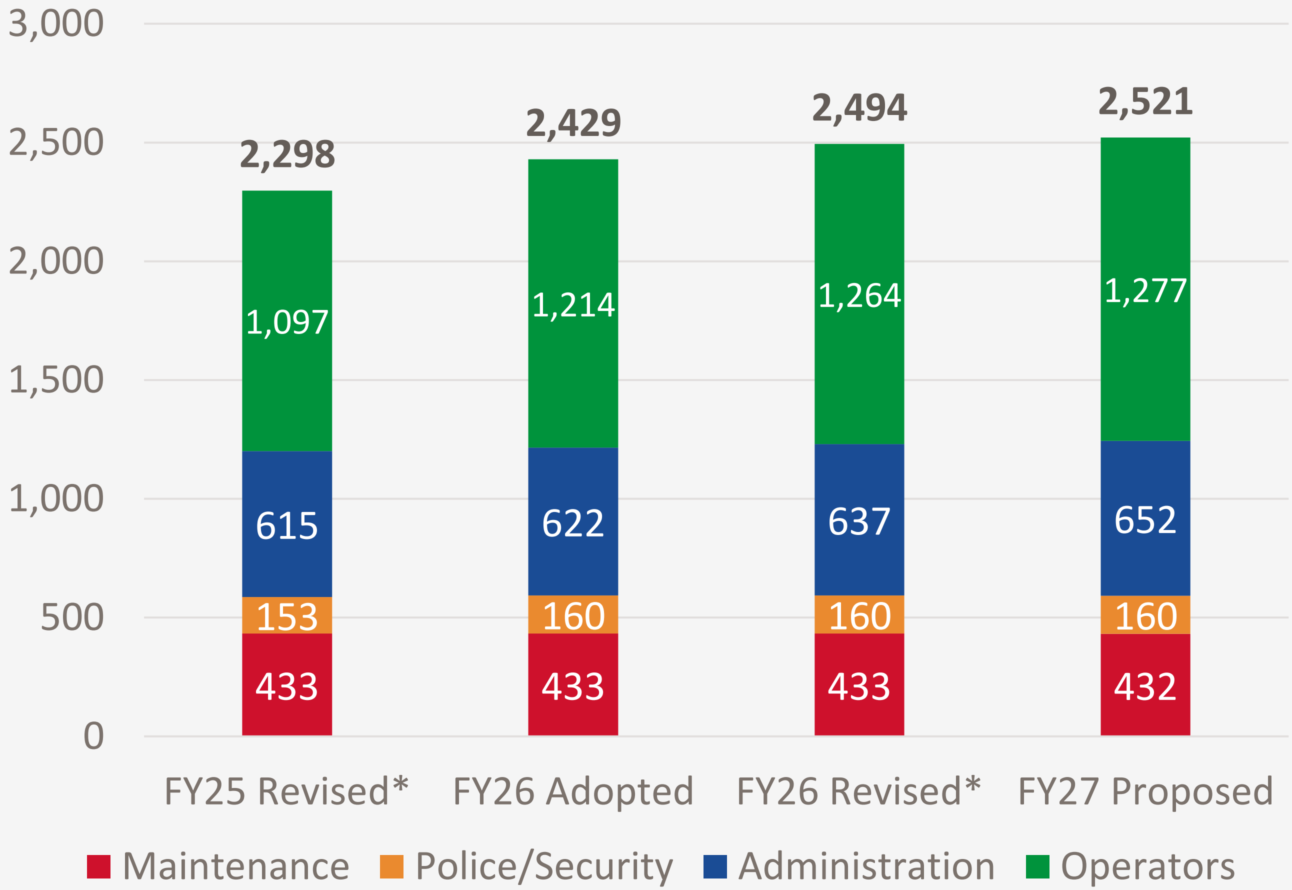
FY27 Operating Expenses

- Administrative Expenses (excluding one-time expenses) make up 18.8% of the overall budget
- Core Operating Expenses (excluding one-time expenses) make up 81.2% of the budget
- One-time expenses (includes KSAM) make up 7.0% of the budget

FY27 Revenues versus Operating Expenses

- Operating Expenses (excluding one-time expenses) is 82.6% of Total Revenue
- Total Operating Expenses (including one-time expenses) is 88.7% of Total Revenue

Authorized Position Summary (FY25 to FY27)



** Includes mid-year personnel changes.*

Budget Summary by Group/Division

Group/Division *($ in Millions)*	**FY26 Forecast**	**FY27 Proposed**	**FY26 vs FY27**	**% Change**
Administrative Group	$6.9	$7.8	$0.9	*13.0%*
General Counsel Group	8.9	9.9	1.0	*11.2%*
Business Support Services Group				
Fiscal Management Division	*5.2*	*6.3*	*1.1*	*21.2%*
Human Resources Division	5.8	6.2	0.4	*6.9%*
Innovation & Technology Division	13.3	13.5	0.2	*1.5%*
*Non-Departmental**	54.9	69.9	15.0	*27.3%*
Procurement Division	2.3	2.5	0.2	*8.7%*
Operations Group				
Fleet & Facilities Division	75.0	83.2	8.2	*10.9%*
Transportation Division	123.8	128.2	4.4	*3.6%*
Safety, Training & System Security Division	14.9	17.6	2.7	*18.1%*
Marketing & Communications Group	7.4	8.0	0.6	*8.1%*
Customer, Care & Support Group	8.9	9.4	0.5	*5.6%*
Planning & Development Group	18.4	20.3	1.9	*10.3%*
Total Operating Expenses	**$345.7**	**$382.8**	**$37.1**	***10.7%***

*Non-Departmental includes facility utilities and employee benefits, such as VIAcare, Pension, and OPEB.

FY27 Operating Expenses

- Non-Departmental increase of $15M is mainly due to VIAcare ($8.0M) & Pension ($6.8M)
- Fleet & Facilities $8.2M increase mainly due to CNG ($2.7M), salary increases ($2.9M), and bus parts
- Transportation increase of $4.4M is due to purchased transportation for VIA Link ($3.0M) and Paratransit ($2.8M), offset against one-time costs ($1.4M)
- STSS $2.7M increase mainly due to salary increases for Security & Police Officers, and administrative staff

FY27 Capital Improvement Plan (CIP) Summary

$371.8M
FY27 Capital Budget

$1.1B
5-Year CIP

72%
KSAM Share

28%
Multi-Year Projects

Category *($ in Millions)*	**FY27 Proposed**	**Funding Source**
KSAM / VIA Rapid	$268.5	Allocated Reserves from ATD Bond/ KSAM and Grant funding
Revenue Vehicles	65.1	Grants and local funding
Operational Facilities	15.7	Grants and local funding
Computer Hardware/Software	6.5	Local Funding
Passenger Facilities	7.1	Local Funding
Administrative Facilities	3.8	Local funding
Revenue Vehicle Components	3.2	Local Funding
Tools & Equipment/Misc.	1.9	Grants and Local Funding
Total CIP	**$371.8**	

FY27 Financial Summary & Net Cash Position

$569.3M	$431.4M	$382.8M	$309.7M	$402.5M
Beginning Cash and Reserves	Total Revenue	Operating Expense	Commitments & Reserves	Ending Cash and Reserves

Category / Description *($ in Millions)*	**FY27 Proposed**	**Notes / Key Drivers**
Operating Revenues	$17.9	Fares $17.1M, agency revenues $0.8M
Operating Expenses	(382.8)	System operations & maintenance
Net Operating Deficit	(364.8)	Subtotal: Operating gap
Non-Operating Revenues	413.4	Sales tax $340.1M, Grants $53.7M, Investment income $19.6M
Debt Service & Other Non-operating Expenses	(36.7)	Principal & interest obligations
Net Cash Flow for Capital (CIP)	405.1	Available for capital investment
Capital Contributions & Self-Funded CIP (Net)	(178.6)	Total CIP ($371.8M) offset by Capital Contributions/Grants $193.2M
Beginning Cash & Investments	569.3	Carried forward from FY26 (MTA - $355.5M and ATD - $213.8M)
Commitments & Reserve Requirements	309.7	Board-mandated reserves
Ending Cash / Reserve Balance	**$402.5**	**Net Position ($92.8M Unrestricted Cash Available)**

Five-Year Operating Forecast &
Five-Year Capital Improvement Plan
FY 2027 – FY 2031

FY27 – FY31 Five-Year Operating Forecast

$431.4M
Total FY27 Revenue
Sales tax is 78.8% of revenue

$382.8M
FY27 Proposed Operating Budget
+$37.1M / +10.7% vs FY26 forecast

$26.6M
FY27 One-Time Expenses
Preparation for service enhancements

2,521
FY27 Proposed Positions
+27 net positions

$1.1B
Capital Budget
62% focused on KSAM projects

Expense Category *($ in Millions)*	**FY27 Proposed**	**FY28**	**FY29**	**FY30**	**FY31**
Labor & Fringes	$259.6	$260.3	$269.4	$275.5	$288.7
Services	41.2	34.7	36.4	36.8	38.8
Materials & Supplies	23.6	24.5	25.5	26.4	28.0
Fuel & Utilities	17.9	18.9	20.0	20.7	22.0
Purchased Transportation	29.1	27.5	28.6	29.8	31.0
Other	11.4	14.0	14.3	14.4	14.8
Total Operating Expenses	**$382.8**	**$379.9**	**$394.2**	**$403.6**	**$423.3**

FY27 – FY31 Five-Year CIP

$371.8M
FY27 Capital Budget

$1.1B
5-Year CIP

62%
KSAM Share

38%
Multi-Year Projects

Expense Category *($ in Millions)*	FY26F	FY27	FY28	FY29	FY30	FY31	FY27 – FY31 Total
KSAM / VIA Rapid	$124.9	$268.5	$262.8	$88.6	$47.8	$6.5	$674.2
Revenue Vehicles	27.5	65.1	59.6	77.5	61.4	70.5	334.1
Operational Facilities	7.9	15.7	11.8	7.6	0.1	0.1	35.3
Passenger Facilities	7.8	7.1	0.5	10.2	0.0	0.0	17.8
Revenue Vehicle Components	3.5	3.2	2.5	2.4	0.0	0.0	8.0
Tools & Equipment/Misc.	2.2	1.9	0.2	0.1	0.1	0.1	2.5
IT Hardware & Software	1.8	6.5	1.9	1.3	0.3	0.3	10.3
Administrative Facilities	1.3	3.8	0.0	0.0	0.0	0.0	3.9
Service Vehicles	0.9	0.0	0.1	2.0	0.0	1.3	3.4
Total CIP	**$177.8**	**$371.8**	**$339.4**	**$189.7**	**$109.7**	**$78.8**	**$1,089.5**

FY27 – FY31 Reserve Balances

$402.5M
FY27 Reserve Ending Balance

($361.1M)
5-Year Change in Reserves

60
Working Capital (Days)

60
Stabilization Fund (Days)

Reserve Ending Balances *($ in Millions)*	**FY27 Proposed**	**FY28**	**FY29**	**FY30**	**FY31**
Bond Construction Fund	$3.3	$3.3	$3.3	$3.3	$3.3
Bond Debt Service Fund	10.8	10.8	10.8	10.8	10.8
TxDOT Grant Funds	0.4	0.0	0.0	0.0	0.0
Restricted Cash	90.1	0.0	0.0	0.0	0.0
Stabilization Fund	62.9	62.0	64.4	65.9	69.2
Working Capital	62.9	62.0	64.4	65.9	69.2
Retainage	1.6	1.6	1.6	1.6	1.6
KSAM Reserve	52.7	39.0	39.0	39.0	39.0
Capital Grant Local Share	25.0	0.0	0.0	0.0	0.0
Unrestricted Cash Reserve	92.8	105.6	35.2	17.9	15.1
Total	**$402.5**	**$284.3**	**$218.7**	**$204.4**	**$208.2**
Change in Reserves	**($166.8)**	**($118.2)**	**($65.6)**	**($14.3)**	**$3.8**

Note: Based on FY27-FY31 projections as of August 17, 2026.

Budget Risks, Mitigations & Next Steps

FY27 Budget Risks and Mitigation

Key Risks to FY27 Budget	Potential Budget Impact	Mitigation Strategies
Sales tax underperformance	• Revenue shortfall; reserve pressure	• Conservative assumptions • Monitor monthly trends
Formula/Disretionary Grant Delay or Shortfall	• Cash flow pressure; delayed capital recovery	• Align draws to project schedules and funding restrictions • Defer uncommitted or non-critical capital projects
Capital spending timing	• Carryforwards and inflationary pressures	• Procurement and contract readiness gates
Inflation / cost escalation	• Higher operating and capital costs	• Contingency planning • Contract controls
Fuel / CNG volatility	• Operating cost variance	• Evaluate CNG procurement/hedging strategy
Procurement delays	• Project deferrals; missed delivery windows	• Early procurement planning • Project readiness matrix
Force majeure / external disruption	• Service, cost, or schedule disruption	• Scenario planning and reserve governance

Budget Timeline

WE ARE HERE

Board Work Session – Proposed Budget
Aug 18th

Board Work Session - Proposed Budget Initiatives
Sept 15th

Public Hearing
Sept 8th

Board Meeting - Budget Adoption
Sept 22nd

Start of Fiscal Year 2027
Oct 1st

VIAINFO.NET