



Comprehensive Annual Financial Report

For the Fiscal Years Ended
September 30, 2020 and 2019

SAN ANTONIO, TEXAS
VIAINFO.NET



(This page intentionally left blank.)



San Antonio, Texas

Comprehensive Annual Financial Report

**For the Fiscal Years
Ended September 30, 2020 and 2019**

Prepared by the Fiscal Management Division

Steven J. Lange
Vice President Fiscal Management/CFO

VIA Metropolitan Transit
San Antonio, Texas

(This page intentionally left blank.)

Table of Contents

Section 1 – Introductory

Letter of Transmittal	5
Certificate of Achievement for Excellence in Financial Reporting	17
VIA Board of Trustees	18-19
Organizational Chart	20
VIA Service Area	21

Section 2 – Financial

Independent Auditor's Report	25
------------------------------------	----

Required Supplementary Information

Management's Discussion and Analysis	29
--	----

Basic Financial Statements

Statements of Net Position	41
Statements of Revenues, Expenses, and Changes in Net Position	43
Statements of Cash Flows	44
Notes to the Financial Statements	49

Required Supplementary Information

Schedule of Changes in Net Pension Liability – Unaudited	99
Schedule of VIA's Pension Contributions - Unaudited	100
Notes to Schedule	100
Return on Pension Plan Investments-Unaudited	101
Schedule of Changes in Net OPEB Liability and Related Ratios - Unaudited	102
Notes to the Required Supplementary Information - Unaudited	102
Schedule of OPEB Contributions - Unaudited	103
Notes to Schedule	103
Return on OPEB Plan Investments-Unaudited	104
Note 1 – Trend Information - Unaudited	104

Other Supplementary Information

Combining Schedule of Net Position	107
Combining Schedule of Revenues, Expenses, and Changes in Net Position	109
Combining Schedule of Cash Flows	110
Schedule of Revenues, Expenses, and Changes in Net Position – Budget (GAAP Basis) and Actual	111
Schedule of Operating Expenses by Expense Category and Cost Center	113

Section 3 – Statistical

Net Position	119
Changes in Net Position.....	120
Direct and Overlapping Sales Tax Rates.....	123
Estimated MTA/ATD Sales Tax Receipts by City.....	124
Schedule of Outstanding Debt and Public Debt Coverage Ratios.....	126
Demographic and Economic Statistics.....	128
Principal Employers	129
Full Time Equivalents	130
Fare History	131
Line Service Statistics	132
VIAtrans Service Statistics	133
Line Service Recovery Rate	134
VIAtrans Service Recovery Rate	134
Service Miles by Cost Center	135
Service Hours by Cost Center.....	135
Revenues by Source	137
Operating Expenses by Cost Center.....	137
Operating Expenses by Object Class	138
Capital Assets	140
Changes in Retirement Plan Net Position	142
Benefit and Refund Deductions from Net Position by Type	142
Retired Members by Type of Benefit	143
Schedule of Average Benefit Payment Amounts	144

INTRODUCTORY

Letter of Transmittal	5
Certificate of Achievement for Excellence in Financial Reporting	17
VIA Board of Trustees	18 - 19
Organizational Chart	20
VIA Service Area	21



(This page intentionally left blank.)



March 26, 2021

Citizens of the VIA Metropolitan Transit Service Area:

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of VIA Metropolitan Transit for the fiscal year ended September 30, 2020. The CAFR is prepared annually to satisfy Texas statute and Federal Single Audit Act requirements to have an annual audit of our basic financial statements. The audit is to be performed by an independent certified public accountant or a firm of independent certified public accountants. This report is published and respectfully submitted to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. The internal control is designed to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe the data, as presented, is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of VIA in accordance with accounting principles generally accepted in the United States of America (GAAP) for local government units. All disclosures necessary to enable the reader to gain an understanding of VIA's financial affairs have been included.

This report is presented in three parts:

1. The **Introductory Section** includes this letter of transmittal, the 2019 Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting, an organizational chart and a listing of the Board of Trustees.
2. The **Financial Section** presents the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), and the basic financial statements with accompanying notes.
3. The **Statistical Section** provides unaudited financial, economic and other miscellaneous information that is useful for indicating trends for comparative fiscal periods.

VIA's independent auditor, Baker Tilly, has rendered an unmodified opinion on VIA's financial statements for the year ended September 30, 2020. The

independent auditor's report is presented as the first item in the financial section of this report.

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

Profile of the Government

VIA is a Metropolitan Transit Authority established on March 1, 1978, under the provisions prescribed in Article 1118x, Revised Civil Statutes of Texas (now codified as Ch. 451, Texas Transportation Code) to provide public transportation services for the citizens of Bexar County, which includes the City of San Antonio, Texas. The system's legal name is VIA Metropolitan Transit.

A confirmation election was held in Bexar County in 1977 and voters approved the creation and funding of VIA through a one-half cent sales tax levied in San Antonio and seven other incorporated municipalities. In March of 1978, VIA purchased transit system assets from the City of San Antonio and began operations. Today, VIA's service area consists of the unincorporated area of Bexar County and 13 municipalities including the City of San Antonio.

On November 2, 2004, the voters of San Antonio approved the creation of an Advanced Transportation District (ATD) for mobility enhancement and advanced transportation. The ATD is authorized to impose sales and use tax of one-fourth of one percent to be allocated 50% to VIA Metropolitan Transit, 25% to the City of San Antonio, and 25% as a local share to be leveraged with state and federal grants (the local share has gone to the Texas Department of Transportation and Bexar County). The funds are used for "advanced transportation" and "mobility enhancement," which includes items such as transportation services, operations, transportation amenities, equipment, construction, improvements to streets and sidewalks, and, the local share for state and federal grants for ATD-related capital projects, such as improving highways and transportation infrastructure.

On November 3, 2020, the voters of San Antonio approved a measure that will rededicate a 1/8-cent share of local sales tax for public transit, beginning in 2026. This is not a new tax. It reallocates a portion of an existing 1 cent of local sales tax made available for transit use by the Texas legislature. The additional funding will be used to fund VIA's Keep SA Moving Plan, designed to connect more people to jobs and economic opportunity through improved and expanded VIA services.

VIA is governed by an eleven-member Board of Trustees appointed to staggered two-year terms. Five members are appointed by the San Antonio City Council, three members are appointed by the Bexar County Commissioners and two are named by the Suburban Council of Mayors. The Chair is elected by the VIA Board of Trustees.

The Board determines policy and directs VIA, with the President serving as the Chief Executive Officer. Subject to policy direction from the Board, the President is responsible for daily operations of VIA.

Service

The service area is comprised of approximately 1,213 square miles, almost all of which are in Bexar County. This represents 97% of Bexar County. In FY20, a year significantly impacted by COVID-19, VIA transported 28.0 million passengers, provided 2.3 million hours of service over 34.5 million miles, and carried an average of 82,988 passengers on weekdays. In the prior year, VIA transported 36.1 million passengers, provided 2.5 million hours of service over 38.1 million miles, and carried an average of 111,718 passengers on weekdays.

Service is currently available seven days a week, from 4:00 a.m. until 1:00 a.m., with a fleet of 519 buses and 139 Paratransit vans (excluding contract service) maintained by an around-the-clock maintenance department.

Budget

The State of Texas requires that transit authorities, such as VIA Metropolitan Transit, adopt an annual operating budget before the start of a new fiscal year. VIA establishes a budget that is appropriately monitored through the accounting system to ensure effective budgetary control and accountability. It is the responsibility of each division to administer its operation in such a manner as to ensure that the use of funds is consistent with the goals and programs authorized by the Board of Trustees and that the total approved budget is not exceeded. The Board receives and reviews budget performance reports, in a summarized format, at the monthly board meeting.

Local Economy

The Federal Reserve Bank of Dallas, in their February 2, 2021 *San Antonio Economic Indicators* publication, noted that after contracting in November, the San Antonio Business-Cycle Index rose 1.0 percent in December, a moderate improvement over the prior month, due mainly to the recent payroll gains and drop in the unemployment rate. Fourth-quarter job growth was broadly positive across sectors. Local consumer spending declined after spiking in mid-December, and home sales activity moved sideways in December. The number of individuals currently hospitalized with COVID-19 decreased after peaking in late January.

The business-cycle index produced by the Federal Reserve Bank of Dallas is the broadest and most current measure of the local economy. It is a composite index consisting of changes in the unemployment rate, nonagricultural employment, inflation-adjusted wages, and inflation-adjusted retail sales for the metropolitan area.

In January 2021, Moody's Analytics reported that the San Antonio-New Braunfels economy is recovering at an above-average pace. Moody's Analytics noted that payroll employment is down only half as much as the U.S. on a year-over-year basis, and many industries are outperforming their national counterparts. They also state that San Antonio-New Braunfels will recover at an above-average pace in 2021, lifted by housing and the revival of the hospitality industry. And longer term, the metro area's above-average population gains, low cost of doing business, and relatively high housing affordability should contribute to above-average overall performance.

Long-Term Financial Planning

VIA has a five-year financial and capital plan that is updated annually, as well as a VIA Vision 2040 Long-Range Plan that will be updated every five years. A key purpose of these plans is to guide staff and inform the public and other stakeholders of the means by which community transit needs will be met. The five-year financial projections are developed by analyzing historical data, trends, planned service changes, known revenue and expense factors, and other pertinent information. Some of the key information developed includes five-year schedules of annual: 1) revenues and expenses, 2) cash requirements and cash and investment balances, 3) disposition/replacement of revenue vehicles, 4) proposed expenditures on capital facilities and equipment, 5) projected availability and use of federal transit grants, and 6) projected debt financing.

Relevant Financial Policies

Basis of Accounting

VIA prepares its financial statements using the accrual basis of accounting, treating VIA Metropolitan Transit as an enterprise fund. The financial statements of VIA Metropolitan Transit have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for local governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Cash and Investments

State law permits VIA to invest in: fully secured or fully insured certificates of deposit ("CDs") of state and national banks or savings and loan associations located within the State of Texas; direct obligations of the United States of America and its agencies; obligations of the State of Texas and its municipalities, school districts, or other political subdivisions; and, obligations guaranteed as to both principal and interest by the United States of America. VIA's investment policy conforms to the regulations of the Texas Public Funds Investment Act.

Risk Management

VIA is self-insured and self-administered for public liability and property damage claims. Claims are paid from general operating revenues. Extensive cost

containment efforts, such as an aggressive subrogation recovery program and medical invoice audits, are employed to help minimize the cost of these programs.

VIA has fire and extended coverage on scheduled buildings, contents, buses and vans. The purchased coverage is to cover catastrophic losses in excess of the \$500,000 deductible carried. Contractors who perform services for VIA are required to carry adequate insurance coverage and to add VIA as an additional insured. These requirements are monitored carefully to protect VIA's insurable interests.

Healthcare costs are a significant expense for VIA, and to limit exposure to large-dollar medical claims, VIA has contracted with a stop-loss insurer. The cap on claims for any one individual per year is \$175,000 (this also includes pharmacy claims). VIA does not incur any expense in connection with claims above the cap.

Key Budget Objectives

VIA's budget focuses on the retaining and returning ridership as San Antonio recovers from COVID-19. VIA will focus on employee/rider health and safety, continuing development projects such as the Scobey Redevelopment, completing the new Paratransit Campus, rebalancing the VIA System, and improving service delivery – a focus on service quality and the customer experience. The budget includes an initiative to seek additional ATD sales tax funding in a November 2020 ballot measure which turned out to be successful. The ATD will receive an additional 1/8-cent of sales tax beginning in 2026. Those funds will be used to fund the Keep SA Moving plan. The plan's goals include enhancing mobility for economic opportunity, providing diverse, high-quality options, and improving the customer experience such as by introducing new technologies.

There will be a focus on employee and rider health and safety, through actions such as continuing social distancing, enhanced cleaning, and requiring use of face masks. COVID-19 is expected to continue to adversely impact sales tax revenue and farebox revenue throughout FY21, and is also expected to result in higher expenses due to items including cleaning costs and personal protective equipment.

In FY21, VIA's service will include essential service and expansion of VIA Link service. CMAQ funding will also be used to improve service frequency. Essential service is a modified service level that serves to match service to demand while maintaining social distancing. Demand is expected to continue at a reduced level in FY21 due to the impact of COVID-19. For VIA's VIA Link service – a mobility-on-demand service that was first offered in FY19 – VIA will expand service to a northwest sector of San Antonio in FY21, as well as to Sandy Oaks.

The budget is consistent with VIA's mission, which is "VIA Metropolitan Transit provides regional multimodal transportation options that connect our community to opportunity, support economic vitality and enhance quality of life throughout our region" and VIA's vision, which is "Connecting our Region." Demonstrating this

commitment to improving transit, VIA's approved FY21 budget includes funding to support the November ATD sales tax ballot initiative, and the approved FY21-25 Capital Plan includes spending for new paratransit vans, new CNG buses, new passenger facilities and other projects.

Strategic Investments

To facilitate the achievement of budget objectives, VIA plans to make a wide variety of strategic investments:

- Enhanced revenue vehicle fleet
 - Purchase of 117 new environmentally-friendly buses in FY20-25, including 8 electric buses
 - Purchase of 139 new paratransit vans
- Build/rehabilitate facilities
 - Complete the new Paratransit Campus
 - Install solar-powered lighting at 90 shelters
- Engineering – final design & construction
 - IH10 Park & Pool
 - Northeast Mobility Hub
 - Randolph Transit Center
- Programming & conceptual design
 - Robert Thompson Transit Station
 - Alamo Ranch Park & Ride
 - Eastside Mobility Hub
 - 2nd Maintenance & Operations Facility
- Conduct studies/assessments
 - Advanced Rapid Transit network
 - Advanced conceptual plan design
 - Corridor schematic development
 - Environmental fatal flaw analysis
 - Ridership model and service plans
 - Funding scenario

Progress on Key Projects Underway

Facility Projects. VIA will make significant progress on new facilities in FY21. Key projects underway are noted in the section below, and all of the transit technologies included in VIA's Long-Range Comprehensive Transportation Plan will continue to be explored.

Paratransit Campus – VIA is building a new Paratransit Operations and Maintenance Facility that will allow for the relocation of the VIA's paratransit fleet from our main operations yard. The facility is expected to be completed in August

2021 and will become operational in October 2021. The design and construction of the paratransit operations and maintenance facility project involves the renovation of an existing 100,000 square-foot building formerly known as the K-Mart Shopping Center and later as the Graham Central Station nightclub. The building is situated on an 11-acre site on the northwest side of San Antonio just outside Loop 410 at 4902 Fredericksburg Road.

The renovation will include: offices; lunchrooms, restrooms with showers and lockers; a fitness center; parking for approximately 174 paratransit vehicles and 73 non-revenue vehicles; propane and unleaded fueling facilities with aboveground and underground storage tanks; vehicle washers; maintenance repair bays; parts warehousing, storage and a loading dock; approximately 250 standard parking spaces for employees; landscaping; lighting; fencing; security cameras and signage; and VIA branding on the building exterior.

Once completed, the facility will serve as VIA's dedicated home-base for Paratransit operations and maintenance, as well as support a portion of VIA's Passenger Amenities, Facilities, and non-revenue vehicle off-property maintenance services staff and vehicles.

Randolph Park & Ride – VIA is planning a project to reconstruct the Randolph Park & Ride located at the NE interchange of I-410 & I-35. A brand-new facility will be planned, designed and constructed to replace this 20+year-old facility. Work will include a new boarding platform, customer lobby, restrooms, customer service options along with the latest in real-time information signage to display bus arrivals and departures along with parking for our patrons.

Northeast Mobility Hub – VIA is currently designing new and improved passenger amenities at the Naco Pass Transfer Area. The Northeast Mobility Hub project effort has been completed to 30% design, received environmental concurrence, and is being advanced toward final design. The current location is home to our new VIA Link mobility-on-demand service and where several routes converge to allow passengers to transfer between routes. Work will include modification of the street to a full cul-de-sac design, upgraded street pavement, wider sidewalks, improved area lighting, bicycle amenities, expanded shelter amenities along with real-time information signage to display bus arrivals and departures. The project is scheduled for construction to begin in the second quarter of FY21 and to be completed in the summer of FY21.

Robert Thompson Transit Center – The existing Robert Thompson Transit Station (RTTS), located at the Sunset Station/Alamodome area, is being studied for a Transit-Oriented Community project. The project will focus on using the VIA facility and air rights, while studying the special event and fixed-route service in the area. FY21 will see the development of a Request for Proposals for a joint development project on this site.

Eastside Mobility Hub – VIA has identified the need for an Eastside Mobility Hub. The facility will have parking, shelters for customers, and other improvements to

ensure sufficient access and circulation for multiple transportation routes. The facility will include enhanced pedestrian access, lighting, security camera, wi-fi and real-time bus arrival information. The next steps for this project include the refinement of the site evaluation criteria and a site evaluation and selection process.

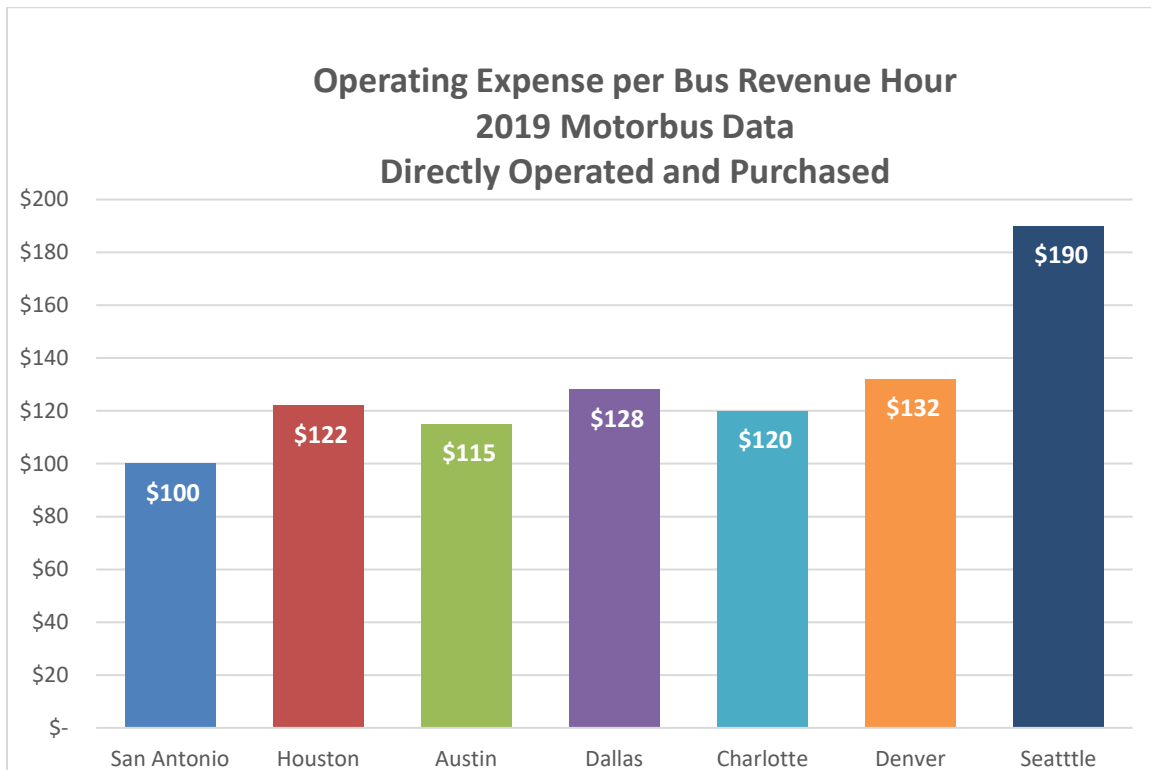
Stone Oak Park & Ride Phase II Bridge – This bridge will connect the Stone Oak Park and Ride facility to the new High-Occupancy Vehicle (HOV) lanes as part of an expanded US 281 North currently under construction by the Texas Department of Transportation (TxDOT). The expansion project is scheduled to be completed in 2021.

Vision 2040 Advanced Rapid Corridor Studies – Four ART Corridors, as identified as part of the region-wide rapid transit network of the VIA Vision 2040 Long Range Plan, are being studied for potential implementation of improved high-capacity, rapid transit service. VIA investment in rapid transit services supports the land use vision established by the City of San Antonio in its 2016 Comprehensive Plan, SA Tomorrow. SA Tomorrow acknowledges that by 2040, Bexar County is projected to add over 1.1 million people and 500,000 jobs. The Rapid Transit Corridor Studies will focus on four critical corridors: North Corridor, West Corridor, East Corridor, and the South Corridor.

Updated Bus Stop Shelter and Amenities. In recent years, VIA has installed over 1,140 new bus shelters and will partner with TxDOT and the City of San Antonio to improve approximately 200 additional bus stops in the next five years. VIA is coordinating with partner agencies on site analysis, design, and construction.

State-of-the-Art Fare Collection System. VIA will be implementing a new mobility payment platform in FY21 and will be expanding the goCard (smart card) rollout. The mobility payment platform should integrate with VIA's goCard and provide for fare capping. VIA's goCard will provide more fare options, decrease boarding time and give riders greater flexibility.

In summary, FY21 will be a year of significant progress for VIA, as the vision of a multimodal transit system for the San Antonio region continues to develop, and investments are made in transit system assets and improvements throughout the region. Additionally, VIA has been able to realize various cost savings that result in a lower operating budget than in FY20, remaining fiscally sound with Stabilization Fund ("Rainy Day" Fund) and working capital balances at Board policy levels (60 days each).



While VIA is the most efficient system within the peer group of the largest Texas transit agencies, it also receives fewer operating dollars. Houston, Dallas and Austin all have a full one-cent sales tax available to support operations, while VIA has 5/8ths of one cent. In FY19, sales tax revenue for these agencies were the following: Houston (METRO), \$775.4M; Dallas (DART), \$621.1M; Austin (Cap Metro), \$261.5M; and San Antonio (VIA), \$196.3M. As VIA grows into a larger system of transit choices, the organization must constantly seek out ways to do even more with less, enabling investment in new and enhanced services.

During FY21, VIA will continue to explore ways to improve financial sustainability. Key fiscal sustainability efforts for FY21 are as follows:

November 2020 Ballot Initiative. San Antonio voters said “yes” to a ballot measure that will rededicate a 1/8-cent share of local sales tax for public transit, beginning in 2026. The funds will be used to fund VIA’s Keep SA Moving Plan (KSAM), designed to connect people to jobs and economic opportunity through improved and expanded VIA services. VIA will now work to accelerate certain elements of the KSAM plan, and will explore a variety of funding and financing options.

Fixed Route Service Refinements. VIA continues to evaluate opportunities for improvements in service efficiency and effectiveness. VIA evaluates its bus network by analyzing ridership and service levels to ensure it is providing service that meets productivity standards. VIA performs detailed service analysis, using its route performance index, to identify opportunities to match service levels with ridership.

Federal Grant Awards. In addition to building new facilities and introducing new transit services, VIA has pursued federal grants to help modernize the system and expand current services. In the past seven years, VIA has been awarded an average of \$11.5M per year of discretionary grants. Examples of funds awarded include \$9.8 million of Volkswagen settlement funds administered by the Texas Commission on Environmental Quality (TCEQ), \$23.9 million of Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for compressed natural gas (CNG) buses and related operating expenses, a \$6 million grant for VIA's Paratransit Operations & Maintenance Facility, and two FTA no/low emissions grants totaling \$3.7M for the purchase of electric buses.

Revenue Fleet Vehicles – Over the past four years, VIA has purchased 353 new CNG buses. Replacing diesel-powered buses with CNG vehicles has resulted in significant fuel savings. VIA will continue to seek grant funding opportunities that can be used to replace additional diesel-powered buses with CNG buses.

Business Process Improvements – VIA is currently working on implementation of a new Enterprise Resource Planning (ERP) System. The new ERP system is expected to result in significantly improved processes and automation.

Cost Reviews – VIA will continue to monitor key cost drivers and seek to take prudent measures to improve financial sustainability. Some of VIA's significant costs include wages, fuel, healthcare, pension and workers compensation. In the FY21 budget, VIA eliminated 57 vacancies in order to help control wage costs, and no salaried wage increases were included in FY21. VIA has been successful at reducing fuel cost by purchasing new CNG buses. There is a significant cost differential between CNG and ultra-low sulfur diesel (ULSD). VIA has also been successful as reducing healthcare costs. In recent years, healthcare costs have been controlled by making various plan design changes and shifting more costs to employees (employees now pay a higher share of premiums). Examples of plan design changes made include changes to copays, higher deductibles, more stringent out-of-network penalties, and adding a new plan. In the area of pension, to help control costs, VIA closed its defined benefit pension plan to any new employees hired after January 1, 2012. Those employees are instead eligible to participate in a defined contribution plan. Workers compensation expense has been significantly reduced as a result of VIA's contracting with a third-party administrator (TPA) and network beginning in January 2018. The TPA and network have been successful at reducing claims through close monitoring of utilization and getting employees back to work as soon as it is medically safe to do so.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to VIA Metropolitan Transit Authority for its comprehensive annual financial report (CAFR) for the fiscal year ended September 30, 2019. This was the thirtieth consecutive year that VIA Metropolitan Transit has received this award. In order to be awarded a Certificate of Achievement, VIA is required to publish an easily readable and efficiently organized CAFR that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. VIA's Fiscal Management Division prepares that report in conformity with the Certificate of Achievement Program requirements and submits it to the GFOA on an annual basis, no later than March 31st of each year.

VIA's efforts have earned welcome recognition from local, state, and national organizations who have commended the dedication and commitment of VIA employees. Recent commendations include:

Del Oro Merit Award – Public Relations Society of America – San Antonio chapter (for the “VIA Reimagined” Integrated Communications campaign)

Gold Certified Recycler – ReWorksSA (for VIA's commitment to waste reduction and recycling)

Business Partner of the Year – San Antonio Lighthouse for the Blind and Vision Impaired (for dedication and willingness to improve the ride for Lighthouse employees)

Best Bus Stop Improvement Award – TransitCenter Foundation (for VIA's cumulative efforts in recent years to improve bus stop amenities)

Gerencia con Corazón Award – Alexander Briseño Leadership Development Program (presented to President/CEO Jeffrey C. Arndt for support of the leadership program)

El Bronce Campaign Award, Creative Tactics – Public Relations Society of America, San Antonio chapter (for West Side Murals Tour brochure)

Lone Star Award – Texas Natural Gas Vehicle Alliance (for commitment to alternative fuels and fleet conversion to CNG)

Individual DiversityFIRST Award – Texas Diversity Council (presented to President/CEO Jeffrey C. Arndt for promotion of diversity and inclusion)

Innovation Award – American Public Transportation Association (for GoCodeSA Codeathon)

Corporate Sponsor of the Year – Hispanic Contractors Association (for long-time support of the HCA)

Historic Preservation Award – San Antonio Conservation Society (for Centro Plaza/Washington Hotel Rehabilitation project)

Spotlight Award, Public Transportation Marketing Excellence – South West Transit Association (for “VIVA Passport to Adventure” marketing campaign)

Hit the Spot Award, Print Media – South West Transit Association (for VIAWorks Corporate Rideshare brochure and inserts)

Smart 50 Award – Smart Cities Connect Foundation (for Transformative Smart Project: VIA goMobile app)

Best of the City: Public Art Display – San Antonio Magazine (for Museum Month Celebration, Mobile Concert: Opera on the Bus)

AdWheel: First Place Marketing and Communications Educational Effort 2-D – American Public Transportation Association (for VIA Moves Me video series)

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Fiscal Management division. We would also like to recognize the Administration and Public Engagement Group staff that contributed their time and efforts in preparing this document. Finally, special appreciation is extended to the Board of Trustees for providing the leadership and support necessary to prepare this report.

Sincerely,



Jeffrey C. Arndt
President/CEO



Steven J. Lange
Vice President Fiscal Management/CFO



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**VIA Metropolitan Transit
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

September 30, 2019

Christopher P. Morill

Executive Director/CEO

VIA Metropolitan Transit Board of Trustees FY2020

Appointed by:

Fernando Reyes Chair (eff. 1/01/21)	Elected by VIA Board of Trustees
Marina Alderete Gavito (appt'd 2/27/18) Executive Committee (2019 -) Vice Chair (2021-)	Bexar County Commissioners Court
Akeem Brown (appt'd 5/8/18) Secretary (2020 -)	Bexar County Commissioners Court
Louis Cooper (appt'd 11/15/17)	Suburban Mayors
Laura Cabanilla (appt'd 01/14/21)	San Antonio City Council
Robert "Bob" Comeaux (appt'd 6/30/16) Asst. Secretary (Jun-Dec 2018) Vice Chair (2019-2020)	San Antonio City Council
A. David Marne (appt'd 1/15/14) Secretary (Jun-Dec 2018) Exec. Committee (2019-) . . .	Suburban Mayors
Jordana DeCamps Mathews (appt'd 4/10/18).	Bexar County Commissioners Court
Javier Paredes (appt'd 01/14/21)	San Antonio City Council
Melanie Tawil (appt'd 01/14/21)	San Antonio City Council
Athalie Malone (appt'd 9/12/19)	San Antonio City Council



Board of Trustees



Fernando Reyes
Chair

Elected by VIA Board of Trustees



Marina Alderete Gavito
Vice-Chair

Bexar County Appointee



Akeem Brown
Secretary

Bexar County Appointee



Laura Cabanilla
Member

City of San Antonio Appointee



Bob Comeaux
Member

City of San Antonio Appointee



Louis R. Cooper
Member

Greater Bexar County
Council of Cities Appointee



Athalie Malone
Member

City of San Antonio Appointee



A. David Marne
Executive Committee

Greater Bexar County
Council of Cities Appointee



Jordana Mathews
Member

Bexar County Appointee



Javier Paredes
Member

City of San Antonio Appointee

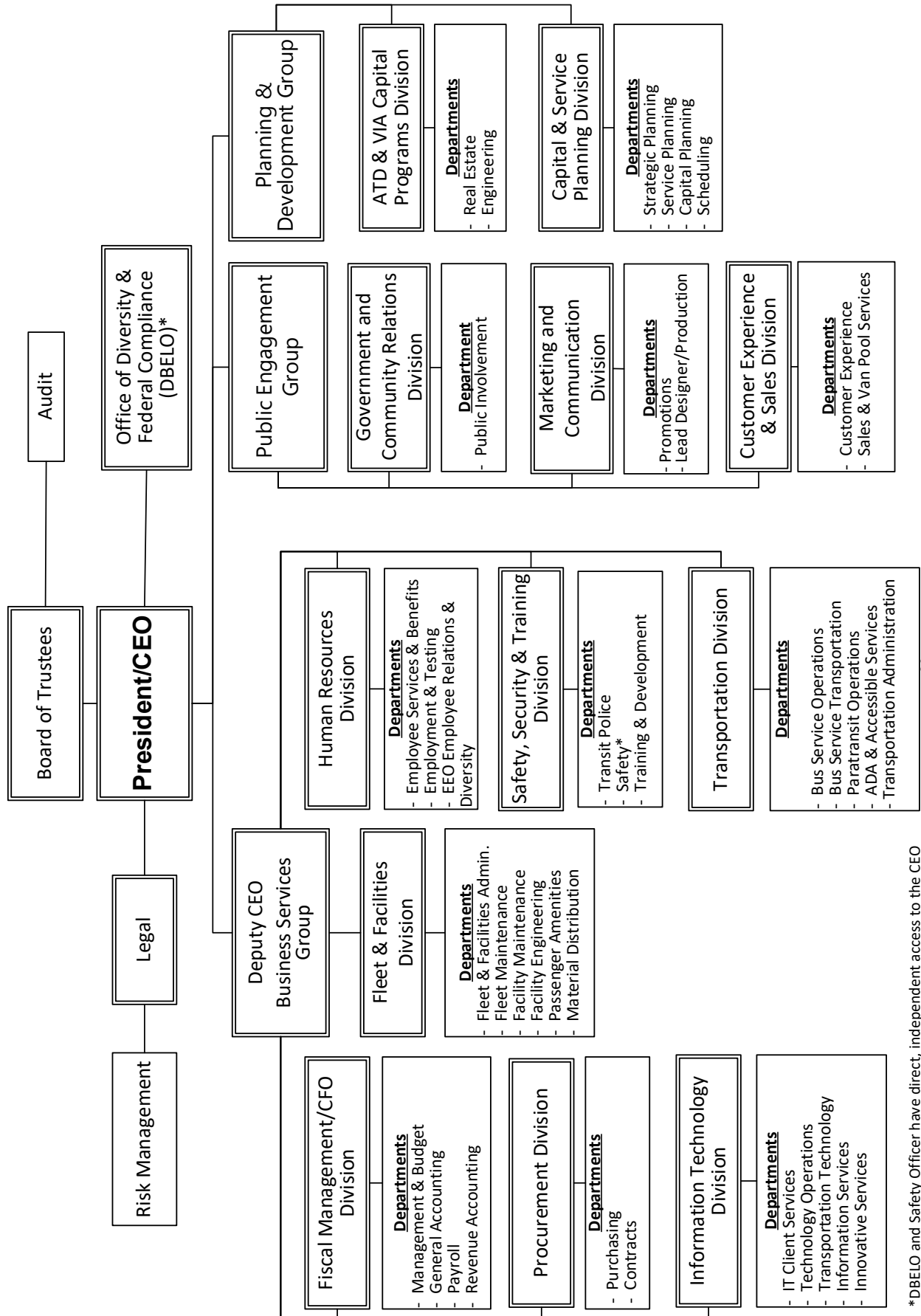


Melanie Tawil
Member

City of San Antonio Appointee

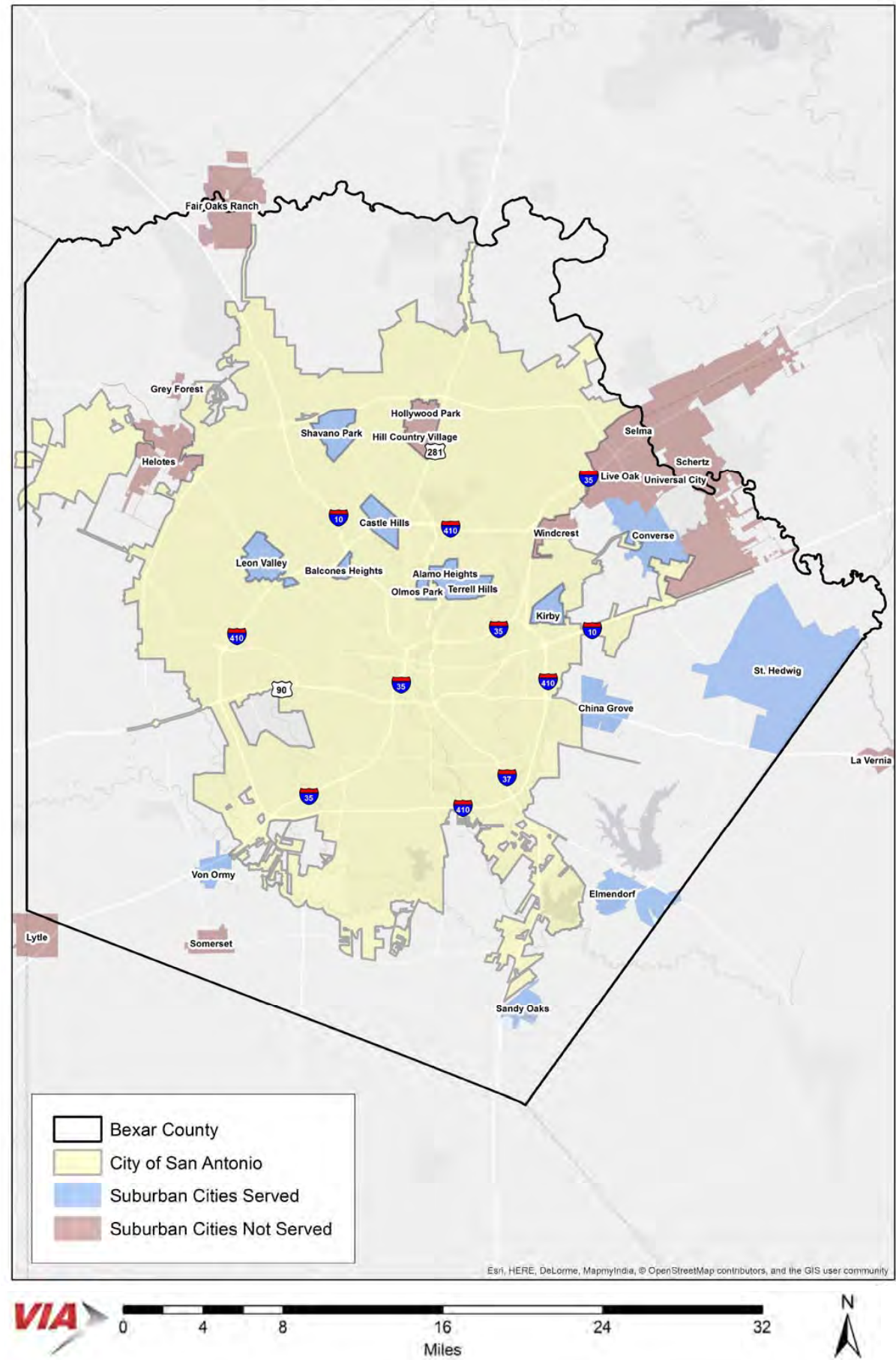
VIA METROPOLITAN TRANSIT ORGANIZATIONAL CHART

October 1, 2019 – September 30, 2020



*DBELO and Safety Officer have direct, independent access to the CEO

VIA Service Area



(This page intentionally left blank.)

FINANCIAL

Independent Auditor's Report	25
------------------------------------	----

Required Supplementary Information

Management's Discussion and Analysis	29
--	----

Basic Financial Statements

Statements of Net Position	41
Statements of Revenues, Expenses, and Changes in Net Position	43
Statements of Cash Flows	44
Notes to the Financial Statements	49

Required Supplementary Information

Schedule of Changes in Net Pension Liability - Unaudited.	99
Schedule of VIA's Pension Contributions - Unaudited.	100
Notes to Schedule	100
Return on Pension Plan Investments - Unaudited	101
Schedule of Changes in Net OPEB Liability and Related Ratios - Unaudited. ...	102
Notes to the Required Supplementary Information - Unaudited	102
Schedule of OPEB Contributions - Unaudited.	103
Notes to Schedule	103
Return on OPEB Plan Investments - Unaudited	104
Note 1 - Trend Information - Unaudited	104

Other Supplementary Information

Combining Schedule of Net Position	107
Combining Schedule of Revenues, Expenses, and Changes in Net Position ...	109
Combining Schedule of Cash Flows	110
Schedule of Revenues, Expenses, and Changes in Net Position - Budget (GAAP Basis) and Actual.	111
Schedule of Operating Expenses by Expense Category and Cost Center	113

(This page intentionally left blank.)

Independent Auditors' Report

(This page intentionally left blank)

Independent Auditors' Report

To the Board of Trustees
VIA Metropolitan Transit
San Antonio, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the fiduciary fund activities of VIA Metropolitan Transit, as of and for the years ended September 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise VIA Metropolitan Transit's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to VIA Metropolitan Transit's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the VIA Metropolitan Transit's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of VIA Metropolitan Transit as of September 30, 2020 and 2019, and the respective changes in financial position and cash flows, where applicable, thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the VIA Metropolitan Transit adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*, effective October 1, 2019. The accounting change has been retrospectively applied to the prior period presented. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The supplemental information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The introductory and statistical information as identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we express no opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated March 4, 2021, on our consideration of the VIA Metropolitan Transit's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the VIA Metropolitan Transit's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the VIA Metropolitan Transit's internal control over financial reporting and compliance.



Austin, Texas
March 4, 2021

Required Supplementary Information - Unaudited

Management's Discussion and Analysis

(This page intentionally left blank)

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

Management's Discussion and Analysis

The following Management's Discussion and Analysis of VIA Metropolitan Transit's ("VIA") activities and financial performance are provided as an introduction to the financial statements for the fiscal year ("FY") ending September 30, 2020 and 2019. Readers are encouraged to consider the information presented here in conjunction with information contained in the financial statements that follow this section.

Financial Highlights

- As of September 30, 2020 and 2019, VIA's total assets and deferred outflows of resources of VIA exceeded total liabilities and deferred inflows of resources by \$334.8M and \$270.4M respectively. VIA's net investment in capital assets is the largest component of these net position balances, accounting for \$232.5M of the current year balance and \$252.7M of the prior year balance.

The net position of VIA increased by \$64.5M in FY20 and decreased by \$5.8M in FY19. The increase in FY20 is due to Coronavirus Aid, Relief and Economic Security Act (CARES Act) funds that VIA received, which significantly exceeded the incremental impacts of COVID in FY20. Those impacts include sales tax and farebox revenue shortfalls, and incremental operating expenses for items including COVID-related sick pay, Emergency Family and Medical Leave Expansion Act, personal protective equipment (PPE), and cleaning. VIA was awarded \$92.3M of CARES Act funds and had drawn \$90.1M of those funds by the end of FY20. The incremental impacts of COVID (revenue shortfalls and incremental expenses) on the Statement of Revenues, Expenses and Changes in Net Position were \$16.3M in FY20 (and the cash impact of these items was \$14.7M). In FY19, the \$5.8M decrease in net position is due to expenses exceeding revenue and capital contributions.

- Operating revenues are \$14.9M in FY20, down \$7.3M from the prior year, and in the prior year, operating revenues decreased by \$0.4M. In FY20, the decrease is due to lower ridership due to COVID and free fares that VIA implemented from March 21, 2020 to May 31, 2020 in response to COVID. In FY19, the decrease is attributable to lower bus line fare revenues resulting from lower ridership, consistent with a national trend.
- Net nonoperating revenues/(expenses) are \$314.9M, up \$71.7M from the prior year. This result is driven by higher grant revenues, up \$76.3M, as grant revenue was up \$90.4M due to CARES Act funds, which was partially offset by deferral of other grant revenue in order to draw CARES Act funds first. In FY19, nonoperating revenues/(expenses) were up \$26.2M, with the increase driven by higher sales taxes, up \$10.3M due to a growing economy (net after adjusting for amounts paid to the City of San Antonio and Bexar County), and higher grant reimbursements, up \$8.8M.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

- VIA's net sales tax revenue, which is the largest component of nonoperating revenue, is \$194.8M in FY20 and \$196.3M in FY19. In the current year, total sales taxes were \$230.6M, of which \$35.8M was for ATD entities other than VIA, and in the prior year, total sales taxes were \$232.5M, of which \$36.2M was for ATD entities other than VIA. ATD sales taxes returned to the community through the City of San Antonio (CoSA), the Texas Department of Transportation (TxDOT), and Bexar County are used for street improvements and to complete highway projects in the local area more quickly. Bexar County and TxDOT have used ATD funds to accelerate highway projects such as on Loop 1604 and U.S. 281.
- Operating expenses including depreciation and loss on asset impairment are \$276.6M in FY20, an increase of \$5.5M (2.0%) in the current year, compared to an increase of \$20.6M (8.3%) in the prior year. In the current year, the largest increase is in pension expense, up \$5.9M due mainly to net investment experience amortization differences and higher interest on the liability for the defined benefits plan, and from more employees in the defined contribution plan. In the prior year, the largest increases were: wages/FICA, up \$7.8M due to added bus service and a 3% wage increase; depreciation expense, up \$2.3M due to the purchase of new CNG buses, and purchased transportation, up \$2.0M due to higher costs under a new contract along with new VIA Link mobility-on-demand service. Together, these items account for \$12.1M (58%) of the variance.
- Total capital/cash reserves and working capital (which equals cash, cash equivalents, and investments) increased by \$82.6M in the current year and increased by \$4.5M in the prior year. As of September 30, 2020 and 2019, the balances were \$242.2M and \$159.6M, respectively. The current year increase was driven by CARES Act fund draws of \$90.1M, partially offset by \$14.7M of adverse cash impacts of COVID – lower sales tax receipts, lower farebox revenue, and higher incremental COVID-related expenses. The prior year increase was driven by a \$25.4M decrease in VIA's federal grants receivable account, as VIA successfully worked to draw down balances on open grants. This impact was partially offset by other items, with the largest being a \$17.3M decrease in TxDOT grant funds, as those funds were spent on projects against which the funds were programmed.
- As of September 30, 2020, VIA's stabilization fund and working capital reserve are each at Board policy level, which is to have a balance adequate to cover 60 days of operating expenses. The year-end balance in each reserve is \$41.0M. At the end of the prior year, the stabilization fund and working capital reserves were both fully funded also, with balances of \$39.3M in each.
- VIA spent \$23.0M on capital projects in FY20 and \$34.7M in FY19. In FY20, the largest spending line item was new buses, accounting for \$12.1M of capital spending. In FY19, Brooks Transit Center, SW High-Capacity Transit (Primo), and new CNG buses accounted for most of the spending.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

Overview of the Financial Statements

The financial statements consist of three parts: Management's Discussion and Analysis and Required Supplementary Information both prepared by VIA, and the Financial Statements and notes audited by the external audit firm. VIA uses accounting methods similar to those used by private sector companies. Note 1 in the Financial Statements gives details concerning the use of proprietary fund accounting for governmental entities.

Required Financial Statements

VIA's Statement of Net Position reflects GASB Statement No. 63, which deals with deferred inflows and outflows of resources, and net position; for VIA, this Statement was adopted effective in FY13. The requirements of the statement improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. The Statement of Net Position includes all of the assets and liabilities of VIA, and the deferred inflows and outflows of resources. The residual measure has been renamed net position, rather than net assets, consistent with GASB Statement No. 63. The Statement of Net Position provides information about the nature of the resources (assets), obligations to creditors (liabilities), and deferred outflows and inflows. The assets and liabilities are presented in a format that distinguishes between current and long-term categories. Over time, changes in net position may be a useful indicator of whether the financial position of VIA is improving or deteriorating.

The Statements of Revenues, Expenses and Changes in Net Position analyze VIA's operations over the past year and provides comparative information for the previous fiscal year. The statements illustrate VIA's ability to cover operating expenses with revenues received during the same year.

The Statements of Cash Flows are the final required financial statements. These statements provide information on the cash receipts, cash payments, and net changes in cash resulting from operations and investment activities.

The Statements of Fiduciary Net Position present information showing how the fiduciary funds' net position changed during the years presented on an accrual basis.

Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the financial statements. These notes can be found in the section following the Statements of Cash Flows.

Financial Analysis

The Basic Financial Statements discussed above report information about VIA's financial activities in a way that helps the reader determine if VIA is better off or worse off as a result of the fiscal year's activities. The statements show the difference between assets plus deferred outflows and liabilities plus deferred inflows over time and are one way to measure the financial health of the system. Other nonfinancial factors such as changes in economic conditions, population growth, regulations and new or revised government legislation must also be taken into consideration when attempting to assess the financial condition of VIA.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

A condensed Statement of Net Position is found below. The statements are condensed. To see more detail, refer to the basic financial statements which follow this section.

Condensed Statements of Net Position Information (in Millions of Dollars)

	2020	2019	2018
Current assets	\$ 239.3	\$ 156.1	\$ 157.6
Capital assets	384.8	401.7	404.7
Other noncurrent assets	60.3	53.9	71.2
Total assets	\$ 684.4	\$ 611.7	\$ 633.5
Deferred outflows of resources	49.7	42.7	23.0
Total assets and deferred outflows of resources	\$ 734.1	\$ 654.4	\$ 656.5
Current liabilities	\$ 48.4	\$ 45.6	\$ 53.2
Long-term liabilities	346.9	322.6	315.6
Total liabilities	\$ 395.3	\$ 368.2	\$ 368.8
Deferred inflows of resources	4.0	15.8	11.5
Total liabilities and deferred inflows of resources	\$ 399.3	\$ 384.0	\$ 380.3
Net position			
Net investment in capital assets	\$ 232.5	\$ 252.7	\$ 245.9
Restricted	51.7	55.2	78.6
Unrestricted	50.6	(37.5)	(48.3)
Total net position	\$ 334.8	\$ 270.4	\$ 276.2

Total net position may serve, over time, as a useful indicator of an entity's financial position. At the end of FY20, VIA's net position was \$334.8M. A significant portion of VIA's net assets in all years reported is represented by capital assets (revenue vehicles, passenger stations and shelters, service vehicles, land and equipment). These capital assets are used by VIA to provide public transportation services.

Net position increased by \$64.5M in FY20, going from a beginning balance of \$270.4M to an ending balance of \$334.8M. Net investment in capital assets is down \$20.2M, restricted net position is down \$3.5M, and unrestricted net position is up \$88.2M. The decreased investment in net assets results from depreciation expense and new debt issued for vans exceeding the purchase of new assets in FY20. Van deliveries were delayed due to COVID-19. Restricted net position is down due to spending of TxDOT grant funds. Unrestricted net position is up due mainly to CARES Act funds received (\$90.4M) being greater than the incremental cash impacts of COVID (\$14.7M).

In FY19, net position decreased by \$5.8M, going from \$276.2M to \$270.4M. Net investment in capital assets was up \$6.8M, restricted net position was down \$23.4M, and unrestricted net position was up \$10.8M. The increased net investment in capital assets was driven by VIA's capital spending on projects including the SW High-Capacity Transit project (Primo), new CNG buses, and Brooks Transit Center. Restricted net position was down mainly due to spending of TxDOT grant funds. Unrestricted net position was up due to the net impact of other activity.

Net capital assets decreased by \$16.9M in FY20, going from \$401.7M to \$384.8M. This resulted from asset acquisitions of \$23.0M and depreciation of \$39.9M. Net deletions were \$44K.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

In FY19, net capital assets decreased by \$3.0M in FY19, going from \$404.7M to \$401.7M. This resulted from asset acquisitions of \$34.7M, net deletions of \$0.7M, depreciation of \$36.8M (excluding accumulated depreciation impact included in net deletions), and an allowance for capital projects of \$0.2M (this amount is for an asset impairment). The \$34.7M increase in asset acquisitions is comprised of: buildings and shelters, \$21.0M; revenue and service vehicles, \$9.9M; and equipment, \$3.8M.

Revenues, Expenses and Changes in Net Position Information

Condensed information on revenues, expenses, and changes in net position information provide additional information on the changes in VIA's financial position and is presented below:

Revenues, Expenses and Changes in Net Position (in Millions of Dollars)

	2020	2019	2018
Operating revenues:			
Passenger revenues	\$ 13.0	\$ 20.2	\$ 20.6
Bus advertising and other	1.9	2.0	2.0
Total operating revenues	14.9	22.2	22.6
Operating expenses:			
Line service	188.5	179.9	165.5
Line disaster relief	0.0	0.0	0.0
Robert Thompson Terminal	0.3	0.7	0.5
Other special events	0.1	0.5	0.7
VIAtrans	39.8	45.6	42.1
VIA Link	1.0	0.4	0.0
Vanpool	0.7	0.6	0.6
Promotional service	0.0	0.1	0.1
Business development and planning	6.3	6.5	6.5
Real estate development	0.0	0.0	0.0
Transit technology	0.0	0.0	0.0
Depreciation	39.9	36.7	34.4
Total operating expenses	276.6	271.0	250.4
Operating loss	(261.7)	(248.8)	(227.8)
Nonoperating revenues (expenses):			
Sales taxes	230.6	232.5	220.3
Grants reimbursement - VIA	116.2	39.3	30.5
Grants reimbursement - pass-through	1.3	2.1	0.8
Investment income/(loss)	2.9	4.0	1.9
CoSA intergovernmental revenue	7.0	10.0	4.3
Intergovernmental expense	(0.6)	0.0	0.0
Bond interest and issuance costs	(5.4)	(5.5)	(5.8)
Gain/(loss) on sale of assets	0.0	(0.9)	0.2
Less amounts remitted to CoSA and Bexar County	(35.8)	(36.2)	(34.3)
Less pass-through funds remitted to subrecipients	(1.3)	(2.1)	(0.9)
Total nonoperating revenues/(expenses)	314.9	243.2	217.0
Gain (loss) before capital contributions	53.2	(5.6)	(10.8)
Capital contributions	11.2	(0.2)	25.0
Change in net position	64.4	(5.8)	14.2
Net position at beginning of year	270.4	276.2	261.9
Net position at end of year	\$ 334.8	\$ 270.4	\$ 276.1

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

As shown on the statement of Revenues, Expenses, and Changes in net position, VIA's net position increased by \$64.5M in FY20. Capital contributions, which include grant funds received from the Federal Transit Administration (FTA), were \$11.2M.

In FY19, VIA's net position decreased by \$5.8M. Capital contributions were -\$0.2M, which is the net of \$1.3M received from the FTA for capital projects less \$1.5M of funds received from TxDOT in FY16 that were returned to TxDOT (in FY16, TxDOT contributed \$9M to VIA to be used for various capital projects). The \$1.5M contributed to TxDOT is to help fund construction of a park and pool facility along the NE IH 35 corridor between FM 1103 and Schwab Road.

Operating Revenues

In FY20, operating revenues are \$14.9M, down \$7.3M (32.9%) from the prior year. This result is due to the impact of the COVID Pandemic, which resulted in ridership reductions of approximately 50% compared to normal levels, beginning in March 2020.

In FY19, operating revenues were \$22.2M, down \$0.4M (1.8%) from the prior year. This result is due to lower line revenue, down slightly due to lower ridership. Lower bus ridership has been a national trend in recent years.

Net Nonoperating Revenues/(Expenses)

In FY20, VIA's net nonoperating revenues/(expenses) increased by \$71.9M (29.6%). Grant revenue is up \$76.9M, due mainly to the receipts of CARES Act grant funds, partially offset by the deferral of other grant funds in order to use CARES Act grant funds first. Intergovernmental revenue is down \$3.0M, and sales tax revenue is down \$1.5M, with both of these items impacted by COVID.

In FY19, VIA's net nonoperating revenues/(expenses) increased by \$26.4M (12.2%). Sales taxes were up \$10.3M (5.6%), as the San Antonio economy improved, with the growth rate higher than in the previous year (this \$10.3M variance is based on total sales taxes, net of amounts distributed to ATD entities other than VIA). VIA's grant revenue was up just slightly from the prior year.

Operating Expenses

In FY20, operating expense are \$276.6M, an increase of \$5.6M (2.1%). The largest increase is in pension expense, up \$5.9M due mainly to net investment experience amortization differences and higher interest on the liability for the defined benefits plan, and from more employees in the defined contribution plan.

In FY19, operating expenses are \$271.0M, an increase of \$20.6M (8.2%). The increase is primarily attributable to the following: wages/FICA, +\$7.8M; depreciation expense, +\$2.3M; purchased transportation, +\$2.0M; advertising, +\$1.7M; pension plans, +\$1.7M; VIAcare, +\$1.6M; and materials & supplies, +\$1.6M. Wages were up due to added bus service and a 3% wage increase. Depreciation expense was up due to new environmentally-friendly compressed natural gas (CNG) buses that VIA recently purchased. Purchased transportation costs increased due to higher costs under a new contract as well as new VIA Link mobility-on-demand service. Advertising was up due to efforts to promote VIA. Pension expense was up due mainly to the impact of assumption changes (mainly a

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

lower assumed rate of return). VIAcare, which is VIA's healthcare program, was up due to higher claims, and materials & supplies were up due to added service.

Long-Term Debt

In FY20, VIA issued \$11.0M of Contractual Obligation Bonds via private placement. The bonds will be used to help finance the purchase of 139 paratransit vans. The term of the bonds is five years. VIA also has three public bond issues outstanding as of the end of FY20; the dates of issuance were 2013, 2014, and 2017. VIA plans to refinance a portion of the 2013 Farebox Revenue Bonds and the 2014 ATD Sales Tax Revenue Bonds in early FY21, in order to realize debt service savings from lower interest rates.

In FY19, VIA did not issue any debt. At the end of FY19 VIA had three bond issues outstanding. In FY19, VIA made the last debt service payment on \$3.2M of contractual obligations issued in FY12. Additional information on VIA's debt can be found in Note 12 of VIA's financial statements.

Capital Assets

At the end of FY20, VIA has \$384.8M in net capital assets, a decrease of \$16.9M from the prior fiscal year-end balance of \$401.7M. The \$16.9M net change resulted from the following: fixed assets before depreciation and construction in progress ("CIP") increased by \$32.8M (to a balance of \$712.8M); accumulated depreciation increased by \$39.8M (to a balance of \$382.2M); and construction in progress decreased by \$9.9M (to a balance of \$54.2M). VIA's investment in capital assets includes land, buildings, revenue vehicles, service vehicles, communications technology, information technology, maintenance equipment and other miscellaneous equipment. The assets have been purchased with federal and local funds.

The \$32.8M increase in fixed assets value before depreciation, construction in progress, and the allowance reflects the net of \$32.8M in transfers from CIP, \$27K in asset additions, and \$44K in asset disposals. The asset category accounting for the largest balance change is buildings and shelters, up \$25.2M due mainly to spending on Brooks Transit Center and SW High Capacity Transit project. The equipment category had the next largest increase, up \$6.0M due to a variety of equipment purchases, such as for computing equipment and a radio system upgrade.

CIP decreased by \$9.9M, with CIP additions of \$22.9M and \$32.8M in transfers out (to fixed assets). Buildings and shelters are down \$19.8M, revenue and service vehicles are up \$11.8M, and equipment is down \$1.9M.

At the end of FY19, VIA had \$401.7M in net capital assets, a decrease of \$3.0M from the prior fiscal year-end balance of \$404.7M. The \$3.0M net change resulted from the following: fixed assets before depreciation and construction in progress ("CIP") increased by \$7.2M (to a balance of \$680.0M); accumulated depreciation increased by \$21.3M (to a balance of \$342.4M); and construction in progress increased by \$11.1M (to a balance of \$64.1M).

Readers of this document that desire a more detailed overview of capital activity should refer to the notes to the financial statements section of this report. Note 1.G defines the accounting policies related to capital assets and note 6 gives details of the components of capital asset categories.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

Capital Assets (in Millions of Dollars)

	2020	2019	2018
Land	\$ 33.5	\$ 33.3	\$ 33.3
Buildings and shelters	305.6	280.4	274.9
Revenue vehicles	300.1	299.9	292.6
Service vehicles	7.3	6.0	5.9
Equipment	66.3	60.4	66.1
Subtotal	712.8	680.0	672.8
Less accumulated depreciation and allowance for capital projects	382.2	342.4	321.1
Net capital assets before construction in progress	330.6	337.6	351.7
Construction in progress:			
Buildings and improvements	35.6	55.4	41.6
Revenue and service vehicles	12.0	0.2	2.0
Equipment	6.6	8.5	9.4
Total construction in progress	54.2	64.1	53.0
Net capital assets	\$ 384.8	\$ 401.7	\$ 404.7

Economic Factors and Outlook for Fiscal Year 2021

Economic factors and the outlook for FY21 will be impacted by the continuing COVID Pandemic. Sales tax receipts are projected to be down in FY21, due to the impact of COVID, and farebox revenue is projected to be down with social distancing continuing throughout FY21. VIA's FY21 budget focuses on retaining and returning ridership as San Antonio recovers from COVID-19.

Economic Factors

VIA has been affected by changes in the economic activity and conditions of VIA's service area. Financial impacts include sales tax and farebox revenue shortfalls, and incremental costs for COVID sick pay, Emergency Family and Medical Leave Expansion Act, personal protective equipment (PPE), contract cleaning, materials and supplies. The full extent of the ongoing impact of COVID-19 on VIA's operational and financial performance will depend on future developments, many of which are outside of VIA's control, including the effectiveness of mitigation strategies, the duration and spread of COVID-19, and future governmental actions, all of which are highly uncertain and cannot be accurately predicted. Regarding mitigation strategies, VIA has instituted extensive safety precautions, including the daily cleaning and disinfecting of buses, vans and facilities, and placing protocols in place to limit infections and to promote social distancing (such as limiting capacity on buses to 16 passengers). In addition, the vast majority of VIA's workforce is telecommuting and the vast majority of meetings are held virtually.

VIA's financial results are significantly impacted by sales taxes, since these account for approximately 67% of VIA's revenues. VIA's budgeted FY21 sales tax revenue reflects a 0.3% decrease over forecasted FY20 sales taxes, and a 2.2% decrease compared to actual FY20 sales taxes. Actual results

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

for 2020 came in higher than forecast. Actual sales tax receipts for 2020 were down 0.8% from 2019, as the COVID impact in the last half of FY20 year more than offset increases in the first half of the year.

According to Moody's Analytics, in an April 2020 report, the San Antonio economy will weaken as the coronavirus hits retail, hospitality, energy-related, distribution and construction industries. They stated that longer term, after the crisis resolves, the metro area's above-average population gains, low costs of doing business, and relatively high housing affordability should contribute to above-average overall performance.

FY21 Initiatives

VIA's budget focuses on retaining and returning ridership as San Antonio recovers from COVID-19. There will be a focus on employee/rider health and safety, continuing development projects such as the Scobey Redevelopment, completing the new Paratransit Campus, rebalancing the VIA System, and improving service delivery – a focus on service quality and the customer experience.

In FY21, VIA will be working on implementation of the "Keep SA Moving" plan, which has goals of enhancing mobility for economic opportunity, providing diverse, high-quality options, and improving the customer experience. At an election held on November 3, 2020, San Antonio voters approved the reallocation of the sales tax currently collected within the City to increase funding for the Advanced Transportation District by 1/8 of 1% beginning January 1, 2026. The additional funding will be used to help fund the Keep SA Moving plan.

VIA's approved operating budget for FY21 is \$247.5M. In FY21, VIA's service will include essential service and expansion of VIA Link service. CMAQ funding will also be used to improve service frequency. Essential service is a modified service level that serves to match service to demand while maintaining social distancing. Demand is expected to continue at a reduced level in FY21 due to the impact of COVID-19. For VIA's VIA Link service – a mobility-on-demand service that was first offered in FY19 – VIA will expand service to a northwest sector of San Antonio in FY21, as well as to Sandy Oaks.

VIA will continue its focus on implementing strategic technology programs to better meet the needs of our customers and to improve system operations. Starting in FY21 VIA will begin the adoption of a next generation fare system and mobile application that can offer integrations with mobility partners to better serve the multi-modal needs of the San Antonio region. In addition, VIA is investigating technologies to better serve customers with low or no vision, while at the same time implementing advanced analytics technology to improve bus on time performance.

There will be a focus on employee and rider health and safety, through actions such as continuing social distancing, enhanced cleaning, and requiring use of face masks. COVID-19 is expected to continue to adversely impact sales tax revenue and farebox revenue throughout FY21, and is also expected to result in higher expenses due to items including cleaning costs and personal protective equipment.

VIA's approved Five-Year Capital Plan of \$173.7M includes a variety of strategic investments that will be made to help better meet the transit needs of the community. VIA's revenue vehicle fleet will be enhanced with the purchase of 87 new environmentally-friendly buses, including 8 electric buses, and

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019 - *unaudited*

the purchase of 139 new paratransit vans. Building/rehabilitation of facilities projects include completing a new paratransit campus and installing solar-powered lighting at 90 shelters. Projects for which engineering final design & construction will take place include the IH10 Park & Pool, Northeast Mobility Hub, and Randolph Transit Center. Projects for which programming & conceptual design will take place include Robert Thompson Transit Center, Alamo Ranch Park & Ride, Eastside Mobility Hub, and a second Maintenance & Operations facility. VIA will also conduct studies/assessments for an Advanced Rapid Transit Network.

Through the VIA Vision 2040 Long-Range Plan, VIA identified corridors for further study to implement rapid transit services. In 2018, VIA identified 6 alignments to be phased in over the next 25 years, and will advance project development of the first phase, which is planned for a 2028 opening. These 6 alignments come together to form the Advanced Rapid Transit (ART) Network with the first phase including 2 corridors – North Central and South Central. The development of the ART Network supports the land use vision established by the City of San Antonio in its 2016 Comprehensive Plan, SA Tomorrow. SA Tomorrow acknowledges that by 2040, Bexar County is projected to add over 1.1 million people and 500,000 jobs.

FY21 will be a year of significant progress for VIA, as the vision of a multimodal transit system for the San Antonio region continues to develop, and investments are made in transit system assets and improvements throughout the region. VIA is in sound financial position as of the end of FY20, with the Stabilization Fund (“Rainy Day” Fund) and working capital both at the Board policy level of 60 days. Projections over the next five years show that VIA will remain in sound financial condition as the agency continues to make investments to improve the transportation system in San Antonio. Longer term, with the recent approval of an additional 1/8-cent funding for VIA beginning in January 2026, the agency will be able to make significant additional improvements to San Antonio’s transportation system that were not previously possible due to limited funding.

Requests for Information

This financial report is designed to provide our patrons and other interested parties with a general overview of the financial condition of VIA. If you have questions about this report or need additional financial information, please contact VIA’s Public Affairs Division at (210) 362-2370.

Basic Financial Statements

(This page intentionally left blank)

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Statements of Net Position

	2020	2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 159,398,851	\$ 65,412,154
Investments	19,002,830	37,782,319
Accounts receivable:		
Federal government	9,381,778	3,478,033
State of Texas - sales taxes	39,452,978	38,855,865
Interest	38,588	38,531
Other, net	2,956,865	3,154,280
Inventory	5,538,225	4,816,864
Prepaid expenses and other current assets	30,231	70,833
Restricted assets:		
Restricted cash - debt service	3,495,972	2,503,201
Total current assets	239,296,318	156,112,080
Noncurrent assets:		
Restricted cash - TxDOT grant	46,454,795	30,715,256
Restricted cash - bond reserve fund	2,927,724	2,927,724
Restricted cash - construction account	10,884,050	-
Restricted investments - TxDOT grant	-	20,259,354
Capital assets:		
Land	33,522,689	33,334,256
Buildings and shelters	305,654,219	280,433,405
Revenue vehicles	300,100,336	299,903,960
Service vehicles	7,256,181	5,966,597
Equipment	66,300,892	60,373,297
Total capital assets	712,834,317	680,011,515
Less accumulated depreciation	382,267,173	342,425,987
Construction in progress	54,239,577	64,118,426
Net capital assets	384,806,721	401,703,954
Total noncurrent assets	445,073,290	455,606,288
Total assets	684,369,608	611,718,368
Deferred outflows of resources		
Pension	29,072,018	33,777,400
Postemployment benefits other than pension	20,638,897	8,931,903
Total deferred outflows of resources	49,710,915	42,709,303
Total assets and deferred outflows of resources	\$ 734,080,523	\$ 654,427,671

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

	2020	2019
Liabilities		
Current liabilities:		
Accounts payable	\$ 11,867,493	\$ 12,946,461
Payable to CoSA and Bexar County	6,160,584	6,054,909
Retainage payable	138,733	1,765,141
Accrued liabilities	7,100,178	7,110,082
Unearned revenue	2,554,539	2,353,759
Claims payable	7,950,698	7,736,637
Current liabilities payable from unrestricted assets	35,772,225	37,966,989
Current liabilities payable from restricted assets:		
Interest payable	1,218,658	1,256,845
Bonds payable	11,365,000	6,390,000
Total current liabilities	48,355,883	45,613,834
Noncurrent liabilities:		
Net pension liability	153,195,303	142,423,315
Net other postemployment benefits (OPEB) liability	49,928,746	35,052,366
Long-term liabilities	143,756,414	145,163,966
Total noncurrent liabilities	346,880,463	322,639,647
Total liabilities	395,236,346	368,253,481
Deferred inflows of resources		
Pension	4,003,177	15,739,012
Postemployment benefits other than pension	-	71,095
Total deferred inflows of resources	4,003,177	15,810,107
Total liabilities and deferred inflows of resources	399,239,523	384,063,588
Net position		
Net investment in capital assets	232,554,048	252,726,157
Restricted debt service	2,277,314	1,246,356
Restricted TXDOT grant	46,454,795	50,974,610
Restricted bond reserve fund	2,927,724	2,927,724
Unrestricted	50,627,119	(37,510,764)
Total net position	334,841,000	270,364,083
Total liabilities, deferred inflows and net position	\$ 734,080,523	\$ 654,427,671

The accompanying notes are an integral part of these statements.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Statements of Revenues, Expenses, and Changes in Net Position

	For Fiscal Year Ended	
	2020	2019
Operating revenues:		
Line service	\$ 11,740,521	\$ 18,096,588
Robert Thompson Terminal	28,569	71,168
Other special events	15,897	106,386
VIAtrans	1,175,591	1,912,340
VIA Link	28,171	11,869
Bus advertising	1,313,119	1,021,564
Ellis Alley Park and Ride	4,839	13,805
Real estate development	269,407	557,273
Miscellaneous	334,719	455,673
Total operating revenues	14,910,833	22,246,666
Operating expenses:		
Line service	188,445,007	179,874,538
Disaster relief	13,660	-
Robert Thompson Terminal	305,276	710,668
Other special events	131,703	495,404
Promotional service	25,597	70,002
VIAtrans	39,832,398	45,611,738
VIA Link	995,067	375,020
Vanpool	641,848	604,486
Real estate development	892	1,051
Business development and planning	6,305,032	6,598,704
Total operating expenses before depreciation	236,696,480	234,341,611
Depreciation on capital assets:		
Acquired with VIA equity	20,846,670	18,721,143
Acquired with grants	19,038,216	17,981,832
Total operating expenses after depreciation	276,581,366	271,044,586
Operating loss	(261,670,533)	(248,797,920)
Nonoperating revenues (expenses):		
Sales taxes	230,619,498	232,542,350
City of San Antonio intergovernmental agreement	7,000,000	10,000,000
CARES Act	90,724,045	-
Grants revenue - VIA	25,794,461	39,285,411
Grants revenue - pass-through	1,282,599	2,071,336
Investment income	2,919,432	4,008,706
Bond interest and issuance costs	(5,429,955)	(5,539,802)
Gain (loss) on sale of assets	4,412	(912,121)
Less pass-through funds remitted to subrecipients	(1,569,027)	(2,071,336)
Less local assistance program	(568,301)	-
Less amounts remitted to CoSA and Bexar County	(35,790,181)	(36,224,798)
Total nonoperating revenues (expenses) - net	314,986,983	243,159,746
Gain (loss) before capital contributions	53,316,450	(5,638,174)
Capital contributions	11,160,467	1,982,641
Contributed capital return	-	(2,157,200)
Change in net position	64,476,917	(5,812,733)
Net position at beginning of year	270,364,083	276,176,816
Net position at end of year	\$ 334,841,000	\$ 270,364,083

The accompanying notes are an integral part of these statements.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Statements of Cash Flows

	For Fiscal Year Ended	
	2020	2019
Cash flows from operating activities		
Cash received from customers	\$ 15,226,712	\$ 22,338,868
Cash payments to vendors for goods and services	(56,906,576)	(67,933,436)
Cash payments for employee services, including salaried fringe benefits	(172,337,412)	(169,592,898)
Net cash provided by (used in) operating activities	(214,017,276)	(215,187,466)
Cash flows from noncapital financing activities		
Sales taxes	230,012,619	230,591,864
Grants revenue received	110,112,747	43,338,067
Payments to TxDOT, CoSA and Bexar County	(35,684,506)	(35,900,021)
CoSA interlocal agreement	7,000,000	10,000,000
Local assistance payments	(468,215)	-
Net cash provided by (used in) noncapital financing activities	310,972,645	248,029,910
Cash flows from capital and related financing activities		
Proceeds from capital grants	11,268,809	21,001,882
Proceeds from bond issuance	10,875,500	-
Principal payments on bonds	(6,390,000)	(8,565,000)
Premium, interest and financing fees	(6,678,767)	(6,999,906)
Purchase of capital assets	(26,386,072)	(37,832,956)
Net cash provided by (used in) capital and related financing activities	(17,310,530)	(32,395,980)
Cash flows from investing activities		
Sale of investment securities	135,172,210	123,852,158
Purchase of investment securities	(95,520,864)	(95,255,444)
Interest earnings	2,306,872	3,159,147
Net cash provided by (used in) investing activities	41,958,218	31,755,861
Net increase (decrease) in cash and cash equivalents	121,603,057	32,202,325
Cash and cash equivalents at beginning of year	101,558,335	69,356,010
Cash and cash equivalents at end of year	\$ 223,161,392	\$ 101,558,335
Reconciliation of operating loss to net cash provided by (used in) operating activities		
Operating loss	\$ (261,670,533)	\$ (248,797,920)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation on capital assets:		
Acquired with VIA equity	20,458,518	18,701,422
Acquired with grants	19,426,368	18,001,553
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	88,881	211,932
Decrease (increase) in inventory	(722,461)	(611,536)
Decrease (increase) in prepaid expenses and other current assets	149,435	156,614
Decrease (increase) in prepaid pension	7,560,015	(16,289,851)
Decrease (increase) in prepaid other postemployment benefits	(11,702,248)	(529,324)
(Decrease) increase in accounts payable	996,816	(2,282,615)
(Decrease) increase in accrued liabilities	11,397,933	16,252,259
Net cash provided by (used in) operating activities	\$ (214,017,276)	\$ (215,187,466)
Reconciliation of cash and cash equivalents per statements of cash flows to the statements of net position		
Cash and cash equivalents at end of year:		
Unrestricted	\$ 159,398,851	\$ 65,412,154
Restricted - mandated purpose	63,762,541	36,146,181
Total cash and cash equivalents	\$ 223,161,392	\$ 101,558,335
Noncash investing and financing activities		
Change in fair value of investments reported as cash equivalents	\$ (749,050)	\$ (1,155,920)

The accompanying notes are an integral part of these statements.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Statements of Fiduciary Net Position

	Total Fiduciary Funds	
	2020	2019
Assets		
Cash and cash equivalents	\$ 9,266,440	\$ 8,556,517
Receivables:		
Contributions:		
Employee	337,251	327,457
Employer	1,195,512	1,228,079
Accrued interest and other dividends	16,376	45,125
Investment trades pending receivable	28,370	100,833
Total receivables	1,577,509	1,701,494
Investments:		
Corporate bonds and other	19,394,505	17,329,033
United States government and agency	13,913,604	14,038,002
Common stock	131,729,046	118,991,621
Pooled common stock fund	18,335,179	17,040,278
Pooled international fund	64,704,850	58,900,553
Pooled fixed income	53,751,504	49,233,956
Pooled real estate	31,914,628	31,641,883
Total investments	333,743,316	307,175,326
Total assets	344,587,265	317,433,337
Liabilities		
Accounts payable	2,802,169	4,442,003
Investment trades pending payable	67,616	85,405
Total liabilities	2,869,785	4,527,408
Net position held in trust for retiree benefits: restricted	\$ 341,717,480	\$ 312,905,929

The accompanying notes are an integral part of these statements.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Statements of Changes in Fiduciary Net Position

	Total Fiduciary Funds	
	2020	2019
Additions:		
Contributions:		
Employee	\$ 4,101,795	\$ 4,257,833
Employer	17,659,736	17,938,579
Total contributions	21,761,531	22,196,412
Investment income (loss):		
Interest and dividend income	2,539,652	2,664,000
Net appreciation in fair value of investments	33,000,467	9,698,904
Investment expenses	(1,337,106)	(1,423,195)
Total investment income	34,203,013	10,939,709
Total additions -- net	55,964,544	33,136,121
Deductions:		
Benefit payments	26,997,977	26,993,303
Administrative expenses	155,016	176,972
Total deductions	27,152,993	27,170,275
Change in net position	28,811,551	5,965,846
Net position held in trust for retiree benefits: restricted, at beginning of year	312,905,929	306,940,083
Net position held in trust for retiree benefits: restricted, at end of year	\$ 341,717,480	\$ 312,905,929

The accompanying notes are an integral part of these statements.

Notes to the Financial Statements

(This page intentionally left blank)

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Note 1 – Summary of Significant Accounting Policies

The financial statements of VIA Metropolitan Transit (VIA) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) for local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of VIA's accounting policies are described below.

A. Reporting Entity

VIA Metropolitan Transit Authority (MTA)

VIA Metropolitan Transit Authority (MTA) was established on March 1, 1978, under the provisions prescribed in Article 1118x, Revised Civil Statutes of Texas (now codified as Chapter 451, Texas Transportation Code). As a public transit authority, VIA is to develop, maintain, and operate a public mass transportation system for the San Antonio Metropolitan Area, principally within Bexar County, Texas.

VIA is governed by an 11-member Board of Trustees (the "Board"), which has governance responsibilities over all activities related to VIA. Representatives of the Board are appointed by the City of San Antonio (CoSA), Bexar County Commissioners Court, and Suburban Council of Mayors. However, since members of the Board have the authority to make decisions, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters, VIA is not included in any other governmental "reporting entity", as defined by GASB codification in section 2100, *Defining the Financial Reporting Entity*.

Advanced Transportation District (ATD) Operations

ATD was approved by voters in November 2004 and began collecting sales taxes in April 2005. ATD's enabling legislation is Texas Transportation Code, Section 451, Subchapter O. CoSA voters also authorized ATD's imposition and collection of a sales and use tax in the amount of $\frac{1}{4}$ of 1% within CoSA (the "ATD Tax"), to be used for "Advanced Transportation" and "Mobility Enhancement" (as defined in Subchapter O) within its boundaries. One-half of the proceeds (1/8 of 1%) go to VIA (The "ATD Share"), one-fourth of the proceeds (1/16 of 1%) go to CoSA, and one-fourth of the proceeds (1/16 of 1%) go to "the Texas Department of Transportation (TxDOT), a county or municipality in which ATD is located, or a local government corporation created under Chapter 431 as the local share of a state or federal grant;" this third share has gone to TxDOT and Bexar County.

In accordance with Subchapter O, the ATD share must be for "Advanced Transportation", defined as follows:

"Advanced transportation" means light rail, commuter rail, fixed guideways, traffic management systems, bus ways, bus lanes, technologically advanced bus transit vehicles and systems, bus rapid transit vehicles and systems, passenger amenities, transit centers, stations, electronic transit-related information, fare and operating systems, high occupancy vehicle lanes, traffic signal prioritization and coordination systems, monitoring systems, and other advanced transportation facilities, equipment, operations, systems, and services, including planning, feasibility studies, operations, and professional and other services in connection with such facilities, equipment, operation, systems, and services.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

ATD is a financing vehicle, designed and existing to support and enhance the operations of and services provided by VIA. In accordance with Subchapter O, ATD does not have any employees, nor does it own or operate any property or assets. Section 451.707 states “The business of the district is conducted through its governing body and by the employees of the authority acting under the control and direction of the general manager of the authority.” Section 451.708 states that “an asset of the district shall be held in the name of the authority.”

ATD makes payments for VIA employee services rendered but has no employees. ATD bus routes are designated as those which are either limited stop or express routes. Bus operator time for limited stop and express bus routes is charged to ATD cost centers (ATD Line service or Bus Rapid Transit service). Additionally, related bus service costs such as fuel, bus parts, and materials and supplies are charged to ATD using bus service miles, along with various indirect costs allocated based on labor and fringes. ATD then reimburses MTA each month for these ATD expenses. Other ATD cost centers include Vanpool, ATD Business Planning & Development, and Transit Technology.

ATD has debt, but no assets. When MTA acquires assets funded with ATD debt, the asset is recorded on MTA's books, but the cash payment comes from ATD; the offset for each entity is an equity transfer account.

The operations of ATD are not proprietary functions for any purpose, including the application of Chapter 101 of the Civil Practice and Remedies Code. In accordance with the governance of ATD, the Board of VIA shall act as the governing body of ATD and is responsible for the management, operations, and control of ATD. The business of ATD is conducted through its governing body and by the employees of MTA acting under the control and direction of the President/Chief Executive officer of MTA. Accordingly, the ATD is reported as a blended component unit of MTA.

ATD may enter into contracts with MTA, or other private or public entities, to conduct the business of ATD. ATD is presented as a blended component unit in accordance with GASB Codification Section 2100. The accompanying financial statements include the accounts and operations of ATD. All significant intercompany balances have been eliminated.

The following are condensed financial statements for ATD:

Condensed Statements of Net Position

	2020	2019
Current assets	\$ 34,428,974	\$ 33,138,026
Total assets	34,428,974	33,138,026
Liabilities		
Payable to MTA	3,280,151	2,575,553
Other current liabilities	7,389,251	7,246,534
Total current liabilities	\$ 10,669,402	\$ 9,822,087
Total long-term liabilities	30,424,163	31,629,903
Total liabilities	\$ 41,093,565	\$ 41,451,990
Net position:		
Net deficit investment in capital assets	(31,424,163)	(32,584,903)
Restricted	166,669	159,515
Unrestricted	24,592,903	24,111,424
Total net position	\$ (6,664,591)	\$ (8,313,964)

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2020	2019
Operating revenues - line service	\$ 2,014,949	\$ 2,682,064
Operating expenses before depreciation	35,132,404	32,652,927
Operating loss	(33,117,455)	(29,970,863)
Nonoperating revenues (expenses):		
Sales taxes	71,580,362	72,449,596
Less amounts remitted to CoSA and Bexar County	(35,790,181)	(36,224,798)
Other nonoperating revenues (expenses)	(1,023,353)	(761,075)
Total nonoperating revenues (expenses) - net	34,766,828	35,463,723
Transfer out	-	(57,181)
Change in net position	1,649,373	5,435,679
Net position at beginning of year	(8,313,964)	(13,749,643)
Net position at end of year	\$ (6,664,591)	\$ (8,313,964)

Condensed Statements of Cash Flows

	2020	2019
Net cash provided by (used in) operating activities	\$ (32,403,092)	\$ (30,279,335)
Net cash provided by (used in) financing activities	35,684,506	35,900,013
Net cash provided by (used in) capital and related financing activities	(2,374,750)	(2,371,350)
Net cash provided by (used in) investing activities	8,741,737	5,632,704
Net increase (decrease) in cash and cash equivalents	9,648,401	8,882,032
Cash and cash equivalents at beginning of year	12,459,405	3,577,373
Cash and cash equivalents at end of year	\$ 22,107,806	\$ 12,459,405

Fiduciary Funds

The fiduciary financial statements include two fiduciary funds related to the VIA Metropolitan Transit employee benefits plans: the Defined Benefit Retirement Plan and the Other Pension Employment Benefit (OPEB) Plan. Both plans are governed by the Board, which may amend plan provisions and which is responsible for the management of plan assets. Both the Defined Benefit Retirement and the OPEB plan are single-employer pension plans and are tax-qualified plans under Section 401 (a) of the Internal Revenue Code. Plan assets are held in a trust established under the provisions of Internal Revenue Code of 1986 Section 115. The VIA Defined Benefit Retirement plan was closed to new participants in 2012. New employees participate in a Defined Contribution Retirement plan, which is not considered a fiduciary fund by VIA.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

B. Basis of Accounting, Measurement Focus, and Financial Statement Presentation

The statements of net position and the statements of revenues, expenses, and changes in net position report information on all non-fiduciary activities of VIA Metropolitan Transit. VIA Metropolitan Transit operates as a proprietary fund and applies all applicable GASB pronouncements and presents its financial statements in accordance with the GASB Codification of Governmental Accounting and Financial Reporting Standards.

The basic financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Sales taxes are recognized as revenues in the period in which the underlying sales transaction that generated the sales tax occurs. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and qualifying expenditures have been incurred. Capital grant funds used to acquire, or construct capital assets are recognized as a receivable and a capital contribution (revenues) in the period when all applicability requirements have been met.

In this fiscal year, VIA implemented GASB Statement No. 84, *Fiduciary Activities*, issued in January of 2017. This statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement enhance consistency and comparability by establishing specific criteria for identifying activities that should be reported as fiduciary activities, and by clarifying whether and how business-type activities should report their fiduciary activities.

Future GASB Statements

In June 2017, the GASB issued Statement No. 87 on *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement will be effective for VIA's fiscal year ending September 30, 2022.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. This GASB Statement establishes guidance designed to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period. It also simplifies accounting for interest cost incurred before the end of a construction period. Under current governmental accounting standards, universities, colleges, hospitals, and governments with a business-type activity or enterprise fund are required to capitalize interest costs incurred before the end of a construction period as part of the cost of the related asset. With the application of GASB Statement No. 89, organizations and funds will now expense this type of interest cost as incurred. The requirements of this Statement will be effective for VIA's fiscal year ending September 30, 2022.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

In May 2019, the GASB issued Statement No. 91 on *Conduit Debt Obligations*. This statement provides a single method for reporting to eliminate diversity with commitments extended by issues, arrangements associated with conduit debt obligations and related note disclosures. The requirements of this Statement will be effective for VIA's fiscal year ending September 30, 2023.

In January 2020, the GASB issued Statement No. 92 as the *Omnibus statement for 2020*. This statement addressed a variety of topics related to GASB 87, 84 and 73, as well as intra-entity transfers of assets between a primary government employer and a component unit defined benefit plan or defined benefit other postemployment benefit plan, measurement of assets and liabilities related to asset retirement obligations in a government acquisition, report of public entity risk pools that are recoverable from reinsurers or excess insurers, non-recurring fair value measurement references in authoritative literature and terminology used to refer to derivative instruments. The requirements of this Statement will be effective for VIA's fiscal year ending September 30, 2022.

In May 2020, the GASB issued Statement N. 96 on *Subscription-based Information Technology Arrangements* (SBITAs). SBITA is defined as a contract that conveys control of the right to use another party's information technology (IT) software, alone or in conjunction with tangible capital assets, as specified in the contract for a period of time. Like GASB 87 on Leases, this Statement requires the government to recognize a right-to-use subscription intangible asset, and a corresponding subscription liability. The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term. The requirements of this Statement will be effective for VIA's fiscal year ending September 30, 2023.

In June 2020, Statement No. 97 on *Certain Component Unit Criteria and Accounting and Financial Reporting for 457 Deferred Compensation Plans*. This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or another employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform. This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, Fiduciary Activities, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, Financial Reporting for Pension Plans, or paragraph 3 of Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, respectively. This Statement also requires that a Section 457 plan be classified as either a pension plan or another employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of this Statement will be effective for VIA's fiscal year ending September 30, 2022.

The statements listed above through Statement No. 93 had their required effective dates postponed by one year with the issuance of Statement No. 95, *Postponement of Effective Dates of Certain Authoritative Guidance*, with the exception of Statement No. 87 which was postponed by one and a half years.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

C. Use of Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and deferred outflows, liabilities and deferred inflows, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

D. Accounts Receivable

The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Losses are charged against the allowance when management believes the inability to collect a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is evaluated on a regular basis by management and is based on historical experience and specifically identified questionable receivables. The evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. The allowance recorded as of September 30, 2020 is \$135,793 compared with the allowance at September 30, 2019 is \$17,818.

E. Sales Tax

VIA recognizes sales tax revenue based on a methodology that equates to accruing approximately two months of sales tax receipts from the state of Texas. Generally, the sales taxes on sales made in any given month are reported and paid to the State Comptroller's Office the following month. VIA receives the sales taxes from the Comptroller based on a two-month lag. Sales tax revenues and the related receivable are recognized when the underlying sales transaction that generated the sales tax occurs.

F. Inventory

Inventory, comprised primarily of fuel and repair parts, is carried at cost. Inventory is carried at cost using the average-cost method.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

G. Capital Assets

Capital assets are recorded on the basis of cost. VIA's policy is to capitalize purchases of assets if the asset has a useful life of more than one year and an individual value of \$5,000 or greater. Donated capital assets are valued at their estimated acquisition value at date of donation. VIA provides for depreciation on assets using the straight-line method to amortize costs of assets over their estimated useful lives. The following estimated useful lives are used in providing for depreciation:

Asset Class	Estimated Useful Lives
Buildings and shelters	10-20 years
Revenue vehicles	2-12 years
Service vehicles	4 years
Equipment	2-10 years

VIA reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Impairment losses on capital assets that will continue to be used by the organization are measured using the method that best reflects the diminished service utility of the capital asset. Impairment of capital assets with physical damage are generally measured using a restoration cost approach. In Fiscal Year 2020, there were no impairment losses for long lived assets. In Fiscal Year 2019, an impairment loss of \$186,375 was recognized.

H. Compensated Absences

VIA accrues employee vacation leave as earned. Sick leave is not accrued since terminated employees are not paid for accumulated sick leave. The amounts expected to be utilized in the next 12 months are carried as a current liability and the remainder, up to the capped number of hours, is reported as a long-term liability. The amounts are shown in note 11.

I. Estimated Liabilities

Estimated liabilities include amounts provided for:

- Claims made against VIA involving public injuries and damages related to transit operations. Refer to note 11.
- Claims made against VIA involving employee injuries that are work related. Refer to note 11.
- Claims incurred but unpaid, and claims incurred but not reported, as of year-end against VIA's self-insured employees' health program where measurement is based on key actuarial assumptions. Refer to note 11.
- Pension and OPEB, where measurement is based on key actuarial assumptions. Refer to note 8 related to the defined benefit retirement plan and note 10 for other postemployment benefits.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

J. Unearned Revenues

VIA sells fare through various channels, including VIA operated transit centers, through outside retail operations, a mobile ticket application, as well as on the bus. Fare is defined as a ticket or pass, at a stated value, valid for the period of the ticket or pass. Tickets are valid for one trip. Passes are valid for their stated period: one day, seven days, or 31 days. That period begins with the first use. Fare purchased in advance of the provided service by VIA is considered deferred revenue. Revenue is taken as fare is presented for use and the transportation service is provided. Revenue is taken for multi-period passes, defined as semester and annual passes, ratably over the life of the pass.

VIA is working with the City of San Antonio under an interlocal agreement to increase services along select corridors within the City of San Antonio. The City of San Antonio is funding this through advance payments. VIA takes revenue as those services occurred. In FY2020 and FY2019, the agreed upon services were provided by the end of the fiscal year, such that no unearned revenue existed under this agreement at year end.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until that point.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

L. Operating and Nonoperating Revenues and Expenses

VIA classifies operating revenues as all revenue earned from the operation of the various transportation services offered and those revenues generated by the capital assets owned by VIA. Included in this category are fare revenue, revenue from placement of advertisements on the bus and van system, operation of park and rides, and miscellaneous revenue earned by the operation of various capital assets. Non-operating revenues include sales tax receipts collected from the community to support transit, grant revenue from all sources, investment income, and other revenues not meeting the definition of operating revenues. All expenses related to operating the bus and van system are reported as operating expenses and all other expenses are reported as non-operating.

M. Operating Revenues

VIA's operating revenues are classified into the following categories.

- Line Service includes revenues related to all regularly scheduled bus routes available to the general public for a fare.
- Robert Thompson Terminal includes revenues related to the operation and maintenance of the Robert Thompson Terminal, which provides services for various Alamodome events.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

- Other Special Events include revenues from services provided to various community events throughout the year.
- VIAtrans includes revenues from transportation services provided to the mobility-impaired who are unable to ride the regular line buses.
- VIA Link is a shared on-demand transit service that offers riders the option to be picked up and dropped off at specific locations within a defined zone rather than riding fixed bus routes.
- Charter includes revenues from transportation services provided to private operators.
- Real Estate Development includes revenues from the rental of the Sunset Depot Complex, the Amtrak facility, and office space.
- Ellis Alley Park and Ride includes revenues related to the collection of parking fees at the Ellis Alley Park and Ride facility.
- Bus Advertising includes revenues related to the placement of advertisements on the bus and van system.
- Miscellaneous includes a variety of disparate revenues such as Alamodome facility, station concessions, and sale of scrap material.

N. Operating Expenses

VIA's operating expenses, excluding depreciation, are classified in the following cost centers.

- Line Service includes expenses related to all regularly scheduled bus routes available to the general public for a fare.
- Disaster relief is the cost of service provided by VIA after a formal declaration has been made at the federal level to declare a catastrophe either an emergency or major disaster. All authority for disaster relief operations descends from the president, through the Federal Emergency Management Agency (FEMA), and down to other agencies engaged in relief operations. First established in 1979, FEMA coordinates federal efforts related to natural disaster planning, preparedness, response, and recovery. FEMA funds emergency programs and works closely with state and local governments. Services provided by VIA may be line service and/or paratransit in nature.
- Robert Thompson Terminal includes expenses related to the operation and maintenance of the Robert Thompson Terminal, which provides services for various Alamodome events.
- Other Special Events include expenses related to services provided for various community events throughout the year.
- VIAtrans includes expenses related to transportation services provided to the mobility-impaired who are unable to ride the regular line buses.
- VIA Link is a shared ride on-demand transit service that offers riders the option to be picked up and dropped off at specific locations within a defined zone instead of riding fixed bus routes.
- Vanpool includes expenses related to the provision of shared-ride service used generally for work commute trips.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

- Charter includes expenses related to transportation services provided to private operators.
- Promotional Service includes expenses related to community related charters, including school education programs.
- Real Estate Development includes expenses related to the operations and maintenance of the Sunset Depot Complex, the Amtrak facility, and office space.
- Business Development and Planning includes expenses related to planning, designing, constructing, opening, and implementing new capital projects related to new modes of service or new operating facilities.
- Transit Technology includes expenses related to the operation and maintenance of information technology that services transit operations.

O. Statements of Cash Flows

For purposes of the statements of cash flows, and in accordance with VIA's policy, VIA considers all highly liquid investments, including restricted assets with an initial maturity of 90 days or less, to be cash equivalents.

P. Reclassifications

Certain reclassifications have been made in the prior year's financial statements to conform to the current year's presentation.

Q. Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expenses, information about the fiduciary net position of the VIA Metropolitan Transit Retirement Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

R. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, OPEB expenses, information about the fiduciary net position of the VIA Metropolitan OPEB Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Note 2 – Budget

VIA is required by state law to adopt an annual operating budget prior to the commencement of a fiscal year. Before the budget is adopted, VIA's Board is required to conduct a public hearing, and the proposed budget must be made available to the public at least 14 days prior to the hearing.

VIA may not incur operating expenses in excess of the total budgeted operating expenses unless the Board amends the budget by order after public notice and hearing. VIA's operating budget is prepared on a GAAP budgetary basis. Appropriations lapse at year-end.

Note 3 – Cash and Investments

State law and VIA's investment policy permit VIA to invest in fully secured certificates of deposit (CDs) of state and national banks or savings and loan associations located within the state of Texas, or to invest in direct obligations of the United States of America and its agencies, obligations of the state of Texas and its municipalities, school districts, or other political subdivisions, and obligations guaranteed as to both principal and interest by the United States of America, and Texas Local Government Investment Pools TexPool and TexSTAR.

The investments of the Pension Plan and Other Postemployment Benefits (OPEB) Plan are held in trust and managed by independent investment managers with oversight from financial advisors. An investment policy for each Plan, approved by the Board, is used to provide a clear understanding between the Board and the Plan's managers regarding the objectives of the plans. The policies may be changed from time to time by the Board after consideration of the advice and recommendations of Plan professionals. All policy modifications shall be in writing and approved by the Board.

VIA Cash and Investments (Exclusive of the Fiduciary Funds)

Deposits

As of September 30, 2020, the carrying amount of VIA's cash and cash equivalents on the statement of net position was \$223,161,392 (\$101,558,335 in 2019). All deposits are insured by federal depository insurance and/or collateralized with securities held by VIA's agent in VIA's name. VIA's deposits are held at Frost Bank, which qualifies as a public depository under Texas law, and are deemed to be insured and not subject to classification by credit risk. VIA's deposits also include funds deposited with TexPool.

Investments

VIA invests in United States Treasury and agency securities.

VIA categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation input used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets.
- Level 2 inputs are significant other observable inputs which include quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; or other observable inputs such as interest rates and yield curves at commonly quoted intervals, implied volatilities, and credit spreads; or market-corroborated inputs.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

- Level 3 inputs are significant observable inputs.

United States Treasury and agency securities in the amount of \$19,002,830 (\$58,041,673 in 2019) are held in safekeeping by VIA's custodial bank, Wells Fargo Bank N.A., and are registered as accounts of VIA. Securities in the amount of \$0 (\$39,787,892 in 2019) with an original maturity of less than one year are carried at amortized cost. Securities in the amount of \$19,002,830 (\$18,253,780 in 2019) with an original maturity of greater than one year are carried at fair value and are considered level 2, and are measured at the most recent closing price reported on the market on which individual securities are traded.

TexPool investments consist exclusively of United States government securities, repurchase agreements collateralized by United States government securities, and AAA-rated no-load money market mutual funds. The Comptroller of the Public Accounts is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company (the "Trust Company") which is authorized to operate TexPool. Federated Investors, Inc. manages the assets under an agreement with the Comptroller, acting on behalf of the Trust Company. VIA believes that TexPool operates as required under GASB Statement 79, *Certain External Investment Pools and Pool Participants*, to be valued at amortized cost. VIA's investment in TexPool is reported under the "cash and cash equivalents" on the statements of net position.

The following tables show VIA's investments and their days to maturity as of September 30:

2020 Investment Maturities						
Investments	Less Than 90 Days	From 91 Days to 180 Days	From 181 Days to 364 Days	From 365 Days to 5 Years	Equal to or Greater Than 5 Years and Less Than 10 Years	Carrying Amount
United States Treasury notes	\$ -	\$ -	\$ -	\$ 19,002,830	\$ -	\$ 19,002,830
Total United States Treasury and agency securities	-	-	-	19,002,830	-	19,002,830
TexPool	184,779,326	-	-	-	-	184,779,326
Total Investments	\$ 184,779,326	\$ -	\$ -	\$ 19,002,830	\$ -	\$ 203,782,156

2019 Investment Maturities						
Investments	Less Than 90 Days	From 91 Days to 180 Days	From 181 Days to 364 Days	From 365 Days to 5 Years	Equal to or Greater Than 5 Years and Less Than 10 Years	Carrying Amount
United States Treasury notes	\$ -	\$ -	\$ -	\$ 7,022,120	\$ 11,231,660	\$ 18,253,780
Federal Home Loan Bank agency securities	5,039,080	5,205,258	-	-	-	10,244,338
Freddie Mac	4,979,525	-	-	-	-	4,979,525
Fannie Mae	24,564,030	-	-	-	-	24,564,030
Total United States Treasury and agency securities	34,582,635	5,205,258	-	7,022,120	11,231,660	58,041,673
TexPool	81,587,734	-	-	-	-	81,587,734
Total Investments	\$ 116,170,369	\$ 5,205,258	\$ -	\$ 7,022,120	\$ 11,231,660	\$ 139,629,407

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

At September 30, 2020 and 2019, VIA had the following deposits and investments:

	Carrying Amount 2020	Carrying Amount 2019
Deposits:		
Cash on hand	\$ 775,402	\$ 1,071,449
Cash in bank	37,606,664	18,899,151
Total deposits	38,382,066	19,970,600
Investments:		
TexPool	184,779,326	81,587,734
United States agency securities	19,002,830	58,041,673
Total cash, cash equivalents and investments	\$ 242,164,222	\$ 159,600,007

Custodial Credit Risk on Deposits – Custodial credit risk is the risk that, in the event of failure of a depository financial institution, VIA would not be able to recover deposits in possession of an outside party. Deposits, including all accrued interest thereon, that exceed the federal depository insurance coverage (FDIC) level are collateralized by securities with a market value equal to 105% of all deposits not covered by federal deposit insurance.

Custodial Credit Risk on Investments – Collateralization of investment balances is not required by VIA's investment policy. Investments are held by VIA's name and not that of the designated custodian. Maturing investment proceeds are deposited to a money market account, carrying custodial credit risk, until reinvestment or transfer out per VIA's investment policy.

Interest Rate Risk – Interest rate risk, the risk that changes with market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value changes to the market interest rates. As a means of limiting its exposure to fair value losses due to rising interest rates, VIA's investment policy limits its investment maturities to no more than ten years. Currently, 91% of VIA's investment portfolio limits is invested in maturities less than one year (87% in 2019). Investment maturities are as follows:

	Percentage of Portfolio September 30,	
Maturity	2020	2019
Less than 90 days	91%	83%
From 91 days to 180 days	0%	4%
From 181 days to 364 days	0%	0%
From 365 days to 5 years	9%	5%
Equal to or greater than 5 years and less than 10 years	0%	8%

Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. However, investment issued or explicitly guaranteed by the United States government are excluded from this requirement.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Presented below is the minimum rating required (where applicable) by VIA's investment policy and the Public Funds Investment Act and the actual rating for each investment as of September 30:

Credit Risk Ratings as of September 30, 2020			
Investments	Minimum Legal Rating	Investment Rating	Rating Organization
TexPOOL	AAA	AAAm	Standard & Poor's

Credit Risk Ratings as of September 30, 2019			
Investments	Minimum Legal Rating	Investment Rating	Rating Organization
Federal Home Loan Bank agency securities	A-1	Aaa	Moody's
Freddie Mac agency securities	A-1	Aaa	Moody's
Fannie Mae agency securities	A-1	Aaa	Moody's
TexPOOL	AAA	AAAm	Standard & Poor's
TexSTAR	AAA	AAAm	Standard & Poor's

Concentration of Credit Risk – As a means of limiting its exposure to concentration of credit risk, VIA's investment policy limits the maximum percentage allowed in each type of investment. Direct obligations such as United States Treasury Notes are limited to 95% of VIA's investment portfolio. Indirect obligations, such as Federal Home Loan Mortgage Bank Agency Securities, Freddie Mac Agency Securities, and Fannie Mae Agency Securities, are limited to 85% of VIA's investment portfolio. There is no limit for TexPool, which is a diversified pool of investments. As of September 30, 2020, VIA's investment portfolio consists of 91% in TexPool (58% in 2019), 9% in direct obligations (13% in 2019), and no indirect obligations (29% in 2019).

The following table reflects the percentage amount invested in each issuer subject to concentration of credit risk as a percentage of the portfolio.

Investments	Percentage of Portfolio September 30,	
	2020	2019
United States Treasury Notes	9%	13%
Federal Home Loan Bank agency securities	0%	7%
Freddie Mac agency securities	0%	4%
Fannie Mae agency securities	0%	18%
TexPool	91%	58%

Fiduciary Fund Investments

The following disclosures relate to VIA's Fiduciary Funds. VIA's Retirement Plan and Other Postemployment Benefits (OPEB) Plan are presented separately for greater transparency. The Plans categorize their fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation input used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

- Level 2 inputs are significant other observable inputs which include quoted prices for similar assets in active markets; quoted prices for identical or similar assets in markets that are not active; or other observable inputs such as interest rates and yield curves at commonly quoted intervals, implied volatilities, and credit spreads; or market-corroborated inputs.
- Level 3 inputs are significant observable inputs.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for assets measured at fair value:

- Money market fund – Valued at the quoted net asset value (“NAV”) of shares held by the Plan at year-end.
- Pooled, common, and collective funds – Valued at the most recent closing price reported on the market on which the securities are traded.
- Mutual funds – Valued at the daily closing price as reported by the fund.

The following table sets forth by level, within the fair value hierarchy, the Retirement Plan's assets at fair value as of December 31, 2020 and 2019:

Description	September 30, 2020			
	Level 1	Level 2	Level 3	Amount
<u>Debt Securities</u>				
U.S. Treasury Securities	\$ 4,690,565	\$ -	\$ -	\$ 4,690,565
Other Fixed Income	-	28,617,544	-	28,617,544
Total Debt Securities	4,690,565	28,617,544	-	33,308,109
<u>Equity Securities</u>				
Common Stocks & EFTs	131,729,046	-	-	131,729,046
Total Equity Securities	131,729,046	-	-	131,729,046
Total	\$ 136,419,611	\$ 28,617,544	\$ -	\$ 165,037,155
Investments Measured at Net Asset Value				
Pooled Real Estate Funds				\$ 31,914,628
Commingled Collective Funds				129,139,154
Money Market Investments				5,477,539
Total Investments				<u>\$ 331,568,476</u>

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Description	September 30, 2019			
	Level 1	Level 2	Level 3	Amount
<u>Debt Securities</u>				
U.S. Treasury Securities	\$ 4,251,530	\$ -	\$ -	\$ 4,251,530
Other Fixed Income	-	27,115,505	-	27,115,505
Total Debt Securities	4,251,530	27,115,505	-	31,367,035
<u>Equity Securities</u>				
Common Stocks & EFTs	118,991,621	-	-	118,991,621
Total Equity Securities	118,991,621	-	-	118,991,621
Total	\$ 123,243,151	\$ 27,115,505	\$ -	\$ 150,358,656
Investments Measured at Net Asset Value				
Pooled Real Estate Funds				\$ 31,641,883
Commingled Collective Funds				118,119,251
Money Market Investments				5,596,948
Total Investments				\$ 305,716,738

The following table sets forth by level, within the fair value hierarchy, the OPEB Plan's assets at fair value as of December 31, 2020 and 2019:

Description	September 30, 2020			
	Level 1	Level 2	Level 3	Amount
Money Market Fund	\$ 3,788,901	\$ -	\$ -	\$ 3,788,901
Pooled, Common and Collective Funds	-	4,028,129	-	4,028,129
Mutual Funds	3,624,250	-	-	3,624,250
Total	\$ 7,413,151	\$ 4,028,129	\$ -	\$ 11,441,280

Description	September 30, 2019			
	Level 1	Level 2	Level 3	Amount
Money Market Fund	\$ 2,959,569	\$ -	\$ -	\$ 2,959,569
Pooled, Common and Collective Funds	-	3,625,533	-	3,625,533
Mutual Funds	3,430,003	-	-	3,430,003
Total	\$ 6,389,572	\$ 3,625,533	\$ -	\$ 10,015,105

Investment Policies

The Pension Plan and OPEB Plan investments are held in separate trusts and managed by independent investment managers with oversight from financial advisors. Separate investment policies are established by the Board and are used to provide a clear understanding between the Board and Plan managers regarding the objectives of the plans. The policies may be changed from time to time by the Board after consideration of the advice and recommendations of Plan professionals. All modifications to the policies shall be in writing and approved by the Board.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Cash and Investments

Fiduciary fund cash, cash equivalents, and investment balances as of September 20, 2020 and September 30, 2019 are the following:

	September 30, 2020		
	Retirement Plan	OPEB Plan	Total Fiduciary Funds
Cash and cash equivalents	\$ 5,477,539	\$ 3,788,901	\$ 9,266,440
Investments:			
Corporate bonds and other	19,394,505		19,394,505
United States government and agency	13,913,604		13,913,604
Common stock	131,729,046		131,729,046
Pooled/mutual funds	161,053,782	7,652,379	168,706,161
Total investments	326,090,937	7,652,379	333,743,316
Total cash, cash equivalents and investments	\$ 331,568,476	\$ 11,441,280	\$ 343,009,756

	September 30, 2019		
	Retirement Plan	OPEB Plan	Total Fiduciary Funds
Cash and cash equivalents	\$ 5,596,948	\$ 2,959,569	\$ 8,556,517
Investments:			
Corporate bonds and other	17,236,566		17,236,566
United States government and agency	14,130,469		14,130,469
Common stock	118,991,621		118,991,621
Pooled/mutual funds	149,761,134	7,055,536	156,816,670
Total investments	300,119,790	7,055,536	307,175,326
Total cash, cash equivalents and investments	\$ 305,716,738	\$ 10,015,105	\$ 315,731,843

Custodial Credit Risk — Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Retirement Plan's deposits and OPEB Plan's deposits might not be recovered. All deposits as of September 30, 2020, to the extent not insured by the Federal Deposit Insurance Corporation, were collateralized by securities held by a third-party independent custodian, in the Trust's name, under a joint custody agreement giving the Trust unconditional rights and claims to collateral.

Custodial Credit Risk — Investments

Custodial credit risk is the risk that, in the event of failure of the counterparty, the Retirement Plan and OPEB Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

The assets of the Retirement Plan may be held in the name of agents, nominees, depository trust companies, or other entities designated by the Plan. As of September 30, 2020 and September 30, 2019, all investments are registered in the Trust's name or in the name of the Trust's custodian, which was established through a trust agreement, and are held by the Trustee for the benefit of the Plan. As of September 30, 2020, the Plan had \$5,477,537 of money market funds that were subject to custodial credit risk. As of September 30, 2019, the Plan had \$5,596,948 of money market funds that were subject to custodial credit risk.

For the OPEB Plan, at year end, all investments of the Plan were held in the name of VIA's plan. As of September 30, 2020, the Plan had \$3,788,901 of money market funds that were subject to custodial credit risk. As of September 30, 2019, the Plan had \$2,959,569 of money market funds that were subject to custodial credit risk.

For the OPEB Plan, all of VIA's investments with the exception of money market mutual funds, which by design provide ownership of shares within the fund, are registered in the name of VIA's plan as of September 30, 2020 and September 30, 2019.

VIA's investment policies for both the Pension Plan and the OPEB Plan help mitigate custodial credit risk by requiring that assets of the Plan shall be invested in a manner consistent with fiduciary standards, namely: with the care, skill, prudence, and diligence that a prudent expert acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; in accordance with the Plan Agreement and the Policy; all transactions undertaken on behalf of the Trust must be for the sole interest of the Trust; and the investments should be diversified to achieve objectives and minimize the risk of large losses.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investments issued or explicitly guaranteed by the United States Government are excluded from this requirement.

The investment policies for the Retirement Plan and the OPEB Plan manage credit risk by the following general limitations and requirements: the majority of corporate fixed income investments, other than short-term paper, shall be limited at purchase to investment grade (rating), as established by one or more of the nationally recognized bond rating services. Below investment grade and non-dollar denominated foreign bonds are allowable up to 10% of the fixed income portfolio, at market. In no event should the debt securities of any single corporate entity exceed 3% (1% for below-investment-grade and foreign), at market, of the fixed income assets under management. The average quality rating of each manager's portfolio shall be equal to A or better.

For the Retirement Plan and OPEB Plan, no individual securities are owned by the Plans directly. Indirect ownership of securities is 100% through mutual funds, pooled, common and collective funds. Therefore, the Plan's credit risk is favorably impacted by the benefits of diversification.

For the Retirement Plan, as of September 30, 2020, the Plan had \$19,394,505 of bond fund investments subject to credit risk. Ratings range from AAA (highest) to NR (not rated). As of September 30, 2019, the Plan had \$17,236,566 of bond fund investments subject to credit risk. Ratings range from AAA (highest) to NR (not rated).

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

For the OPEB Plan, as of September 30, 2020, the Plan had \$2,494,167 of bond fund investments subject to credit risk. Ratings range from AAA (highest) to NR (not rated). As of September 30, 2019, the Plan had \$2,313,291 of bond fund investments subject to credit risk. Ratings range from AAA (highest) to NR (not rated).

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The investment policies for the Retirement Plan and the OPEB Plan do not address interest rate risk. However, the fixed income managers for each plan manage their portfolio within a tight range (+/-10%) around their benchmark's average duration.

As of September 30, 2020, VIA's fiduciary account investments exposed to interest rate risk were as follows:

Investment Type	Fair Value	Maturity in Years		
		Less than 1 Year	1-5 Years	Greater than 5 Years
<u>Pension Plan</u>				
Money Market Fund	\$ 5,477,539	\$ 5,477,539	\$ -	\$ -
Corporate Bonds and Other	19,394,505	1,232,144	7,561,119	10,601,242
United States Government and Agency	13,913,604	1,424	4,682,232	9,229,948
Pooled Fixed Income	51,257,336	-	-	51,257,336
Total	90,042,984	6,711,107	12,243,351	71,088,526
<u>OPEB Plan</u>				
Money Market Fund	3,788,901	3,788,901	-	-
Fixed Income Mutual Fund	2,494,167	-	-	2,494,167
Total	6,283,068	3,788,901	-	2,494,167
Total Fiduciary Accounts	\$ 96,326,052	\$ 10,500,008	\$ 12,243,351	\$ 73,582,693

Note: The fair values shown here do not include accrued income.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

As of September 30, 2019, VIA's fiduciary account investments exposed to interest rate risk were as follows:

Investment Type	Fair Value	Maturity in Years		
		Less than 1 Year	1-5 Years	Greater than 5 Years
<u>Pension Plan</u>				
Money Market Fund	\$ 5,596,948	\$ 5,596,948	\$ -	\$ -
Corporate Bonds and Other	17,329,033	637,039	9,762,941	6,929,053
United States Government and Agency	14,038,002	4,853	4,178,243	9,854,906
Pooled Fixed Income	46,920,665	-	-	46,920,665
Total	83,884,648	6,238,840	13,941,184	63,704,624
<u>OPEB Plan</u>				
Money Market Fund	2,959,569	2,959,569	-	-
Fixed Income Mutual Fund	2,313,291	-	-	2,313,291
Total	5,272,860	2,959,569	-	2,313,291
Total Fiduciary Accounts	\$ 89,157,508	\$ 9,198,409	\$ 13,941,184	\$ 66,017,915

Note: The fair values shown here do not include accrued income.

Foreign Currency Risk

Foreign currency risk is the risk of losses arising from changes in exchange rates. As a means of mitigating the risk of loss due to exchange rates, the Retirement Plan's investment policy limits the amount of foreign investments to 25% of total investments, and the OPEB Plan's investment policy limits the amount of foreign investments to 30% of total investments. At September 30, 2020, 10.0% of the Retirement Plan's investments were in the Pooled International Fund, and 9.9% of the OPEB Plan's investments were in an Overseas Mutual Fund. The Plans are subject to currency risk as currency exposures are unhedged. As international currencies gain or lose value in relation to the US dollar, the funds will gain or lose value.

As of September 30, 2020, the Retirement Plan had \$63,574,768 of investments in the Pooled International Fund, and as of September 30, 2019, the Pension Plan had \$57,783,841 of investments in the Pooled International Fund.

As of September 30, 2020, the OPEB Plan had \$1,130,082 of investments in an Overseas Mutual Fund, and as of September 30, 2019, the OPEB Trust had \$1,116,712 of investments in an Overseas Mutual Fund.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Note 4 – Restricted and Unrestricted Cash and Investments

VIA's cash, cash equivalents, and investments are restricted and unrestricted for the following purposes:

Restricted

- **Bond Construction Account** – the restricted construction account represents bond proceeds and interest to be used for capital expenditures.
- **Debt Service** – Debt service or principal and interest due on bonds is used for setting aside funds for upcoming principal and interest payments on outstanding bonds.
- **Bond Reserve Fund** – Reserve funds specifically required at bond issuance and documented in the bond agreement. This item is cleared when bonds have been paid off.
- **TxDOT Grant** – represents assets to provide for the enhancement of visual, operational, and structural vehicle right-of-way improvements.

Unrestricted

- **Stabilization Fund** – represents assets to provide a level of financial resources to protect against revenue shortfalls or unpredicted one-time expenditures.
- **Working Capital** – represents assets designated to provide VIA with sufficient operating funds to pay its day-to-day operational obligations.
- **Unrestricted Cash Reserve** – funds can be used to cover any operating or capital spending of the agency.
- **Retainage** – represents assets equal to the liability payable to contractors for retainage withheld from periodic payments, plus interest earnings.
- **Capital Grant Local Share** – represents assets to provide for VIA's matching share of Federal Transit Administration (FTA) grants.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Components of restricted and unrestricted cash and investments are summarized as follows:

	Cash & Cash Equivalents	Investments	2020 Total	2019 Total
Restricted deposits and investments				
Bond construction account	\$ 10,884,050	\$ -	\$ 10,884,050	\$ -
Debt service -- principal and interest due	3,495,972	-	3,495,972	2,503,202
Bond reserve fund	2,927,724	-	2,927,724	2,927,724
TxDOT grant	46,454,795	-	46,454,795	50,974,610
Total restricted deposits and investments	63,762,541	-	63,762,541	56,405,536
Unrestricted deposits and investments				
Board approved purposes:				
Stabilization fund	21,997,170	19,002,830	41,000,000	39,280,000
Cash reserve	86,059,665	-	86,059,665	12,510,721
Working capital:				
MTA	34,690,000	-	34,690,000	33,830,000
ATD	6,310,000	-	6,310,000	5,450,000
Retainage	37,030	-	37,030	1,383,292
Capital grants local share	10,304,986	-	10,304,986	10,740,459
Total unrestricted deposits and investments	159,398,851	19,002,830	178,401,681	103,194,472
Total deposits and investment balances	\$ 223,161,392	\$ 19,002,830	\$ 242,164,222	\$ 159,600,008

Note 5 – Capital Contributions

Capital contributions consist of funds received through various grants to assist in the acquisition of capital assets. A major portion of these contributions is through the annual and discretionary capital grants provided by FTA, as well as past grant contributions received from the state of Texas. Generally, an FTA grant will provide 80% of the total project cost, and VIA will match the grant funds by paying the remaining 20%. The capital contribution accounts record the funds received through these various grants.

Note 6 – Capital Assets

Components of capital assets are summarized as follows for September 2019 to September 2020 and September 2018 to September 2019:

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

	Balance at September 30, 2019	Additions	Deletions	Transfers	Balance at September 30, 2020
Accumulated depreciation:					
Land*	\$ 33,334,256	\$ -	\$ -	\$ 188,433	\$ 33,522,689
Buildings and shelters	280,433,405	-	-	25,220,814	305,654,219
Revenue and service vehicles	305,870,557	27,011	-	1,458,949	307,356,517
Equipment	60,373,297	-	(43,701)	5,971,296	66,300,892
	680,011,515	27,011	(43,701)	32,839,492	712,834,317
Accumulated depreciation:					
Buildings and shelters	168,709,647	12,496,596	-	-	181,206,243
Revenue & service vehicles	128,476,813	20,981,358	-	-	149,458,171
Equipment	45,239,527	6,406,933	(43,701)	-	51,602,759
	342,425,987	39,884,887	(43,701)	-	382,267,173
Net capital assets before construction in progress	337,585,528	(39,857,876)	-	32,839,492	330,567,144
Buildings and shelters	55,378,986	5,581,643	-	(25,407,574)	35,553,055
Revenue and service vehicles	179,057	13,326,976	-	(1,458,949)	12,047,084
Equipment	8,560,383	4,052,024	-	(5,972,969)	6,639,438
Construction in progress*	64,118,426	22,960,643	-	(32,839,492)	54,239,577
Net capital assets	\$ 401,703,954	\$ (16,897,233)	\$ -	\$ -	\$ 384,806,721

* Capital assets not being depreciated.

	Balance at September 30, 2018	Additions	Deletions	Transfers	Balance at September 30, 2019
Land*	\$ 33,334,256	\$ -	\$ -	\$ -	\$ 33,334,256
Buildings and shelters	274,929,969	-	(1,291,350)	6,794,786	280,433,405
Revenue and service vehicles	298,476,559	9,777,464	(4,541,234)	2,157,768	305,870,557
Equipment	66,041,310	23,541	(10,569,476)	4,877,922	60,373,297
	672,782,094	9,801,005	(16,402,060)	13,830,476	680,011,515
Accumulated depreciation:					
Buildings and shelters	159,559,203	10,147,191	(996,747)	-	168,709,647
Revenue & service vehicles	111,224,345	21,221,610	(3,969,142)	-	128,476,813
Equipment	50,307,621	5,334,174	(10,402,268)	-	45,239,527
	321,091,169	36,702,975	(15,368,157)	-	342,425,987
Net capital assets before construction in progress	351,690,925	(26,901,970)	(1,033,903)	13,830,476	337,585,528
Buildings and shelters	41,618,794	21,001,705	-	(7,241,513)	55,378,986
Revenue and service vehicles	1,967,562	163,211	-	(1,951,716)	179,057
Equipment	9,450,179	3,747,451	-	(4,637,247)	8,560,383
Construction in progress*	53,036,535	24,912,367	-	(13,830,476)	64,118,426
Net capital assets	\$ 404,727,460	\$ (1,989,603)	\$ (1,033,903)	\$ -	\$ 401,703,954

* Capital assets not being depreciated.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

The following is a summary of depreciation expense:

Description	Years Ended September 30,	
	2020	2019
Capital assets acquired with VIA equity	\$ 20,846,670	\$ 18,721,143
Capital assets acquired with grants	19,038,216	17,981,832
	<u>\$ 39,884,886</u>	<u>\$ 36,702,975</u>

Note 7 – Sales Taxes

Sales taxes are a significant revenue source for VIA, accounting for 52.2% of VIA's revenue in FY20 (72.2% in FY19). These revenues are reported as non-operating revenues in the statements of revenues, expenses, and changes in net position. Included below is a summary of sales tax revenues:

Sales Tax Revenues

Description	Years Ended September 30,	
	2020	2019
MTA	\$ 159,039,137	\$ 160,092,754
ATD	71,580,361	72,449,596
Less ATD Amounts Remitted to CoSA and Bexar County	(35,790,180)	(36,224,798)
Net VIA Sales Taxes	<u>\$ 194,829,318</u>	<u>\$ 196,317,552</u>

VIA's sales taxes decreased by \$1,488,235 in FY20, driven by the impact of COVID, and increased by \$10,334,665 in FY19. In FY20, MTA sales taxes decreased by \$1,053,618 and VIA's 50% share of ATD sales taxes decreased by \$434,617. In FY19, MTA sales taxes increased by \$8,421,569 and VIA's 50% share of ATD sales taxes increased by \$1,913,096. ATD sales taxes are allocated 50% to VIA and 25% each to the City of San Antonio (CoSA) and Bexar County.

Sales Tax Receivable from State of Texas

Description	Years Ended September 30,	
	2020	2019
MTA	\$ 27,131,810	\$ 26,736,281
ATD-VIA	6,160,584	6,059,792
ATD-Other (CoSA and Bexar County)	6,160,584	6,059,792
	<u>\$ 39,452,978</u>	<u>\$ 38,855,865</u>

VIA recognizes sales tax revenue based on a methodology that equates to accruing approximately two months of sales tax receipts from the state of Texas. Generally, the sales taxes on sales made in any given month are reported and paid to the State Comptroller's Office the following month. VIA receives the sales taxes from the Comptroller the next month. Sales tax revenues and the related receivables are recognized when the underlying sales transaction that generated the sales tax occurs.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Note 8 – Defined Benefit Retirement Plan

A. Plan Description

VIA's defined benefit pension plan, VIA Metropolitan Transit Retirement Plan (the "Plan") provides pensions for all full time VIA employees who were hired prior to January 1, 2012 and completed 1 year of continuous service prior to July 1, 2013. The Plan is a single-employer defined benefit retirement plan administered by VIA. Amendments to the Plan may be made by VIA at any time. There is a separate plan audit. An audit report is issued that includes financial statements and required supplementary information of the Plan. That report may be obtained by writing to VIA Metropolitan Transit, P.O. Box 12489, San Antonio, Texas 78212-0489, or by calling (210) 362-2000.

B. Benefits Provided

Benefit provisions are established by VIA and can be amended at any time; however, no amendment shall authorize any part of the net position to be used for purposes other than benefit payments or administrative expenses. Employees retiring at age 65 or at age 55 with 25 years or more of credited service shall, upon application to the Plan administrator, receive a monthly retirement pension based on the higher of the following two methods:

- Career Average Method - For each year or fraction of year of credited service between April 1, 1965 and February 1, 1973, 1.5% of the monthly base salary as of February 1, 1973, plus 2.0% of the excess, if any, of such salary over \$300; plus for each year or fraction of year of credited service between February 1, 1973 and September 30, 1989, 1.5% of the monthly base salary at the beginning of each plan year, plus 2.0% of the excess, if any, of such salary over \$300; plus for each year beginning October 1, 1989 and after, 1/12th of 2.0% of the compensation earned during each plan year. Compensation is defined as base salary or base wage plus overtime, bonuses, and employee deferrals under Internal Revenue Service Code, Sections 125 or 457, but excluding "sold" vacation pay and sick pay, and certain other amounts.
- Final Average Method - With 25 years or more of credited service, 2.00%, or with less than 25 years of credited service, 1.75% of the final average monthly compensation for each year or fraction of year of credited service. Final average monthly compensation is defined as the average monthly base salary or base wage during 36 consecutive months of highest compensation prior to termination or retirement.

C. Disability Benefits

If service is terminated because of total and permanent disability, the participant may retire and receive an immediate monthly income equal to the accrued benefit at the date of disability. If the participant recovers, the above benefit may be reduced by 2/12% for each of the first 36 months; 3/12% for each of the next 24 months; 4/12% for each of the next 24 months; and actuarially for each additional month from date of recovery until age 62.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

D. Pre-Retirement Death Benefits

If service is terminated because of death prior to attaining age 65, the spouse will receive the actuarial value of the participant's accrued benefit paid over a 120-month period. If the beneficiary is a non-spouse, the beneficiary will receive the actuarial value of the spouse's benefit, as previously described, and the amount will be paid over a 60-month period.

E. Early Retirement Benefits

If service is terminated at an early retirement date, the participant will receive a monthly income equal to the accrued benefit at the date of early retirement, reduced by 2/12% for each of the first 36 months; 3/12% for each of the next 24 months; and 4/12% for any additional months by which the participant's early retirement date precedes the first of the month coinciding with or next following the participant's attainment of age 62.

F. Pension Supplement

Effective July 1, 2015, the pension plan provides the retirees (and beneficiaries) a one-time supplement (non-cumulative or compounding benefit) once every two years based on the following table by service at retirement.

Service at Retirement	Supplement (One-Time)
<10 Years	\$ 175.00
10-24 Years	350.00
25+ Years	700.00

G. Retiree Health Benefits

For members with retirement dates prior to March 31, 2007: \$8 times credited service (whole years only) paid monthly to retired and disabled participants for life.

For members with retirement dates after March 31, 2007: a monthly supplement based on the following table (by service at retirement and current age):

Service at Retirement	Benefit Payable Before Age 65	Benefit Payable After Age 65
<10 Years	\$ -	\$ -
10-14 Years	100.00	75.00
15-19 Years	150.00	112.50
20-24 Years	200.00	150.00
25+ Years	250.00	187.50

Effective July 1, 2013, the Plan was closed for participation to new employees. All new employees are eligible for a defined contribution plan described in Note 9.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

H. Employees Covered by Benefit Terms

The following table summarizes the number of participants with a benefit in the Plan as of the valuation dates of October 1, 2018 and 2017, the dates used to develop the pension accounting information that is reported for the fiscal years ending September 30, 2020 and 2019, respectively.

	FY2020	FY2019
Inactive Plan members or beneficiaries currently receiving benefits	1,060	1,004
Inactive Plan members entitled to, but not yet receiving, benefits	127	124
Active Plan members	1,031	1,115
Total Plan members	2,218	2,243

I. Contributions

VIA follows the policy of funding the Plan through employer and employee contributions. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year. As of January 1, 2017, participants contribute 6% of their wage base (1/3 of the taxable wage base under the old age, survivors, and disability insurance program) plus 9% of the amount of their monthly compensation in excess of the wage base. Prior to January 1, 2017 – effective July 1, 2015 – participants contributed 5% of their wage base (1/3 of the taxable wage base under the old age, survivors, and disability insurance program) plus 8% of the amount of their monthly compensation in excess of the wage base.

J. Net Pension Liability

VIA's net pension liability reported for September 30, 2020 was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2018 and rolled forward to the September 30, 2019 measurement date. VIA's net pension liability reported for September 30, 2019 was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2017 and rolled forward to the September 30, 2018 measurement date.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Changes in Net Pension Liability

	2020	2019
Total Pension Liability		
Service Cost	\$ 7,956,865	\$ 7,308,154
Interest	31,348,296	29,771,656
Difference between expected and actual experience	896,495	638,833
Assumption changes	-	21,277,913
Benefit payments	(24,572,598)	(22,706,442)
Refunds	(237,912)	(255,118)
Net change in total pension liability	15,391,146	36,034,996
Total pension liability - beginning	440,817,113	404,782,117
Total pension liability - ending	<u>\$ 456,208,259</u>	<u>\$ 440,817,113</u>
Plan Fiduciary Net Position		
Contributions - employer	\$ 14,729,284	\$ 12,480,240
Contributions - employee	4,257,833	4,420,649
Pension plan net investment income	10,587,602	29,240,374
Benefit payments	(24,572,598)	(22,706,442)
Refunds	(237,912)	(255,118)
Pension plan administrative expense	(145,051)	(120,506)
Net change in Plan Fiduciary net position	4,619,158	23,059,197
Plan fiduciary net position - beginning	298,393,798	275,334,601
Plan fiduciary net position - ending	<u>\$ 303,012,956</u>	<u>\$ 298,393,798</u>
VIA's net pension liability	<u>\$ 153,195,303</u>	<u>\$ 142,423,315</u>

K. Actuarial Assumptions

The total pension liability reported for September 30, 2020 was determined by an actuarial valuation as of October 1, 2018 and rolled forward to the measurement date of September 30, 2019, using the following actuarial assumptions:

Inflation	2.75%
Salary Increases	3.75%-5.75%, including inflation
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Cost of Living	None
Mortality Rates	Gender-distinct RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment, projected on a fully generational basis by scale BB, multiplied by 109% for male table and 103% for female table

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

The total pension liability reported for September 30, 2019 was determined by an actuarial valuation as of October 1, 2017 and rolled forward to a measurement date of September 30, 2018 using the following assumptions:

Inflation	2.75%
Salary Increases	3.75%-5.75%, including inflation
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Cost of Living	None
Mortality Rates	Gender-distinct RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment, projected on a fully generational basis by scale BB, multiplied by 109% for male table and 103% for female table

The actuarial assumptions used in the October 1, 2018 valuation were based on the results of an actuarial experience study completed in 2017 covering the six-year period ending September 30, 2016. The October 1, 2017 valuation was also based on the results of an actuarial experience study completed in 2017 covering the six-year period ending September 30, 2016.

L. Discount Rate

The discount rate used to measure the total pension liability as of the measurement dates of September 30, 2019 and September 30, 2018 was 7.25%. The projection of cash flows used to determine the discount rate assumed the employee contributions will be made at the current contribution rate and that VIA contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of VIA, calculated using the discount rate of 7.25% for 2020 and 2019, as well as what VIA's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

Discount Rate Sensitivity - September 30, 2020

1.0% Decrease	Current Single Discount Rate	1.0% Increase
6.25%	Assumption	8.25%
	7.25%	
\$ 202,998,661	\$ 153,195,303	\$ 110,704,402

Discount Rate Sensitivity - September 30, 2019

1.0% Decrease	Current Single Discount Rate	1.0% Increase
6.25%	Assumption	8.25%
	7.25%	
\$ 191,267,481	\$ 142,423,315	\$ 100,786,077

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

M. Long-Term Expected Rate of Return

The long-term expected rate of return on retirement plan investments was determined using a building block method in which best-estimate expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Plan's target asset allocation as of September 30, 2020 and 2019 are summarized in the tables below:

Fiscal Year Ended September 30, 2020

Asset Class	Long-Term Expected Arithmetic Real Rate of Return	Target Asset Allocation	Development of Long-Term Arithmetic Return for Investment Portfolio
Domestic Equity - Large Cap	5.62%	22%	1.24%
International Equity - Small Cap	5.84%	13%	0.76%
Global Equity	4.70%	25%	1.18%
Fixed Income	2.88%	30%	0.86%
Real Estate	6.16%	10%	0.62%
Total Expected Arithmetic Real Return:			4.66%
Inflation Assumption:			2.20%
Total Expected Arithmetic Nominal Return:			6.86%

Fiscal Year Ended September 30, 2019

Asset Class	Long-Term Expected Arithmetic Real Rate of Return	Target Asset Allocation	Development of Long-Term Arithmetic Return for Investment Portfolio
Domestic Equity - Large Cap	5.71%	22%	1.26%
International Equity - Small Cap	6.99%	13%	0.91%
Global Equity	4.55%	25%	1.14%
Fixed Income	2.88%	30%	0.86%
Real Estate	6.81%	10%	0.68%
Total Expected Arithmetic Real Return:			4.85%
Inflation Assumption:			2.20%
Total Expected Arithmetic Nominal Return:			7.05%

N. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

Pension Expense

For the year ended September 30, 2020, VIA recognized pension expense of \$18,087,674. For the year ended September 30, 2019, VIA recognized pension expense of \$12,860,742.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Schedule of Pension Expense

	2020	2019
Total service cost	\$ 7,956,865	\$ 7,308,154
Interest on the total pension liability	31,348,296	29,771,656
Employee contributions (reduction of expense)	(4,257,833)	(4,420,649)
Projected savings on plan investments (reduction of expense)	(21,417,194)	(20,418,301)
Administrative expense	145,051	120,506
Recognition of outflow (inflow) of resources due to liabilities	5,085,662	4,888,235
Recognition of outflow (inflow) of resources due to assets	(773,173)	(4,388,859)
Total pension expense	<u>\$ 18,087,674</u>	<u>\$ 12,860,742</u>

At September 30, 2020 and 2019, VIA reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resources
Fiscal Year Ended September 30, 2020		
1. Differences between expected and actual experience	\$ 1,957,090	\$ 288,482
2. Net differences between projected and actual earnings on Plan investments	-	3,714,695
3. Assumption changes	12,768,789	-
4. Contributions paid subsequent to the measurement date	14,346,139	-
	<u>\$ 29,072,018</u>	<u>\$ 4,003,177</u>
Fiscal Year Ended September 30, 2019		
1. Differences between expected and actual experience	\$ 2,024,765	\$ 421,552
2. Net differences between projected and actual earnings on Plan investments	-	15,317,460
3. Assumption changes	17,023,351	-
4. Contributions paid subsequent to the measurement date	14,729,284	-
	<u>\$ 33,777,400</u>	<u>\$ 15,739,012</u>

Contributions subsequent to the measurement date are recognized in the following period. September 30, 2020 amounts reported as deferred outflows/inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Net Deferred Outflows/ Inflows of Resources
2021	\$ 1,457,856
2022	2,027,995
2023	4,958,888
2024	2,277,963
2025	-
Thereafter	-
Total	<u>\$ 10,722,702</u>

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

O. Pension Plan Components of Net Pension Liability

The following table summarizes the components of the net pension liability as of September 30, 2020 and 2019 for the pension plan included in VIA's Fiduciary Fund Statements in accordance with GASB 67, Financial Reporting for Pension Plans – An Amendment of GASB Statement 25.

	September 30,	
	2020	2019
Total pension liability	\$ 470,840,902	\$ 456,208,259
Plan fiduciary net position	330,462,819	303,012,956
Net pension liability	<u>\$ 140,378,083</u>	<u>\$ 153,195,303</u>
Plan fiduciary net position as a percentage of the total pension liability	70.2%	66.4%

The actuarial valuation dated October 1, 2019 was rolled forward to September 30, 2020.

The following presents the net pension liability of the pension plan, calculated using the discount rate of 7.25% for 2020 and 2019, as well as what it would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

Discount Rate Sensitivity - September 30, 2020

1.0% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1.0% Increase 8.25%
\$ 190,828,411	\$ 140,378,083	\$ 97,292,464

Discount Rate Sensitivity - September 30, 2019

1.0% Decrease 6.25%	Current Single Discount Rate Assumption 7.25%	1.0% Increase 8.25%
\$ 202,998,661	\$ 153,195,303	\$ 110,704,402

Note 9 – Defined Contribution Retirement Plan

A. Plan Description

VIA Metropolitan Transit Defined Contribution Retirement Plan is a “money purchase” pension plan and trust. This is an account-type plan, in which all benefits received come directly from participant accounts in the plan. VIA Metropolitan Transit Defined Contribution Retirement Plan is a “public retirement system” under the laws of Texas and a “government plan” under the Internal Revenue Code. As a result, it is not subject to the provisions of the Employee Retirement Income Security Act of 1974.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

B. Eligibility and Benefits

All full-time VIA employees hired after January 1, 2012 are eligible to participate after the first of the month following 30 days of service. Employees who retire on or after their 65th birthday and who have completed 5 years of service are entitled to 100% of their employer contribution account balance, as well as 100% of the mandatory employee contribution amount. The plan may also provide benefits in the event of death, disability, or other termination of employment.

C. Funding Policy

VIA follows the policy of funding the plan through mandatory employee contributions at the rate of 6% of compensation. VIA's contributions to the Employer Contribution Account will be made at 6% of compensation. Together, mandatory employee contributions and VIA employer contributions will equal 12% of compensation. VIA's contribution for the fiscal year ended September 30, 2020 totaled \$3,705,718 (\$3,061,000 in 2019).

Note 10 – Postemployment Benefits Other Than Pensions

General Information about the OPEB Plan

A. Plan Description and Benefits Provided

VIA administers a single-employer defined benefit plan that is used to provide post-retirement benefits other than pensions (OPEB) for all retirees of VIA. VIA's OPEB trust was approved/adopted by the Board on February 26, 2008, for the purpose of accumulating assets to fund OPEB costs in future years.

Governance of the Plan is vested in the eleven-member Board, which has governance responsibilities over all activities related to VIA. Representatives of the Board are appointed by the City of San Antonio (CoSA), Bexar County Commissioner's Court, and the Suburban Council of Mayors.

In addition to providing pension benefits, VIA provides certain healthcare and life insurance benefits to retired employees. For healthcare, VIA indirectly subsidizes the medical insurance premiums paid by retirees, since premiums are calculated with active workers and retirees pooled together. As of October 1, 2019, the most recent valuation date, there are 332 retirees and dependents receiving VIA healthcare benefits and 827 participating in the VIA life insurance program. As of October 1, 2018, the next most recent valuation date, there are 322 retirees and dependents receiving VIA healthcare benefits and 792 participating in the VIA life insurance program. VIA provides, at no cost, base coverage for life insurance of \$10,000 or \$20,000, based on age, for retirees at a premium rate paid to a life insurance company. Any additional premium to provide coverage in excess of the base amount is shared by VIA and the retirees.

Employees covered by benefit terms. Employees are eligible for OPEBs if they fall into one of the two groups noted below:

- Employees who are eligible to retire either for an early or normal retirement benefit from the VIA Metropolitan Transit Retirement Plan and have at least ten years of full-time service with VIA (all who meet this requirement would have been hired prior to January 1, 2012, the effective date for closing the defined benefit retirement plan to any new hires).

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

- Employees hired after January 1, 2012 who participated in the VIA Metropolitan Transit Defined Contribution Retirement Plan must meet normal retirement age as defined by the Defined Contribution Retirement Plan (age 65) and have at least ten years of full-time service with VIA.

At September 30, OPEB plan membership consisted of the following:

	<u>2020</u>	<u>2019</u>
Inactive plan members or beneficiaries currently receiving benefit payments	858	820
Inactive plan members entitled to but not yet receiving benefit payments	-	-
Active plan members	<u>2,135</u>	<u>2,134</u>
Total	<u>2,993</u>	<u>2,954</u>

B. Funding Policy

Employer contributions to the Plan are the actuarially-determined amounts that VIA needs to make to fund the Plan over a closed amortization period (26 years remaining as of the last valuation date of October 1, 2019). Employer contributions also include payments for benefits as they come due that were not reimbursed using OPEB plan assets, which for VIA are the implicit subsidies related to the life insurance benefit. VIA's funding policy is to fund 100% of the actuarially determined contribution by the end of each fiscal year. OPEB funding is handled through a Section 115 trust. As a result, the OPEB Plan's fiduciary net position is expected to be available to make all future projected benefit payments of current plan members.

Net OPEB Liability

VIA's net OPEB liability was measured as of September 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was based on actuarial assumptions in an actuarial valuation report as of October 1, 2018.

Actuarial assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefits costs between the employer and plan members to that point.

For the fiscal year ended September 30, 2020 (the measurement date of September 30, 2019), the actuarial valuation date was October 1, 2018. The total OPEB liability in the October 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Actuarial Cost Method	Entry Age Normal
Inflation	2.75%
Salary Increases	3.75% to 5.75%, including inflation, plus an overtime adjustment varying from 1.25% of pay for office workers to 17.50% for operators
Investment Rate of Return	7.25%, net of OPEB plan investment expense, including inflation
Demographic Assumptions	Based on VIA's experience study for the Retirement Plan for the six-year period ending on September 30, 2016
Mortality Assumptions	For healthy retirees, the gender-distinct RP 2000 Combined Health Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by a scale to BB to account for future mortality improvements.
Healthcare Trend Rates	Initial trend rate of 7.25% for pre-65 retirees and 6.30% for post-65 retirees, declining to ultimate rates of 4.25% for both pre-65 and post-65 retirees after 13 years
Participation Rates	Rates of 45% for pre-65 retirees and 25% for post-65 retirees, with 44% assumed to discontinue at age 65

For the fiscal year ended September 30, 2019 (the measurement date of September 30, 2018), the actuarial valuation date was October 1, 2017. The total OPEB liability in the October 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Inflation	2.75%
Salary Increases	3.75% to 5.75%, including inflation, plus an overtime adjustment varying from 1.25% of pay for office workers to 17.50% for operators
Investment Rate of Return	7.25%, net of OPEB plan investment expense, including inflation
Demographic Assumptions	Based on VIA's experience study for the Retirement Plan for the six-year period ending on September 30, 2016
Mortality Assumptions	For healthy retirees, the gender-distinct RP 2000 Combined Health Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by a scale to BB to account for future mortality improvements.
Health Care Trend Rates	Initial trend rate of 7.50% for pre-65 retirees and 6.40% for post-65 retirees, declining to ultimate rates of 4.25% for both pre-65 and post-65 retirees after 14 years
Participation Rates	Rates of 40% for pre-65 retirees and 20% for post-65 retirees, with half assumed to discontinue at age 65

Projected benefit payments are required to be discounted to their actuarial present value using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB Plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

The long-term rate expected rate of return by asset class as of September 30, 2020 is shown below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Benchmark</u>	<u>Long-Term Mean Nominal Return</u>	<u>Long-Term Mean Real Rate of Return</u>
Domestic equity	50%	S&P 1500	7.5%	5.3%
International equity	15%	MSCI ACWI Ex-US	6.2%	4.0%
Fixed income	35%	Aggregate Index	5.0%	2.9%
Total	100%			

Note: For illustrative purposes, historical long-term average returns have been used as a reasonable expectation of nominal returns and reduced by 2.2% to adjust to real terms. The expected rate of inflation is 2.2%.

The long-term expected rate of return being used for OPEB plan investments is 7.25% for both FY20 and FY19. When this actuarial assumption was last updated in 2018, the municipal bond rate was 3.83% (based on the daily rate closest to but not later than the measurement date of Fidelity "20-Year Municipal GO Index"), and the resulting Single Discount Rate was 7.25%. The discount rate was also 7.25% as of the beginning of the measurement period.

The long-term rate expected rate of return by asset class as of September 30, 2019 is shown below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Benchmark</u>	<u>Long-Term Mean Nominal Return</u>	<u>Long-Term Mean Real Rate of Return</u>
Domestic equity	50%	S&P 1500	7.8%	5.7%
International equity	15%	MSCI ACWI Ex-US	6.3%	4.1%
Fixed income	35%	Aggregate Index	5.1%	2.9%
Total	100%			

Note: For illustrative purposes, historical long-term average returns have been used as a reasonable expectation of nominal returns and reduced by 2.2% to adjust to real terms. The expected rate of inflation is 2.2%.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Changes in the Net OPEB Liability

Changes in the net OPEB liability for fiscal year 2020 are as follows:

Changes in the Net OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at 9/30/19 (*)	\$ 43,598,652	\$ 8,546,286	\$ 35,052,366
Service cost	1,220,151	-	1,220,151
Interest on the total OPEB liability	3,126,006	-	3,126,006
Difference between expected and actual experience	11,256,554	-	11,256,554
Changes of assumptions	2,803,150	-	2,803,150
Employer contributions	-	3,209,295	(3,209,295)
Net investment income	-	352,107	(352,107)
Benefit payments	(2,182,794)	(2,182,794)	-
Administrative expense	-	(31,921)	31,921
Net changes	16,223,067	1,346,687	14,876,380
Balances at 9/30/20 (*)	\$ 59,821,719	\$ 9,892,973	\$ 49,928,746

(*) Balances for dates shown are as of the measurement date one year prior.

Changes in the net OPEB liability for fiscal year 2019 are as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at 9/30/18 (*)	\$ 41,426,434	\$ 8,186,100	\$ 33,240,334
Service cost	1,099,372	-	1,099,372
Interest on the total OPEB liability	2,952,287	-	2,952,287
Difference between expected and actual experience	630,393	-	630,393
Employer contributions	-	2,302,233	(2,302,233)
Net investment income	-	579,606	(579,606)
Benefit payments	(2,509,834)	(2,509,834)	-
Administrative expense	-	(11,819)	11,819
Net changes	2,172,218	360,186	1,812,032
Balances at 9/30/19 (*)	\$ 43,598,652	\$ 8,546,286	\$ 35,052,366

(*) Balances for dates shown are as of the measurement date one year prior.

The liability resulting from "Changes of assumptions" is a result of new demographic and OPEB-specific assumptions that were adopted as a result of the experience study for the Retirement Plan for the six-year period ended September 30, 2016. Included in the changes was a reduction to the discount rate from 7.50% to 7.25%.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net OPEB liability of VIA reported as of September 30, 2020 calculated with a Single Discount Rate of 7.25%, as well as what VIA's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

		1% Decrease <u>6.25%</u>	Current Single Discount <u>Rate Assumption</u>		1% Increase <u>8.25%</u>
Net OPEB liability (asset)	\$	58,168,062	\$	49,928,746	\$ 43,159,255

The following presents the net OPEB liability of VIA reported as of September 30, 2019 calculated with a Single Discount Rate of 7.25%, as well as what VIA's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

		1% Decrease <u>6.25%</u>	Current Single Discount <u>Rate Assumption</u>		1% Increase <u>8.25%</u>
Net OPEB liability (asset)	\$	40,584,843	\$	35,052,366	\$ 30,474,041

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of VIA reported as of September 30, 2020 calculated using the assumed trend rates, as well as what VIA's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

		<u>1% Decrease</u>	Current Healthcare Cost <u>Trend Rate Assumption</u>		<u>1% Increase</u>
Net OPEB liability (asset)	\$	44,601,171	\$	49,928,746	\$ 56,508,455

The current healthcare cost trend rates assumption is initial rates of 7.25% for pre-65 and 6.30% for post-65 retirees, declining to ultimate rates of 4.25% for both pre-65 and post-65, after 13 years.

The following presents the net OPEB liability of VIA reported as of September 30, 2019 calculated using the assumed trend rates, as well as what VIA's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

		<u>1% Decrease</u>	Current Healthcare Cost <u>Trend Rate Assumption</u>		<u>1% Increase</u>
Net OPEB liability (asset)	\$	32,084,943	\$	35,052,366	\$ 38,659,276

The healthcare cost trend rates assumption is initial rates of 7.50% for pre-65 and 6.40% for post-65 retirees, declining to ultimate rates of 4.25% for both pre-65 and post-65, after 14 years.

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position can be found under the Required Supplementary Information section of this document.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended year ended September 30, 2020, VIA recognized OPEB expense of \$6,365,527. At September 30, 2020, VIA reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Difference between expected and actual experience, liability	\$ 14,124,924	\$ -	\$ 14,124,924
Change in assumptions	3,521,228	-	3,521,228
Difference between expected and actual experience, assets	195,842	-	195,842
Contributions subsequent to the measurement date	2,796,903	-	2,796,903
Total	\$ 20,638,897	\$ -	\$ 20,638,897

For the year ended year ended September 30, 2019, VIA recognized OPEB expense of \$4,421,525. At September 30, 2019, VIA reported deferred outflows of resources and deferred inflow of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/(Inflows) of Resources
Difference between expected and actual experience, liability	\$ 4,951,786	\$ -	\$ 4,951,786
Change in assumptions	1,241,154	-	1,241,154
Difference between expected and actual experience, assets	-	71,095	(71,095)
Contributions subsequent to the measurement date	2,738,963	-	2,738,963
Total	\$ 8,931,903	\$ 71,095	\$ 8,860,808

The amount reported as deferred outflows of resources resulting from contributions made subsequent to the measurement date are recognized as a reduction in the net pension liability in the subsequent year. Other than for contributions subsequent to the measurement date, amounts reported as of September 30, 2020 as deferred outflows of resources and deferred inflows or resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending September 30	Net Deferred Outflows (Inflows)
2021	\$ 2,643,108
2022	2,643,108
2023	2,668,390
2024	2,667,204
2025	2,606,492
Thereafter	4,613,692
Total	\$ 17,841,994

As of September 30, 2020 and September 30, 2019, VIA had a payable of zero for the outstanding amount of contributions to the OPEB Plan required for the years ended September 30, 2020 and September 30, 2019, respectively. VIA made the required contribution prior to year-end in each of those years.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

OPEB Plan

The following discloses for the VIA OPEB Plan are provided in accordance with GASB Statement No. 74 since the plan is a single-employer OPEB and included in VIA's fiduciary fund statements.

The components of the net OPEB liability for the VIA OPEB Plan at September 30, 2020 and 2019 were as follows:

	September 30,	
	2020	2019
Total OPEB liability	\$ 60,285,396	\$ 59,821,719
Plan fiduciary net position	11,254,661	9,892,973
Net OPEB liability	<u>\$ 49,030,735</u>	<u>\$ 49,928,746</u>
Plan fiduciary net position as a percentage of the total OPEB liability	18.7%	16.5%

The discount rate used to measure the Total OPEB Liability was 7.25%. The following table presents the change in VIA's OPEB Plan net liability calculated at September 30, 2020 assuming that the discount rate decreases or increases by one percentage point from the assumptions used in the Total OPEB Liability.

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net OPEB liability (asset)	\$ 57,662,140	\$ 49,030,735	\$ 41,978,187

The following table presents the change in VIA's OPEB Plan net liability calculated at September 30, 2020 assuming that the healthcare cost trends decrease or increase by one percentage point from the assumptions used in Total OPEB Liability.

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Net OPEB liability (asset)	\$ 43,564,409	\$ 49,030,735	\$ 55,835,691

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Note 11 – Risk Management

VIA is exposed to various risks or torts; theft of, damage to, and destruction of assets; injuries to employees, patrons, and the general public; and natural disasters. During the fiscal year, VIA was self-funded for workers' compensation, unemployment compensation, employee health coverage, and public liability coverage.

There were no significant reductions in insurance coverage from the prior year by major category of risk. In addition, there were no insurance settlements exceeding insurance coverage in any of the past three years.

Competitive bids are solicited through VIA's Procurement Department to obtain the required insurance coverages at the lowest possible cost. The requirements specify only insurance carriers with a current Best's rating of A- or better will be considered for award. Sealed bids are accepted by the due date and time specified and presented to the Board for approval.

Detailed information on the major categories of risk is as follows.

A. Property and Casualty Coverage

VIA purchases fire and extended coverage on buildings and building contents. Fire, lightning, and windstorm insurance coverage is purchased for its revenue vehicles. VIA self-insures for the deductible amount of \$500,000.

B. Public Liability Coverage

VIA is self-insured for public liability claims and maintains a reserve for estimated liabilities to fund such claims. VIA estimates the liabilities on a case-by-case basis based on historical claims experience. A liability for a claim is established if information indicates it is probable a liability has been incurred at the date of the financial statements and the amount of loss is reasonably estimable. Reserves are adjusted monthly based on the latest information available for each case. VIA's limits under the Texas Tort Claim Act are \$100,000 per person and \$300,000 per occurrence. A reconciliation of changes in aggregate liabilities for public liability claims for the current year is presented in section D of this note.

C. Workers' Compensation

VIA is self-insured for all workers' compensation coverage and maintains a reserve for estimated liabilities to fund such claims. VIA estimates the liabilities on a cumulative basis using a formula based on historical claims experience. Reserves are adjusted monthly based on the latest information. A reconciliation of changes in the aggregate liabilities for workers' compensation claims for the current year is presented in section D of this note.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

D. Employee Health Coverage

VIA offers health insurance coverage through its self-insured program VIAcare. As of January 1, 2016, Aetna is the third-party administrator for this program; prior to that, VIA self-administered the program. On an annual basis, an actuarial valuation is performed to establish the level of reserves, determine appropriate funding levels for the medical benefits for the calendar year, and establish the monthly premiums for VIAcare. Claims adjudication is administered in accordance with the benefit provisions, exclusions, and limitations, as stipulated in the VIAcare plan document. A reconciliation of changes in the aggregate liabilities for medical claims for the current year follows.

At September 30, 2020, VIA recorded claims payable of \$7,950,698 for its self-insured programs based on the requirements of GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues* (\$7,736,637 in 2019). The statement requires a liability for claims to be reported if it is probable a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims payable amounts for the most recent period are presented below.

	Property and Casualty and Public Liability	Workers' Compensation	Employee Health Coverage	Total
Claims payable at September 30, 2018	\$ 4,440,100	\$ 2,052,681	\$ 1,549,432	\$ 8,042,213
Current period claims and charges in estimates	1,979,422	867,935	20,875,607	23,722,964
Claim payments	(1,203,072)	(1,742,138)	(21,083,330)	(24,028,540)
Claims payable at September 30, 2019	\$ 5,216,450	\$ 1,178,478	\$ 1,341,709	\$ 7,736,637
Current period claims and charges in estimates	1,210,963	765,621	20,597,300	22,573,884
Claim payments	(1,258,163)	(1,044,998)	(20,056,662)	(22,359,823)
Claims payable at September 30, 2020	\$ 5,169,250	\$ 899,101	\$ 1,882,347	\$ 7,950,698

Note 12 – Long-Term Debt

A. MTA Contractual Obligations Bonds, Series 2012

On August 29, 2012, MTA issued a par amount of \$3,200,000 of Series 2012-2 MTA Contractual Obligations. VIA has used proceeds to finance acquisition of personal property in support of the Transit Authority System and to pay costs of issuance. The interest rate is 1.97%, and the stated final maturity is July 15, 2019. Interest on the bonds is payable on January 15 and July 15 of each year, commencing January 15, 2013. Principal payments are due and payable on July 15 of each year from 2013 through 2019. The bonds were completely paid off as of August 2019.

The primary source of security for the obligations is provided for by a first and prior lien on and pledge of VIA “sales tax revenues.” VIA “sales tax revenues” mean the revenues derived by VIA from its imposition and collection within its boundaries of a sales and use tax equal to ½ of 1%, the purpose of which is to support VIA’s ownership, operation, and maintenance of the Transit Authority System, as provided and in accordance with Chapter 451, as amended, Texas Transportation Code. “Transit Authority System” means any and all VIA real and personal property that is owned, rented, leased, controlled, operated, or held for mass transit purposes.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

B. MTA Farebox Revenue and Refunding Bonds, Series 2013

On November 13, 2013, MTA issued a par amount of \$39,965,000 of Series 2013 MTA Farebox Revenue and Refunding Bonds. Proceeds have been used to: pay a portion of the costs of capital projects, primarily projects defined as VIA's SmartMove program, as well as new bus purchases, and property for a new paratransit facility; refund VIA's Series 2012-1 MTA Farebox Revenue Bonds; fund the Reserve Fund for the bonds; and pay the costs of issuance of the bonds. VIA's SmartMove program includes high capacity transit projects and various passenger facilities projects. The bonds are dated October 1, 2013 and have an interest rate varying between 1.00% and 5.25%. Interest on the bonds is payable on February 1 and August 1 of each year, commencing February 15, 2014. Principal payments are due and payable on August 1 of each year from 2014 through 2038.

The primary source of security for the bonds is provided by a first and prior lien on and pledge of VIA "net revenues." VIA "net revenues" mean, generally, all revenues (including income, receipts, and increment) received by VIA, from time to time, as a result of its ownership and operation of the Transit Authority System, that remain after the payment of expenses necessary for the operation and maintenance of the Transit Authority System. "Transit Authority System" means any and all VIA real and personal property that is owned, rented, leased, controlled, operated, or held for mass transit purposes.

C. ATD Sales Tax Revenue and Refunding Bonds, Series 2014

On July 30, 2014, ATD issued a par amount of \$32,925,000 of Series 2014 ATD Sales Tax Revenue and Refunding Bonds. VIA has used proceeds to: pay a portion of the costs of capital projects, primarily projects defined as VIA's SmartMove program, as well as new bus purchases and VIA's new automated fare collection system; refund VIA's Series 2012-3 ATD Sales Tax Revenue Bonds; and pay the costs of issuance of the bonds. VIA's SmartMove program includes high capacity transit projects and various passenger facilities projects. The bonds are dated July 1, 2014 and have an interest rate varying between 2% and 5%. Interest on the bonds is payable on February 1 and August 1 of each year, commencing August 1, 2015. Principal payments are due and payable on August 1 of each year from 2015 through 2038.

VIA ATD imposes and collects within its boundaries a sales and use tax equal to $\frac{1}{4}$ of 1% (the ATD Tax), the proceeds from which are divided three ways: one-half of the proceeds of the ATD Tax are retained by ATD (the "ATD Share") and used for projects including advanced transit services, passenger amenities, equipment, and other Advanced Transportation (as defined by statute) purposes; one-fourth of the proceeds of the ATD Tax are delivered to CoSA, as the only "participating unit" (defined by statute) within the ATD, and used thereby to construct, improve, and maintain streets, sidewalks, and related infrastructure designed to improve mobility and other Advanced Transportation or Mobility Enhancement (as defined by statute) within ATD; and the remaining $\frac{1}{4}$ of the proceeds of the ATD Tax are for use as the local share for state and federal grants for improved highways, transportation infrastructure designed to improve mobility, and other Advanced Transportation or Mobility Enhancement purposes within ATD.

The primary source of security for the bonds is provided by a first and prior lien on and pledge of the revenues derived by VIA ATD from the ATD Share.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

D. MTA Contractual Obligation Bonds, Series 2017

On February 15, 2017, MTA issued a par amount of \$81,995,000 of Series 2017 MTA Contractual Obligation Bonds. VIA will use proceeds to pay a portion of the costs of capital projects, including (specifically) the purchase rolling stock, and to pay the costs of issuance of the bonds. The bonds are dated January 1, 2017 and have an interest rate varying between 3% and 5%. Interest on the bonds is payable on January 15 and July 15 of each year, commencing July 15, 2017. Principal payments are due and payable on July 15 of each year from 2018 through 2029.

The primary source of security for the obligations is provided for by a first and prior lien on the pledge of VIA “sales tax revenues”. VIA “sales tax revenues” means the revenues derived by VIA from its imposition and collection within its boundaries of a sales and use tax equal to $\frac{1}{2}$ of 1%, the purpose of which is to support VIA’s ownership, operation, and maintenance of the Transit Authority System, as provided and in accordance with Chapter 451, as amended, Texas Transportation Code. “Transit Authority System” means any and all VIA real and personal property that is owned, rented, leased, controlled, operated, or held for mass transit purposes pursuant to Chapter 451, together with all future extensions, improvements, replacements and additions thereto.

E. MTA Contractual Obligation Bonds, Series 2020

On May 7, 2020, MTA issued a par amount of \$11,000,000 of Series 2020 MTA Contractual Obligations. VIA will use proceeds to purchase paratransit vans and to pay costs of issuance. The interest rate is 1.05%, and the stated final maturity is July 15, 2025. Interest on the bonds is payable on January 15 and July 15 of each year, commencing July 15, 2020. Principal payments are due and payable on July 15 of each year from 2021 through 2025.

The primary source of security for the obligations is provided for by a first and prior lien on the pledge of VIA “sales tax revenues”. VIA “sales tax revenues” means the revenues derived by VIA from its imposition and collection within its boundaries of a sales and use tax equal to $\frac{1}{2}$ of 1%, the purpose of which is to support VIA’s ownership, operation, and maintenance of the Transit Authority System, as provided and in accordance with Chapter 451, as amended, Texas Transportation Code. “Transit Authority System” means any and all VIA real and personal property that is owned, rented, leased, controlled, operated, or held for mass transit purposes pursuant to Chapter 451, together with all future extensions, improvements, replacements and additions thereto.

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Changes in long-term obligations for the year ended September 30, 2020 are as follows:

	Interest Rate Payable	Original Issue	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due within One Year
Series 2013 MTA Farebox Revenue and Refunding Bonds	1.00%- 5.25%	\$ 39,965,000	\$ 33,950,000	\$ -	\$ (1,115,000)	\$ 32,835,000	\$ 1,170,000
Series 2014 ATD Sales Tax Revenue and Refunding Bonds	2.00%- 5.00%	32,925,000	28,710,000	-	(955,000)	27,755,000	1,000,000
Series 2017 MTA Sales Tax Revenue Bonds	3.00%- 5.00%	81,995,000	70,730,000	-	(4,320,000)	66,410,000	7,040,000
Series 2020 MTA Contractual Obligations	1.05%	11,000,000	-	11,000,000	-	11,000,000	2,155,000
Total bonds		165,885,000	133,390,000	11,000,000	(6,390,000)	138,000,000	11,365,000
Bond premium		N/A	15,587,796	-	(1,335,124)	14,252,672	-
Compensated absences		N/A	6,287,364	2,471,849	(2,230,873)	6,528,340	3,664,378
Other		N/A	4,780	-	-	4,780	-
Total long-term liabilities		\$ 165,885,000	\$ 155,269,940	\$ 13,471,849	\$ (9,955,997)	\$ 158,785,792	\$ 15,029,378

Changes in long-term obligations for the year ended September 30, 2019 are as follows:

	Interest Rate Payable	Original Issue	Beginning Balance	Additions	Retired	Ending Balance	Amounts Due within One Year
Series 2012-2 MTA Contractual Obligations	1.97%	\$ 3,200,000	\$ 485,000	\$ -	\$ (485,000)	\$ -	\$ -
Series 2013 MTA Farebox Revenue and Refunding Bonds	1.00%- 5.25%	39,965,000	35,010,000	-	(1,060,000)	33,950,000	1,115,000
Series 2014 ATD Sales Tax Revenue and Refunding Bonds	2.00%- 5.00%	32,925,000	29,625,000	-	(915,000)	28,710,000	955,000
Series 2017 MTA Sales Tax Revenue Bonds	3.00%- 5.00%	81,995,000	76,835,000	-	(6,105,000)	70,730,000	4,320,000
Total bonds		158,085,000	141,955,000	-	(8,565,000)	133,390,000	6,390,000
Bond premium		N/A	16,922,920	-	(1,335,124)	15,587,796	-
Compensated absences		N/A	6,525,207	2,762,364	(3,000,207)	6,287,364	3,715,974
Other		N/A	26,405	-	(21,625)	4,780	-
Total long-term liabilities		\$ 158,085,000	\$ 165,429,532	\$ 2,762,364	\$ (12,921,956)	\$ 155,269,940	\$ 10,105,974

The schedule of the required payments for these bonds is as follows:

Year Ending September 30,	Principal	Interest	Total Requirements
2021	\$ 11,365,000	\$ 6,452,950	\$ 17,817,950
2022	8,360,000	5,969,823	14,329,823
2023	9,365,000	5,653,485	15,018,485
2024	10,360,000	5,272,135	15,632,135
2025	12,955,000	4,842,023	17,797,023
2026-2030	52,105,000	15,502,950	67,607,950
2031-2035	19,365,000	6,562,888	25,927,888
2036-2038	14,125,000	1,435,500	15,560,500
	<u>\$ 138,000,000</u>	<u>\$ 51,691,753</u>	<u>\$ 189,691,753</u>

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Note 13 – Commitments and Contingencies

A. Grants

Amounts received or receivables from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although VIA's management expects such amounts, if any, to be immaterial.

B. Public-Injury Lawsuits

VIA is a defendant in various public-injury lawsuits. The probability of adverse decisions was evaluated by management, and a provision for potential losses is included in estimated liabilities.

C. Pending Claims and Litigation

There are several other pending claims and litigation against VIA. While the result of any pending claims and litigation contains an element of uncertainty, VIA's management believes the amount of any liability and costs which might result would not have a material adverse effect on the financial statements.

D. Construction Commitments

VIA discloses significant outstanding construction commitments greater than \$5,000,000 separately. All other construction commitments are grouped together. There are no individually significant outstanding construction commitments as of September 30, 2020 and the remaining outstanding construction commitments at September 30, 2020 is \$161,292.

One other outstanding commitment was open at September 30, 2020. The contract is to purchase 124 Paratransit Buses in the amount of \$16,969,110, with an option to purchase another 15 in the amount of \$2,113,275. Delivery has been delayed due to the pandemic and is now expected to begin in the second quarter of Fiscal 2021.

E. Lease Commitments

During the course of operations, VIA enters into various lease arrangements as both a lessor and a lessee. For most, the amounts involved are relatively immaterial. VIA has one lease, as a landlord, that is material in amount and term of the lease. VIA leases the property, purchased as the Southern Pacific train depot and warehouses, now commonly referred to as Sunset Station in San Antonio, Texas. The lease term is 55 years, which commenced in fiscal year 2001. The future base rent commitments under this lease are as follows without the annual CPI adjustments:

Fiscal Year	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Thereafter</u>
	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 6,000,000

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Note 14 – Subsequent Event

Issuance of Refunding Bonds in December 2020

On December 29, 2020, VIA issued \$28,940,000 of Farebox Revenue Refunding Bonds, Taxable Series 2020. The bonds consist of \$21,655,000 Serial Bonds and a \$7,285,000 Term Bond due August 1, 2038. A portion of the proceeds of the bonds was used to purchase United States Treasury Securities – State and Local Government Series, together with an initial cash deposit, which were placed in an irrevocable escrow fund, to be used solely to refund \$24,875,000 of VIA's \$39,365,000 of Farebox Revenue Improvement and Refunding Bonds, Series 2013.

On December 29, 2020, the Advanced Transportation District issued \$23,790,000 of Sales Tax Revenue Refunding Bonds. The bonds consist of \$17,485,000 Serial Bonds and a \$6,305,000 Term Bond due August 1, 2039. A portion of the proceeds of the bonds was used to purchase United States Treasury Securities – State and Local Government Series, together with an initial cash deposit, which were placed in an irrevocable escrow fund, to be used solely to refund \$19,700,000 of the Advanced Transportation District's \$32,925,000 of Sales Tax Revenue and Refunding Bonds, series 2014.

(This page intentionally left blank)

Required Supplementary Information - Unaudited

(This page intentionally left blank)

Schedules of Required Supplementary Information
Schedules of Changes in Net Pension Liability and Related Ratios
For the Fiscal Year Ending September 30
(Unaudited)

Fiscal Year Ending September 30,	2020	2019	2018	2017	2016	2015	2014
Total pension liability							
Service cost	\$ 7,521,859	\$ 7,956,865	\$ 7,308,154	\$ 7,611,616	\$ 7,905,267	\$ 7,885,706	\$ 8,053,350
Interest	32,461,552	31,348,296	29,771,656	28,782,752	27,529,518	26,126,424	25,024,697
Changes of benefit terms	-	-	-	-	-	2,722,757	-
Differences between expected and actual experience	(903,472)	896,495	638,833	(687,692)	2,205,382	1,469,523	-
Changes of assumptions	-	-	21,277,913	-	-	-	-
Benefit payments	(24,111,522)	(24,572,598)	(22,706,442)	(21,397,792)	(19,443,391)	(19,222,937)	(17,386,120)
Refunds	(335,774)	(237,912)	(255,118)	(379,738)	(346,216)	-	-
Net change in total pension liability	14,632,643	15,391,146	36,034,996	13,929,146	17,850,560	18,981,473	15,691,927
Total pension liability—beginning	456,208,259	440,817,113	404,782,117	390,852,971	373,002,411	354,020,938	338,329,011
Total pension liability—ending (a)	\$ 470,840,902	\$ 456,208,259	\$ 440,817,113	\$ 404,782,117	\$ 390,852,971	\$ 373,002,411	\$ 354,020,938
Plan fiduciary net position							
Contributions—employer	\$ 14,346,139	\$ 14,729,284	\$ 12,480,240	\$ 13,308,001	\$ 12,907,774	\$ 12,143,694	\$ 9,798,508
Contributions—member	4,101,795	4,257,833	4,420,649	4,486,984	4,121,628	4,236,620	4,227,570
Net investment income	33,587,049	10,587,602	29,240,374	33,570,332	21,792,138	2,675,221	22,741,162
Benefit payments	(24,111,522)	(24,572,598)	(22,706,442)	(21,397,792)	(19,443,391)	(19,222,937)	(17,386,120)
Refunds	(335,774)	(237,912)	(255,118)	(379,738)	(346,216)	-	-
Administrative expense	(137,824)	(145,051)	(120,506)	(255,612)	(143,808)	(236,158)	(215,172)
Net change in plan fiduciary net position	27,449,863	4,619,158	23,059,197	29,332,175	18,888,125	(403,560)	19,165,948
Plan fiduciary net position—beginning	303,012,956	298,393,798	275,334,600	246,002,425	227,114,300	227,517,860	208,351,912
Plan fiduciary net position—ending (b)	\$ 330,462,819	\$ 303,012,956	\$ 298,393,797	\$ 275,334,600	\$ 246,002,425	\$ 227,114,300	\$ 227,517,860
Net pension liability—ending (a) – (b)	\$ 140,378,083	\$ 153,195,303	\$ 142,423,316	\$ 129,447,517	\$ 144,850,546	\$ 145,888,111	\$ 126,503,078
Plan fiduciary net position as a percentage of the total pension liability	70.2%	66.4%	67.7%	68.0%	62.9%	60.9%	64.3%
Covered payroll	\$ 59,888,154	\$ 63,152,166	\$ 65,166,072	\$ 67,512,908	\$ 69,482,896	\$ 70,477,214	\$ 71,690,366
Employer's net pension liability as a percentage of covered payroll	234.4%	242.6%	218.6%	191.7%	208.5%	207.0%	176.5%

San Antonio, Texas

Schedules of Required Supplementary Information
Schedule of Employer's Pension Contributions
(Unaudited)

FY Ending <u>September 30</u>	Actuarially Determined <u>Contribution</u>	Actual <u>Contribution</u>	Contribution Deficiency <u>(Excess)</u>	Covered <u>Employee Payroll</u>	Actual Contribution as a % of Covered <u>Employee Payroll</u>
2020	\$ 14,346,139	\$ 14,346,139	\$ -	\$ 59,888,154	23.95%
2019	14,729,284	14,729,284	-	63,152,166	23.32%
2018	12,480,239	12,480,240	(1)	65,166,072	19.15%
2017	13,307,801	13,308,001	(200)	67,512,908	19.71%
2016	12,907,775	12,907,774	1	69,482,896	18.58%
2015	11,901,186	12,143,694	(242,508)	70,477,214	17.23%
2014	13,555,866	9,798,508	3,757,358	71,690,366	13.67%
2013	11,498,776	10,639,132	859,644	74,276,531	14.32%
2012	8,185,552	8,258,760	(73,208)	69,947,664	11.81%
2011	7,320,891	7,320,891	-	69,772,318	10.49%

Notes to Schedule of Employer's Contributions

Valuation Date	The actuarially-determined contribution for plan year ending September 30, 2020 was developed in the October 1, 2018 valuation.
----------------	---

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years as of September 30, 2020
Asset Valuation Method	5-year smoothed market
Inflation	2.75%
Salary Increases	3.75% to 5.75%, including inflation, plus an overtime adjustment varying from 1.25% of pay for office workers to 17.50% for operators
Investment Rate of Return	7.25%, net of pension plan investment expense, including inflation
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the October 1, 2017 funding valuation pursuant to a five-year experience study through 2016.
Mortality Assumptions	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Other Information	VIA's funding policy is to contribute the plan's normal cost and an amortization payment to fund the unfunded actuarially accrued liability. The amortization payment is determined as a level percentage of payroll (assuming a 3.25% payroll growth), which included the payroll of employees who earn benefits in the defined contribution plan.

Schedules of Required Supplementary Information
Return on Pension Plan Investments (Net of Investment Fees)
(Unaudited)

<u>FY Ending</u> <u>September 30</u>	<u>Annual</u> <u>Return</u>
2020	11.75%
2019	3.17%
2018	10.48%
2017	13.66%
2016	9.53%
2015	1.23%
2014	10.99%

Schedules of Required Supplementary Information
Schedules of Changes in Net OPEB Liability and Related Ratios
For the Fiscal Year Ending September 30
(Unaudited)

Fiscal year ending September 30	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability				
Service cost	\$ 1,562,768	\$ 1,220,151	\$ 1,099,372	\$ 832,570
Interest on the total OPEB liability	4,293,116	3,126,006	2,952,287	2,412,291
Difference between expected and actual experience	(2,682,424)	11,256,554	630,393	5,788,320
Changes of assumptions	65,649	2,803,150	-	1,633,830
Benefit payments	(2,775,432)	(2,182,794)	(2,509,834)	(1,976,355)
Net change in total OPEB liability	\$ 463,677	\$ 16,223,067	\$ 2,172,218	\$ 8,690,656
Total OPEB liability - beginning	\$ 59,821,719	\$ 43,598,652	\$ 41,426,434	\$ 32,735,778
Total OPEB liability - ending (a)	60,285,396	59,821,719	43,598,652	41,426,434
Plan fiduciary net position				
Employer contributions	3,313,597	3,209,295	2,302,233	2,139,796
OPEB plan net investment income	615,964	352,107	579,606	683,082
Benefit payments	(2,550,681)	(2,182,794)	(2,509,834)	(1,976,355)
OPEB plan administrative expense	(17,192)	(31,921)	(11,819)	(2,250)
Net change in fiduciary net position	1,361,688	1,346,687	360,186	844,273
Plan fiduciary net position - beginning	9,892,973	8,546,286	8,186,100	7,341,827
Plan fiduciary net position - ending (b)	\$ 11,254,661	\$ 9,892,973	\$ 8,546,286	\$ 8,186,100
Net OPEB liability - ending (a) - (b)	\$ 49,030,735	\$ 49,928,746	\$ 35,052,366	\$ 33,240,334
Plan fiduciary net position as a percentage of total OPEB liability	18.67%	16.54%	19.60%	19.76%
Covered employee payroll	\$ 123,774,622	\$ 119,344,686	\$ 112,718,602	\$ 104,967,899
Net OPEB liability as a percentage of covered-employee payroll	39.61%	41.84%	31.10%	31.67%

Notes:

In 2020, the participation and lapse assumptions were updated.

In 2019, the participation assumptions for both Medicare and non-Medicare retirees were updated.

In 2017, new demographic and OPEB-specific assumptions were adopted as the result of a 2016 Experience Study, including a reduction to the discount rate from 7.50% to 7.25%.

The benefit payments lines include expected benefits due to the implicit life insurance subsidy, which were paid by VIA as they came due.

There is an implicit subsidy for the medical benefits as well, and VIA uses the trust to pay those amounts. VIA does not use the trust to reimburse itself for the implicit subsidy in the life insurance. However, the implicit subsidy in the life insurance, which is paid by the employer, needs to be included in the employer contribution and benefit payment lines above.

Schedules of Required Supplementary Information
Schedule of Employer's OPEB Contributions
(Unaudited)

FY Ending <u>September 30</u>	Actuarially Determined <u>Contribution</u>	Actual <u>Contribution</u>	Contribution Deficiency (<u>Excess</u>)	Covered <u>Employee Payroll</u>	Actual Contribution as a % of Covered <u>Employee Payroll</u>
2020	\$ 3,313,597	\$ 3,313,597	\$ -	\$ 123,774,622	2.68%
2019	3,209,295	3,209,295	-	119,344,686	2.69%
2018	2,302,233	2,302,233	-	112,718,602	2.04%
2017	2,224,380	2,139,796	84,584	104,967,899	2.04%

Notes to Schedule of Employer's Contributions

Valuation Date	The actuarially-determined contribution for plan year ending September 30, 2020 was developed in the October 1, 2017 valuation.
----------------	---

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	26 years as of the calculation of the FYE20 ADC
Asset Valuation Method	Market value
Inflation	2.75%
Salary Increases	3.75% to 5.75%, including inflation, plus an overtime adjustment varying from 1.25% of pay for office workers to 17.50% for operators
Investment Rate of Return	7.25%, net of OPEB plan investment expense, including inflation
Demographic Assumptions	Based on VIA's experience study for the Retirement Plan for the six-year period ending on September 30, 2016
Mortality Assumptions	For healthy retirees, the gender-distinct RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements.
Health Care Trend Rates	Initial rates of 7.50% for pre-65 retirees and 6.40% for post-65 retirees, declining to ultimate rates of 4.25% for both pre-65 and post-65 retirees after 14 years.
Participation Rates	Rates of 40% for pre-65 retirees and 20% for post-65 retirees, with half assumed to discontinue at age 65.

VIA Metropolitan Transit

San Antonio, Texas

**Schedules of Required Supplementary Information
Return on OPEB Plan Investments (Net of Investment Fees)
(Unaudited)**

<u>FY Ending September 30</u>	<u>Annual Return</u>
2020	6.66%
2019	5.12%
2018	7.52%
2017	11.03%

Notes to Schedules of Required Information

Note 1 - Trend Information

GASB Statement No. 67 (Financial Reporting for Pension Plans) requires that schedule in the RSI section be presented for a ten-year period. The Plan adopted GASB Statement No. 67 in fiscal year 2014, therefore, only seven years are presented. The full trend information will be accumulated over the next three years.

GASB Statement No. 74 (Financial Reporting for Post-Employment Benefits Other Than Pension) requires that the schedules in the RSI section be presented for a ten-year period. The Plan adopted GASB Statement No. 74 in the fiscal year 2017, therefore, only four years are presented. The full trend information will be accumulated over the next six years.

Other Supplementary Information

(This page intentionally left blank)

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020

Combining Statements of Net Position – Fiscal Year 2020

	MTA	ATD	Eliminations	Total
Assets				
Current assets:				
Cash and cash equivalents	\$ 137,686,381	\$ 21,712,470	\$ -	\$ 159,398,851
Investments	19,002,830	-	-	19,002,830
Accounts receivable:				
Federal government	9,381,778	-	-	9,381,778
State of Texas - sales taxes	27,131,810	6,160,584	-	33,292,394
Sales tax receivable - CoSA & Bexar County	-	6,160,584	-	6,160,584
Interest	38,588	-	-	38,588
Receivable from ATD	3,280,151	-	(3,280,151)	-
Other	2,956,865	-	-	2,956,865
Inventory	5,538,225	-	-	5,538,225
Prepaid expenses and other current assets	30,231	-	-	30,231
Restricted assets:				
Restricted cash - debt service	3,100,636	395,336	-	3,495,972
Total current assets	208,147,495	34,428,974	(3,280,151)	239,296,318
Noncurrent assets:				
Restricted cash - TxDOT grant	46,454,795	-	-	46,454,795
Restricted cash - bond reserve fund	2,927,724	-	-	2,927,724
Restricted cash - construction account	10,884,050	-	-	10,884,050
Capital assets:	-			
Land	33,522,689	-	-	33,522,689
Buildings and shelters	305,654,219	-	-	305,654,219
Revenue vehicles	300,100,336	-	-	300,100,336
Service vehicles	7,256,181	-	-	7,256,181
Equipment	66,300,892	-	-	66,300,892
Total capital assets	712,834,317	-	-	712,834,317
Less accumulated depreciation	382,267,173	-	-	382,267,173
Construction in progress	54,239,577	-	-	54,239,577
Net capital assets	384,806,721	-	-	384,806,721
Total noncurrent assets	445,073,290	-	-	445,073,290
Total assets	653,220,785	34,428,974	(3,280,151)	684,369,608
Deferred outflows of resources				
Pension	29,072,018	-	-	29,072,018
Other postemployment benefits	20,638,897	-	-	20,638,897
Total deferred outflows of resources	49,710,915	-	-	49,710,915
Total assets and deferred outflows of resources	\$ 702,931,700	\$ 34,428,974	\$ (3,280,151)	\$ 734,080,523

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020

	MTA	ATD	Eliminations	Total
Liabilities				
Current liabilities:				
Accounts payable	\$ 11,867,493	\$ -	\$ -	\$ 11,867,493
Payable to MTA	-	3,280,151	(3,280,151)	-
Payable to CoSA & Bexar County	-	6,160,584	-	6,160,584
Retainage payable	138,733	-	-	138,733
Accrued liabilities	7,100,178	-	-	7,100,178
Unearned revenue	2,554,539	-	-	2,554,539
Claims payable	7,950,698	-	-	7,950,698
Current liabilities payable from unrestricted assets	29,611,641	9,440,735	(3,280,151)	35,772,225
Current liabilities payable from restricted assets:				
Interest payable	989,991	228,667	-	1,218,658
Bonds payable	10,365,000	1,000,000	-	11,365,000
Total current liabilities	40,966,632	10,669,402	(3,280,151)	48,355,883
Noncurrent liabilities:				
Net pension liability	153,195,303	-	-	153,195,303
Net other postemployment benefits (OPEB) liability	49,928,746	-	-	49,928,746
Long-term liabilities	113,332,251	30,424,163	-	143,756,414
Total noncurrent liabilities	316,456,300	30,424,163	-	346,880,463
Total liabilities	357,422,932	41,093,565	(3,280,151)	395,236,346
Deferred inflows of resources				
Pension	4,003,177	-	-	4,003,177
Total deferred outflows of resources	4,003,177	-	-	4,003,177
Total liabilities and deferred inflows of resources	361,426,109	41,093,565	(3,280,151)	399,239,523
Net Position				
Net investment in capital assets	263,978,211	(31,424,163)	-	232,554,048
Restricted debt service	2,110,645	166,669	-	2,277,314
Restricted TxDOT grant	46,454,795	-	-	46,454,795
Restricted bond reserve fund	2,927,724	-	-	2,927,724
Unrestricted	26,034,216	24,592,903	-	50,627,119
Total Net Position	341,505,591	(6,664,591)	-	334,841,000
Total liabilities, deferred inflows and net position	\$ 702,931,700	\$ 34,428,974	\$ (3,280,151)	\$ 734,080,523

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020

Combining Schedule of Revenues, Expenses and Changes in Net Position Fiscal Year 2020

	MTA	ATD	Total
Operating revenues:			
Line service	\$ 9,725,572	\$ 2,014,949	\$ 11,740,521
Robert Thompson Terminal	28,569	-	28,569
Other special events	15,897	-	15,897
VIATrans	1,175,591	-	1,175,591
VIA Link	28,171	-	28,171
Bus advertising	1,313,119	-	1,313,119
Ellis Alley Park and Ride	4,839	-	4,839
Real estate development	269,407	-	269,407
Miscellaneous	334,719	-	334,719
Total operating revenues	12,895,884	2,014,949	14,910,833
Operating expenses:			
Line service	153,954,451	34,490,556	188,445,007
Disaster relief	13,660	-	13,660
Robert Thompson Terminal	305,276	-	305,276
Other special events	131,703	-	131,703
Promotional service	25,597	-	25,597
VIATrans	39,832,398	-	39,832,398
VIA Link	995,067	-	995,067
Vanpool	-	641,848	641,848
Real estate development	892	-	892
Business development and planning	6,305,032	-	6,305,032
Total operating expenses before depreciation	201,564,076	35,132,404	236,696,480
Depreciation on capital assets:			
Acquired with VIA equity	20,846,670	-	20,846,670
Acquired with grants	19,038,216	-	19,038,216
Total operating expenses after depreciation	241,448,962	35,132,404	276,581,366
Operating loss	(228,553,078)	(33,117,455)	(261,670,533)
Nonoperating revenues (expenses):			
Sales taxes	159,039,136	71,580,362	230,619,498
City of San Antonio interlocal agreement	7,000,000	-	7,000,000
CARES Act	90,724,045	-	90,724,045
Grants revenue - VIA	25,794,461	-	25,794,461
Grants revenue - pass-through	1,282,599	-	1,282,599
Investment income	2,736,733	182,699	2,919,432
Bond interest and issuance costs	(4,223,903)	(1,206,052)	(5,429,955)
Gain (loss) on sale of assets	4,412	-	4,412
Less pass-through funds remitted to subrecipients	(1,569,027)	-	(1,569,027)
Less local assistance program	(568,301)	-	(568,301)
Less amounts remitted to CoSA and Bexar County	-	(35,790,181)	(35,790,181)
Total nonoperating revenues (expenses) - net	280,220,155	34,766,828	314,986,983
Gain (loss) before capital contributions	51,667,077	1,649,373	53,316,450
Capital contributions	11,160,467	-	11,160,467
Change in net position	62,827,544	1,649,373	64,476,917
Net position at beginning of year	278,678,047	(8,313,964)	270,364,083
Net position at end of year	\$ 341,505,591	\$ (6,664,591)	\$ 334,841,000

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020

Combining Schedule of Cash Flows – Fiscal Year 2020

	MTA	ATD	Total
Cash flows from operating activities			
Cash received from customers	\$ 13,114,972	\$ 2,111,740	\$ 15,226,712
Cash payments to vendors for goods and services	(45,489,462)	(11,417,114)	(56,906,576)
Cash payments for employee services, including salaried fringe benefits	(149,239,694)	-	(149,239,694)
Cash payments for MTA employee services	-	(23,097,718)	(23,097,718)
Net cash provided by (used in) operating activities	(181,614,184)	(32,403,092)	(214,017,276)
Cash flows from noncapital financing activities			
Sales taxes	158,643,607	71,369,012	230,012,619
Grants revenue received	110,112,747	-	110,112,747
Payments to TxDOT, CoSA and Bexar County	-	(35,684,506)	(35,684,506)
CoSA interlocal agreement	7,000,000	-	7,000,000
Local assistance payments	(468,215)	-	(468,215)
Net cash provided by (used in) noncapital financing activities	275,288,139	35,684,506	310,972,645
Cash flows from capital and related financing activities			
Proceeds from capital grants	11,268,809	-	11,268,809
Proceeds from bond issuance	10,875,500	-	10,875,500
Principal payments on bonds	(5,435,000)	(955,000)	(6,390,000)
Premium, interest and financing fees	(5,259,017)	(1,419,750)	(6,678,767)
Proceeds from sale of assets	4,412	-	4,412
Purchase of capital assets	(26,390,484)	-	(26,390,484)
Net cash provided by (used in) capital and related financing activities	(14,935,780)	(2,374,750)	(17,310,530)
Cash flows from investing activities			
Sale of investment securities	106,593,624	28,578,586	135,172,210
Purchase of investment securities	(75,464,418)	(20,056,446)	(95,520,864)
Interest earnings	2,087,275	219,597	2,306,872
Net cash provided by (used in) investing activities	33,216,481	8,741,737	41,958,218
Net increase (decrease) in cash and cash equivalents	111,954,656	9,648,401	121,603,057
Cash and cash equivalents at beginning of year	89,098,930	12,459,405	101,558,335
Cash and cash equivalents at end of year	\$ 201,053,586	\$ 22,107,806	\$ 223,161,392
Reconciliation of operating loss to net cash provided by (used in) operating activities			
Operating loss	\$ (228,553,078)	\$ (33,117,455)	\$ (261,670,533)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation on capital assets:			
Acquired with VIA equity	20,458,518	-	20,458,518
Acquired with grants	19,426,368	-	19,426,368
Changes in assets and liabilities:			
Decrease (increase) in accounts receivable	88,881	-	88,881
Decrease (increase) in inventory	(722,461)	-	(722,461)
(Decrease) increase in prepaid expenses and other current assets	149,435	-	149,435
Decrease (increase) in prepaid pension	7,560,015	-	7,560,015
Decrease (increase) in prepaid other postemployment benefits	(11,702,248)	-	(11,702,248)
(Decrease) increase in inter-fund receivable	(704,598)	714,363	9,765
(Decrease) increase in accounts payable	987,051	-	987,051
(Decrease) increase in accrued liabilities	11,397,933	-	11,397,933
Net cash provided by (used in) operating activities	\$ (181,614,184)	\$ (32,403,092)	\$ (214,017,276)
Reconciliation of cash and cash equivalents to the statements of net position			
Cash and cash equivalents at end of year:			
Unrestricted	\$ 137,686,381	\$ 21,712,470	\$ 159,398,851
Restricted - mandated purpose	63,367,205	395,336	63,762,541
Total cash and cash equivalents	\$ 201,053,586	\$ 22,107,806	\$ 223,161,392
Noncash Investing and Financing Activities			
Change in fair value of investments reported as cash equivalents	\$ (749,050)	\$ -	\$ (749,050)

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020

Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual (GAAP Basis) – MTA 2020

	MTA		
	Budget	Actual	Variance
Operating revenues:			
Line service	\$ 15,432,878	\$ 9,725,572	\$ (5,707,306)
Robert Thompson Terminal	101,630	28,569	(73,061)
Other special events	223,486	15,897	(207,589)
VIATrans	2,049,576	1,175,591	(873,985)
VIA Link	125,753	28,171	(97,582)
Real estate development	316,292	269,407	(46,885)
Ellis Alley Park and Ride	12,000	4,839	(7,161)
Bus advertising	1,427,000	1,313,119	(113,881)
Miscellaneous	440,000	334,719	(105,281)
Total operating revenues	20,128,615	12,895,884	(7,232,731)
Operating expenses (excluding depreciation):			
Line service	150,772,952	153,954,451	3,181,499
Disaster relief	-	13,660	13,660
Robert Thompson Terminal	622,478	305,276	(317,202)
Other special events	810,458	131,703	(678,755)
VIATrans	46,923,123	39,832,398	(7,090,725)
VIA Link	1,079,638	995,067	(84,571)
Promotional service	62,352	25,597	(36,755)
Real estate development	4,453	892	(3,561)
Business development and planning	10,765,530	6,305,032	(4,460,498)
Total operating expenses before depreciation	211,040,984	201,564,076	(9,476,908)
Operating loss excluding depreciation	(190,912,369)	(188,668,192)	2,244,177
Non-operating revenues (expenses):			
Sales taxes	164,579,733	159,039,136	(5,540,597)
City of San Antonio interlocal agreement	10,000,000	7,000,000	(3,000,000)
CARES Act	-	90,724,045	90,724,045
Grants revenue - VIA	37,039,050	25,794,461	(11,244,589)
Grants revenue - pass-through	1,658,958	1,282,599	(376,359)
Investment income	2,373,182	2,736,733	363,551
Bond interest and issuance costs	(4,044,526)	(4,223,903)	(179,377)
Gain (loss) on sale of assets	-	4,412	4,412
Local assistant programs	-	(568,301)	(568,301)
Less pass-through funds remitted to subrecipients	(1,658,958)	(1,569,027)	89,931
Total non-operating revenues (expenses) - net	209,947,439	280,220,155	70,272,716
Income before depreciation	19,035,070	91,551,963	72,516,893
Less depreciation	39,884,886	39,884,886	-
Income (loss) after depreciation and impairment	\$ (20,849,816)	\$ 51,667,077	\$ 72,516,893

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020

Schedule of Revenues, Expenses and Changes in Net Position – Budget to Actual (GAAP Basis) – ATD 2020

	ATD		
	Budget	Actual	Variance
Operating revenues:			
Line service	\$ 3,472,548	\$ 2,014,949	\$ (1,457,599)
Robert Thompson Terminal	-	-	-
Other special events	-	-	-
VIATrans	-	-	-
Real estate development	-	-	-
Ellis Alley Park and Ride	-	-	-
Bus advertising	-	-	-
Total operating revenues	3,472,548	2,014,949	(1,457,599)
Operating expenses (excluding depreciation):			
Line service	37,665,105	34,490,556	(3,174,549)
Robert Thompson Terminal	-	-	-
Other special events	-	-	-
VIATrans	-	-	-
Vanpool	721,015	641,848	(79,167)
Promotional service	-	-	-
Real estate development	-	-	-
Business development and planning	-	-	-
Transit Technology	-	-	-
Total operating expenses before depreciation	38,386,120	35,132,404	(3,253,716)
Operating loss excluding depreciation	(34,913,572)	(33,117,455)	1,796,117
Non-operating revenues (expenses):			
Sales taxes	74,390,040	71,580,362	(2,809,678)
Grants revenue - VIA	-	-	-
Grants revenue - pass-through	-	-	-
Investment income	404,648	182,699	(221,949)
Bond interest and issuance costs	(1,206,046)	(1,206,052)	(6)
Less pass-through funds remitted to sub-recipients	-	-	-
Less local assistance program	-	-	-
Less amounts remitted to CoSA and Bexar County	(37,195,020)	(35,790,181)	1,404,839
Total non-operating revenues (expenses) - net	36,393,622	34,766,828	(1,626,794)
Income before depreciation	1,480,050	1,649,373	169,323
Less depreciation	-	-	-
Income (loss) after depreciation	\$ 1,480,050	\$ 1,649,373	\$ 169,323

**VIA Metropolitan Transit
San Antonio, Texas**

Schedule of Operating Expenses by Expense Category and Cost Center

Year Ended September 30, 2020

	Metropolitan Transit Authority				
	11	16	17	13	20
	Line Service	Robert Thompson Terminal	Other Special Event	VIA Link	VIATrans
Labor	\$ 65,130,901	\$ 109,430	\$ 48,708	\$ -	\$ 9,781,983
Fringe Benefits	-	-	-	-	-
Services	3,914,334	16,509	12,560	-	356,603
Materials & Supplies	9,960,240	19,829	8,188	3,024	614,169
Utilities	1,479,744	18,066	699	-	229,935
Casualty & Liability	913,576	962	638	-	97,529
Taxes	235,057	317	144	-	11,692
Purchased Transportation	-	-	-	992,043	-
Miscellaneous Expenses	250,790	19	12	-	3,869
Leases & Rentals	142,173	9,150	3,296	-	-
Expense Transfer to Capital	-	-	-	-	-
Fringe Dist. Other	40,518,343	79,716	34,036	-	6,154,181
Expense Transfers	31,409,292	51,278	23,422	-	4,703,220
Sub-Total	153,954,450	305,276	131,703	995,067	21,953,181
Depreciation on capital ass					
Direct Depreciation	29,897,384	24,192	9,885	-	531,312
Indirect Depreciation	3,329,821	4,803	2,198	-	309,276
Fringe Depreciation	11,413	25	12	-	1,597
Sub-Total Depreciation	33,238,618	29,020	12,095	-	842,185
Total Operating Expenses	\$ 187,193,068	\$ 334,296	\$ 143,798	\$ 995,067	\$ 22,795,366

VIA Metropolitan Transit

San Antonio, Texas

Schedule of Operating Expenses by Expense Category

Year Ended September 30, 2020

	Metropolitan Transit Authority				
	25	31	35	55	65
	<u>Purchased Transportation</u>	<u>Disaster Relief-Bus</u>	<u>Promotional Service</u>	<u>Real Estate Development</u>	<u>Business Development and Planning</u>
Labor	\$ 1,340,495	\$ 5,311	\$ 25,609	\$ -	\$ 1,901,894
Fringe Benefits	-	-	-	-	-
Services	374,950	274	610	475	1,889,335
Materials & Supplies	479,587	3,035	7,305	-	4,615
Utilities	91,530	272	673	-	-
Casualty & Liability	-	293	855	417	-
Taxes	75,285	43	111	-	-
Purchased Transportation	14,112,037	-	-	-	-
Miscellaneous Expenses	2,876	3	7	-	395,492
Leases & Rentals	-	14	70	-	-
Expense Transfer to Capital	-	-	-	-	-
Fringe Dist. Other	771,885	2,738	(19,456)	-	1,191,634
Expense Transfers	630,572	1,677	9,813	-	922,062
Sub-Total	17,879,217	13,660	25,597	892	6,305,032
Depreciation on capital assets					
Direct Depreciation	-	3,926	10,094	-	-
Indirect Depreciation	43,925	772	(1,349)	-	58,676
Fringe Depreciation	253	-	(15)	-	337
Sub-Total Depreciation	44,178	4,698	8,730	-	59,013
Total Operating Expenses	\$ 17,923,395	\$ 18,358	\$ 34,327	\$ 892	\$ 6,364,045

VIA Metropolitan Transit**San Antonio, Texas****Schedule of Operating Expenses by Expense Category**

Year Ended September 30, 2020

	Advanced Transportation District	
	12	14
	Line Service	Vanpool
Labor	\$ 14,389,377	\$ 49,502
Fringe Benefits	-	-
Services	654,085	3,367
Materials & Supplies	2,584,075	-
Utilities	291,991	-
Casualty & Liability	249,213	285,623
Taxes	61,290	-
Purchased Transportation	-	252,218
Miscellaneous Expenses	141,845	149
Leases & Rentals	98,591	-
Expense Transfer to Capital	-	-
Fringe Dist. Other	8,984,067	28,585
Expense Transfers	7,036,023	22,404
Sub-Total	34,490,557	641,848
Depreciation on capital assets:		
Direct Depreciation	4,973,602	-
Indirect Depreciation	668,238	1,922
Fringe Depreciation	2,580	10
Sub-Total Depreciation	5,644,420	1,932
Total Operating Expenses	\$ 40,134,977	\$ 643,780

VIA Metropolitan Transit
San Antonio, Texas
Schedule of Operating Expenses by Expense Category
Year Ended September 30, 2020

Labor	\$ 92,783,210	\$ 21,015,508	\$ -	\$ 11,951,742	\$ 125,750,460
Fringe Benefits	-	-	-	53,499,826	53,499,826
Services	7,223,102	7,461,894	74,389	900,002	15,659,387
Materials & Supplies	13,684,067	983,135	1,270	1,245	14,669,717
Utilities	2,112,910	1,274,544	-	-	3,387,454
Casualty & Liability	1,549,106	111,502	-	-	1,660,608
Taxes	383,939	-	-	-	383,939
Purchased Transportation	15,356,298	-	-	-	15,356,298
Miscellaneous Expenses	795,062	5,475,781	-	24,113	6,294,956
Leases & Rentals	253,294	120,788	-	-	374,082
Expense Transfer to Capital	-	-	-	(340,247)	(340,247)
Fringe Dist. Other	57,745,729	8,461,934	-	(66,207,663)	-
Expense Transfers	44,809,763	(44,905,086)	(75,659)	170,982	-
Sub-Total	236,696,480	-	-	-	236,696,480
Depreciation on capital assets:					
Direct Depreciation	35,450,395	4,434,492	-	-	39,884,887
Indirect Depreciation	4,418,282	(4,434,493)	-	16,211	-
Fringe Depreciation	16,212	-	-	(16,212)	-
Sub-Total Depreciation	39,884,889	(1)	-	(1)	39,884,887
Total Operating Expenses	\$ 276,581,369	\$ (1)	\$ -	\$ (1)	\$ 276,581,367

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Combining Statements of Fiduciary Net Position

	Retirement Plan		OPEB Plan		Total Fiduciary Funds	
	2020	2019	2020	2019	2020	2019
Assets						
Cash and cash equivalents	\$ 5,477,539	\$ 5,596,948	\$ 3,788,901	\$ 2,959,569	\$ 9,266,440	\$ 8,556,517
Receivables:						
Contributions:						
Employee	337,251	327,457	-	-	337,251	327,457
Employer	1,195,512	1,228,079	-	-	1,195,512	1,228,079
Accrued interest and other dividends	16,345	41,398	31	3,727	16,376	45,125
Investment trades pending receivable	28,370	100,833	-	-	28,370	100,833
Total receivables	1,577,478	1,697,767	31	3,727	1,577,509	1,701,494
Investments:						
Corporate bonds and other	19,394,505	17,329,033	-	-	19,394,505	17,329,033
United States government and agency	13,913,604	14,038,002	-	-	13,913,604	14,038,002
Common stock	131,729,046	118,991,621	-	-	131,729,046	118,991,621
Pooled common stock fund	14,307,050	13,414,745	4,028,129	3,625,533	18,335,179	17,040,278
Pooled international fund	63,574,768	57,783,841	1,130,082	1,116,712	64,704,850	58,900,553
Pooled fixed income	51,257,336	46,920,665	2,494,168	2,313,291	53,751,504	49,233,956
Pooled real estate	31,914,628	31,641,883			31,914,628	31,641,883
Total investments	326,090,937	300,119,790	7,652,379	7,055,536	333,743,316	307,175,326
Total assets	333,145,954	307,414,505	11,441,311	10,018,832	344,587,265	317,433,337
Liabilities						
Accounts payable	2,615,519	4,316,144	186,650	125,859	2,802,169	4,442,003
Investment trades pending payable	67,616	85,405			67,616	85,405
Total liabilities	2,683,135	4,401,549	186,650	125,859	2,869,785	4,527,408
Net position held in trust for retiree benefits: restricted	\$ 330,462,819	\$ 303,012,956	\$ 11,254,661	\$ 9,892,973	\$ 341,717,480	\$ 312,905,929

VIA Metropolitan Transit

San Antonio, Texas

September 30, 2020 and 2019

Combining Statements of Changes in Fiduciary Net Position

	Retirement Plan		OPEB Plan		Total Fiduciary Funds	
	2020	2019	2020	2019	2020	2019
Additions:						
Contributions:						
Employee	\$ 4,101,795	\$ 4,257,833	\$ -	\$ -	\$ 4,101,795	\$ 4,257,833
Employer	14,346,139	14,729,284	3,313,597	3,209,295	17,659,736	17,938,579
Total contributions	18,447,934	18,987,117	3,313,597	3,209,295	21,761,531	22,196,412
Investment income (loss):						
Interest and dividend income	2,428,905	2,550,099	110,747	113,901	2,539,652	2,664,000
Net appreciation in fair value of investments	32,494,249	9,459,472	506,218	239,432	33,000,467	9,698,904
Investment expenses	(1,336,105)	(1,421,969)	(1,001)	(1,226)	(1,337,106)	(1,423,195)
Total investment income	33,587,049	10,587,602	615,964	352,107	34,203,013	10,939,709
Total additions -- net	52,034,983	29,574,719	3,929,561	3,561,402	55,964,544	33,136,121
Deductions:						
Benefit payments	24,447,296	24,810,509	2,550,681	2,182,794	26,997,977	26,993,303
Administrative expenses	137,824	145,051	17,192	31,921	155,016	176,972
Total deductions	24,585,120	24,955,560	2,567,873	2,214,715	27,152,993	27,170,275
Change in net position	27,449,863	4,619,159	1,361,688	1,346,687	28,811,551	5,965,846
Net position held in trust for retiree benefits: restricted, at beginning of year	303,012,956	298,393,797	9,892,973	8,546,286	312,905,929	306,940,083
Net position held in trust for retiree benefits: restricted, at end of year	\$ 330,462,819	\$ 303,012,956	\$ 11,254,661	\$ 9,892,973	\$ 341,717,480	\$ 312,905,929

STATISTICAL

This part of VIA's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about VIA's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how VIA's financial performance and well-being have change over time.

Net Position	119
Changes in Net Position.....	120

Revenue Capacity

These schedules contain information to help the reader asses VIA's most significant local revenue source, the sales tax.

Direct and Overlapping Sales Tax Rates.....	123
Estimated MTA/ATD Sales Tax Receipts by City.....	124

Debt Capacity

Schedule of Outstanding Debt and Public Debt Coverage Ratios	126
--	-----

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which VIA's financial activities take place.

Demographic and Economic Statistics.....	128
Principal Employers	129

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in VIA's financial report as it relates to the services VIA provides and the activities it performs.

Full Time Equivalents	130
Fare History	131
Line Service Statistics.....	132
VIATrans Service Statistics.....	133
Line Service Recovery Rate.....	134
VIATrans Service Recovery Rate.....	134
Service Miles by Cost Center.....	135
Service Hours by Cost Center.....	135
Revenues by Source	137
Operating Expenses by Cost Center	137
Operating Expenses by Object Class	138
Capital Assets.....	140
Changes in Retirement Plan Net Position.....	142
Benefit and Refund Deductions from Net Position by Type.....	142
Retired Members by Type of Benefit.....	143
Schedule of Average Benefit Payment Amounts	144

(This page intentionally left blank.)

VIA Metropolitan Transit

San Antonio, Texas

Net Position

Last Ten Fiscal Years

	2011 (Restated)	2012 ¹ (Restated)	2013 ² (Restated)	2014	2015 ³	2016	2017	2018	2019	2020 ⁴
Net Investment in Capital Assets	\$139,898,123	\$159,389,068	\$175,033,075	\$171,241,292	\$177,325,265	\$181,356,296	\$211,516,797	\$245,849,541	\$252,726,157	\$232,554,048
Restricted	7,983,145	7,752,249	105,420,435	101,174,318	100,721,318	102,233,683	91,923,793	78,585,541	55,148,690	51,659,833
Unrestricted	106,150,372	108,124,230	109,393,508	123,167,778	2,428,152	(6,471,436)	(13,328,420)	(48,258,266)	(37,510,764)	50,627,119
Total Net Position	\$254,031,640	\$275,265,547	\$389,847,018	\$395,583,388	\$280,474,735	\$277,118,543	\$290,112,170	\$276,176,816	\$270,364,083	\$334,841,000

Source: VIA's Annual Audited Financial Statements

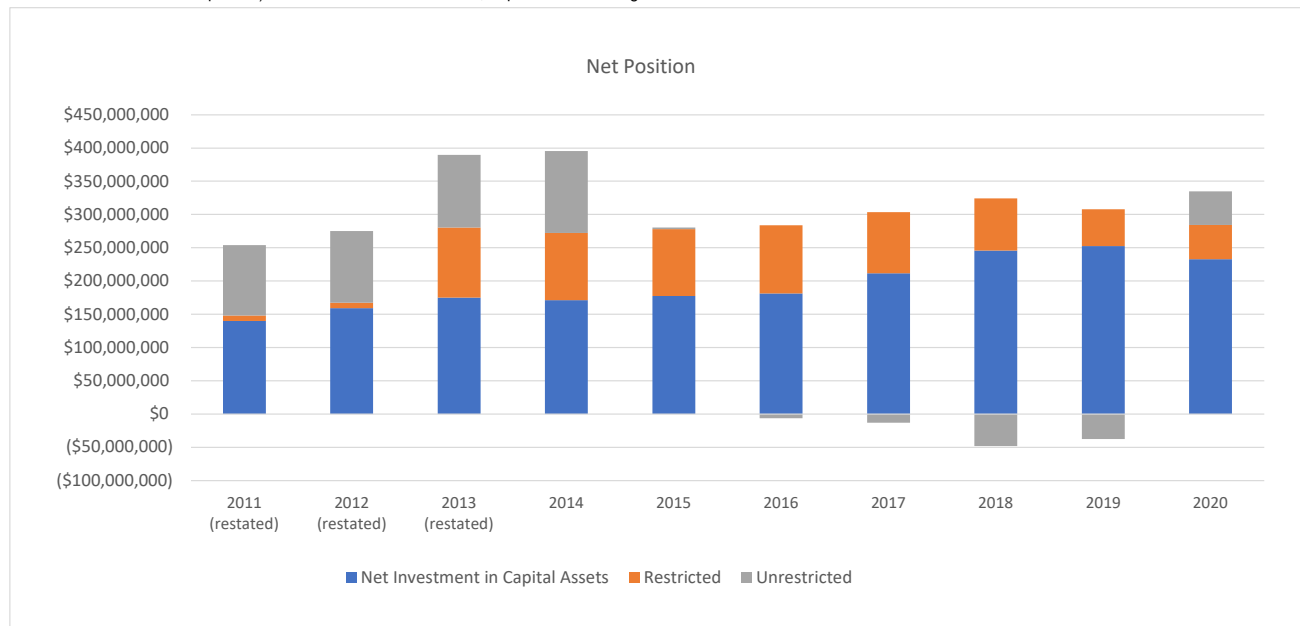
Notes:

¹ VIA's FY12 net position increase of \$21.2M includes the favorable impact of strong sales tax results, which were up \$16.1M (13.2%) from the prior year (this is net of sales taxes remitted to the City of San Antonio and Bexar County), reflecting a strong economy.

² VIA's FY13 net position increase of \$114.6M is largely attributable to \$92M of funds received from TxDOT to help fund various capital projects.

³ VIA's FY15 net position decrease of \$115.1M was driven by a \$118.7M decrease associated with the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27.

⁴ VIA's FY20 net position increase of \$64.4M was driven by \$90.4M of Coronavirus Aid, Relief, and Economic Security Act (CARES Act) revenue that VIA recognized in FY20 (excluding amount that went to a subrecipient). CARES Act funds were drawn down based on the cost of service provided, which freed up local funds. Incremental impacts of COVID-19 (revenue shortfalls and incremental expenses) on the Statement of Revenues, Expenses and Changes in Net Position were \$16.3M in FY20.



VIA Metropolitan Transit

San Antonio, Texas

Changes in Net Position Last Ten Fiscal Years

	2011 (Restated)	2012 (Restated)	2013 (Restated)	2014	2015
Operating Revenues					
Line Service	\$ 21,625,077	\$ 22,315,482	\$ 23,001,057	\$ 22,103,715	\$ 20,880,726
Starlight Service	-	-	-	-	-
Robert Thompson Terminal	76,917	78,925	195,549	187,785	145,337
Other Special Events	174,383	177,119	166,560	181,786	169,079
VIATrans	1,705,738	1,681,635	1,821,640	1,882,687	1,899,614
VIA Link	-	-	-	-	-
Charter	107,523	113,915	230,308	195,052	86,526
Promotional	-	-	-	-	-
Real Estate Development	277,257	267,719	277,714	263,360	281,072
Ellis Alley Park and Ride	8,243	6,854	10,290	6,491	23,918
Bus Advertising	516,250	615,000	714,530	749,530	814,530
Miscellaneous	842,939	843,534	783,235	759,723	436,382
<i>Total Operating Revenues</i>	<i>25,334,327</i>	<i>26,100,183</i>	<i>27,200,883</i>	<i>26,330,129</i>	<i>24,737,184</i>
Operating Expenses					
Line Service	127,048,368	132,326,068	140,264,400	147,478,417	161,181,992
Bus Disaster Relief ¹	-	-	-	-	-
Robert Thompson Terminal	361,462	512,763	707,542	733,305	657,286
Other Special Events	490,118	541,478	584,044	592,886	618,448
VIATrans	31,038,547	32,677,623	33,147,022	34,330,772	37,375,783
VIA Link	-	-	-	-	-
Van Disaster Relief ¹	-	-	-	-	-
Vanpool	366,252	537,218	534,322	547,806	558,689
Bus Rapid Transit	361,888	391,558	-	-	-
Starlight Service	-	-	-	-	-
Charter	151,927	131,882	252,832	239,325	175,609
Promotional	-	-	-	-	-
Real Estate Development	794	3,192	857	4,334	613
Business Development and Planning	3,446,449	3,894,405	4,745,443	5,858,692	6,588,687
Transit Technology	690,381	719,319	715,552	694,331	685,274
<i>Total Operating Expenses</i>	<i>163,956,186</i>	<i>171,735,506</i>	<i>180,952,014</i>	<i>190,479,868</i>	<i>207,842,381</i>
Non-Operating Revenues (Expenses)					
Sales Taxes	144,588,735	163,316,655	173,776,660	189,964,334	197,645,249
Grants Reimbursement	23,279,480	20,360,615	25,145,760	26,045,513	27,047,155
Grants Revenue - pass through	-	-	-	212,062	1,327,755
Investment Income	617,320	252,009	(18,870)	577,720	853,433
CARES Act - VIA	-	-	-	-	-
CoSA Intergovernmental Revenue	-	-	-	-	-
Bond Interest and Amortization	-	(546,141)	(63,884)	(3,542,815)	(3,000,034)
Net Gain(Loss) on Sale of Assets	(367,766)	170,308	73,893	40,839	(1,252)
Less pass-through funds to subrecipients	-	-	-	(212,062)	(1,327,755)
ATD, CoSA, TxDOT, Bexar Co., and Election Expense ²	(23,085,686)	(25,720,768)	(27,138,822)	(29,541,042)	(30,637,238)
Local Assistance ³	-	90,150	-	-	-
<i>Net Non-Operating Revenues (Expenses)</i>	<i>145,032,083</i>	<i>157,922,828</i>	<i>171,774,737</i>	<i>183,544,549</i>	<i>191,907,313</i>
Income(Loss) before Depreciation, Loss on Asset Impairment and Capital Contributions					
	6,410,224	12,287,505	18,023,606	19,394,810	8,802,116
Depreciation	(21,588,388)	(19,035,123)	(20,933,451)	(22,804,973)	(22,275,368)
Loss on Asset Impairment	-	-	-	(4,882,000)	(4,918,000)
Capital Contributions	13,230,025	27,981,525	117,491,316	14,028,533	21,974,093
Change in Net Position	\$ (1,948,139)	\$ 21,233,907	\$ 114,581,471	\$ 5,736,370	\$ 3,582,841

Source: VIA's Annual Audited Financial Statements

¹ VIA is occasionally asked to provide transportation services for communities that are impacted by hurricanes. These citizens are transported from the coastal areas to relief centers in San Antonio.

² This amount includes ATD sales tax revenue remitted to the City of San Antonio and ATD sales tax revenue and investment income payable to the Texas Department of Transportation and Bexar County.

³ Outflows reflect local assistance and the inflow shown in FY 2012 is the return of some funds that VIA has contributed to the Regional Mobility Authority (RMA) for the US 281 Super Street Project.

**Changes in Net Position
Last Ten Fiscal Years**

2016	2017	2018	2019	2020	
\$ 20,051,622	\$ 18,980,613	\$ 18,369,534	\$ 18,096,588	\$ 11,740,521	Operating Revenues
-	-	-	-	-	Line Service
94,787	82,050	77,468	71,168	28,569	Starlight Service
144,402	140,491	178,001	106,386	15,897	Robert Thompson Terminal
1,996,240	2,033,653	1,999,596	1,912,340	1,175,591	Other Special Events
-	-	-	11,869	28,171	VIAtrans
-	-	-	-	-	VIA Link
-	-	-	-	-	Charter
330,799	446,352	577,989	557,273	269,407	Promotional
12,582	10,201	7,752	13,805	4,839	Real Estate Development
894,530	939,642	950,635	1,021,564	1,313,119	Ellis Alley Park and Ride
441,677	473,160	416,518	455,673	334,719	Bus Advertising
23,966,639	23,106,162	22,577,493	22,246,666	14,910,833	Miscellaneous
					<i>Total Operating Revenues</i>
					Operating Expenses
167,351,942	165,746,945	165,548,929	179,874,538	188,445,007	Line Service
-	163,268	-	-	13,660	Bus Disaster Relief ¹
630,944	465,271	499,523	710,668	305,276	Robert Thompson Terminal
552,244	534,207	670,088	495,404	131,703	Other Special Events
40,922,470	40,055,752	42,097,730	45,611,738	39,832,398	VIAtrans
-	-	-	375,020	995,067	VIA Link
-	2,685	-	-	-	Van Disaster Relief ¹
608,055	611,149	597,442	604,486	641,848	Vanpool
-	-	-	-	-	Bus Rapid Transit
-	-	-	-	-	Starlight Service
-	-	-	-	-	Charter
99,753	89,541	65,106	70,002	25,597	Promotional
1,678	539	801	1,051	892	Real Estate Development
6,453,239	6,685,076	6,468,225	6,598,704	6,305,032	Business Development and Planning
637,751	492,167	-	-	-	Transit Technology
217,258,076	214,846,600	215,947,845	234,341,611	236,696,480	<i>Total Operating Expenses</i>
					Non-Operating Revenues (Expenses)
201,407,198	207,873,339	220,294,591	232,542,350	230,619,498	Sales Taxes
28,773,370	29,032,637	30,500,898	39,285,411	25,794,461	Grants Reimbursement
1,463,234	1,553,833	815,948	2,071,336	1,569,027	Grants Revenue - pass through
1,839,616	1,357,966	1,861,966	4,008,706	2,919,432	Investment Income
-	-	-	-	90,437,617	CARES Act - VIA
-	-	4,300,000	10,000,000	7,000,000	CoSA Intergovernmental Revenue
(3,237,107)	(5,619,099)	(5,774,084)	(5,539,802)	(5,429,955)	Bond Interest and Amortization
(117,056)	2,633,990	218,743	(912,121)	4,412	Net Gain(Loss) on Sale of Assets
(1,400,626)	(1,452,788)	(897,060)	(2,071,336)	(1,569,027)	Less pass-through funds to subrecipients
(31,427,566)	(32,413,170)	(34,311,703)	(36,224,798)	(35,790,181)	ATD, CoSA, TxDOT, Bexar Co., and Election Expense ²
(461,513)	(40,000)	-	-	(568,301)	Local Assistance ³
196,839,550	202,926,708	217,009,299	243,159,746	314,986,983	<i>Net Non-Operating Revenues (Expenses)</i>
3,548,113	11,186,270	23,638,947	31,064,801	93,201,336	Income(Loss) before Depreciation, Loss on Asset Impairment and Capital Contributions
(22,200,678)	(24,012,602)	(34,362,524)	(36,702,975)	(39,884,886)	Depreciation
(8,579,632)	-	-	-	-	Loss on Asset Impairment
23,876,005	25,819,959	24,967,580	(174,559)	11,160,467	Capital Contributions
\$ (3,356,192)	\$ 12,993,627	\$ 14,244,003	\$ (5,812,733)	\$ 64,476,917	Change in Net Position

(This page intentionally left blank)

VIA Metropolitan Transit

San Antonio, Texas

Direct and Overlapping Sales Tax Rates As of September 30, 2020

City	Direct Rates			Overlapping Rates ¹			Total Sales Tax Rate
	Metropolitan Transit Authority (MTA)	Advanced Transportation District (ATD)	Total Direct Rate	State	Local		
					City	Special Purpose District	
Alamo Heights	0.50%		0.50%	6.25%	1.500%		8.25%
Balcones Heights	0.50%		0.50%	6.25%	1.000%	0.500%	8.25%
Castle Hills	0.50%		0.50%	6.25%	1.250%	0.250%	8.25%
China Grove	0.50%		0.50%	6.25%	1.250%		8.00%
Converse	0.50%		0.50%	6.25%	1.500%		8.25%
Elmendorf	0.50%		0.50%	6.25%	1.500%		8.25%
Kirby	0.50%		0.50%	6.25%	1.250%	0.250%	8.25%
Leon Valley	0.50%		0.50%	6.25%	1.375%	0.125%	8.25%
Olmos Park	0.50%		0.50%	6.25%	1.500%		8.25%
Saint Hedwig	0.50%		0.50%	6.25%	1.500%		8.25%
Sandy Oaks	0.50%		0.50%	6.25%	1.500%		8.25%
Shavano Park	0.50%		0.50%	6.25%	1.250%	0.250%	8.25%
Terrell Hills	0.50%		0.50%	6.25%	1.250%		8.00%
San Antonio	0.50%	0.25% ²	0.75%	6.25%	1.250%		8.25%
Unincorporated (Bexar County)	0.50%		0.50%	6.25%			6.75%

Source: State of Texas Comptroller of Public Accounts

Note: The Texas state sales and use tax rate is 6.25%. Local taxing jurisdictions (cities, counties, special purpose districts, and transit authorities) may also impose sales and use tax up to 2% for a total maximum combined rate of 8.25%. Transit authority rates are limited to between .25% and 1% and may be increased only by a majority vote of the city's residents.

¹Overlapping rates are other state and local rates that apply to taxable sales in cities with direct MTA and ATD rates.

²VIA Metropolitan Transit retains 1/2 of the .25% ATD tax collected and remits 1/4 to the City of San Antonio and 1/4 to the Texas Department of Transportation.

VIA Metropolitan Transit

San Antonio, Texas

Estimated MTA/ATD Sales Tax Receipts by City Last Ten Fiscal Years

	2011	2012	2013	2014	2015
Alamo Heights	\$ 382,503	\$ 418,716	\$ 445,742	\$ 473,443	\$ 471,080
Balcones Heights	609,594	670,081	702,293	701,787	732,556
Castle Hills	422,138	438,952	459,610	458,501	491,947
China Grove	42,669	54,047	57,159	77,598	83,033
Converse	744,263	841,257	856,192	906,675	984,923
Elmendorf	27,340	35,960	40,532	54,865	87,361
Kirby	91,851	95,966	108,265	115,451	132,692
Leon Valley	840,965	869,196	933,280	1,084,454	1,102,355
Olmos Park	189,850	238,399	232,007	224,911	235,966
Saint Hedwig	27,148	26,136	30,063	36,134	33,307
San Antonio (MTA)	94,720,036	104,895,568	112,728,315	123,682,950	128,985,691
San Antonio (ATD) ¹	23,085,685	25,720,768	27,138,822	29,541,044	30,637,237
Sandy Oaks	-	-	-	-	3,057
Shavano Park	145,632	371,253	407,841	334,104	189,886
Terrell Hills	103,667	119,890	107,737	113,730	109,504
Other ²	69,710	2,799,697	2,389,980	2,617,645	2,727,415
Total Sales Tax Receipts	\$ 121,503,051	\$ 137,595,886	\$ 146,637,838	\$ 160,423,292	\$ 167,008,010

Source: VIA's Fiscal Management Department

Note: VIA does not receive MTA sales tax receipt details by individual member city from the Texas Comptroller. Gross sales tax receipts for the MTA are allocated by city based on the ratio of the MTA sales tax rate to the total city sales tax rate. Cities within Bexar County, Texas can elect to join or leave the metropolitan transit authority by majority vote.

On November 2, 2004, voters in San Antonio approved the formation of the Advanced Transportation District (ATD). The ATD provides funding for transportation projects carried out by VIA, the City of San Antonio, and the Texas Department of Transportation. The ATD sales tax are not allocated as they are collected from a single city.

¹This amount does not include the portion of ATD sales tax receipts that VIA remits to the City of San Antonio and the Texas Department of Transportation.

²This line represents the unincorporated areas within Bexar County, as well as those communities that have withdrawn from the MTA.

**Estimated MTA/ATD Sales Tax Receipts by City
Last Ten Fiscal Years**

2016	2017	2018	2019	2020	
\$ 505,166	\$ 509,808	\$ 562,564	\$ 595,886	\$ 647,129	Alamo Heights
716,374	703,907	750,609	820,950	753,216	Balcones Heights
508,528	516,192	515,510	556,900	598,266	Castle Hills
74,519	69,503	68,974	71,545	68,126	China Grove
1,039,386	1,050,920	1,206,952	1,255,494	1,428,587	Converse
196,823	260,351	428,878	272,902	179,560	Elmendorf
153,993	147,530	154,672	155,040	177,426	Kirby
1,139,132	1,132,195	1,190,943	1,210,371	1,209,876	Leon Valley
226,460	239,283	244,562	259,704	239,594	Olmos Park
35,461	40,060	24,393	42,256	70,994	Saint Hedwig
130,857,440	135,134,156	143,122,099	151,238,207	150,006,728	San Antonio (MTA)
31,427,566	32,413,171	34,311,703	36,224,798	35,790,181	San Antonio (ATD) ¹
16,611	18,845	26,839	38,606	45,217	Sandy Oaks
194,475	218,223	206,614	229,318	259,494	Shavano Park
116,658	145,085	134,152	143,720	174,140	Terrell Hills
2,771,040	2,860,940	3,033,424	3,201,855	3,180,783	Other ²
<u>\$ 169,979,632</u>	<u>\$ 175,460,169</u>	<u>\$ 185,982,888</u>	<u>\$ 196,317,552</u>	<u>\$ 194,829,317</u>	Total Sales Tax Receipts

VIA Metropolitan Transit
Schedule of Outstanding Debt and Coverage Ratios

	<u>2005-2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>OUTSTANDING DEBT</u>					
Private Placement Bond Issues:					
MTA Farebox Revenue Bonds Series 2012	\$ -	\$ 5,100,000	\$ 5,100,000	\$ -	\$ -
MTA Contractual Obligations Series 2012	-	3,200,000	2,765,000	2,325,000	1,880,000
ATD Sales Tax Revenue Bonds Series 2012	-	5,100,000	5,100,000	-	-
MTA Contract Revenue Bonds Series 2012	-	5,100,000	-	-	-
MTA Contractual Obligations Series 2020	-	-	-	-	-
Public Bond Issues:					
MTA Farebox Revenue Bonds Series 2013	-	-	-	38,860,000	37,955,000
ATD Sales Tax Revenue Bonds Series 2014	-	-	-	32,925,000	32,140,000
MTA Contractual Obligations Series 2017	-	-	-	-	-
Total Bonds	-	18,500,000	12,965,000	74,110,000	71,975,000
Bond Premium				6,358,751	6,051,227
Total Debt Outstanding		18,500,000	12,965,000	80,468,751	78,026,227
Gross Revenues (a)	N/A	184,479,002	199,039,504	213,417,493	219,645,783
Ratio of Total Debt to Gross Revenues	N/A	0.10	0.07	0.38	0.36
# of Riders (b)	N/A	46,893,169	45,894,417	44,346,565	42,218,985
Debt Per Rider	N/A	0.39	0.28	1.81	1.85

COVERAGE RATIOS FOR DEBT OUTSTANDING AS OF 9/30/20

MTA Contractual Obligations

VIA Sales Tax Revenue	109,340,067	119,047,377	128,894,914	136,251,947
Less: Obligations Similarly Secured Debt Service (c)	-	(490,335)	(494,471)	(490,803)
Net Sales Tax Revenues Available for Authority	109,340,067	118,557,042	128,400,443	135,761,144
Debt Service Coverage Ratio on Obligations Similarly Secured (d)	N/A	242.8x	260.7x	277.6x

MTA Farebox Revenue Bonds Series 2013

Maintenance & Operating (M&O) Expenses	(168,156,607)	(170,674,123)	(185,886,928)	(208,843,385)
Net Sales Tax Revenues (Per Above)	109,340,067	118,557,042	128,400,443	135,761,144
Available ATD Sales Tax (e)	25,309,927	26,923,159	29,108,126	28,249,607
Grants Available to Pay Maintenance and Operating Expenses (f)	27,177,655	18,229,255	34,590,137	22,376,436
Contributions Available to Pay Maintenance and Operating Expenses (g)	-	-	-	-
Net M&O Expenses Remaining Before Application of Operating Revenues	(6,328,958)	(6,964,667)	6,211,778	(22,456,198)
Operating Revenue	25,849,877	26,885,148	26,444,828	25,002,383
Less: Remaining Maintenance and Operating Expenses	(6,328,958)	(6,964,667)	6,211,778	(22,456,198)
Net Operating Revenue Available for Farebox Revenue Bonds	19,520,919	19,920,481	32,656,606	2,546,185
Debt Service on the 2013 Farebox Revenue Bonds	-	58,197	2,480,104	2,812,700
Farebox Revenue Bond Debt Service Coverage Ratio (d)	N/A	342.3x	13.2x	0.9x

ATD Sales Tax Revenue Bonds Series 2014

ATD Sales Tax Revenue	N/A	25,720,768	27,138,822	29,541,043	30,637,238
Less District Debt Service	N/A	-	(55,958)	(63,750)	(2,370,743)
Net ATD Sales Tax Revenue	N/A	25,720,768	27,082,864	29,477,293	28,266,495
Debt Service Coverage Ratio (d)	N/A	N/A	485.0x	463.4x	12.9x

Note: For a description of pledged revenues associated with the above bonds, please refer to the Long-Term Debt footnote in VIA's audited financial statements.

(a) Total operating revenue, plus nonoperating revenue from sales taxes, grants reimbursement, investment income and asset sales.

(b) Total systemwide passengers (includes all bus service and paratransit service).

(c) This reflects debt service on MTA contractual obligations (Series 2020, 2017, and 2012).

(d) Coverage ratios shown are slightly different than those in VIA's public debt continuing disclosure documents due to rounding (the latter ratios are based on figures rounded to \$0.01 million).

(e) ATD sales taxes less debt service on ATD bonds.

(f) Available to the extent permitted by the applicable grant agreement.

(g) In FY18-FY20, the City of San Antonio provided VIA funding for bus service improvements. Contributions out are for local assistance that VIA has provided (such as to TxDOT's Transportation Alternatives Program).

**VIA Metropolitan Transit
Schedule of Outstanding Debt and Coverage Ratios**

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ -	\$ -	\$ -	\$ -	\$ -
1,425,000	960,000	485,000	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	11,000,000
37,010,000	36,030,000	35,010,000	33,950,000	32,835,000
31,335,000	30,495,000	29,625,000	28,710,000	27,755,000
-	81,995,000	76,835,000	70,730,000	66,410,000
69,770,000	149,480,000	141,955,000	133,390,000	138,000,000
5,832,883	18,258,044	16,922,920	15,587,796	14,252,672
75,602,883	167,738,044	158,877,920	148,977,796	152,252,672
224,621,865	231,691,969	241,060,876	261,858,335	328,896,072
0.34	0.72	0.66	0.57	0.46
39,635,173	37,807,626	36,276,136	36,147,067	27,961,018
1.91	4.44	4.38	4.12	5.45

OUTSTANDING DEBT

Private Placement Bond Issues:

MTA Farebox Revenue Bonds Series 2012
MTA Contractual Obligations Series 2012
ATD Sales Tax Revenue Bonds Series 2012
MTA Contract Revenue Bonds Series 2012
MTA Contractual Obligations Series 2020

Public Bond Issues:

MTA Farebox Revenue Bonds Series 2013
ATD Sales Tax Revenue Bonds Series 2014
MTA Contractual Obligations Series 2017

Total Bonds

Bond Premium

Total Debt Outstanding

Gross Revenues (a)

Ratio of Total Debt to Gross Revenues

of Riders (b)

Debt Per Rider

COVERAGE RATIOS FOR DEBT OUTSTANDING AS OF 9/30/20

136,634,249	142,993,108	150,703,656	158,791,830	158,643,607
(492,036)	(2,132,865)	(9,589,412)	(10,380,255)	(7,878,317)
136,142,213	140,860,243	141,114,244	148,411,575	150,765,290
277.7x	67.0x	15.7x	15.3x	20.1x

MTA Contractual Obligations

VIA Sales Tax Revenue

Less: Obligations Similarly Secured Debt Service (c)

Net Sales Tax Revenues Available for Authority

Debt Service Coverage Ratio on Obligations Similarly Secured (d)

(212,471,574)	(212,330,576)	(223,841,761)	(237,526,334)	(229,243,988)
136,142,213	140,860,243	141,114,244	148,411,575	150,765,290
28,593,844	29,976,854	31,756,920	33,528,663	33,310,156
32,448,605	27,041,045	30,087,557	43,338,067	110,112,747
(461,513)	(40,000)	4,300,000	10,000,000	6,531,785
(15,748,425)	(14,492,434)	(16,583,040)	(2,248,029)	71,475,990

MTA Farebox Revenue Bonds Series 2013

Maintenance & Operating (M&O) Expenses

Net Sales Tax Revenues (Per Above)

Available ATD Sales Tax (e)

Grants Available to Pay Maintenance and Operating Expenses (f)

Contributions Available to Pay Maintenance and Operating Expenses (g)

Net M&O Expenses Remaining Before Application of Operating Revenues

24,880,247	23,272,287	23,143,989	22,338,868	15,226,712
(15,748,425)	(14,492,434)	(16,583,040)	(2,248,029)	71,475,990
9,131,822	8,779,853	6,560,949	20,090,839	86,702,702
2,816,500	2,813,700	2,814,500	2,813,700	2,815,700
3.2x	3.1x	2.3x	7.1x	30.8x

Operating Revenue

Less: Remaining Maintenance and Operating Expenses

Net Operating Revenue Available for Farebox Revenue Bonds

Debt Service on the 2013 Farebox Revenue Bonds

Farebox Revenue Bond Debt Service Coverage Ratio (d)

31,427,566	32,413,171	34,311,703	36,224,798	35,790,181
(2,370,650)	(2,373,450)	(2,369,850)	(2,371,350)	(2,374,750)
29,056,916	30,039,721	31,941,853	33,853,448	33,415,431
13.3x	13.7x	14.5x	15.3x	15.1x

ATD Sales Tax Revenue Bonds Series 2014

ATD Sales Tax Revenue

Less District Debt Service

Net ATD Sales Tax Revenue

Debt Service Coverage Ratio (d)

VIA Metropolitan Transit

San Antonio, Texas

Demographic and Economic Statistics for the City of San Antonio Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Population 25 Years and over - Percent high school Graduate or Higher	School Enrollment	Average Yearly Unemployment Rate
2011	1,326,539	28,421,098	21,425	32.8	79.8	392,897	7.1%
2012	1,359,730	29,038,394	21,356	32.7	80.7	396,718	6.4%
2013	1,383,194	30,752,552	22,233	33.2	80.8	397,500	5.8%
2014	1,409,019	31,581,326	22,414	33.0	80.7	407,047	4.8%
2015	1,436,697	32,790,329	22,823	33.2	*	401,771	3.7%
2016	1,469,824	34,905,380	23,748	33.1	81.0	403,558	3.8%
2017	1,492,494	35,701,948	23,921	33.5	80.9	401,867	3.2%
2018	1,511,913	37,230,858	24,625	33.6	83.3	410,625	3.3%
2019	1,532,212	37,821,121	24,684	33.7	82.3	411,539	3.1%
2020	1,547,250	41,506,529	26,826	34.4	82.7	411,357	7.3%

* Data unavailable.

Sources: Population, personal income, per capita income, median age and school enrollment information provided by the U.S. Census Bureau (<https://data.census.gov>). Unemployment rate provided by the San Antonio Bureau of Labor Statistics.

VIA Metropolitan Transit

San Antonio, Texas

Principal Employers

2019

Employer	Employees	Rank
Joint Base San Antonio (JBSA) - Lackland, Fort Sam & Randolph	80,000	1
H.E.B. Food Stores	22,000	2
United Services Automobile Association	19,000	3
Northside Independent School District	13,977	4
City of San Antonio	13,881	5
Methodist Health Care System	9,851	6
North East Independent School District	9,001	7
San Antonio Independent School District	7,677	8
Baptist Health Systems	6,371	9
JPMorgan Chase & Co.	5,000	10

Source: <https://www.sanantonio.gov/Portals/0/Files/Finance/CAFR2019.pdf>.

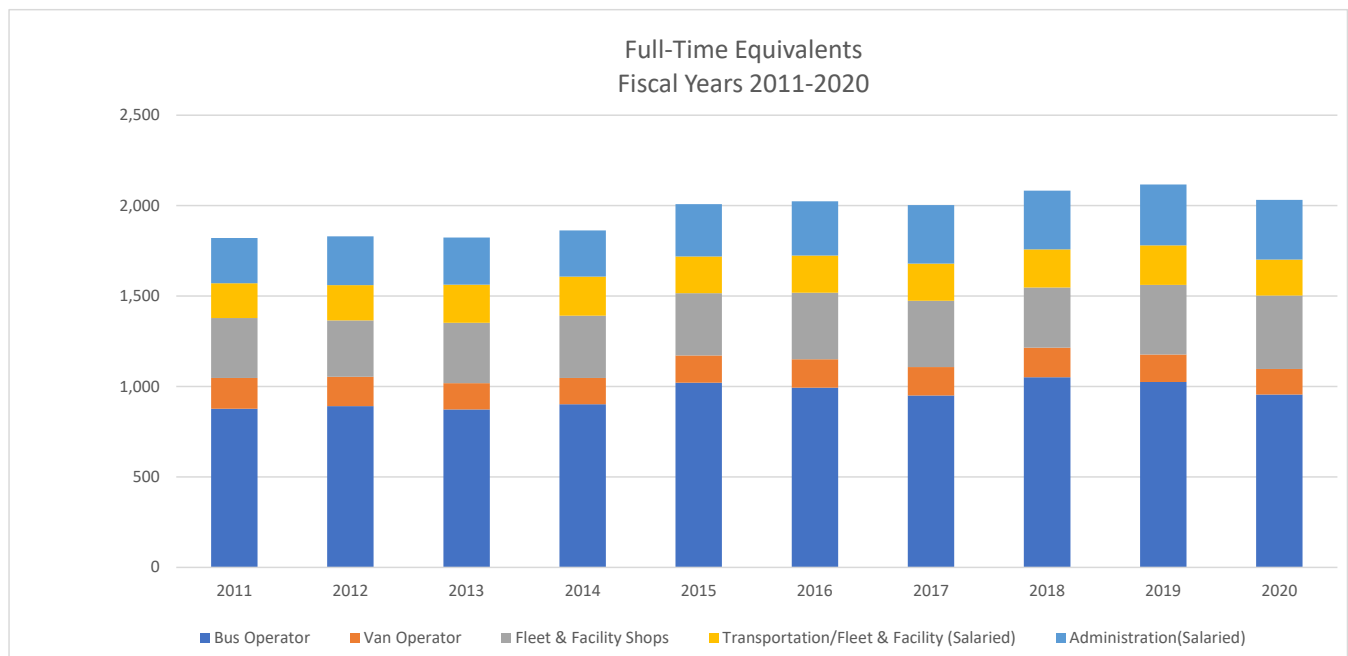
VIA Metropolitan Transit

San Antonio, Texas

Full-Time Equivalents Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Full-Time Employees										
Bus Operator	746	733	742	795	943	882	876	954	966	906
Van Operator	167	161	143	140	150	156	158	164	153	142
Fleet & Facility Shops	331	311	334	345	344	368	366	332	384	405
Transportation/Fleet & Facility (Salaried)	178	178	195	201	191	195	197	202	209	191
Administration(Salaried)	239	257	249	244	278	286	309	320	330	326
Subtotal	1,661	1,640	1,663	1,725	1,906	1,887	1,906	1,972	2,042	1,970
Part-Time (Full-Time Equivalents)										
Bus Operator	131.3	158.6	131.6	107.6	77.9	111.7	74.0	97.4	58.7	49.5
Van Operator	2.6	1.8	2.4	4.2	0.6	0.6	-	-	-	-
Fleet & Facility Shops	-	-	-	-	-	-	-	-	-	-
Transportation/Fleet & Facility (Salaried)	14.8	17.0	15.0	15.0	12.9	11.0	9.0	9.0	10.5	8.3
Administration(Salaried)	11.3	13.5	12.0	11.3	11.3	13.5	14.3	4.5	6.0	4.5
Subtotal	160.0	190.9	161.0	138.1	102.7	136.8	97.2	110.9	75.2	62.2
Grand Total										
Bus Operator	877.3	891.6	873.6	902.6	1,020.9	993.7	950.0	1,051.4	1,024.7	955.5
Van Operator	169.6	162.8	145.4	144.2	150.6	156.6	158.0	164.0	153.0	142.0
Fleet & Facility Shops	331.0	311.0	334.0	345.0	344.0	368.0	366.0	332.0	384.0	405.0
Transportation/Fleet & Facility (Salaried)	192.8	195.0	210.0	216.0	203.9	206.0	206.0	211.0	219.5	199.3
Administration(Salaried)	250.3	270.5	261.0	255.3	289.3	299.5	323.3	324.5	336.0	330.5
Grand Total	1,821.0	1,830.9	1,824.0	1,863.1	2,008.7	2,023.8	2,003.2	2,082.9	2,117.2	2,032.2

Source: VIA's Monthly Personnel Report



VIA Metropolitan Transit

San Antonio, Texas

Fare History

Last Ten Fiscal Years

Category	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Bus Service¹										
Regular Bus Service	\$ 1.10	\$ 1.10	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.30	\$ 1.30	\$ 1.30	\$ 1.30	\$ 1.30
Regular Half Fare	0.55	0.55	0.60	0.60	0.60	0.65	0.65	0.65	0.65	0.65
Express Bus Service	2.50	2.50	2.50	2.50	2.50	2.60	2.60	2.60	2.60	2.60
Express Half Fare	1.25	1.25	1.25	1.25	1.25	1.30	1.30	1.30	1.30	1.30
Bus Transfer	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	-
Bus Transfer Half Fare	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	-
VIA Link Service										
VIA Link Service	-	-	-	-	-	-	-	-	1.30	1.30
VIA Link Service Half Fare	-	-	-	-	-	-	-	-	0.65	0.65
VIA Link Transfer	-	-	-	-	-	-	-	-	0.15	-
VIA Link Transfer Half Fare	-	-	-	-	-	-	-	-	0.07	-
VIAtrans Service²										
VIAtrans Service	1.75	1.75	1.95	1.95	1.95	2.00	2.00	2.00	2.00	2.00
VIAtrans Taxi Subsidy	-	-	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Special Event Service	5.00	5.00	5.00	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Special Event Half Fare	2.50	2.50	2.50	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Passes										
31-Day Pass	30.00	30.00	35.00	35.00	35.00	38.00	38.00	38.00	38.00	38.00
31-Day Half Fare	15.00	15.00	17.50	17.50	17.50	19.00	19.00	19.00	19.00	19.00
Semester Pass	35.00	35.00	35.00	35.00	35.00	38.00	38.00	38.00	38.00	38.00
7-Day Pass	-	-	-	-	-	12.00	12.00	12.00	12.00	12.00
7-Day Pass Half Fare	-	-	-	-	-	6.00	6.00	6.00	6.00	6.00
Day Pass	4.00	4.00	4.00	4.00	4.00	2.75	2.75	2.75	2.75	2.75
Day Pass Half Fare	-	-	-	-	-	1.35	1.35	1.35	1.35	1.35

Source: VIA's Fiscal Management Division

Note:

¹ Limited additional service without charge to the service recipient is provided to identified categories of riders, including (but not limited to) VIA employees/board members and spouses, police and fire personnel in uniform, VIAtrans patrons and one companion/attendant, and senior citizens within specific timeframes, for which VIA realizes operational value or expense offset. VIA has also, due to community or emergency needs (including in response to natural catastrophe, pandemic, and civil unrest and social justice), provided limited, periodic ridership service where the charges were satisfied from other sources (such as disaster recovery funding, COVID-19 federal relief funding, advertising revenue and investment income that were undesignated and otherwise uncommitted) and whose impact was determined to not be financially material to VIA's operations or its ability to meet its debt service obligations or satisfy its related debt service covenants.

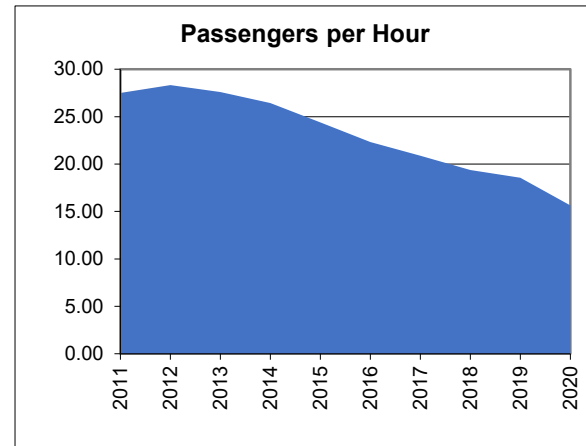
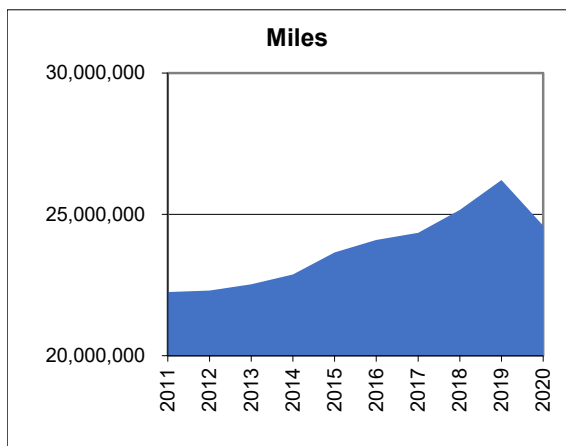
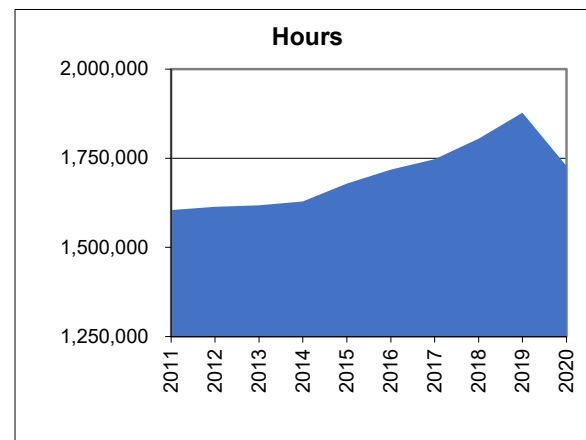
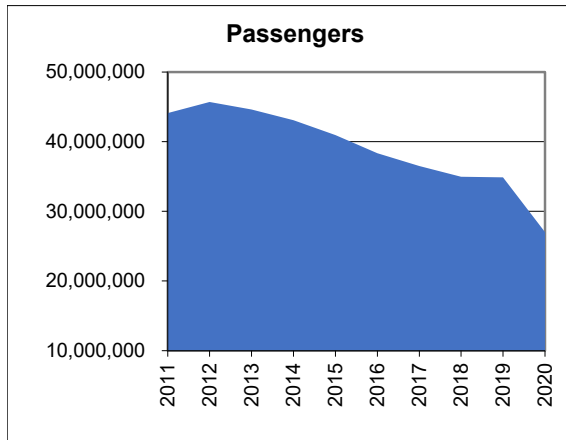
² Occasionally, due to community or emergency needs, provisions noted above (in Note 1) apply to paratransit services also.

VIA Metropolitan Transit

San Antonio, Texas

Line Service Statistics

Last Ten Fiscal Years



Fiscal Year	Passengers	Hours	Miles	Passengers Per Hour
2011	44,129,717	1,604,282	22,252,846	27.51
2012	45,704,025	1,613,457	22,308,405	28.33
2013	44,635,608	1,618,364	22,520,641	27.58
2014	43,085,594	1,629,262	22,877,589	26.44
2015	40,938,967	1,678,728	23,654,868	24.39
2016	38,334,650	1,718,037	24,097,912	22.31
2017	36,493,890	1,747,733	24,351,329	20.88
2018	34,984,740	1,804,870	25,153,738	19.38
2019	34,864,333	1,877,679	26,214,747	18.57
2020 ⁽¹⁾	27,020,133	1,727,776	24,603,469	15.64

Source: VIA's Revenue Accounting Statistical Records
VIA's Miles and Hours Report

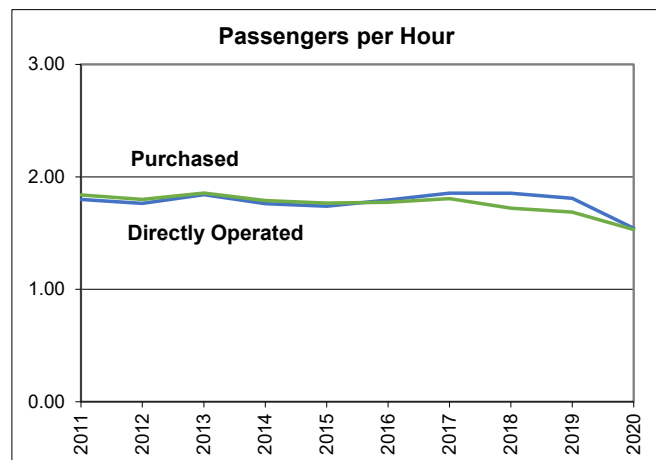
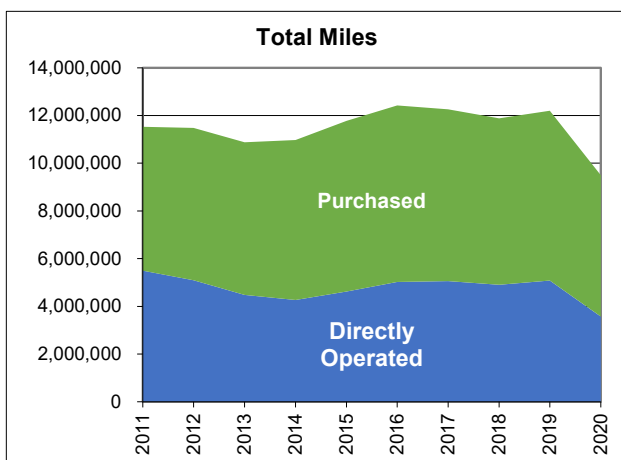
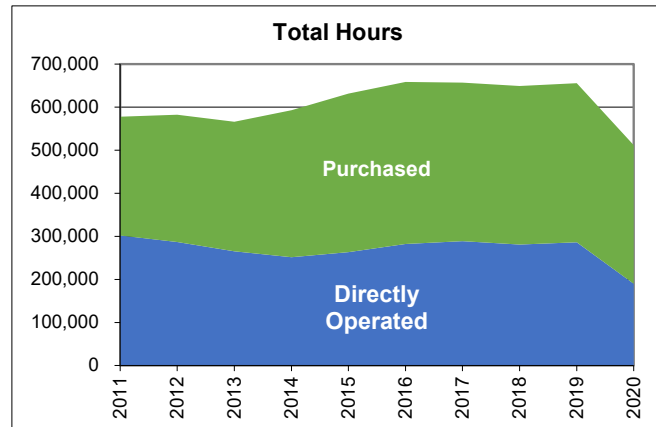
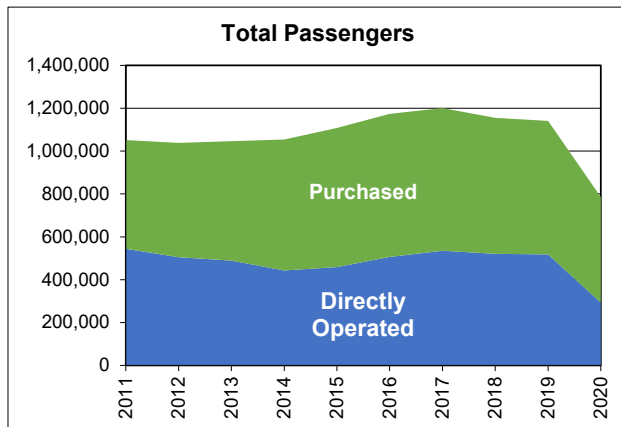
⁽¹⁾ Results impacted by COVID-19

VIA Metropolitan Transit

San Antonio, Texas

VIAtrans Service Statistics

Last Ten Fiscal Years



Fiscal Year	Total Passengers		Total Hours		Total Miles		Passengers per Hour	
	Directly Operated	Purchased	Directly Operated	Purchased	Directly Operated	Purchased	Directly Operated	Purchased
2011	543,981	507,888	302,135	275,986	5,496,656	6,034,974	1.80	1.84
2012	505,217	532,719	286,473	295,883	5,089,293	6,387,270	1.76	1.80
2013	488,752	557,800	265,249	300,535	4,480,271	6,404,527	1.84	1.86
2014	443,678	609,869	251,695	340,939	4,269,252	6,709,623	1.76	1.79
2015	458,282	650,131	263,343	368,139	4,620,731	7,152,795	1.74	1.77
2016	505,815	668,289	281,861	376,680	5,018,275	7,405,518	1.79	1.77
2017	535,285	665,547	288,551	368,234	5,062,700	7,199,213	1.86	1.81
2018	520,167	634,589	280,663	368,708	4,900,387	6,983,577	1.85	1.72
2019	518,184	623,135	286,328	369,238	5,085,099	7,112,376	1.81	1.69
2020 ⁽¹⁾	292,783	493,446	189,732	322,244	3,573,238	5,921,147	1.54	1.53

Source: VIA's Revenue Accounting Statistical Records.

VIA's Miles and Hours Report and Procurement's Contract Administrator for purchased service contracts.

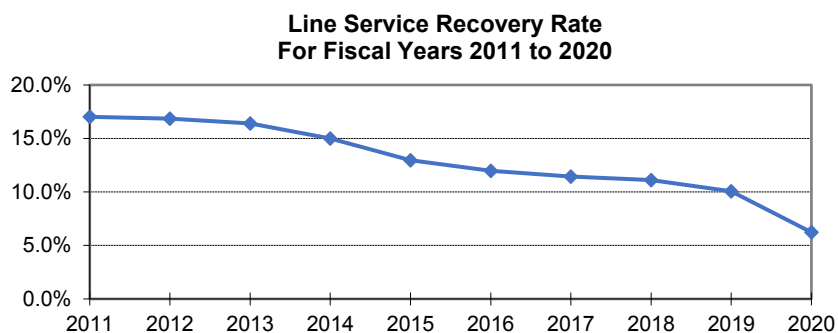
⁽¹⁾ Results impacted by COVID-19

VIA Metropolitan Transit

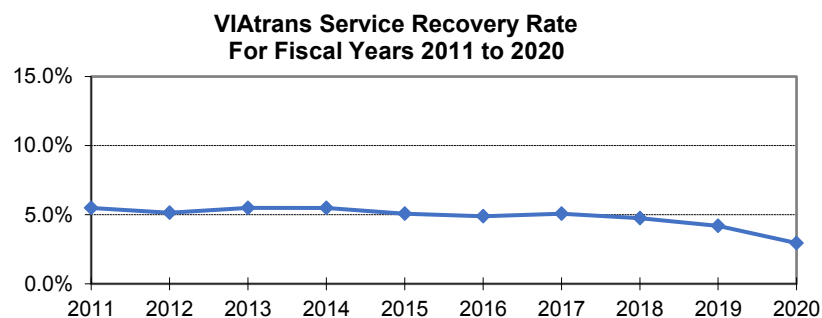
San Antonio, Texas

Line and VIAtrans Service Recovery Rate Last Ten Fiscal Years

Fiscal Year	Recovery Rate
2011	17.0%
2012	16.9%
2013	16.4%
2014	15.0%
2015	13.0%
2016	12.0%
2017	11.5%
2018	11.1%
2019	10.1%
2020	6.2%



Fiscal Year	Recovery Rate
2011	5.5%
2012	5.1%
2013	5.5%
2014	5.5%
2015	5.1%
2016	4.9%
2017	5.1%
2018	4.7%
2019	4.2%
2020	3.0%



Source: VIA's Annual Audited Financial Statements.

Note: Recovery rate is fare revenue divided by total expenses excluding depreciation.

VIA Metropolitan Transit

San Antonio, Texas

Service Miles by Cost Center Last Ten Fiscal Years

Fiscal Year	Line Service	Special Event	Charter/ Promotional Service	VIA Link	VIAtrans			Total
					Direct	Purchased	Van Disaster Relief	
2011	22,252,846	116,627	17,469	-	5,496,656	6,034,974	-	33,918,572
2012	22,308,405	122,658	16,283	-	5,089,293	6,387,270	-	33,923,909
2013	22,520,641	153,521	30,137	-	4,480,271	6,404,527	-	33,589,097
2014	22,877,589	143,754	27,242	-	4,269,252	6,709,623	-	33,858,704
2015	23,654,868	129,111	15,225	-	4,620,731	7,152,795	-	35,325,173
2016	24,097,912	115,500	8,151	-	5,018,275	7,405,518	-	36,341,534
2017	24,351,329	92,095	6,752	-	5,062,700	7,199,213	9,219	36,393,966
2018	25,153,738	114,367	4,718	-	4,900,387	6,983,577	-	36,867,668
2019	26,214,747	91,572	4,523	132,697	5,085,099	7,112,376	-	38,641,014
2020	24,603,469	34,793	10,131	395,377	3,573,238	5,921,147	3,921	34,542,076

Service Hours by Cost Center Last Ten Fiscal Years

Fiscal Year	Line Service	Special Event	Charter/ Promotional Service	VIA Link	VIAtrans			Total
					Direct	Purchased	Van Disaster Relief	
2011	1,604,282	8,287	2,201	-	302,135	275,986	-	2,192,891
2012	1,613,457	9,434	2,261	-	286,473	295,883	-	2,207,508
2013	1,618,364	12,234	3,232	-	265,249	300,535	-	2,199,614
2014	1,629,262	10,996	2,906	-	251,695	340,939	-	2,226,022
2015	1,678,728	10,093	1,930	-	263,343	368,139	-	2,307,895
2016	1,718,037	8,602	1,322	-	281,861	376,680	-	2,367,543
2017	1,747,733	7,067	1,179	-	288,551	368,234	1,797	2,394,214
2018	1,804,870	9,079	877	-	280,663	368,708	-	2,446,565
2019	1,877,679	8,153	903	12,388	286,328	369,238	-	2,554,689
2020	1,727,776	2,818	2,590	29,455	189,732	322,244	630	2,275,245

Source: VIA's Miles and Hours Report and Procurement's Contract Administrator for purchased service contracts.

(This page intentionally left blank)

VIA Metropolitan Transit

San Antonio, Texas

Revenues by Source Last Ten Fiscal Years

Fiscal Year	Operating Revenues	Non-Operating Revenues					Contributed Capital	Total
		Sales Tax ¹	Grant Revenues	Investment Income	CARES Act Revenue ³	Misc Income		
2011	25,334,327	121,503,049	23,279,480	617,320	-	-	13,230,025	183,964,201
2012	26,100,183	137,595,887	20,360,615	252,009	-	260,458	27,981,525	212,550,677
2013	27,200,883	146,637,838	25,145,760	(18,870)	-	73,893	117,491,316	316,530,820
2014	26,330,129	160,423,292	26,045,513	577,720	-	40,839	14,028,533	227,446,026
2015	24,737,184	167,008,011	27,047,155	853,433	-	-	21,974,093	241,619,876
2016	23,966,639	169,979,632	28,835,978	1,839,616	-	-	23,876,005	248,497,870
2017	23,106,162	175,460,169	29,133,682	1,357,966	-	2,633,990	25,819,959	257,511,928
2018	22,577,493	185,982,888	30,419,786	1,861,966	-	4,518,743	24,967,580	270,328,456
2019	22,246,666	196,317,552	39,285,411	4,008,706	-	10,000,000	(174,559)	271,683,776
2020	14,910,833	194,829,317	25,794,461	2,919,432	90,437,617	7,004,413	11,160,467	347,056,540

Expenses by Cost Center (Including Depreciation) Last Ten Fiscal Years

Fiscal Year	Line Service ²	Special Event	Charter/Promotional Service	VIATrans	VIA Link	Vanpool	Other Operating Expenses	Disaster Relief Van/Bus	Total Operating Expenses	Non-Operating Expenses	Total Expenses
2011	146,420,289	1,492,528	164,376	32,765,906	-	368,195	4,333,280	-	185,544,574	367,766	185,912,340
2012	150,416,200	1,698,539	142,909	33,140,705	-	539,429	4,832,847	-	190,770,629	546,141	191,316,770
2013	159,497,124	1,962,959	275,894	34,095,208	-	537,595	5,516,685	-	201,885,465	63,884	201,949,349
2014	167,004,628	1,807,553	162,317	36,908,809	-	551,133	11,732,401	-	218,166,841	3,542,815	221,709,656
2015	180,567,404	1,365,037	187,014	40,040,010	-	561,930	12,314,354	-	235,035,749	3,001,286	238,037,035
2016	186,842,126	1,258,534	105,340	43,478,439	-	608,055	15,745,892	-	248,038,386	3,815,676	251,854,062
2017	187,217,217	1,067,195	94,276	42,443,538	-	612,716	7,248,400	175,859	238,859,202	5,659,099	244,518,301
2018	197,334,643	1,289,167	70,183	42,378,161	-	599,124	8,639,091	-	250,310,369	5,774,084	256,084,453
2019	215,355,760	1,312,152	75,339	46,644,213	375,020	606,633	6,675,470	-	271,044,586	6,451,923	277,496,509
2020	227,328,045	478,094	34,327	40,718,761	995,067	643,780	6,364,934	18,358	276,581,366	5,998,256	282,579,623

Source: VIA's Annual Audited Financial Statements.

- Notes**
1. Sales tax includes amounts remitted to CoSA, TxDOT, and Bexar County.
 2. FY2008 through FY2013 Bus Rapid Transit Expense has been moved to Line Service Expense due to MAP21 (Sec. 5302) requirements which requires a dedicated lane for rapid transit buses during peak periods.
 3. VIA's portion of Coronavirus Aid, Relief, and Economic Security Act funds.

VIA Metropolitan Transit

San Antonio, Texas

Operating Expenses by Object Class Last Ten Fiscal Years

	Fiscal Year				
	2011 <u>Restated</u>	2012 <u>Restated</u>	2013 <u>Restated</u>	2014	2015
Operator	\$ 41,016,213	\$ 40,562,190	\$ 41,573,464	\$ 42,947,778	\$ 47,142,668
Garage	12,417,401	12,729,474	12,741,074	13,435,740	14,443,230
Salaried	20,365,495	21,028,258	20,927,964	22,054,983	24,170,612
<i>Total Labor</i>	<i>73,799,109</i>	<i>74,319,922</i>	<i>75,242,502</i>	<i>78,438,501</i>	<i>85,756,510</i>
Fringe Benefits	37,618,626	41,928,210	44,339,708	49,087,760	55,068,428
<i>Total Labor and Fringe Benefits</i>	<i>111,417,735</i>	<i>116,248,132</i>	<i>119,582,210</i>	<i>127,526,261</i>	<i>140,824,938</i>
Advertising Fees	376,212	457,068	834,106	868,797	590,285
Prof. & Tech Fees	2,546,400	2,602,244	5,012,806	5,575,998	6,487,853
Temporary Help	-	-	-	-	-
Contract Maintenance	1,834,136	1,900,734	2,304,871	2,727,184	2,917,234
Custodial Services	-	-	-	-	-
Security Services	1,652,563	1,610,368	1,576,519	1,668,227	2,019,443
Other Services	522,596	550,437	571,305	545,909	722,178
<i>Total Services</i>	<i>6,931,907</i>	<i>7,120,851</i>	<i>10,299,607</i>	<i>11,386,115</i>	<i>12,736,993</i>
Fuel & Lubricants	19,866,016	20,155,666	23,177,525	22,148,972	21,327,903
Tires & Tubes	1,299,140	1,365,594	1,374,880	1,200,905	1,226,545
Other Materials & Supplies	8,739,916	9,355,225	9,725,894	9,478,859	10,679,662
<i>Total Materials & Supplies</i>	<i>29,905,072</i>	<i>30,876,485</i>	<i>34,278,299</i>	<i>32,828,736</i>	<i>33,234,110</i>
Utilities	1,647,480	1,572,250	2,006,016	2,223,969	2,432,041
Casualty & Liability	341,603	1,231,907	1,243,807	885,038	1,706,027
Taxes	1,526,586	1,536,285	1,573,900	1,480,347	1,497,985
Purchased Transportation	9,911,331	10,916,344	10,410,650	12,405,128	13,630,089
Dues & Subscriptions	532,092	416,275	379,151	405,648	382,293
Training & Meetings	353,681	407,148	487,004	494,390	528,531
Fines & Penalties	-	600	-	294	-
Bad Debt Expense	847	7,352	2,635	8,858	1,040
Advertising/Promotion Media	406,816	437,122	514,553	929,762	477,899
Miscellaneous Expense	724,770	678,063	783,941	727,381	873,733
<i>Total Miscellaneous Expense</i>	<i>2,018,206</i>	<i>1,946,561</i>	<i>2,167,284</i>	<i>2,566,333</i>	<i>2,263,496</i>
Interest Expense	-	-	-	-	-
Leases & Rentals	256,265	286,692	296,882	247,471	445,654
Expense transfer to Capital Program	-	-	(906,641)	(1,069,530)	(928,952)
<i>Total Operating Expense Before Depreciation & Capitalized Amounts</i>	<i>163,956,186</i>	<i>171,735,507</i>	<i>180,952,014</i>	<i>190,479,868</i>	<i>207,842,381</i>
Depreciation	21,588,388	19,035,123	20,933,451	22,804,973	22,275,368
Allowance	-	-	-	4,882,000	4,918,000
Indirect Expense (Capitalized)	-	-	-	-	-
Fringe Expense (Capitalized)	-	-	-	-	-
<i>Total Operating Expenses</i>	<i>\$ 185,544,574</i>	<i>\$ 190,770,629</i>	<i>\$ 201,885,465</i>	<i>\$ 218,166,841</i>	<i>\$ 235,035,749</i>

Source: VIA's Annual Audited Financial Statements

Fiscal Year						
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	
\$	48,017,399	51,056,596	\$ 55,778,595	\$ 58,805,412	\$ 56,730,903	Operator
	15,426,170	16,309,026	16,469,534	17,896,920	20,010,861	Garage
	26,825,279	27,795,474	29,373,615	31,572,377	33,218,343	Salaried
	90,268,847	95,161,096	101,621,745	108,274,710	109,960,107	Total Labor
	61,828,682	59,108,167	56,583,203	60,002,531	69,290,179	Fringe Benefits
	152,097,529	154,269,263	158,204,948	168,277,241	179,250,286	Total Labor and Fringe Benefits
	202,540	344,039	559,265	1,898,900	568,222	Advertising Fees
	5,994,215	6,712,151	6,382,451	7,011,781	5,020,618	Prof. & Tech Fees
	52,107	166,871	150,390	135,056	95,810	Temporary Help
	3,283,320	3,341,287	3,989,942	4,473,270	4,925,465	Contract Maintenance
	-	-	-	-	-	Custodial Services
	2,107,951	2,023,186	2,311,541	2,959,408	3,066,466	Security Services
	770,920	1,022,580	1,109,390	1,671,749	1,982,807	Other Services
	12,411,053	13,610,114	14,502,979	18,150,164	15,659,388	Total Services
	18,039,638	12,151,290	7,302,290	7,606,705	(189,760)	Fuel & Lubricants
	1,367,306	1,489,717	1,702,636	1,795,781	1,591,270	Tires & Tubes
	11,425,533	10,299,360	9,839,658	11,448,235	13,268,207	Other Materials & Supplies
	30,832,477	23,940,367	18,844,584	20,850,721	14,669,717	Total Materials & Supplies
	2,792,929	3,019,717	3,305,183	3,601,087	3,387,453	Utilities
	1,015,344	2,549,143	2,388,207	2,377,519	1,660,606	Casualty & Liability
	1,389,149	1,225,911	584,150	436,838	383,939	Taxes
	14,800,400	14,798,855	15,622,172	17,631,858	15,356,298	Purchased Transportation
	473,051	405,119	511,733	381,458	380,603	Dues & Subscriptions
	482,994	446,958	353,685	471,756	313,217	Training & Meetings
	33,342	-	-	60	-	Fines & Penalties
	148,593	17,962	30,255	(1,549)	148,799	Bad Debt Expense
	329,205	233,129	721,060	1,105,256	4,611,323	Advertising/Promotion Media
	896,811	806,063	1,068,144	1,068,656	841,016	Miscellaneous Expense
	2,363,996	1,909,231	2,684,877	3,025,637	6,294,958	Total Miscellaneous Expense
						Interest Expense
	258,837	334,583	324,013	352,449	374,082	Leases & Rentals
	(703,638)	(810,585)	(513,269)	(361,903)	(340,247)	Expense transfer to Capital Program
	217,258,076	214,846,599	215,947,844	234,341,611	236,696,480	Total Operating Expense Before Depreciation & Capitalized Amounts
	22,200,678	24,012,603	34,362,525	36,702,975	39,884,886	Depreciation
	8,579,632	-	-	-	-	Allowance
	-	-	-	-	-	Indirect Expense (Capitalized)
	-	-	-	-	-	Fringe Expense (Capitalized)
\$	248,038,386	\$ 238,859,202	\$ 250,310,369	\$ 271,044,586	\$ 276,581,366	Total Operating Expenses

VIA Metropolitan Transit

San Antonio, Texas

Capital Assets

Last Ten Fiscal Years

	2011 Restated	2012 Restated	2013 Restated	2014	2015	2016
Land	\$ 27,209,314	\$ 27,209,314	\$ 31,729,733	\$ 31,812,673	\$ 32,841,276	\$ 33,891,182
Revenue Vehicles						
Bus	139,158,252	139,405,043	156,393,853	161,102,879	163,792,050	165,240,017
Van	8,341,255	8,194,102	16,177,015	13,062,931	12,390,028	12,531,053
Total Revenue Vehicles	147,499,506	147,599,144	172,570,868	174,165,810	176,182,078	177,771,070
Service Vehicles						
Trucks	2,069,486	2,419,698	2,397,254	2,500,468	3,007,261	3,073,640
Automobiles	1,391,934	1,190,073	939,038	897,848	990,916	1,033,832
Other Service Vehicles	357,641	455,229	592,318	701,175	714,009	730,539
Total Service Vehicles	3,819,060	4,064,999	3,928,610	4,099,491	4,712,186	4,838,011
Buildings and Structures						
Transit Way Facilities	38,991,798	38,991,798	38,962,046	38,948,550	39,422,162	39,487,969
Passenger Stations	48,625,854	49,206,787	69,465,333	71,174,228	80,689,459	82,536,760
Passenger Parking Stations	2,618,686	2,618,686	2,618,686	2,618,686	2,618,686	2,618,686
Operating Yards and Stations	15,277,206	17,270,455	17,783,579	18,010,568	18,131,642	18,226,057
Vehicle Maintenance Shops and Garages	17,570,026	18,557,910	18,562,713	18,623,635	18,805,095	19,024,906
Other General Administration Facilities	17,677,094	17,851,130	18,536,882	18,953,212	21,551,971	21,714,105
Stadium/Depot Complex	6,437,115	6,437,115	6,437,115	6,437,115	6,437,115	6,437,115
Total Buildings and Structures	147,197,779	150,933,881	172,366,354	174,765,995	187,656,130	190,045,598
Equipment						
Passenger Stations	3,266,389	2,445,424	3,249,984	3,249,984	3,258,088	3,258,088
Operating Yards and Stations	78,954	83,646	199,938	323,809	436,506	462,309
Vehicle Maintenance Shops and Garages	1,847,220	2,280,783	2,704,444	3,088,946	3,342,263	3,499,320
Other General Administration Facilities	1,486,143	578,057	594,149	611,740	651,360	652,535
Revenue Vehicle Movement Control	15,410,420	15,363,365	15,363,365	15,493,408	15,244,418	15,206,752
Revenue Collection and Processing	343,476	337,586	341,679	340,268	9,244,995	9,330,962
Data Processing	13,231,350	9,321,340	16,437,124	17,455,993	17,996,076	17,965,381
Communication	4,027,759	4,112,984	4,124,438	4,152,708	4,188,880	4,748,407
Office Equipment	121,776	150,401	190,677	396,880	495,958	578,918
Total Equipment	39,813,487	34,673,586	43,205,798	45,113,736	54,858,544	55,702,672
Total Capital Assets Before Depreciation	365,539,146	364,480,925	423,801,363	429,957,705	456,250,214	462,248,533
Accumulated Depreciation						
Revenue Vehicles	(93,746,131)	(103,077,815)	(110,594,492)	(116,038,273)	(125,114,295)	(134,259,461)
Service Vehicles	(3,221,642)	(3,284,327)	(3,087,851)	(3,393,392)	(3,735,614)	(4,079,811)
Buildings and Structures	(108,594,211)	(113,991,594)	(121,292,354)	(129,193,302)	(136,386,968)	(144,210,994)
Equipment	(31,298,434)	(27,882,391)	(31,326,126)	(35,130,813)	(38,909,956)	(42,886,132)
Total Accumulated Depreciation	(236,860,419)	(248,236,127)	(266,300,823)	(283,755,779)	(304,146,833)	(325,436,398)
Allowance for Capital Projects						
Allowance for Capital Projects	-	-	(4,882,000)	(9,800,000)	-	-
Total Allowance for Capital Projects	-	-	(4,882,000)	(9,800,000)	-	-
Work In Progress						
Revenue Vehicles	582,964	16,894,876	1,965,827	2,279,032	108,277	8,983,042
Service Vehicles	-	-	-	-	116,670	-
Buildings and Structures	8,663,926	19,028,659	20,766,453	42,838,973	55,874,682	53,233,428
Equipment	1,972,506	7,220,735	7,765,256	9,687,289	2,721,347	4,740,012
Total Work In Progress	11,219,396	43,144,270	30,497,535	54,805,294	58,820,976	66,956,482
Net Capital Assets	\$ 139,898,124	\$ 159,389,069	\$ 183,116,076	\$ 191,207,221	\$ 210,924,358	\$ 203,768,618

Source: VIA's Annual Audited Financial Statements

2017	2018	2019	2020
\$ 33,094,493	\$ 33,334,256	\$ 33,334,256	\$ 33,522,689
282,101,388	278,303,551	285,554,230	285,750,606
12,560,208	14,250,641	14,349,729	14,349,729
294,661,596	292,554,191	299,903,960	300,100,336
3,073,640	4,181,082	4,225,311	5,514,895
1,033,832	1,005,447	1,005,447	1,005,447
730,537	735,839	735,839	735,839
4,838,009	5,922,368	5,966,597	7,256,181
44,458,346	45,543,988	45,557,046	46,178,140
113,333,160	123,384,288	126,659,333	148,971,336
2,618,686	22,237,701	23,427,785	23,454,947
18,410,821	31,558,093	31,669,509	32,507,576
20,018,060	20,602,770	20,878,169	20,967,357
23,704,819	25,166,015	25,804,447	27,137,747
6,437,115	6,437,115	6,437,115	6,437,115
228,981,007	274,929,969	280,433,405	305,654,219
3,290,084	3,290,084	3,280,374	3,280,374
510,985	1,940,144	1,951,561	2,540,490
3,508,734	3,623,239	3,616,680	3,606,840
607,566	660,345	571,884	723,233
15,206,752	15,202,277	15,162,593	15,162,593
9,415,460	10,826,024	13,025,244	13,059,507
18,654,577	21,858,449	13,350,840	14,601,978
5,229,837	6,920,625	7,979,783	11,868,910
576,352	1,720,123	1,434,339	1,456,967
57,000,347	66,041,310	60,373,297	66,300,892
618,575,452	672,782,095	680,011,514	712,834,317
(146,152,107)	(106,564,215)	(123,737,826)	(143,944,953)
(4,427,497)	(4,660,131)	(4,738,987)	(5,513,218)
(151,740,938)	(159,559,202)	(168,709,647)	(181,206,243)
(46,638,339)	(50,307,622)	(45,239,527)	(51,602,759)
(348,958,881)	(321,091,169)	(342,425,987)	(382,267,173)
-	-	-	-
-	-	-	-
16,479,450	1,847,937	131,013	12,029,674
-	119,625	48,043	17,410
63,447,824	41,618,794	55,378,986	35,553,055
12,499,858	9,450,179	8,560,384	6,639,438
92,427,132	53,036,535	64,118,426	54,239,577
\$ 362,043,704	\$ 404,727,462	\$ 401,703,954	\$ 384,806,721

Land

Revenue Vehicles

Bus
Van
Total Revenue Vehicles

Service Vehicles

Trucks
Automobiles
Other Service Vehicles
Total Service Vehicles

Buildings and Structures

Transit Way Facilities
Passenger Stations
Passenger Parking Stations
Operating Yards and Stations
Vehicle Maintenance Shops and Garages
Other General Administration Facilities
Stadium/Depot Complex
Total Buildings and Structures

Equipment

Passenger Stations
Operating Yards and Stations
Vehicle Maintenance Shops and Garages
Other General Administration Facilities
Revenue Vehicle Movement Control
Revenue Collection and Processing
Data Processing
Communication
Office Equipment
Total Equipment

Total Capital Assets Before Depreciation

Accumulated Depreciation

Revenue Vehicles
Service Vehicles
Buildings and Structures
Equipment
Total Accumulated Depreciation

Allowance for Capital Projects

Allowance for Capital Projects
Total Allowance for Capital Projects

Work In Progress

Revenue Vehicles
Service Vehicles
Buildings and Structures
Equipment
Total Work In Progress

Net Capital Assets

VIA Metropolitan Transit Retirement Plan

San Antonio, Texas

Changes in Net Position

Last Ten Fiscal Years

(dollars in thousands)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Additions										
Member Contributions	\$ 3,224	\$ 3,441	\$ 3,703	\$ 4,227	\$ 4,236	\$ 4,122	\$ 4,487	\$ 4,421	\$ 4,258	\$ 4,102
Employer Contributions	7,321	8,259	10,639	9,799	12,144	12,908	13,308	12,480	14,729	14,346
Investment Income (net of expenses)	1,646	29,942	25,017	22,741	2,675	21,792	33,716	29,240	10,588	33,587
Total additions to plan net position	12,191	41,642	39,359	36,767	19,055	38,822	51,511	46,141	29,575	52,035
Deductions										
Benefit Payments	13,502	14,525	16,093	17,168	18,877	19,424	21,398	22,706	24,573	24,111
Refunds	252	186	461	218	346	366	380	255	238	336
Administrative Expenses	238	218	241	215	236	144	255	121	145	138
Total Deductions from plan net position	13,992	14,929	16,795	17,601	19,459	19,934	22,033	23,082	24,956	24,585
Change in net position	\$ (1,801)	\$ 26,713	\$ 22,564	\$ 19,166	\$ (404)	\$ 18,888	\$ 29,478	\$ 23,059	\$ 4,619	\$ 27,450

Benefit and Refund Deductions from Net Position by Type

Last Ten Fiscal Years

(dollars in thousands)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Type of Benefit										
Age and service benefits	\$ 11,403	\$ 12,216	\$ 13,572	\$ 14,630	\$ 16,049	\$ 16,330	\$ 18,060	\$ 19,254	\$ 20,676	\$ 20,395
Disability benefits	836	929	996	1,076	1,233	1,346	1,470	1,625	1,655	1,692
Beneficiaries	1,263	1,380	1,525	1,462	1,595	1,748	1,868	1,827	1,839	2,024
Total benefits	13,502	14,525	16,093	17,168	18,877	19,424	21,398	22,706	24,170	24,111
Type of Refund										
Separation	252	186	461	218	346	366	380	255	238	336
Death										
Total refunds	\$ 252	\$ 186	\$ 461	\$ 218	\$ 346	\$ 366	\$ 380	\$ 255	\$ 238	\$ 336

VIA Metropolitan Transit Retirement Plan

San Antonio, Texas

Retired Members by Type of Benefit

As of September 30, 2020

Amount of Monthly Benefit	Number of Retired Members	Type of Retirement ¹							Option Selected ²					
		1	2	3	4	5	6	7	1	2	3	4	5	6
\$1 - \$500	181	3	48	24	12	16	76	2	70	4	3	25	23	55
501 - 1,000	246	14	101	30	29	11	57	4	65	18	9	19	52	86
1,001 - 1,500	178	18	70	11	29	3	38	9	44	9	5	10	41	67
1,501 - 2,000	109	31	33	7	16	5	13	4	25	7	4	8	26	38
2,001 - 2,500	136	71	28	10	13	2	11	1	26	6	5	11	43	45
2,501 - 3,000	115	80	19	6	8	0	1	1	23	5	5	8	36	38
Over 3,000	214	159	9	10	31	0	3	2	48	6	9	13	63	73
Total	1,179	376	308	98	138	37	199	23	301	55	40	94	284	402
Deferred	82								Excludes 3 Death in Service Term Certain Options					3
Total w/Deferred	1,261													Total
														1,179
														Deferred
														82
														Total w/Deferred and Term Certain Options
														1,261

¹ Type of retirement:

- 1 - Normal Retirement for age and service
- 2 - Early Retirement
- 3 - Disability Retirement
- 4 - Late Retirement
- 5 - Vested Termination Retirement
- 6 - Beneficiary, all types except death in service plus alternate payees
- 7 - Beneficiary, death in service

² Option Selected:

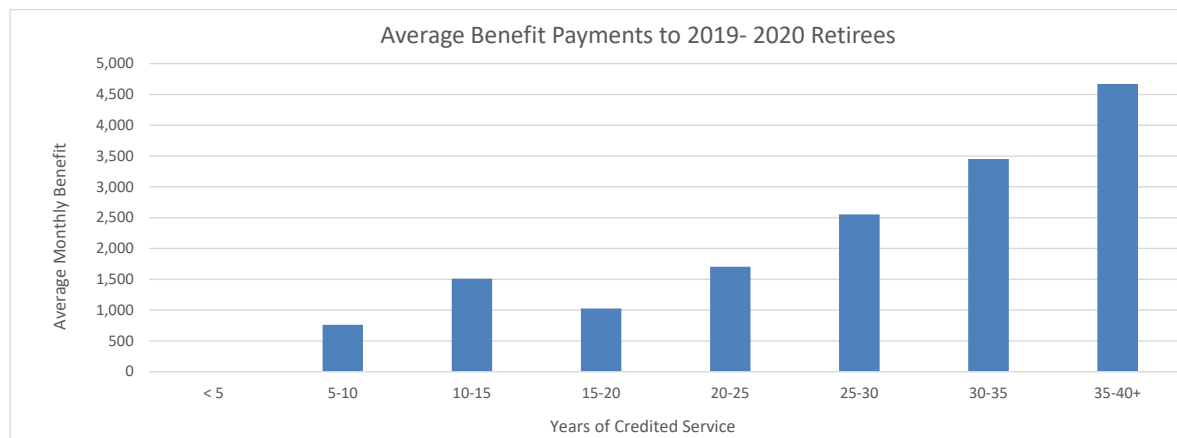
- Option 1 - Life only
- Option 2 - 5 year certain and life
- Option 3 - 10 year certain and life
- Option 4 - 15 year certain and life
- Option 5 - Joint and 50% survivor
- Option 6 - Joint and 100% survivor
- (Excludes 3 death in service term certain options)

VIA Metropolitan Transit Retirement Plan

San Antonio, Texas

Average Benefit Payments Last Ten Years

Retirement Effective Dates	Years Credited Service							
	0-5	5-10	10-15	15-20	20-25	25-30	30-35	35-40+
2010 - 2011								
Average Monthly Benefit	\$ 500	\$ 582	\$ 837	\$ 1,056	\$ 1,430	\$ 2,573	\$ 2,673	\$ 3,231
Average Final Average Salary	\$ 28,145	\$ 46,639	\$ 44,838	\$ 45,109	\$ 48,907	\$ 52,684	\$ 54,675	\$ 58,231
Number of Active Retirants	1	1	7	7	6	9	14	6
2011 - 2012								
Average Monthly Benefit	\$ 285	\$ 439	\$ 782	\$ 1,062	\$ 1,491	\$ 2,471	\$ 2,861	\$ 3,662
Average Final Average Salary	\$ 38,117	\$ 39,502	\$ 48,801	\$ 47,504	\$ 47,914	\$ 59,327	\$ 55,681	\$ 65,396
Number of Active Retirants	1	1	9	5	3	9	10	8
2012 - 2013								
Average Monthly Benefit	\$ -	\$ 430	\$ 718	\$ 982	\$ 1,156	\$ 2,516	\$ 2,731	\$ 4,226
Average Final Average Salary	\$ -	\$ 40,461	\$ 39,314	\$ 38,714	\$ 43,209	\$ 58,176	\$ 56,142	\$ 72,406
Number of Active Retirants	-	10	6	7	6	6	17	14
2013 - 2014								
Average Monthly Benefit	\$ -	\$ 425	\$ 562	\$ 1,040	\$ 1,657	\$ 2,865	\$ 3,246	\$ 3,771
Average Final Average Salary	\$ -	\$ 35,020	\$ 29,016	\$ 40,021	\$ 48,571	\$ 62,333	\$ 60,134	\$ 61,360
Number of Active Retirants	-	5	4	5	7	12	15	10
2014 - 2015								
Average Monthly Benefit	\$ -	\$ 445	\$ 983	\$ 1,045	\$ 1,249	\$ 2,454	\$ 3,282	\$ 4,081
Average Final Average Salary	\$ -	\$ 45,108	\$ 45,206	\$ 48,027	\$ 45,431	\$ 58,958	\$ 64,250	\$ 62,905
Number of Active Retirants	-	9	4	8	6	12	11	5
2015 - 2016								
Average Monthly Benefit	\$ -	\$ 508	\$ 602	\$ 1,489	\$ 1,310	\$ 2,779	\$ 2,875	\$ 3,253
Average Final Average Salary	\$ -	\$ 48,569	\$ 41,885	\$ 69,995	\$ 48,461	\$ 64,777	\$ 60,476	\$ 85,724
Number of Active Retirants	-	2	7	9	4	11	10	4
2016 - 2017								
Average Monthly Benefit	\$ -	\$ 529	\$ 862	\$ 1,300	\$ 1,880	\$ 2,734	\$ 3,472	\$ 3,621
Average Final Average Salary	\$ -	\$ 47,126	\$ 50,559	\$ 64,050	\$ 56,463	\$ 68,405	\$ 70,017	\$ 65,143
Number of Active Retirants	-	6	12	5	8	9	12	11
2017 - 2018								
Average Monthly Benefit	\$ -	\$ 635	\$ 889	\$ 1,065	\$ 1,923	\$ 2,943	\$ 4,025	\$ 5,049
Average Final Average Salary	\$ -	\$ 67,963	\$ 55,617	\$ 42,716	\$ 56,179	\$ 64,458	\$ 76,753	\$ 89,949
Number of Active Retirants	-	4	5	10	9	12	10	12
2018 - 2019								
Average Monthly Benefit	\$ -	\$ 470	\$ 766	\$ 1,315	\$ 2,017	\$ 2,904	\$ 3,812	\$ 4,384
Average Final Average Salary	\$ -	\$ 40,259	\$ 51,425	\$ 56,105	\$ 66,431	\$ 66,787	\$ 71,995	\$ 75,274
Number of Active Retirants	-	6	10	11	7	11	9	7
2019 - 2020								
Average Monthly Benefit	\$ -	\$ 763	\$ 1,510	\$ 1,025	\$ 1,703	\$ 2,553	\$ 3,452	\$ 4,670
Average Final Average Salary	\$ -	\$ 52,262	\$ 85,313	\$ 49,289	\$ 56,169	\$ 62,137	\$ 66,501	\$ 78,237
Number of Active Retirants	-	1	12	9	8	16	22	10



(This page intentionally left blank.)



800 WEST MYRTLE, P.O. BOX 12489
SAN ANTONIO, TEXAS 78212
(210) 362-2000

ADMINISTRATIVE FAX (210) 362-2570
PROCUREMENT FAX (210) 362-2586
FISCAL MANAGEMENT FAX (210) 362-2571



VIAINFO.NET