



GALVESTON WHARVES

THE PORT OF EVERYTHING

Supplemental Information For the 2025 Annual Budget

Operating | Renewal & Replacement | Capital Improvements

Board of Trustees | November 26, 2024



Overview of the 2025 Proposed Budget

The 2025 Proposed Budget is being presented utilizing the same format as the monthly forecasted results presented at the monthly Finance Committee and Board Meetings.

Realistically-estimated revenue and expense projections were used to support the related budgeted levels of activity for 2025. Cargo and Cruise revenues include increased rates.

Major 2025 Projects (Projected Spending > \$500K in 2025):

- CT 16 Terminal
- CT 16 Parking Garage
- Wharf Road Improvements (Rider 37)
- SCP Walkway
- Express Lot Expansion
- Pier 38-41 Rehabilitation
- Demolition of grain elevator
- Old Port Industrial Improvements
- Pier 38 Bulkhead: TxDOT Grant
- Pier 40 Bulkhead: TxDOT Grant
- Pier 38 Slip Fill
- Pier 28 Rehabilitation

Compare Summary of 2024 10+2 Forecast to 2025 Proposed Budget

	2024 10+2 Forecast	2025 Budget Proposed	Increase/ (Decrease) \$	Increase/ (Decrease) %
Total Revenue From Operations	\$ 77,965,486	\$ 83,089,289	\$ 5,123,803	6.6%
Operating Expenses				
Total Salaries and Related Expenses				
Salaries, Payroll Taxes, and Pension	\$ 12,137,078	\$ 13,713,585	\$ 1,576,508	13.0%
Health & Welfare	1,625,457	2,344,704	719,246	44.2%
Related Employee Expenses	354,845	607,177	252,333	71.1%
Total Contract Services				
Contract Services	7,439,843	7,474,859	35,016	0.5%
Ship Service Expense	-	-	-	0.0%
Total Repairs and Maintenance	3,474,515	3,626,834	152,319	4.4%
Total Other Operating Expenses	9,049,165	9,819,077	769,912	8.5%
Total Office & Sales Expenses	1,566,744	2,316,861	750,117	47.9%
Total Operating Expenses Before Depreciation and Amortization	\$ 35,647,647	\$ 39,903,097	\$ 4,255,450	11.9%
Net Operating Income (Loss) Before Depreciation and Amortization	\$ 42,317,840	\$ 43,186,192	\$ 868,353	2.1%
Depreciation Expense	12,430,283	14,376,236	1,945,953	15.7%
Net Operating Income (Loss) After Depreciation and Amortization	\$ 29,887,556	\$ 28,809,956	\$ (1,077,600)	-3.6%
Total Non Operating Income	6,404,647	46,993,365	40,588,719	633.7%
Total Non Operating Expenses	8,850,246	10,996,763	2,146,518	24.3%
Net Income (Loss)	\$ 27,441,958	\$ 64,806,558	\$ 37,364,601	136.2%

SUMMARY OF 2025 BUDGET

Operating Income

\$28.8M

\$1.1M less than 2024 10 + 2 Fcst.

Operating Revenue

\$83.1M

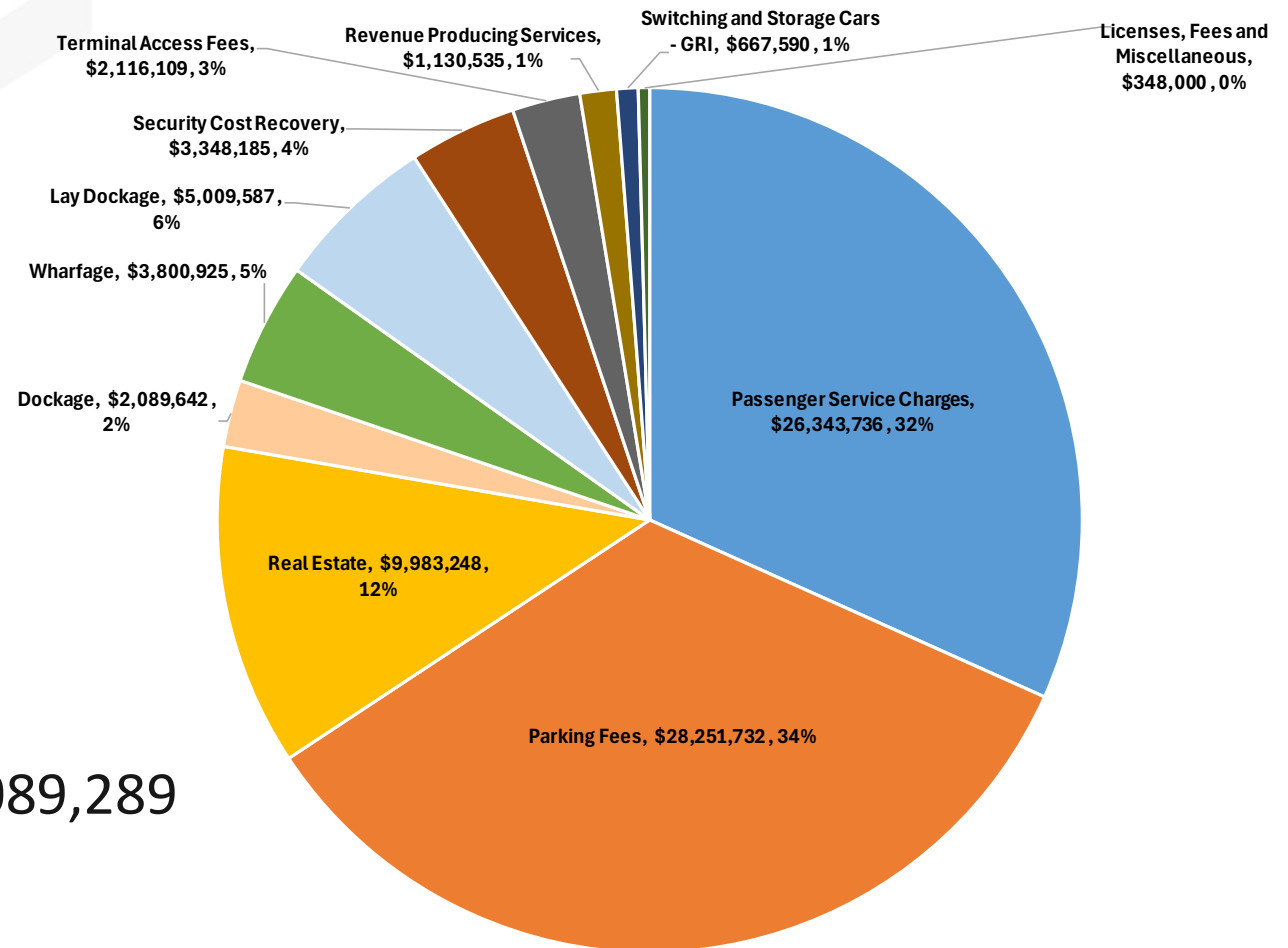
\$5.1M above 2024 10+2 Fcst - Increase is primarily due to cruise related categories (\$5.8M), Wharfage (\$0.5M), Dockage (\$0.3M), Rail (\$0.3M) and Terminal Access Fees (\$0.2M), offset by Real Estate (**\$1.2M**), License, Fees and Miscellaneous (**\$0.5M**) and Security Recovery Cost (**\$0.1M**).

Operating Expenses Before Depreciation

\$39.9M

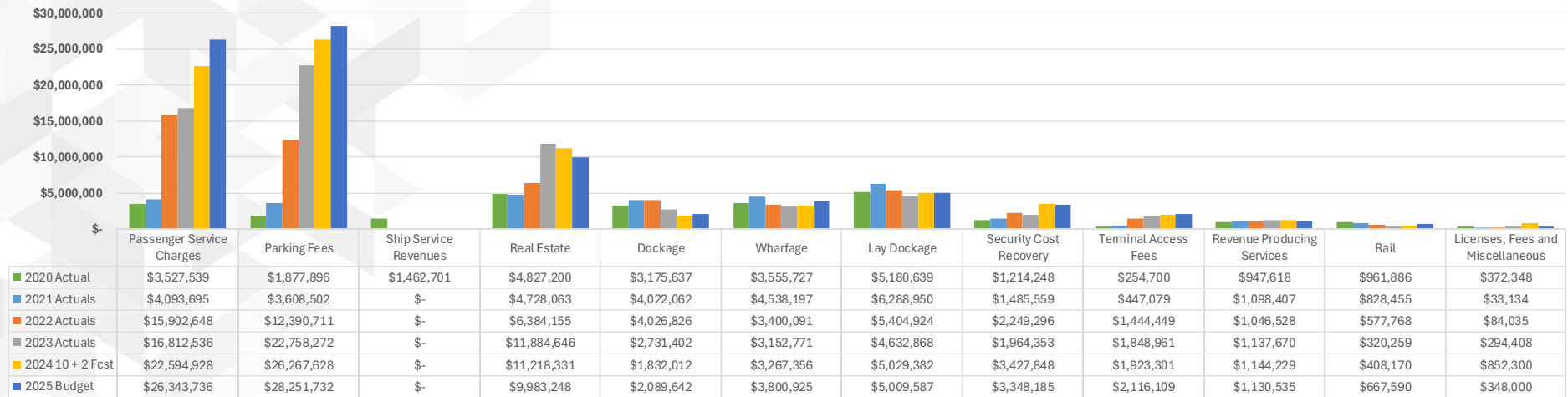
\$4.3M over 2024 10+2 Fcst - Primarily due to employee expenses (**\$2.5M**), repairs & maintenance (**\$0.2M**), other operating expenses (**\$0.8M**) and office and sales expenses (**\$0.8M**).

2025 PROPOSED REVENUES FROM OPERATIONS

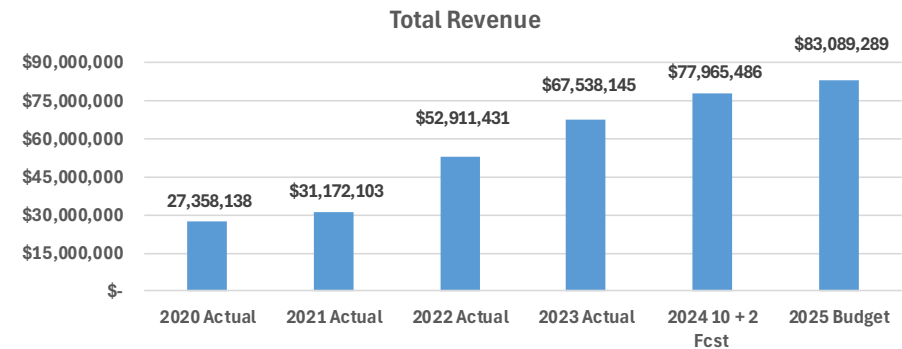


TOTAL: \$83,089,289

2025 PROPOSED BUDGETED REVENUE FROM OPERATIONS



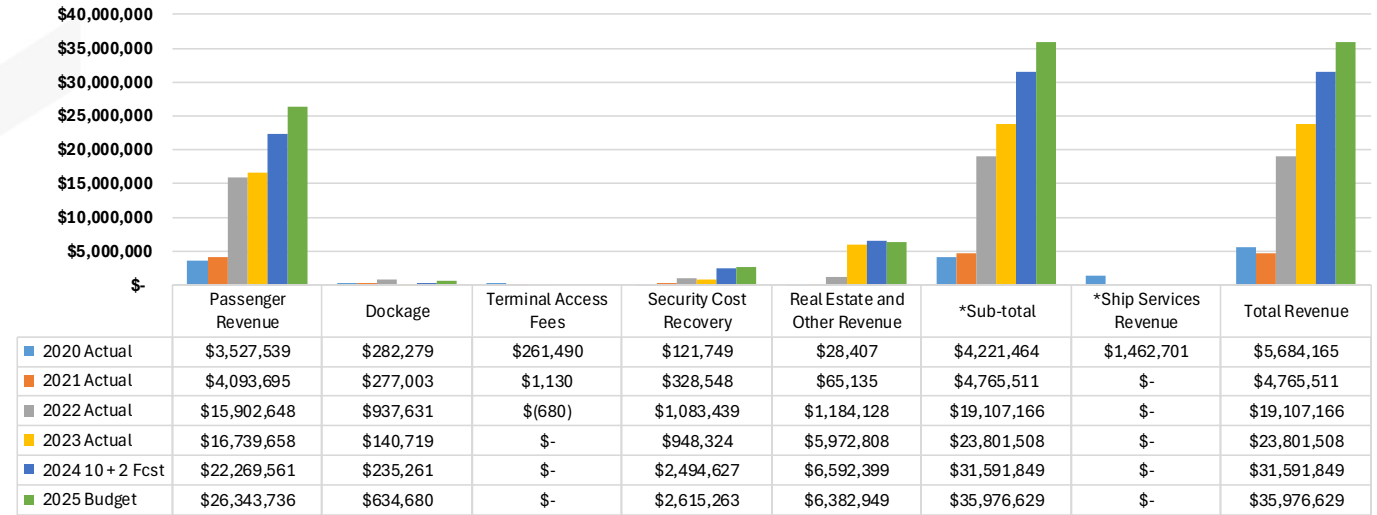
- Cruise ship calls projected are 416, 8% increase over 2024.
- Ground transportation projected cars are 223,706 in 2025.



CRUISE TERMINAL REVENUE TREND / PASSENGERS

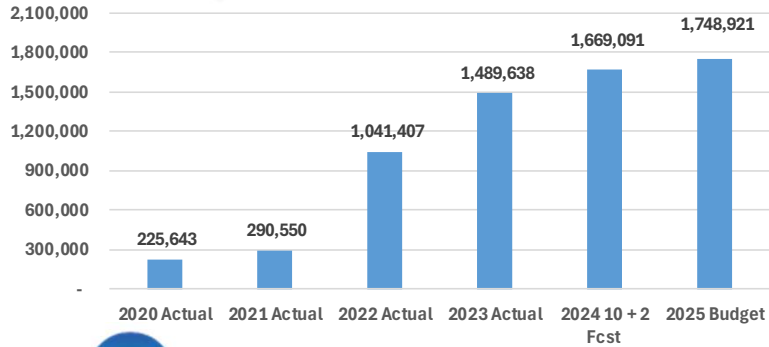
Total Cruise Revenue of \$35,976,629, is 14% over 2024 10 + 2 Fcst

- Due to contract changes, Ship Services Revenue & Expenses are no longer applied effective in 2021 post Covid.



*Sub-total excludes Ship Services Revenue

Passengers



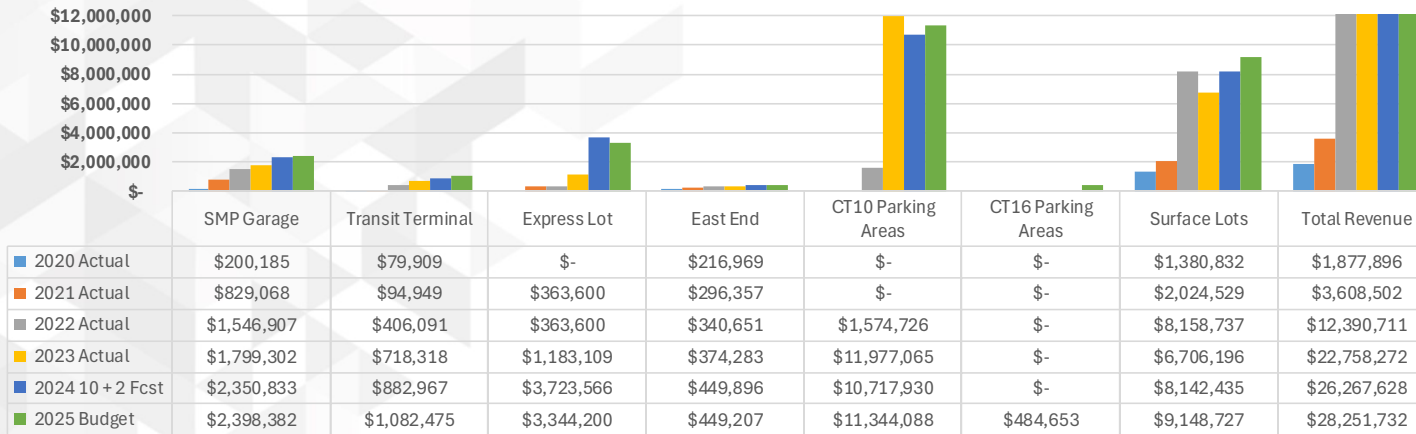
Total Passengers are 1,748,921, which is 5% over 2024 10 + 2 Fcst

Average Occupancy Projections

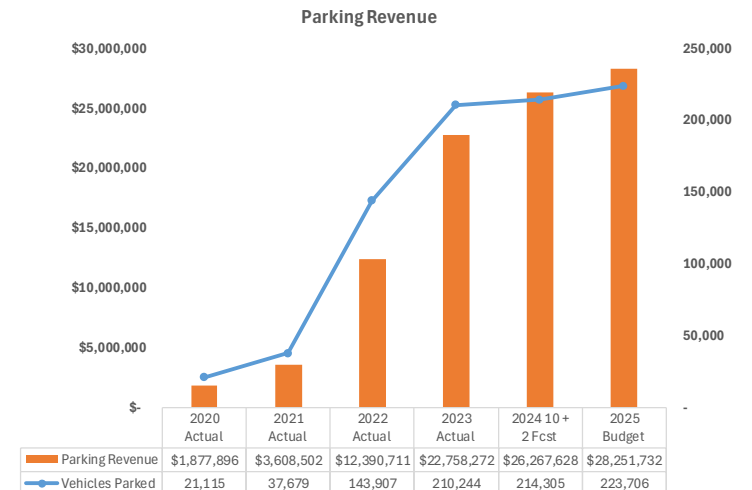
- Royal – 99% occupancy
- Carnival – 88% occupancy
- Disney – 89% occupancy
- Norwegian – 101% occupancy
- MSC – 90% occupancy



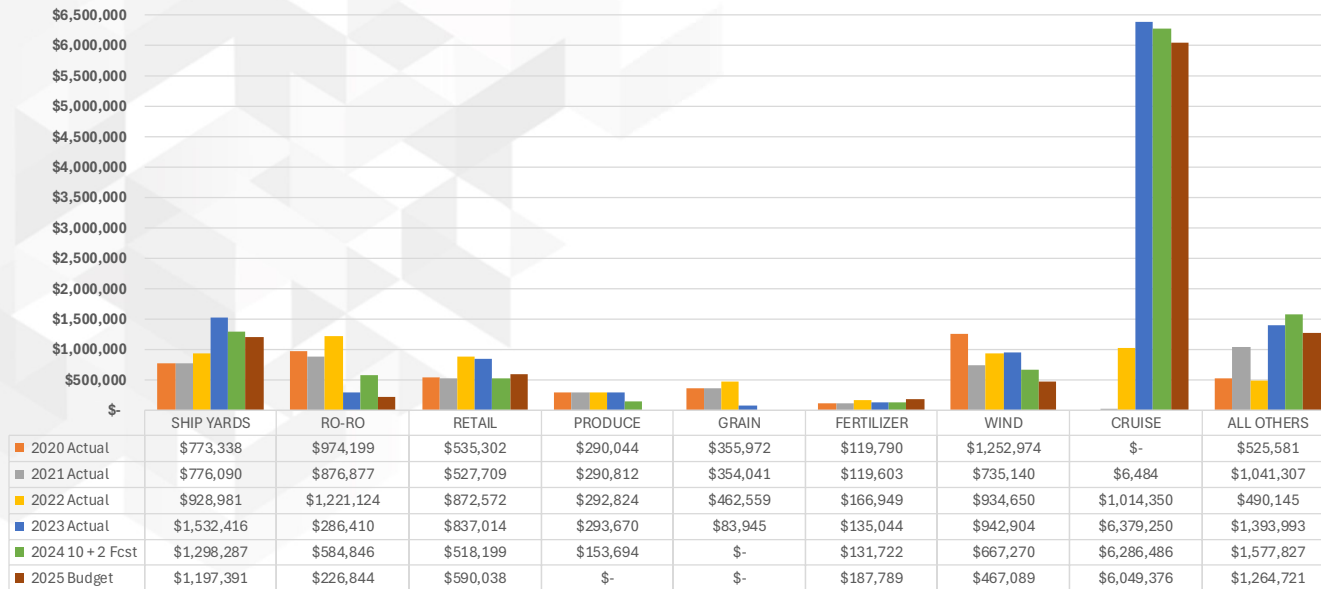
PARKING REVENUE TREND AND VEHICLES PARKED



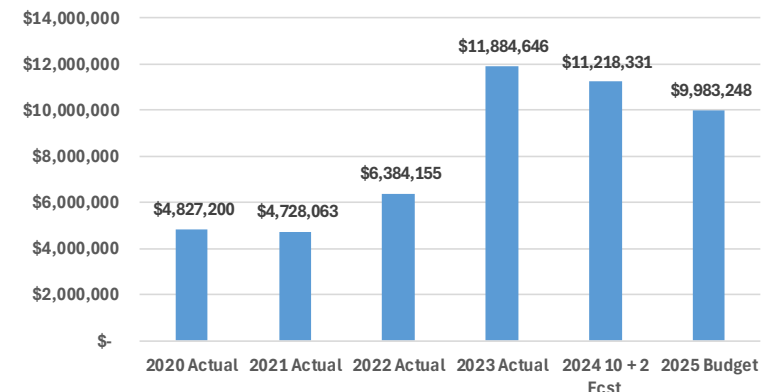
Total Parking Revenues is \$28,251,732 which is 8% over 2024 10 + 2 Fcst



REAL ESTATE REVENUE TREND

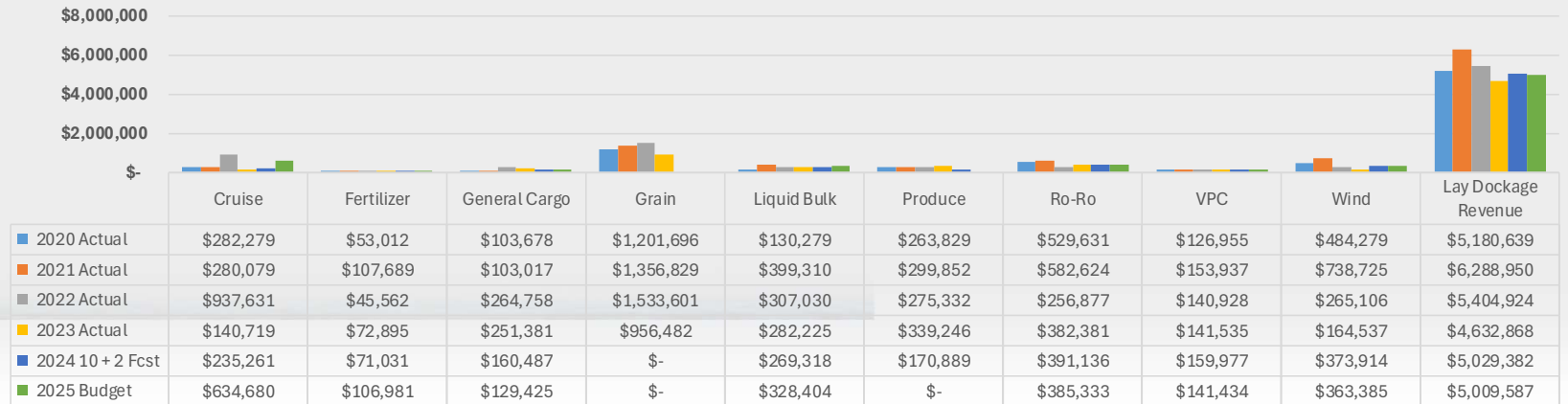
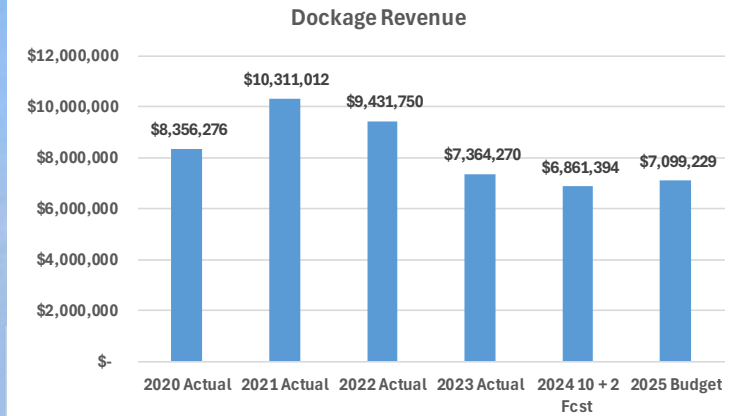


Real Estate Revenue



DOCKAGE REVENUE TREND

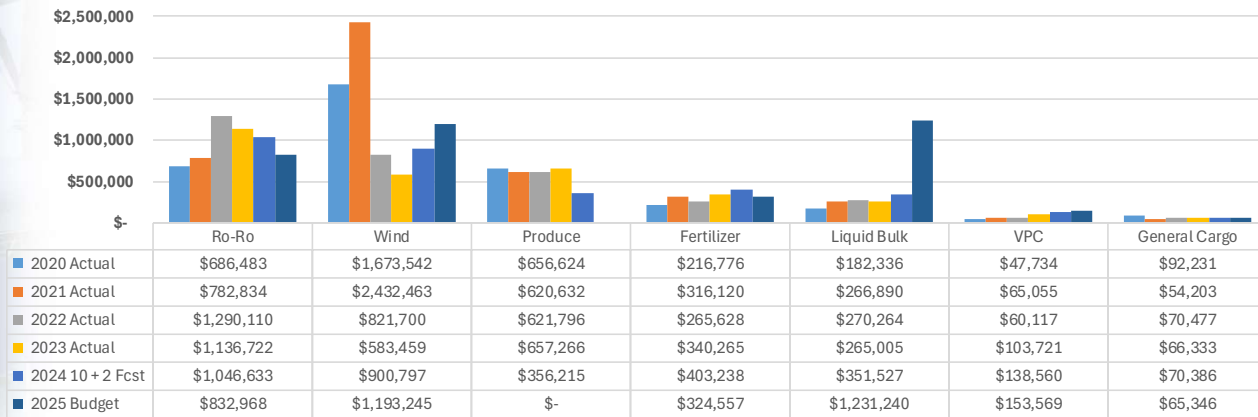
Total Proposed 2025 Budgeted Dockage is \$7,099,229



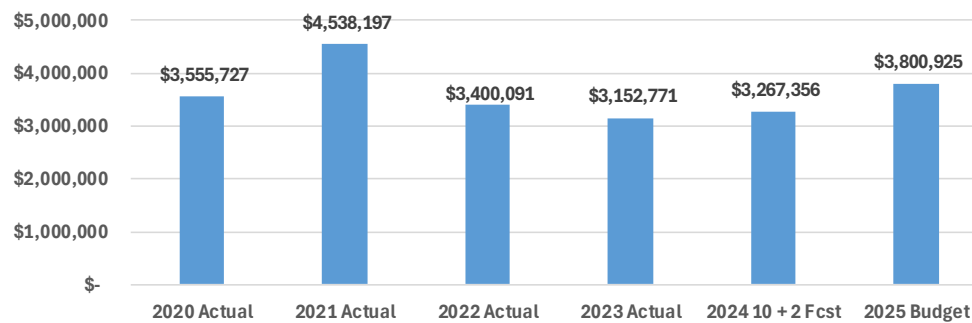


CARGO WHARFAGE REVENUE TREND

Fees Charged for Cargo Passing over Docks



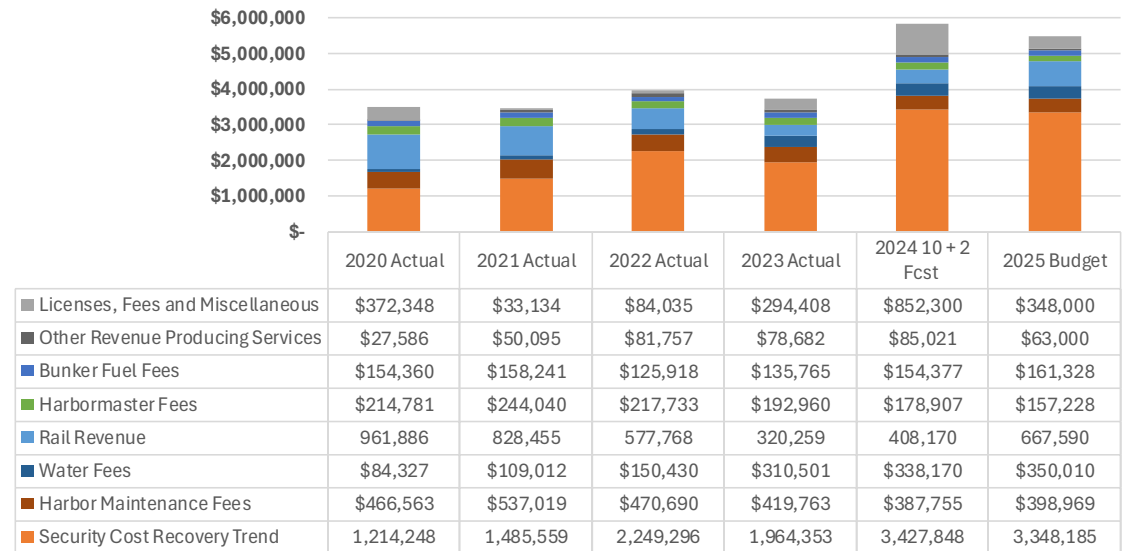
Wharfage Revenue



Total Proposed 2025 Budgeted Wharfage is \$3,800,925

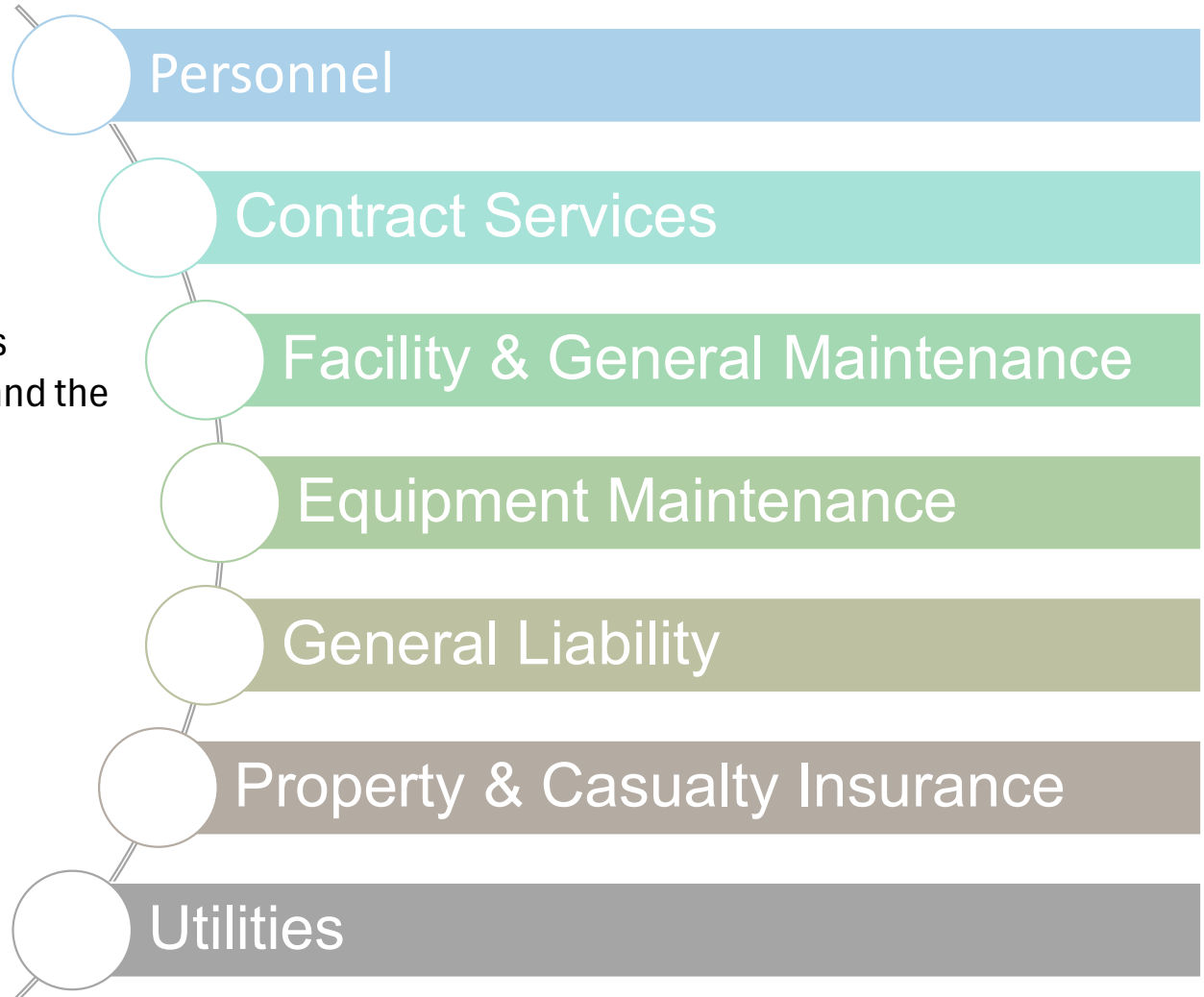


OTHER REVENUE TREND



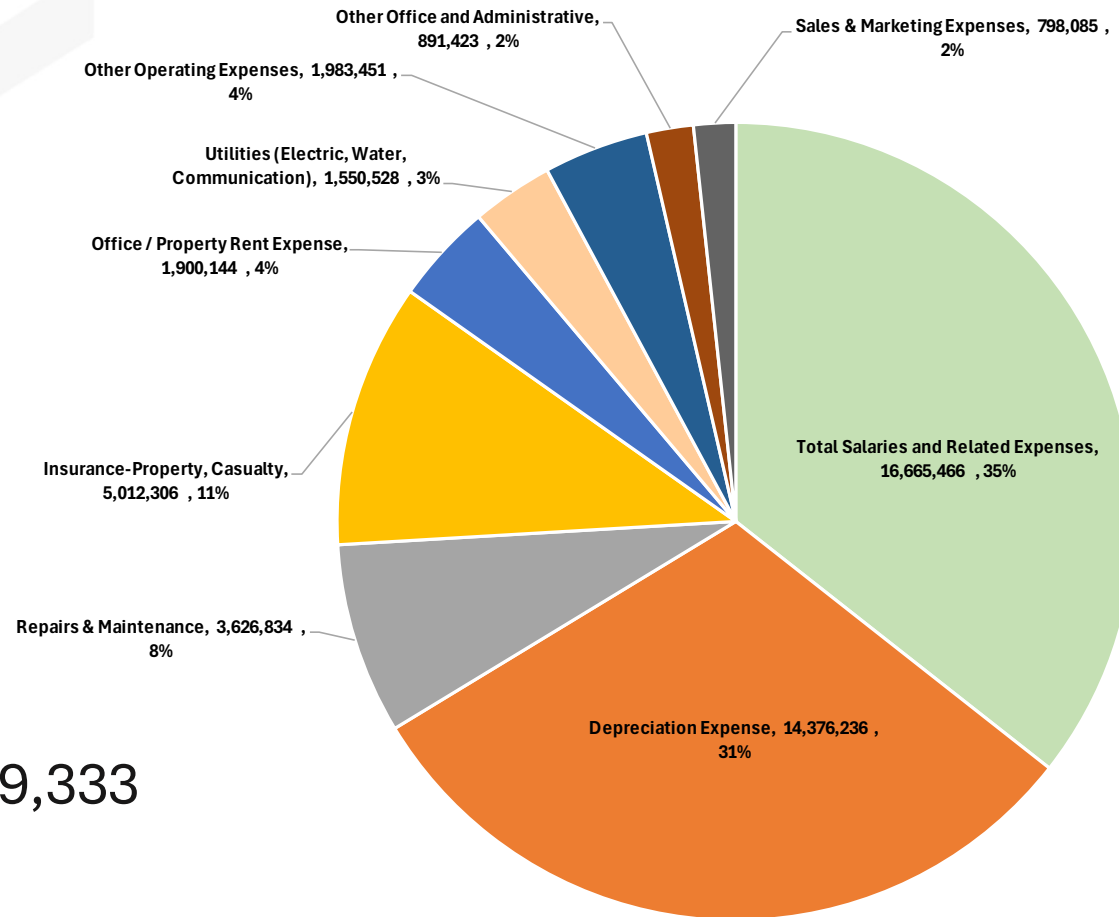
2025 Annual Budget Operating Expenses

Operating Expenses consists of those costs incurred in the normal course of business and the general operations of the Port.



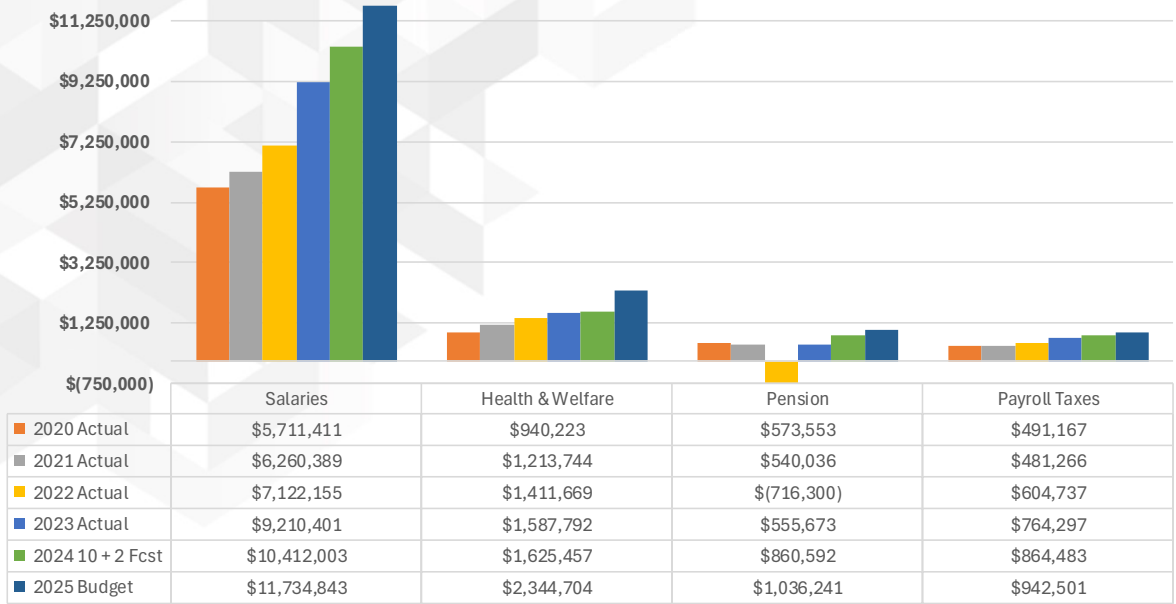
2025 PROPOSED EXPENSES FROM OPERATIONS

(Including Depreciation)

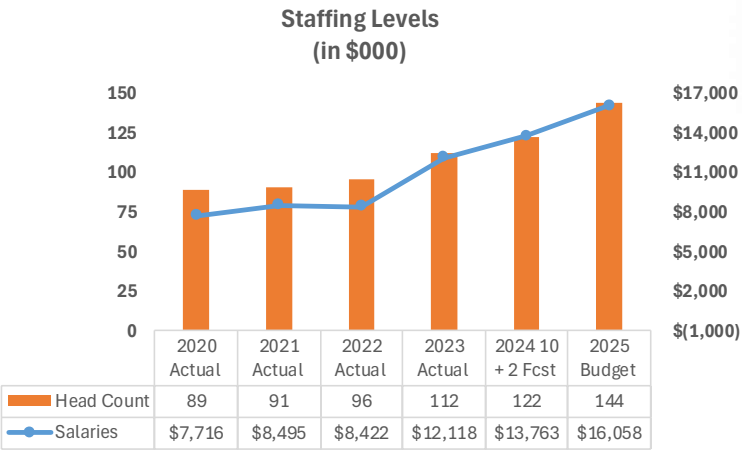


TOTAL: \$54,279,333

SALARIES AND RELATED TREND

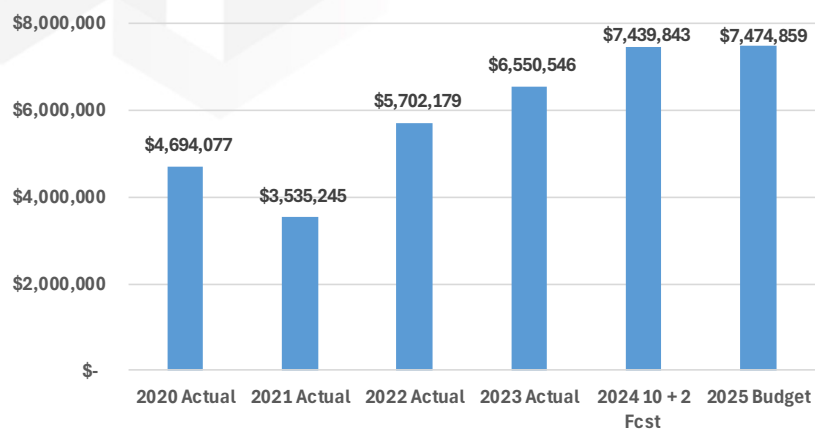


- Total positions budgeted in 2025 are 144 compared to 138 budgeted in 2024. Currently, there are 122 positions.
- Defined benefit plan contribution is \$505K, the same as in 2024.





Total Contracted Services



CONTRACT LABOR TREND

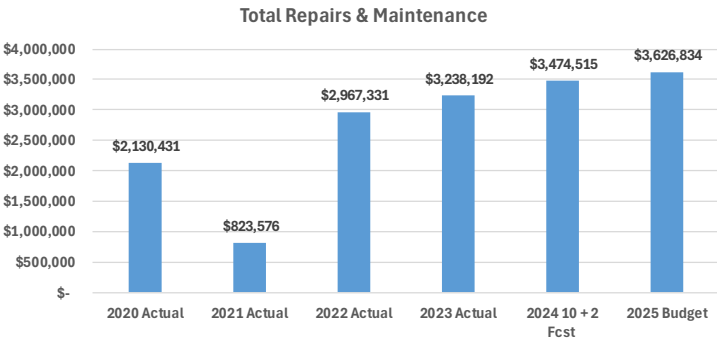
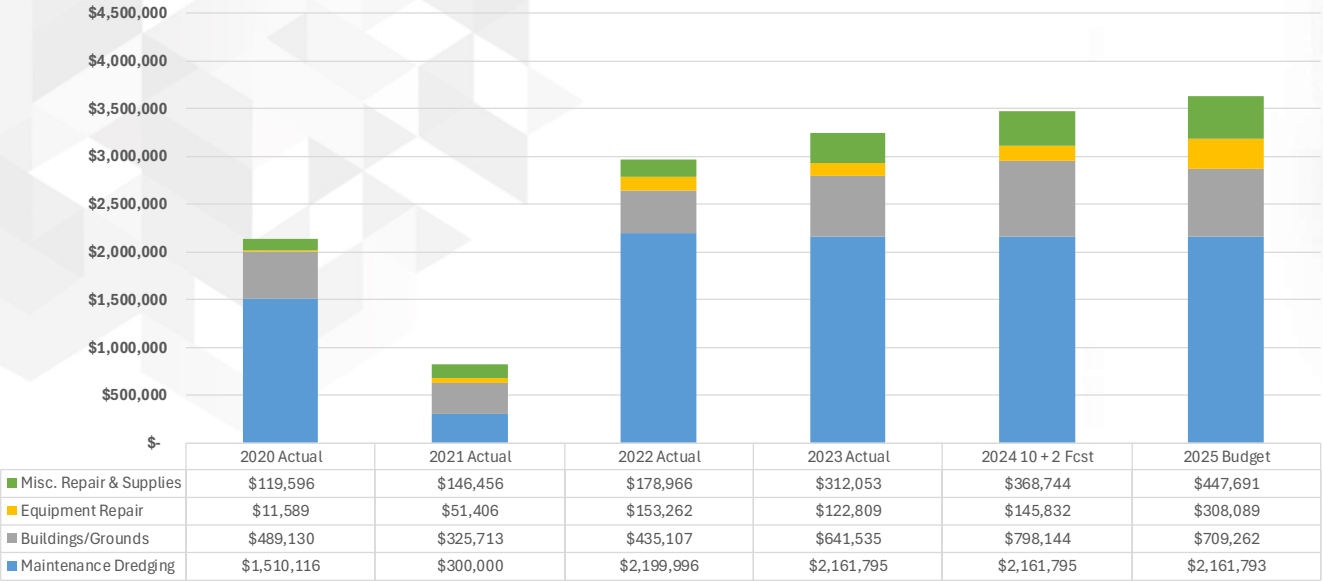


Total Contract Labor is \$7,474,859 which is 1% above 2024 10+2 Fcst

- Due to contract changes, Ship Services Revenue & Expenses are no longer applied effective in 2021 post Covid.
- Computer services are mainly comprised of Port Security Grant maintenance and IT related expenses.
- Shuttle services includes employee shuttle expenses.

REPAIRS & MAINTENANCE EXPENSE TREND

The Construction & Maintenance (C&M) department is responsible for the facilities and equipment maintenance programs – they address both planned and unplanned maintenance issues. Annual results will vary.



2025 ANNUAL R&R BUDGET AND CAPITAL IMPROVEMENT PLAN

The 2025 R&R Budget and Capital Improvement Plan and Capital Improvement Budget is presented as a separate section in the 2025 Proposed Budget Book.

