



# **GALVESTON WHARVES**

**THE PORT OF EVERYTHING**

## **Supplemental Information For the 2026 Annual Budget**

Operating | Renewal & Replacement | Capital Improvements

Board of Trustees | November 6, 2025



# 2026 BUDGET PLANNING

## Objectives of Budget Planning



The 2026 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 2026.

# 2025 9+3 Forecast VS. 2026 Proposed Budget

	2025 9+3 Forecast	2026 Budget Proposed	Increase/ (Decrease) \$	Increase/ (Decrease) %
<b>Total Revenue From Operations</b>	<b>\$ 83,050,509</b>	<b>\$ 112,291,339</b>	<b>\$ 29,240,830</b>	<b>35.2%</b>
<b>Operating Expenses</b>				
Salaries, Payroll Taxes, and Pension	\$ 13,814,654	\$ 17,297,929	\$ 3,483,275	25.2%
Health & Welfare	1,945,921	2,041,868	95,947	4.9%
Related Employee Expenses	410,262	600,951	190,689	46.5%
Contract Services	7,244,043	8,003,743	759,701	10.5%
Repair and Maintenance	3,455,278	3,739,003	283,725	8.2%
Other Operating Expenses	8,958,769	10,947,678	1,988,909	22.2%
Office & Sales Expenses	2,880,846	3,497,246	616,400	21.4%
<b>Total Operating Expenses Before Depreciation and Amortization</b>	<b>\$ 38,709,773</b>	<b>\$ 46,128,419</b>	<b>\$ 7,418,646</b>	<b>19.2%</b>
<b>Net Operating Income (Loss) Before Depreciation and Amortization</b>	<b>\$ 44,340,735</b>	<b>\$ 66,162,920</b>	<b>\$ 21,822,185</b>	<b>49.2%</b>
Depreciation Expense	14,059,122	17,100,468	3,041,346	21.6%
<b>Net Operating Income (Loss) After Depreciation and Amortization</b>	<b>\$ 30,281,613</b>	<b>\$ 49,062,452</b>	<b>\$ 18,780,839</b>	<b>62.0%</b>
Non-Operating Income	34,266,121	19,839,614	(14,426,507)	-42.1%
Non-Operating Expenses	3,316,149	10,836,119	7,519,970	226.8%
<b>Net Income (Loss)</b>	<b>\$ 61,231,585</b>	<b>\$ 58,065,947</b>	<b>\$ (3,165,638)</b>	<b>-5.2%</b>



# SUMMARY OF 2026 BUDGET

**Operating Revenue**  
**\$112.3M**

**\$29.2M above 2025 9+3 Fcst**

**Increases**

- Passenger Service Charges \$24.1M
- Parking Revenues \$3.4M
- Security Cost Recovery \$0.9M
- Wharfage \$0.4M
- Lay Dockage \$0.4M
- Dockage \$0.3M

**Decreases**

- Real Estate \$0.2M
- Licenses, Fees and Misc \$0.1M
- Rail & Revenue Producing Svcs. \$0.1M

**Operating Expenses before  
Depreciation**  
**\$46.1M**

**\$7.4M above 2025 9+3 Fcst**

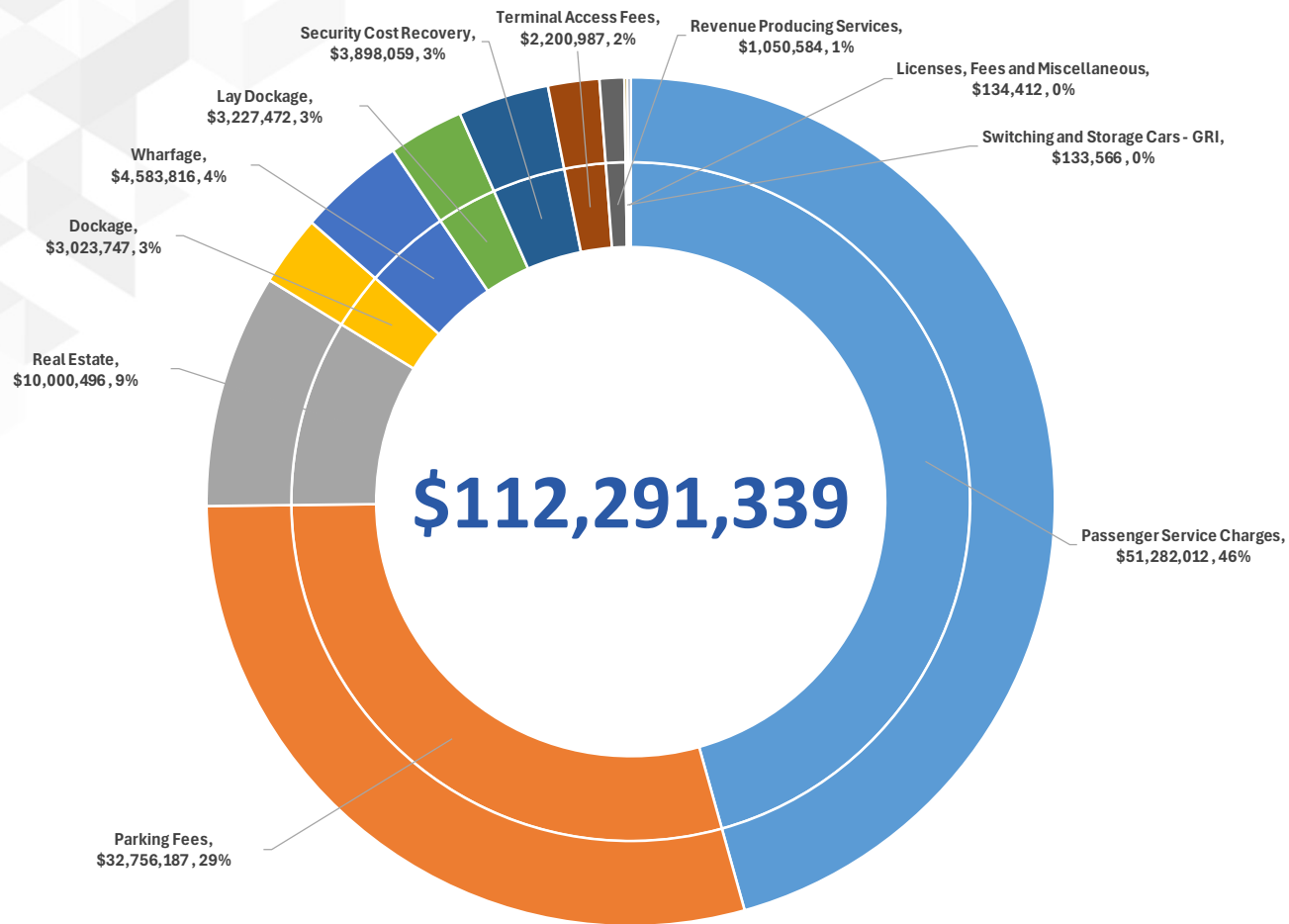
**Increases**

- Employee Expenses \$3.5M
- Contract Services \$0.8M
- Repair and Maintenance \$0.3M
- Other Operating Expenses \$2.0M
- Office & Sales Expenses \$0.6M

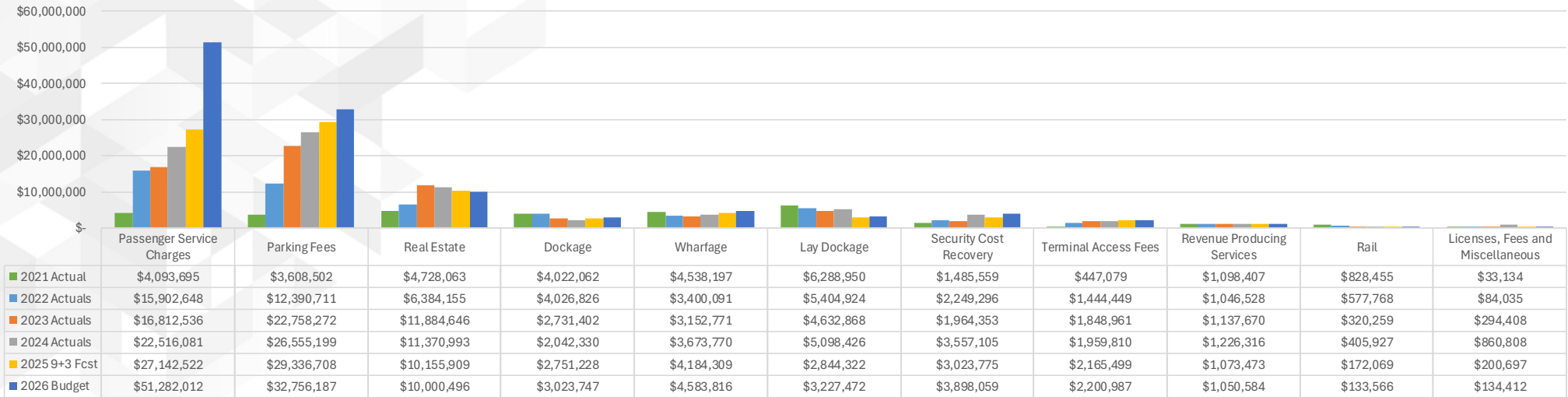
**Operating Income**  
**\$49.1M**

**\$18.8M above 2025 9+3 Fcst**

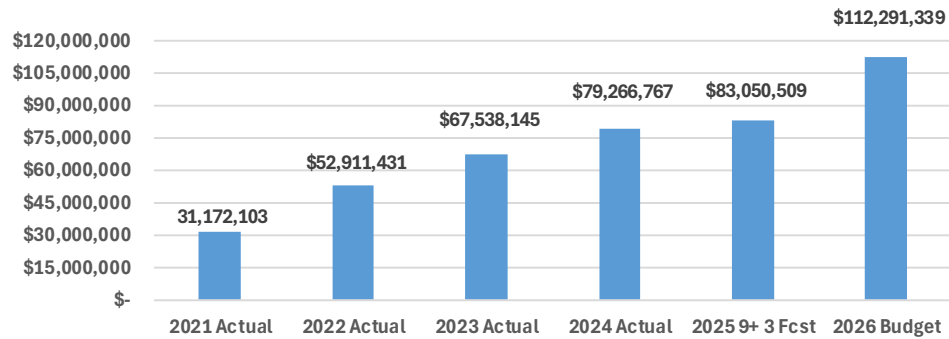
# 2026 PROPOSED REVENUES FROM OPERATIONS



# 2026 BUDGETED REVENUE FROM OPERATIONS

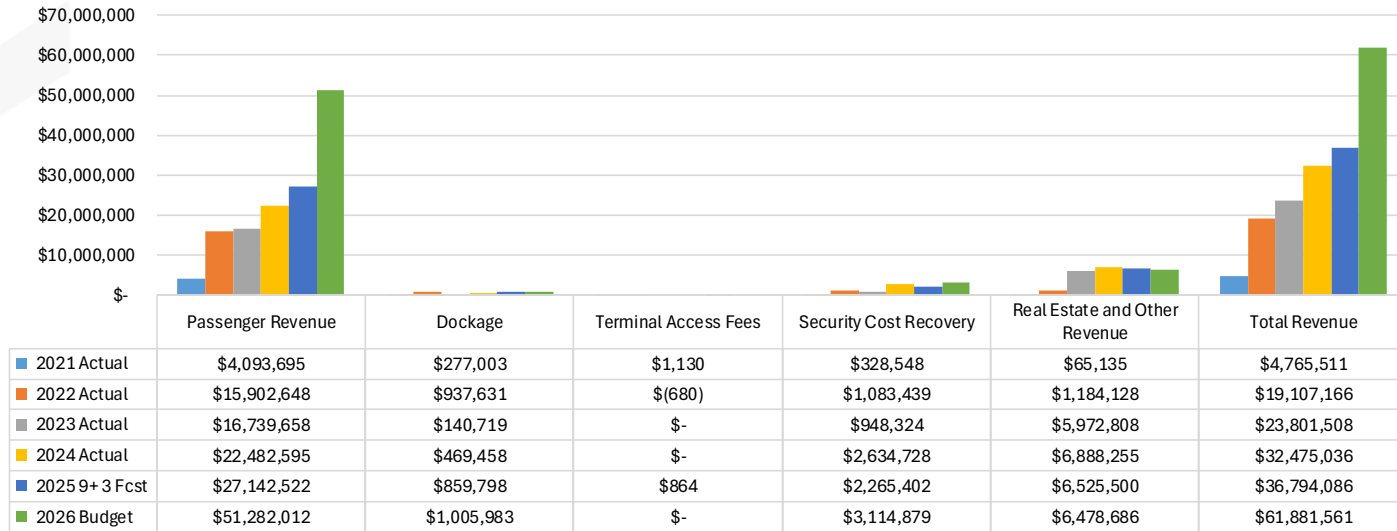


## Total Revenue

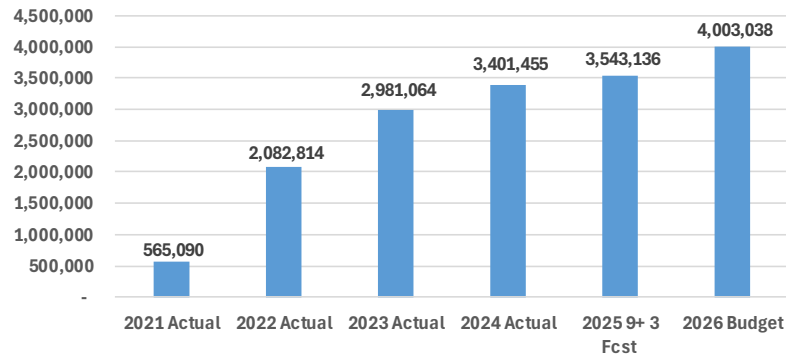


# CRUISE TERMINAL REVENUE / PASSENGER MOVEMENTS

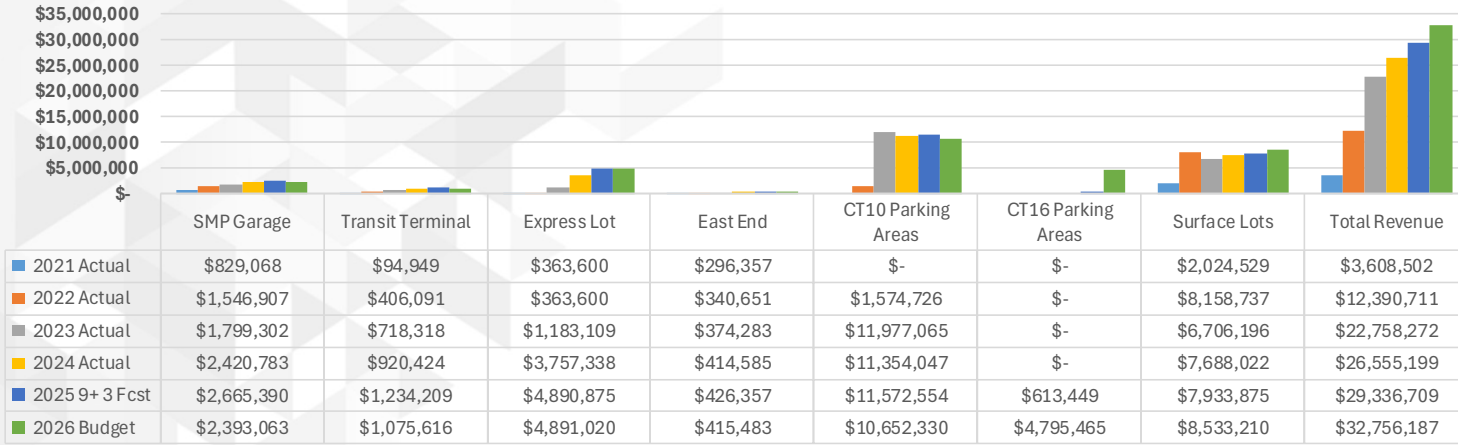
- Cruise Revenue of \$61,881,561 is 68% over 2025 9+3 Fcst.
- Cruise ship calls are projected to be 447, an increase of 8% over 2025.
- Passenger Movements are 4,003,038, which is 13% over 2025 9+3 Fcst.
- Average Occupancy Projections
  - Royal – 102% occupancy
  - Carnival – 90% occupancy
  - Disney – 91% occupancy
  - Norwegian – 95% occupancy
  - MSC – 95% occupancy



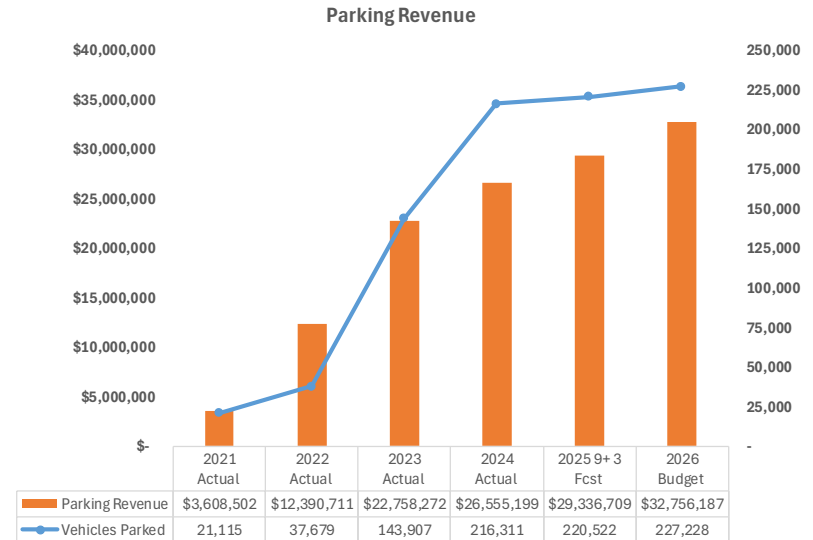
Passenger Movements



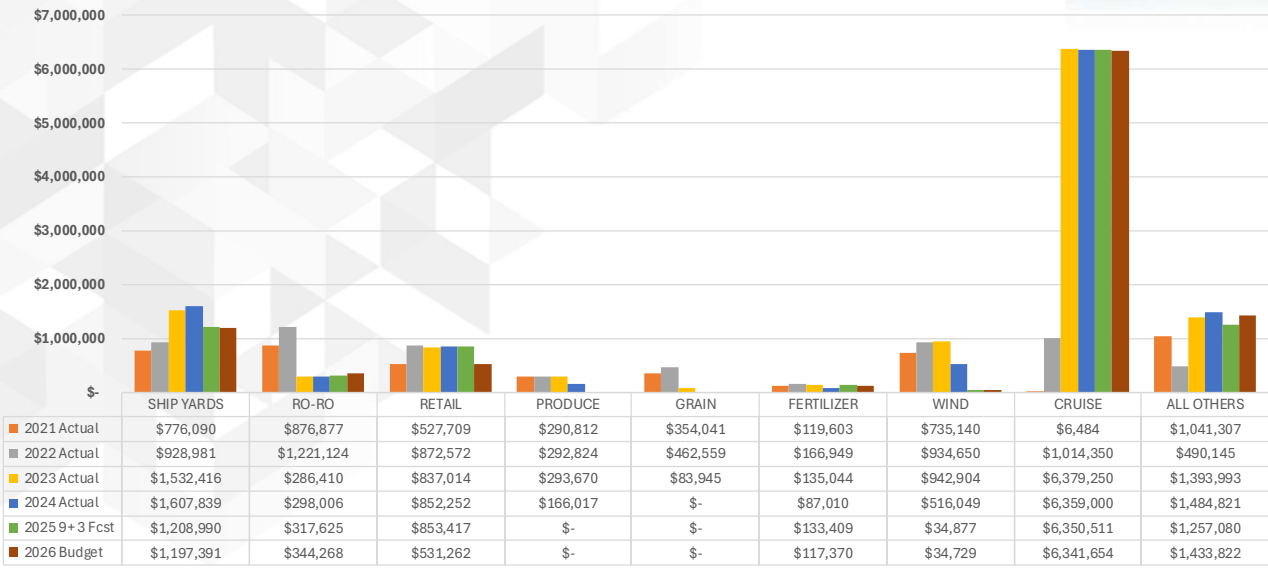
# PARKING REVENUE AND VEHICLES PARKED



- Parking Revenue is \$32,756,187 which is 12% over 2025 9 + 3 Fcst.
- Vehicles parked are projected to be 227,228 in 2026.

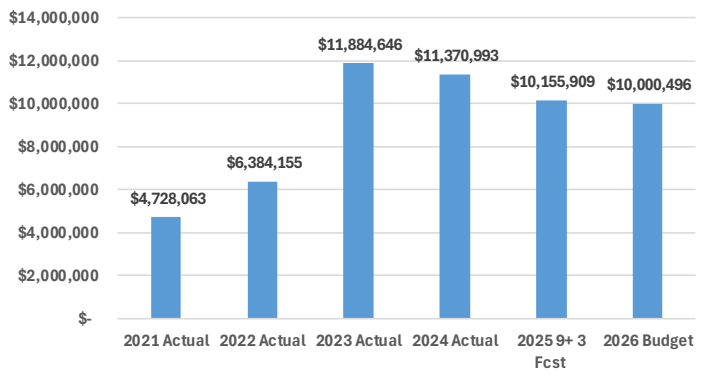


# REAL ESTATE REVENUE

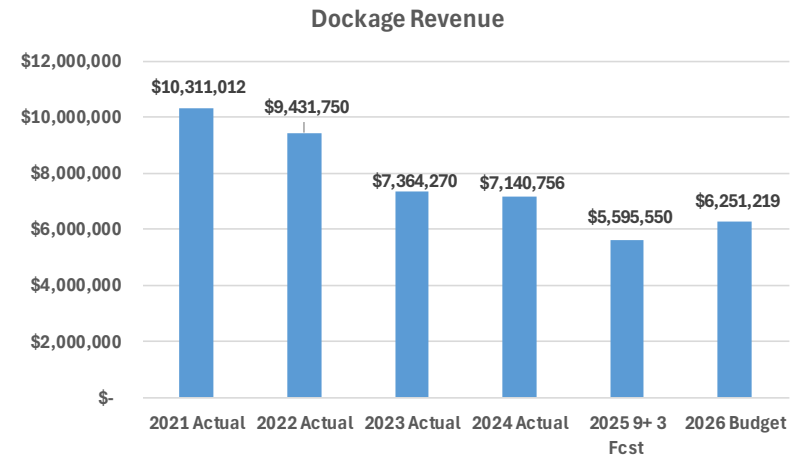


➤ Real Estate Revenue is \$10,000,496, which is 2% under 2025 9+3 Fcst.

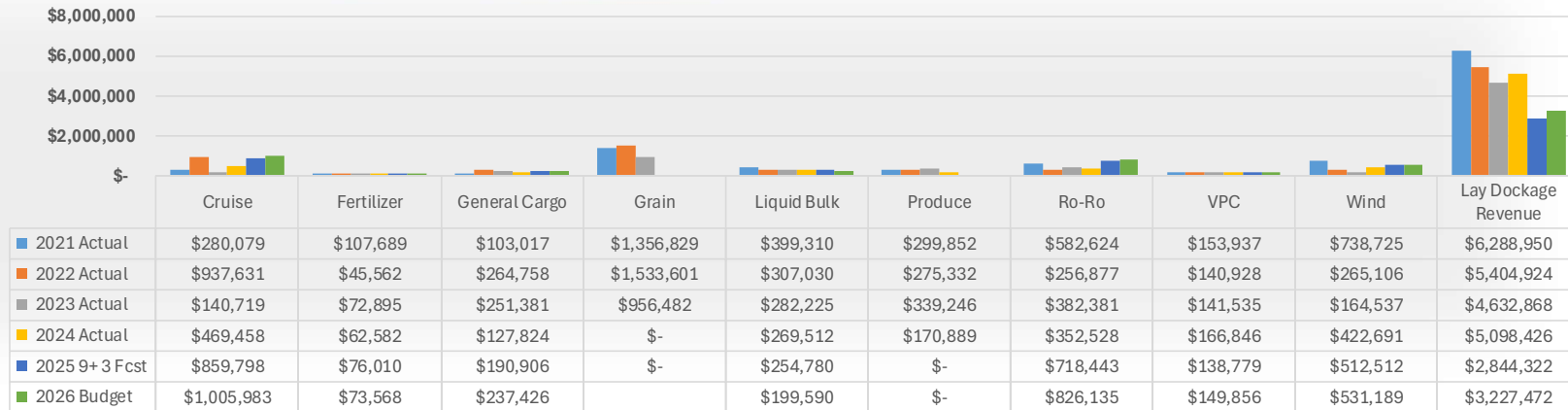
Real Estate Revenue



# DOCKAGE REVENUE



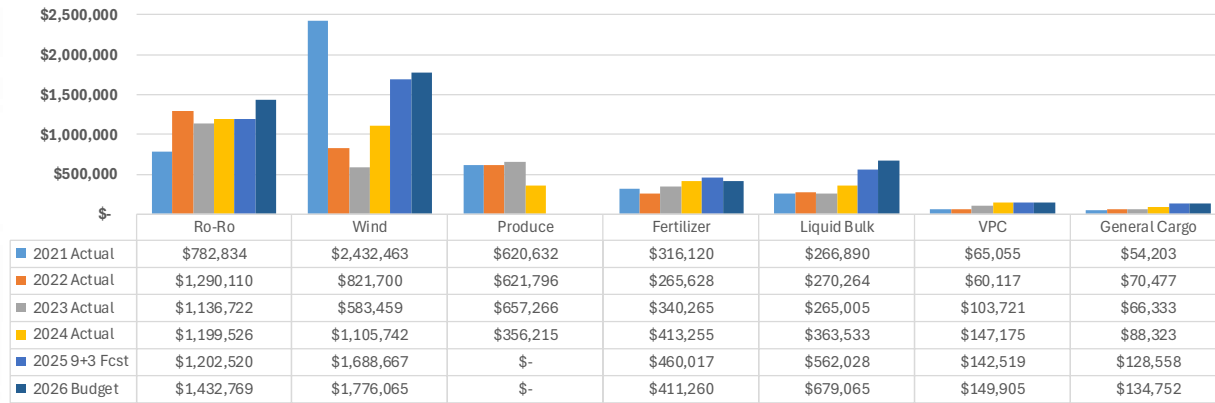
➤ Dockage Revenue is \$6,251,219 which is 12% over 2025 9+3 Fcst





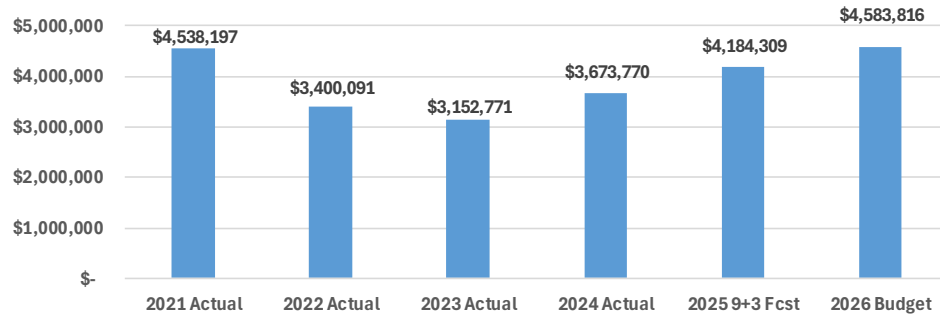
# CARGO WHARFAGE REVENUE

Fees Charged for Cargo Passing over Docks



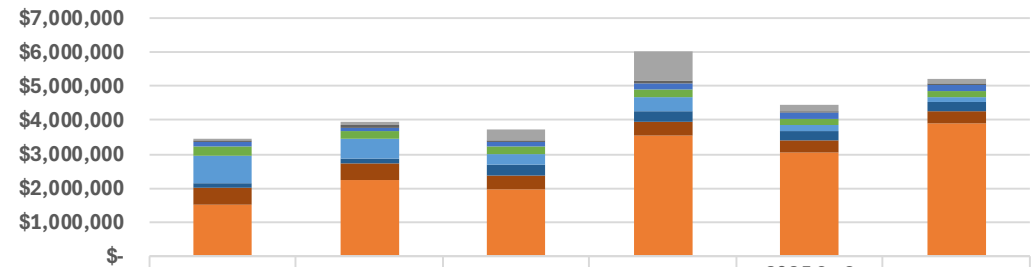
➤ Wharfage Revenue is \$4,583,816 which is 10% over 2025 9+3 Fcst.

Wharfage Revenue





# OTHER REVENUE

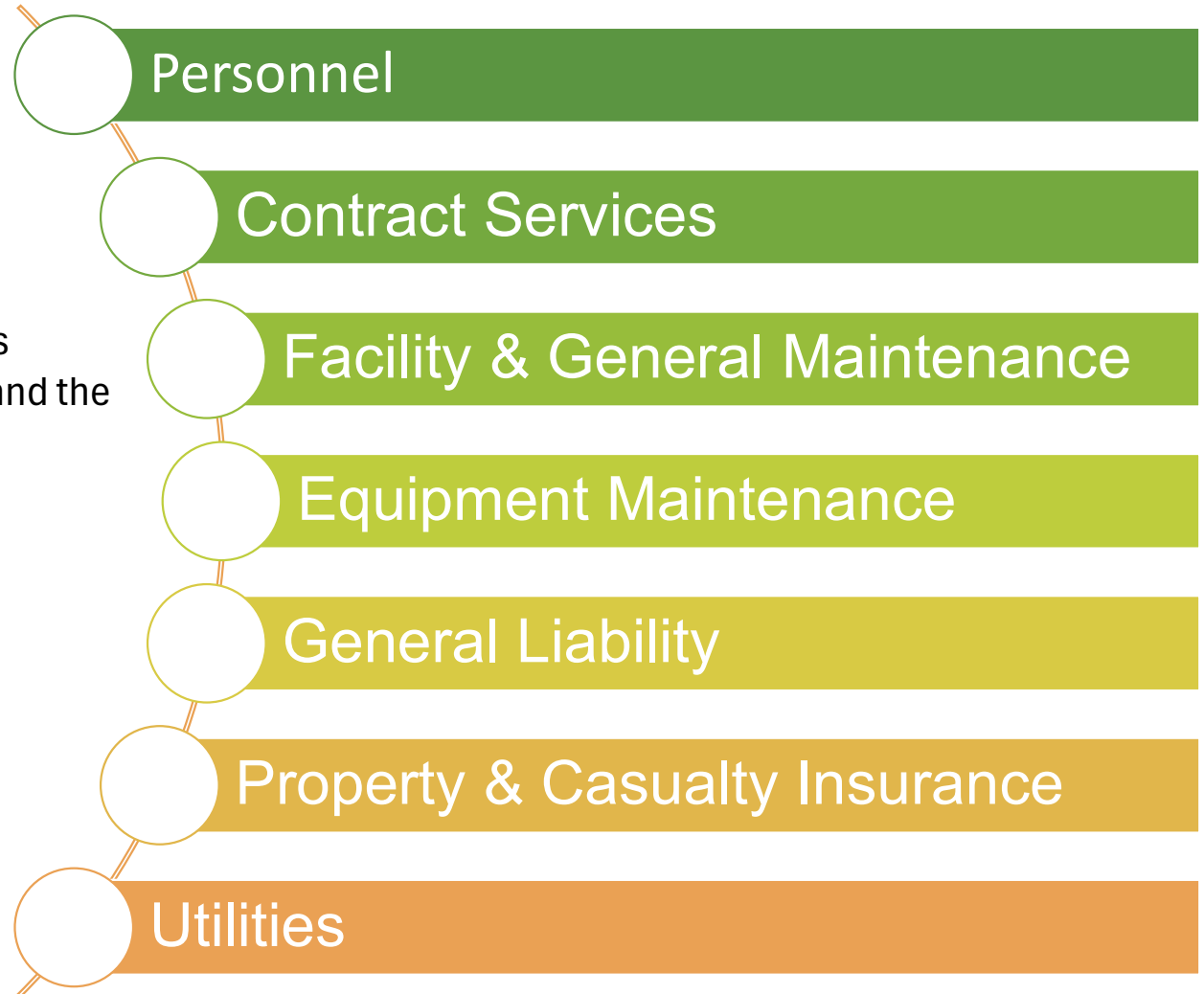


	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 9+3 Fcst	2026 Budget
■ Licenses, Fees and Miscellaneous	\$33,134	\$84,035	\$294,408	\$860,808	\$200,697	\$134,412
■ Other Revenue Producing Services	\$50,095	\$81,757	\$78,682	\$114,179	\$54,418	\$37,000
■ Bunker Fuel Fees	\$158,241	\$125,918	\$135,765	\$190,150	\$179,618	\$180,588
■ Harbormaster Fees	\$244,040	\$217,733	\$192,960	\$193,016	\$175,543	\$181,249
■ Rail Revenue	828,455	577,768	320,259	405,927	172,069	133,566
■ Water Fees	\$109,012	\$150,430	\$310,501	\$313,610	\$272,242	\$264,324
■ Harbor Maintenance Fees	\$537,019	\$470,690	\$419,763	\$415,360	\$391,653	\$387,424
■ Security Cost Recovery Fees	1,485,559	2,249,296	1,964,353	3,557,105	3,023,775	3,898,059

➤ Other Revenue is \$5,216,621 which is 17% over 2025 9+3 Fcst.

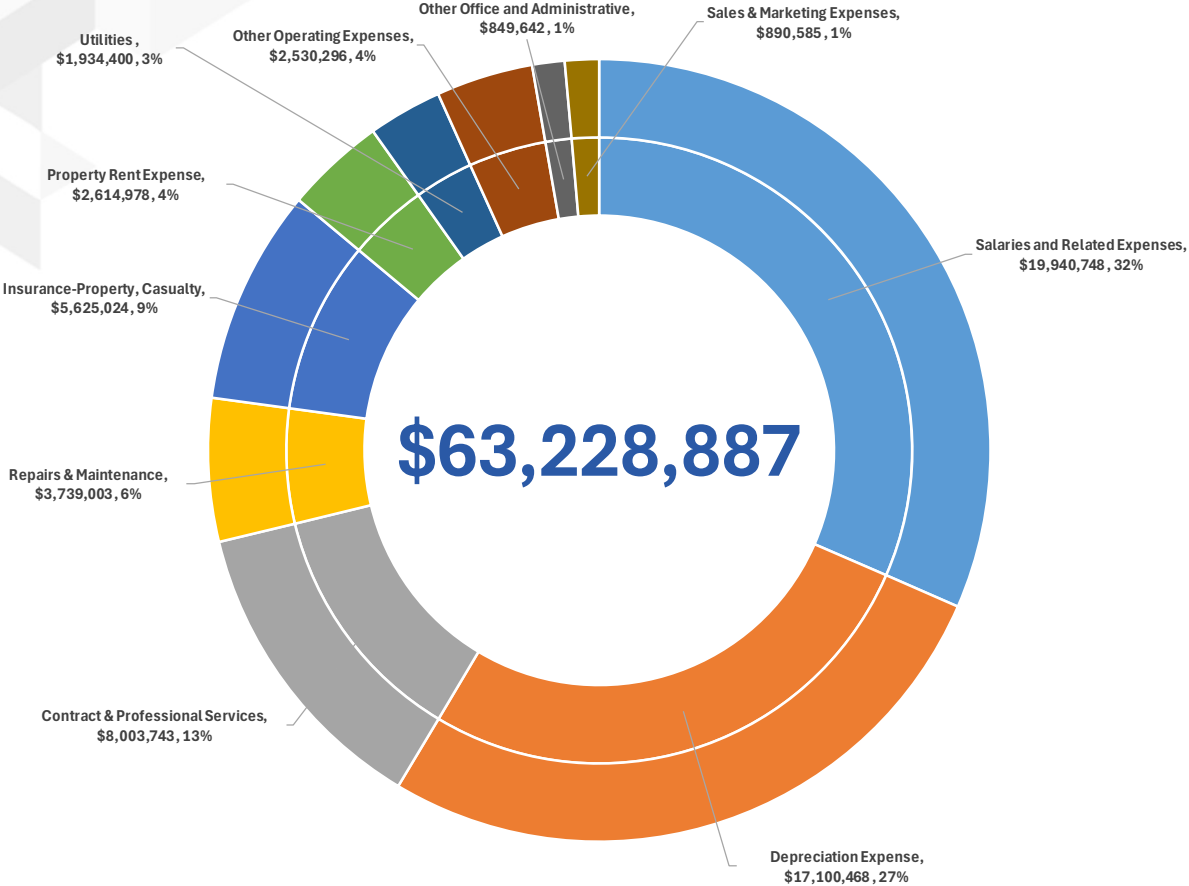
# 2026 Annual Budget Operating Expenses

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

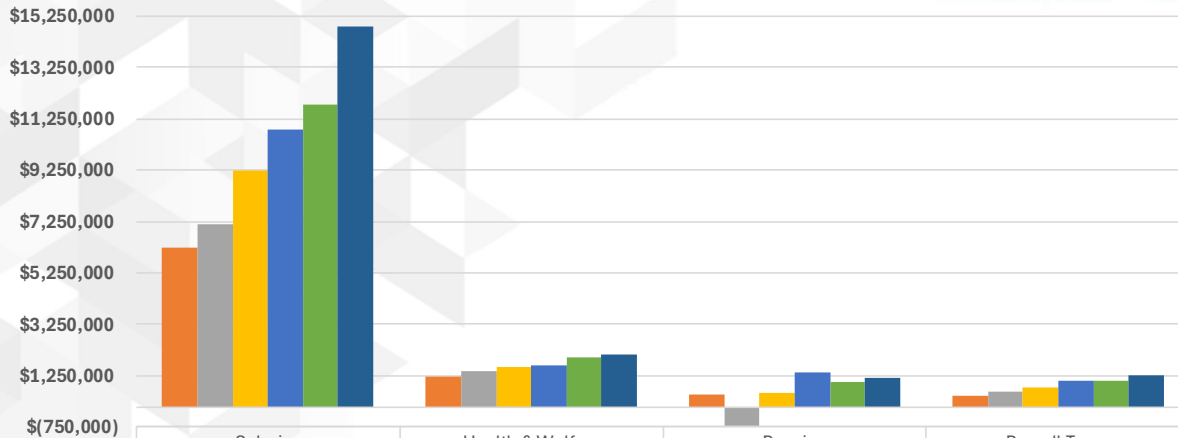


# 2026 EXPENSES FROM OPERATIONS

(Including Depreciation)



# SALARIES AND RELATED

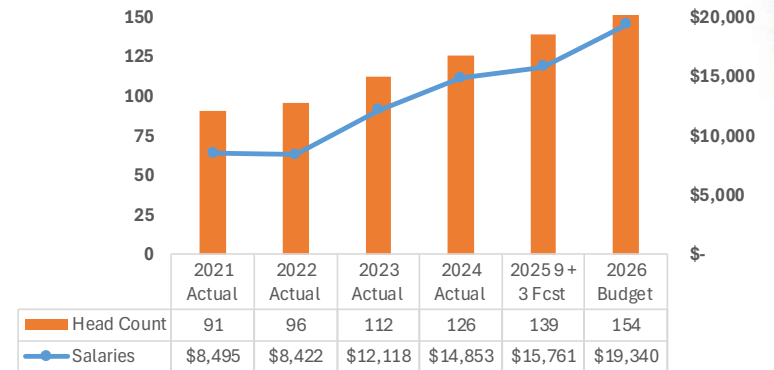


	Salaries	Health & Welfare	Pension	Payroll Taxes
2021 Actual	\$6,260,389	\$1,213,744	\$540,036	\$481,266
2022 Actual	\$7,122,155	\$1,411,669	\$(716,300)	\$604,737
2023 Actual	\$9,210,401	\$1,587,792	\$555,673	\$764,297
2024 Actual	\$10,839,600	\$1,619,224	\$1,350,929	\$1,043,546
2025 9 + 3 Fcst	\$11,775,734	\$1,945,921	\$1,011,579	\$1,027,342
2026 Budget	\$14,828,854	\$2,041,868	\$1,180,218	\$1,288,857

- Total positions budgeted in 2026 are 154 compared to 144 budgeted in 2025. Currently, there are 139 positions.
- Defined Benefit Plan contribution is \$505K, the same as 2025.

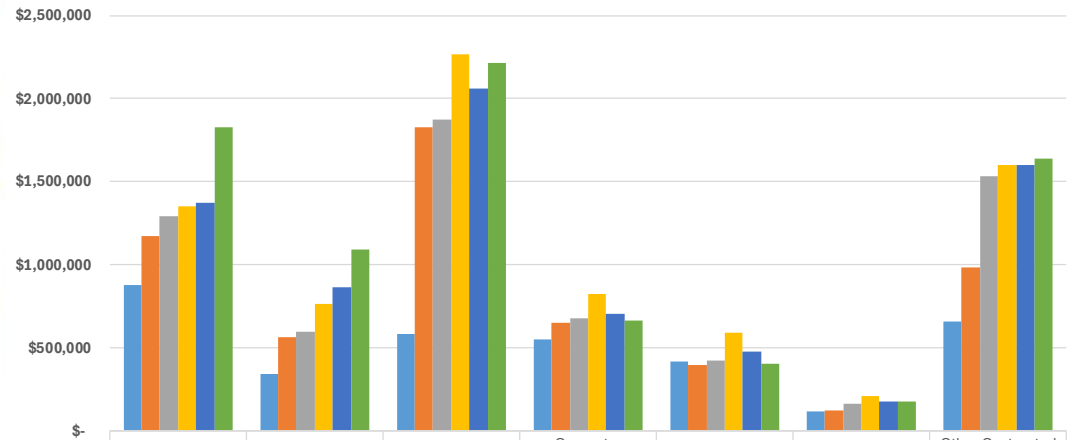


Staffing Levels  
(in \$000)



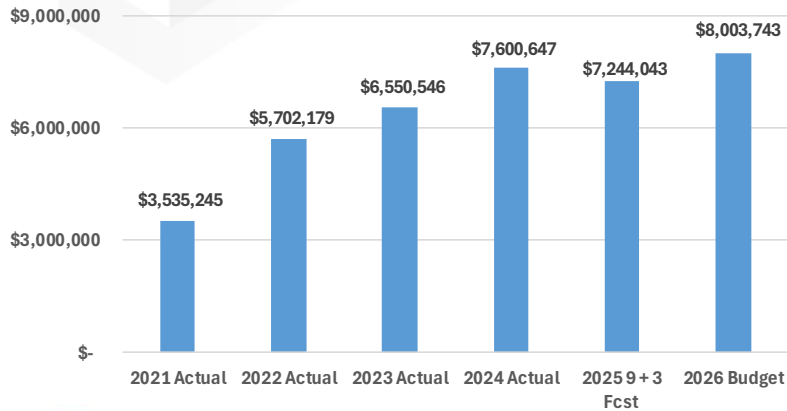


# CONTRACT LABOR



	Police/Security	Cleaning & Waste Disposal	Shuttles	Computer (includes Port Security Grants)	Legal	Audit	Other Contracted & Professional Services
2021 Actual	\$876,282	\$343,008	\$580,923	\$550,032	\$416,903	\$112,295	\$655,801
2022 Actual	\$1,167,925	\$563,031	\$1,824,735	\$649,898	\$392,239	\$121,500	\$982,850
2023 Actual	\$1,291,739	\$593,911	\$1,871,473	\$678,689	\$423,542	\$161,555	\$1,529,637
2024 Actual	\$1,352,337	\$761,592	\$2,263,942	\$822,262	\$590,155	\$210,418	\$1,599,941
2025 9 + 3 Fcst	\$1,367,994	\$865,093	\$2,059,252	\$701,432	\$475,955	\$173,367	\$1,600,949
2026 Budget	\$1,824,097	\$1,092,780	\$2,210,000	\$661,920	\$403,000	\$173,800	\$1,638,146

Total Contracted Services

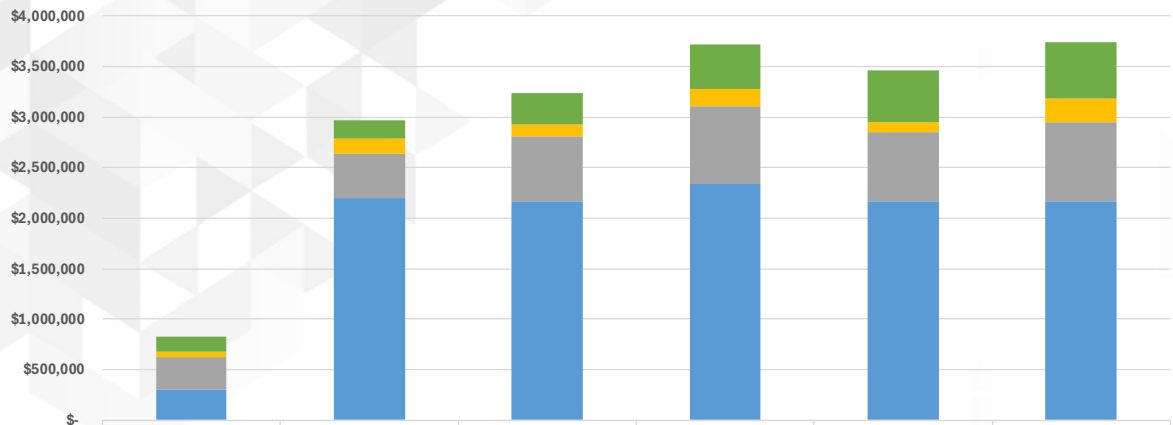


- Contract Labor is \$8,003,743 which is 10% above 2025 9+3 Fcst.
  - Computer services are mainly comprised of Port Security Grant maintenance and IT related expenses.
  - Shuttle services includes employee shuttle expenses.



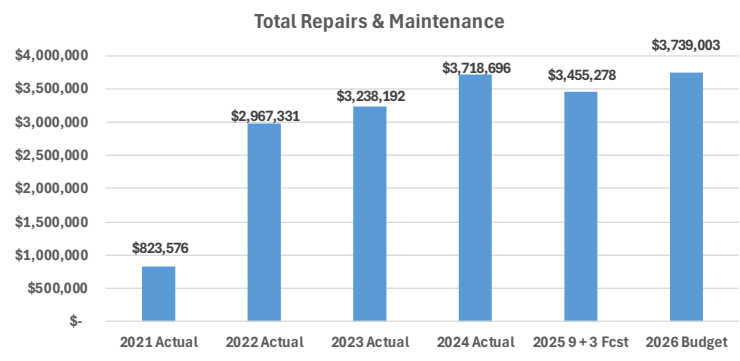
# REPAIRS & MAINTENANCE EXPENSE

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.

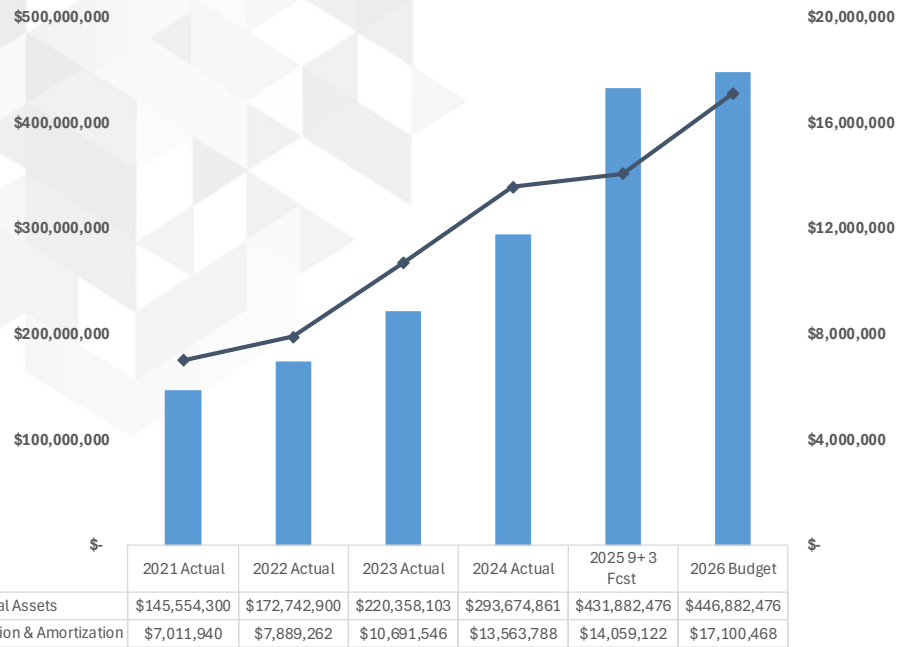


	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 9 + 3 Fcst	2026 Budget
Misc. Repair & Supplies	\$146,456	\$178,966	\$312,053	\$445,028	\$505,661	\$560,084
Equipment Repair	\$51,406	\$153,262	\$122,809	\$170,430	\$95,344	\$229,424
Buildings/Grounds	\$325,713	\$435,107	\$641,535	\$771,446	\$692,419	\$787,703
Maintenance Dredging	\$300,000	\$2,199,996	\$2,161,795	\$2,331,793	\$2,161,854	\$2,161,793

➤ Contract Labor is \$3,739,003 which is 8% above 2025 9+3 Fcst.

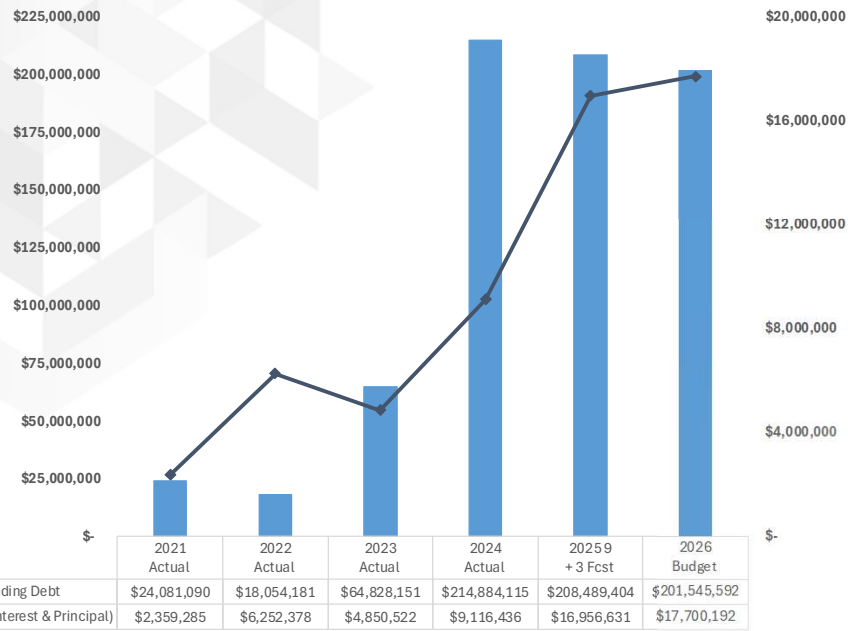


# Net Capital Assets and Depreciation & Amortization



➤ Depreciation & Amortization will increase to \$17,100,468 in 2026.

# Outstanding Principal and Debt Service Paid



# 2026 ANNUAL R&R BUDGET AND CAPITAL IMPROVEMENT PLAN

The 2026 R&R Budget and Capital Improvement Plan and Capital Improvement Budget is presented as a separate section in the 2026 Proposed Budget Book.

