# Supplemental Information For the 2025 Annual Budget

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THE PORT OF EVERYTHING

Operating I Renewal & Replacement I Capital Improvements

Board of Trustees I November 26, 2024



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# **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%	

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### **SUMMARY OF 2025 BUDGET**



GALVESTON WHARVES

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#### **2025 PROPOSED REVENUES FROM OPERATIONS**

GALVESTON WHARVES



2025 Budget

#### **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.





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#### **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.



#### Passengers



GALVESTON WHARVES

\*Sub-total excludes Ship Services Revenue

#### 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



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#### **PARKING REVENUE TREND AND VEHICLES PARKED**

\$12,000,000 \$10,000,000 \$8,000,000 \$6,000,000 \$4,000,000 \$2,000,000			4					
\$-	SMP Garage	Transit Terminal	Express Lot	East End	CT10 Parking Areas	CT16 Parking Areas	Surface Lots	Total Revenue
2020 Actual	\$200,185	\$79,909	\$-	\$216,969	\$-	\$-	\$1,380,832	\$1,877,896
2021 Actual	\$829,068	\$94,949	\$363,600	\$296,357	\$-	\$-	\$2,024,529	\$3,608,502
2022 Actual	\$1,546,907	\$406,091	\$363,600	\$340,651	\$1,574,726	\$-	\$8,158,737	\$12,390,711
2023 Actual	\$1,799,302	\$718,318	\$1,183,109	\$374,283	\$11,977,065	\$-	\$6,706,196	\$22,758,272
2024 10 + 2 Fcst	\$2,350,833	\$882,967	\$3,723,566	\$449,896	\$10,717,930	\$-	\$8,142,435	\$26,267,628
2025 Budget	\$2,398,382	\$1,082,475	\$3,344,200	\$449,207	\$11,344,088	\$484,653	\$9,148,727	\$28,251,732

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





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#### **REAL ESTATE REVENUE TREND**





**Real Estate Revenue** 



2025 Budget



#### **DOCKAGE REVENUE TREND**

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



\$8,000,000 - \$6,000,000 - \$4,000,000 -										den.
\$2,000,000							-		_	
\$-	Cruise	Fertilizer	General Cargo	Grain	Liquid Bulk	Produce	Ro-Ro	VPC	Wind	Lay Dockage Revenue
2020 Actual	\$282,279	\$53,012	\$103,678	\$1,201,696	\$130,279	\$263,829	\$529,631	\$126,955	\$484,279	\$5,180,639
2021 Actual	\$280,079	\$107,689	\$103,017	\$1,356,829	\$399,310	\$299,852	\$582,624	\$153,937	\$738,725	\$6,288,950
2022 Actual	\$937,631	\$45,562	\$264,758	\$1,533,601	\$307,030	\$275,332	\$256,877	\$140,928	\$265,106	\$5,404,924
2023 Actual	\$140,719	\$72,895	\$251,381	\$956,482	\$282,225	\$339,246	\$382,381	\$141,535	\$164,537	\$4,632,868
2024 10 + 2 Fcst	\$235,261	\$71,031	\$160,487	\$-	\$269,318	\$170,889	\$391,136	\$159,977	\$373,914	\$5,029,382
2025 Budget	\$634,680	\$106,981	\$129,425	\$-	\$328,404	\$-	\$385,333	\$141,434	\$363,385	\$5,009,587



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2025 Budget

#### **CARGO WHARFAGE REVENUE TREND** Fees Charged for Cargo Passing over Docks \$2,500,000 \$2,000,000 \$1,500,000 \$1.000.000 \$500,000 \$ Ro-Ro Wind Produce Fertilizer Liquid Bulk VPC General Cargo 2020 Actual \$686,483 \$1,673,542 \$656,624 \$216,776 \$182,336 \$47,734 \$92,231 2021 Actual \$782.834 \$2,432,463 \$620.632 \$316.120 \$266.890 \$65.055 \$54.203 2022 Actual \$1.290.110 \$821.700 \$621.796 \$265.628 \$270.264 \$60,117 \$70,477 2023 Actual \$1.136.722 \$583.459 \$657.266 \$340.265 \$265.005 \$103.721 \$66,333 2024 10 + 2 Fcst \$1,046,633 \$900,797 \$356,215 \$403,238 \$351,527 \$138,560 \$70,386 2025 Budget \$832,968 \$1,193,245 \$-\$324,557 \$1,231,240 \$153,569 \$65,346



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

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GALVESTON WHARVES





#### **OTHER REVENUE TREND**



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# 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.

Personnel

#### **Contract Services**

Facility & General Maintenance

**Equipment Maintenance** 

**General Liability** 

Property & Casualty Insurance

Utilities



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# **2025 PROPOSED EXPENSES FROM OPERATIONS**



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# **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.





Staffing Levels (in \$000)



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**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.

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### **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.









Total Repairs & Maintenance

# 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.



