

MISSOULA COUNTY AIRPORT AUTHORITY
Finance Committee Meeting
January 21, 2026
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD: Vice Chair Pat Boyle
Commissioner Matt Doucette (via Teams)
Commissioner Andrew Hagemeyer (via Teams)
Commissioner Jack Meyer
Alternate Commissioner Richard Huffman
Alternate Commissioner Chay Hughes

STAFF: Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Legal Counsel Juniper Davis
HR Manager Nikki Munro

Commissioner Jack Meyer called the meeting to order and advised everyone that the meeting was being recorded.

Legal Counsel Juniper Davis performed a roll call of Board members, staff members, and members of the public.

FISCAL YEAR 2025 AUDITED FINANCIAL STATEMENTS

Director of Finance and Administration Will Parnell presented a detailed overview of the Fiscal Year 2025 audited financial statements. Will explained the purpose and requirements of the single audit, including financial statement and compliance components triggered by the expenditure of federal funds. He reported that the independent auditor issued unmodified opinions on the financial statements, federal compliance, internal controls, and the Passenger Facility Charge (PFC) program, with no deficiencies or findings noted.

Will addressed questions provided in advance regarding notable balance sheet and revenue changes, including fluctuations in lease receivables driven by the termination and renewal of rental car agreements subject to GASB 87, increases in accounts receivable largely attributable to growth in parking and rental car revenues, and the treatment of deferred revenue related to prepaid advertising agreements. Will also reviewed changes in marketing expenses primarily associated with airline service support and Small Community Air Service Development Grant activities, and discussed the Airport's deferred compensation plan.

Will further presented a financial analysis using enplanements as the Airport's primary revenue driver. He reviewed trends in operating revenue, operating expenses, and net operating margin on a per-enplanement basis and compared those metrics to national benchmarks for similarly situated airports. Discussion highlighted the significant contribution of non-aeronautical revenues, particularly parking and rental cars, as well as the impact of the transition to a parking management agreement, parking rate adjustments, and expanded parking capacity.

Staff also reviewed draft rates and charges materials, emphasizing that they remain preliminary and are intended to improve transparency and alignment during the annual budget process. Will noted the goal of integrating rates and charges review with budget development and future publication on the Airport's website.

SOLAR PROJECT DISCUSSION

Director of Finance and Administration Will Parnell presented the results of a preliminary financial and feasibility analysis for a potential solar photovoltaic installation on portions of the East Concourse roof. Will explained that the analysis evaluated estimated project costs, energy production, and long-term financial impacts under multiple financing scenarios, including a public-private partnership model and direct funding from Airport reserves. Staff reported that, under current assumptions, neither option produced positive net present value, though the study provided valuable information regarding roof suitability, future planning considerations, and potential sensitivity to changes in utility rates, incentives, or grant opportunities. Committee discussion focused on policy considerations, comparative experiences of local government entities, and whether future changes in market conditions or funding opportunities could alter the project's viability.

LABOR UNION UPDATE

Director of Finance and Administration Will Parnell provided a high-level update on ongoing labor negotiations involving Airport bargaining units. Discussion focused on methodology for evaluating compensation proposals, including the use of regional and national comparables adjusted for cost of living, fiscal impacts of proposed changes, and the importance of balancing market competitiveness with long-term financial sustainability.

With no further business, the Finance Committee meeting was adjourned.