



MEDIA RELEASE

From the Greater Rockford Airport Authority

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Airport Pays Off Bonds: Tax Bills to Decrease 62%

Rockford, IL – In mid 1994, the Chicago Rockford International Airport (RFD) invested in a \$50.3 million expansion project to pay for the completion of a handful of facility upgrades and expansions to accommodate United Parcel Service's new regional air hub sorting facility, which was built at RFD that same year. These projects included:

- Extending the runway 3,500 ft. from 6,500 to 10,000 ft.
- Building Aprons & Taxiways
- Expanding the Snow Removal Equipment Fleet
- Installing a CAT II/III Landing System (allowing aircraft to land in any weather)

As a result of these enhancements, Rockford's hub is now UPS's largest regional sorting facility in their domestic operation with a 550,000 sq. ft air sorting facility and a new 70,000 sq. ft. heavy-freight sorting building. UPS employs approximately 1,500 full and part-time permanent workers to accommodate the 22 flights that land and take off each night Monday through Thursday.

What This Means to Taxpayers

Amy Ott, Deputy Director of Finance said that with the last bond payment made earlier this month, the airport is now "virtually debt free" and taxpayers can expect to see a decrease in their 2007 tax bill. The current Greater Rockford Airport Authority tax rate per \$100 of assessed valuation was \$0.2665 which resulted in approximately \$75.50 in taxes on a \$100,000 home. This year's tax rate will be approximately \$0.10 per \$100 of assessed valuation which will amount to \$28.33 in taxes per year – a savings of \$47.17 on a \$100,000 home representing a 62% decrease.

"Our organization is unique in the fact that although we have aggressively completed and invested in many capital improvement projects over the years – at the same time – we have aggressively paid down our debt and cut our property tax rate by 62%. This combination of aggressive expansion, growth, and debt reduction is typically unheard of. The current airport Board along with all of the previous boards back to 1994 have been very diligent in recognizing the responsibility in paying off this debt on time or if possible as is the case, in advance." said Board Chairman Mike Dunn.

(more)

Executive Director Bob O'Brien said it has been a priority for the Greater Rockford Airport Authority Board to remain fiscally sound, even during times of rapid growth. "We have been very fortunate to have had a majority of dollars spent on recent projects funded through local, state, and federal grants. "The completion of these projects has allowed us to position ourselves to accommodate the growth in cargo and passenger service," said O'Brien. "It all began over 12 years ago for the Board then to take on the financial responsibility, and the Board now to have the confidence and commitment to accelerate payments for the retirement of this debt," continued O'Brien.

Board Member Eugene Allen, who is the Airport Authority's longest-standing commissioner and currently the Finance & Planning Committee Chairman, was appointed to the Board in March 1996 and soon thereafter, the Board implemented two goals toward improving the airport's financial stability. "In 1996, two of the Board's main goals were to renegotiate a lower interest rate and to get our bonds rated so that when we needed to borrow, our interest rates would be less. Originally, we thought we would have our bonds paid off between 2021 – 2025, depending on the rates. By paying off our bonds on January 1, 2007 - 15 to 20 years earlier than expected – we literally have saved the taxpayer millions of dollars with the negotiated rates and early pay off," said Allen.

To mark this loan-payoff accomplishment, the RFD Board will celebrate with a ceremonial "bond burning" at their **Thursday, January 25, 2007** Board Meeting to be held in the Airport Administration Auditorium, 60 Airport Dr., **at 5:30pm**. The general public is invited and encouraged to attend to help celebrate the Airport's momentous occasion.

RFD is currently ranked as the 224th largest passenger-service airport and the 10th fastest growing in the United States. In terms of cargo rankings, RFD is ranked the 25th largest in the United States and the 19th fastest-growing airport in the world.

For additional information contact Bob O'Brien at 815-969-4444.

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Chicago Rockford International Airport (RFD)
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