

2018

Illinois Sports
Facilities Authority
Annual Report



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Staff

Greg Bedalov
Chief Executive Officer

P.J. Frayer
Director of Administration

Dana Phillips Goodum, CPA
Chief Financial Officer

Maureen Gorski
Director of Facilities

Russell Levine
Administrative Coordinator

Maria Saldaña
General Counsel

Special thanks to:

Stephan Bates of WCS Photography
Steve Hall, Hall + Merrick Photography
Ron Vesely Photography

Board of Directors



Rosemarie Andolino



Norman R. Bobins



Richard Price

Manuel Sanchez
Chairman



Tim Rand



Jim Reynolds, Jr.



Jeff Yordon

Message from the Chairman

Dear Friends;

Thank you for taking the time to review the Annual Report for the Illinois Sports Facilities Authority (ISFA). As the Chairman of the Board of ISFA, I am delighted and honored to serve the people of the State of Illinois as we continue our focus of maintaining Guaranteed Rate Field as the home of the Chicago White Sox and as a premiere multi-use facility.

Along with fellow ISFA board members Rosemarie Andolino, Norm Bobins, Richard Price, Timothy Rand, Jim Reynolds and Jeff Yordon as well as a dedicated staff, we work to ensure that ISFA maintains fiscal integrity while doing all we can to promote economic development in and around the ballpark and surrounding neighborhood. I extend my sincere thanks to our board members and staff for their combined dedication to this mission.

Created by the Illinois General Assembly in 1987 for the purposes of constructing and renovating stadiums for professional sports teams in Illinois, most notably the construction of a new Comiskey Park, ISFA celebrates 30 years of meeting this goal with a world-class baseball facility on Chicago's South Side. Our duties were expanded by the General Assembly in 2001 to include bonding authority and associated responsibilities to finance the renovation of Soldier Field and the surrounding Parkland. We are very proud of the fact that we have a 30 year track record of meeting our fiscal obligations and helping to provide two outstanding sports and entertainment facilities.

Our responsibilities at Guaranteed Rate Field include required stadium improvements and repairs. 2018 saw numerous projects completed and others started.

Completed projects include the Visiting Clubhouse Renovation, 35th Street marquee, scoreboard ribbon board, exterior fascia painting, parking lot B generator replacement, and other projects.

New projects undertaken are lobby renovation, video surveillance, parking lot lights to LED, 100 Level washroom floor replacement and installation of new in-game speakers, as well as the additional ongoing phased-in projects and capital improvements.

These projects ensure the future integrity of the facility while keeping the facility competitive with an ever evolving sports entertainment marketplace.

As we have done in the past, ISFA continues its proud traditions of working with community organizations to assist them in meeting their goals. This year we partnered with the Chicago Public Schools, the Chicago Police and Chicago Fire Departments, the ALS Les Turner Foundation, the University of Illinois and CASA (Court Appointed Special Advocates), to name a few. Notably, golf came to Guaranteed Field in 2018 as we hosted Stadiumlinks. Working with White Sox staff, together we transformed the field into a golf course complete with tee boxes, greens and bunkers. For the first time in the Midwest a sports venue hosted 9 holes of fun filled golf and over 4000 Chicagoans got to hit golf balls inside the ballpark.

We are proud of the work we have done and we continue to aggressively market to other promoters in an effort to maximize non-baseball related revenues and remain dedicated to our fiscal responsibilities.

We thank the State of Illinois, the City of Chicago, the Chicago White Sox, the Chicago Park District and all our partners for their continued support.

Cordially,
Manuel "Manny" Sanchez

A handwritten signature in black ink that reads "Manuel Sanchez". The signature is written in a cursive, flowing style.

19th ANNUAL CHARITY BASEBALL GAME



BRAVEST

VS.

FINEST



Chicago Police Department – 8 vs. Chicago Fire Department – 5

The battle for bragging rights continued for the 19th Annual Finest vs. Bravest baseball game and 2018 was no exception. With Chicago's unpredictable weather cooperating, we recorded the largest crowd in the 19 year history of the game. From the flyover represented by both Police & Fire departments, to the smell of hot dogs, the game was entertaining for all who attended. At the end of the game, Chicago's Finest (Police) beat the Chicago's Braves (Fire) with a score of 8 to 5.

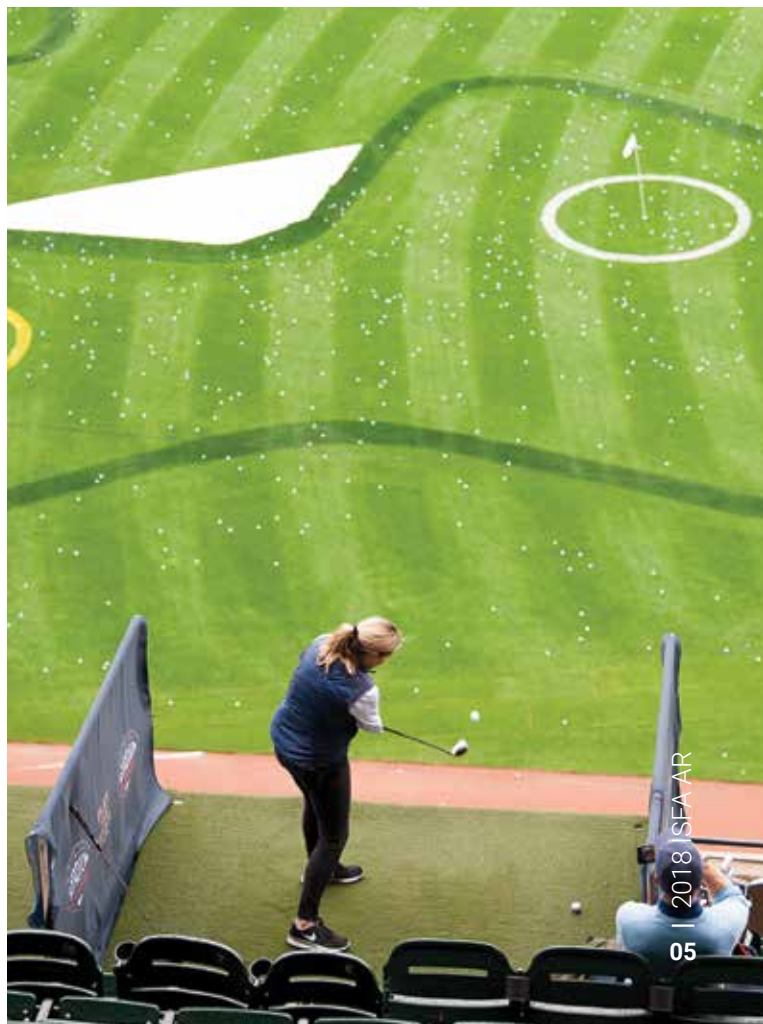


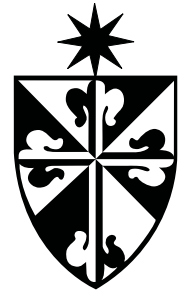
Stadiumlinks Event



In October, Guaranteed Rate Field was transformed into a 9-hole golf course by Stadiumlinks as their one-of-a-kind golf experience, which is showcased in iconic stadiums, made its first-ever Midwest tour stop. Amenities included two driving ranges, chipping & putting challenges, food/beverage carts and VIP hospitality upgrades.

Over 4,000 players hit shots from unique vantage points all around the stadium at targets that were hundreds of feet below on Guaranteed Rate Field's legendary playing surface. The course design created nine separate par-3 holes with target greens, flags and real holes.





FENWICK
HIGH SCHOOL

VS.



DE LA SALLE



METEORS

It's always a thrill for high school athletes to get the opportunity to play on a Major League Baseball field and that is what took place on May 11, 2018 between Fenwick High School and De La Salle High School. Fenwick topped De La Salle with a score of 6 to 0.



06 | 2018 ISFA YEAR





VS.



IIT & Aurora had the opportunity to play their ballgame under the lights at Guaranteed Rate Field on April 26, 2018. The game was well fought on both sides of the diamond with IIT edging out Aurora 5 – 3, but not before a 9th inning rally by Aurora – top of the 9th, bases loaded and 2 outs, Aurora player steps to the plate and swings, falling just short of a grand slam before IIT plays the ball perfectly, catching it with no room left on the warning track.



Charitable Donations

Access Living
AKArama Foundation, Inc.
Alcuin Montessori School
Alexander Leigh Center for Autism
Allie and Friends Foundation
American Cancer Society
American Lung Association
American Heart Association
Animal Care League
Antioch Rotary Club
Aspire
Association House
Bears Care Gala
Beverly Arts Center
Big Shoulders Fund
Blessings In A Backpack
Bloomingdale-Roselle Kiwanis Club
Boys & Girls Club of West Cook County
Brotherhood for the Fallen
Cabrini Green Legal Aid
Cal's Angels
Calumet College of St. Joseph Women's Guild
Canavan Research Illinois
Cancer Kiss My Cooley
Canine Therapy Corps
Catholic Charities
Center for Disability & Elder Law
Center for Economic Process
Chicago Area Alternative Education League
Chicago Bar Foundation
Chicago Children's Advocacy Center
Chicago Engineer's Foundation
Chicago Family Health Center
Chicago Fire Department Gold Badge
Chicago Fire Fighters Union Burn Foundation
Chicago Fire Foundation
Chicago Lighthouse
Chicago Metropolitan Battered Women's Network
Chicago Police Foundation
Chicago Scholars
Chicago Sinfonietta
Chicago Summer Business Institute
Chicago Youth Symphony Orchestra
Chicagoland Czech-American Community Center
Chicagoland Lutheran Educational Foundation
Children's Heart Foundation
Children's Home and Aid
Children's Research Triangle
ChildServ
Christopher House
Clarendon Hills Infant Welfare Society
Clearbrook
Connections for Abused Women and their Children
Court Appointed Special Advocates of Cook County
Cystic Fibrosis Foundation
Daniel Murphy Scholarship Fund
Dennis J. Smith Foundation
DePaul College Prep
Domestic Violence Legal Clinic
Dominican University
Easter Seals Chicago
Easter Seals DuPage & Fox Valley
Edison Regional Gifted Center
Edwards Foundation
Envision Unlimited
Erie Elementary Charter School
Erie Neighborhood House
Face the Future Foundation
Facing Forward
Families Together Cooperative Nursery School



Family Rescue	Lisa Marie Santoro Scholarship Foundation	Random Act of Kindness
Foundation of Monroe County Community Schools	Loyola Academy	Ronald McDonald House Charities
Friends of Prentice	Lupus Society Illinois	Safer Foundation-
Gads Hill Center	Mainstay Therapeutic Farm	Saint Bede Academy
George Rogers Clark High School Athletic Department	Make-A-Wish Illinois	Saint Patrick's High School
Giant Steps	Max Lacewell Foundation	Saint Raymond de Penafort
Gi Gi's Playhouse	Megan Hurckes Scholarship Fund	Salvation Army
Girls in the Game	Mend A Heart Foundation	Saving America's Youth
Glenwood Academy	Mercy Home for Boys & Girls	Saving Tiny Hearts
Glen Oaks Hospital Foundation	Midwest Dachshund Rescue	Schaumburg Firefighters Benevolent Association
Gold Badge Society	Misericordia	Safe Haven
Goodman Theater	Mitchell Museum of the American Indian	Second Sense
Guardian Angel Basset Rescue, Inc.	Moe Mac Memorial Scholarship	Shaping Americas Youth
Guardian Angel Community Services	MSU Alumni Foundation of Metro Chicago	South Suburban Humane Society
HACIA	Mujeres Latina en Accion	Spay Illinois
Harrison Primary Center	Muscular Dystrophy Association	Special Olympics Illinois
Haven Youth & Family Services	Music for Youth of Arlington Heights	St. Baldrick's Foundation
Health & Medicine Policy Research Group	National Association for Down Syndrom	St. Giles School
Heartland Animal Shelter	National Latino Education Institute	St. James Food Pantry
Hoffman Estates Loyal Parents	New Star Services	St John the Baptist
House of Good Shepherd	Northern Illinois University Foundation	St. Rita of Cascia High School
Hubbard Woods School	Northwestern Memorial Fund	St. Viator School
Institute for Positive Living	Omni Youth Services	Stevenson High School Foundation
Intonation Music	Operation Homefront	Take Steps
Illinois Children's Heart Foundation	Orchard Village	The Cradle
Illinois Coalition for Immigrant and Refugee Rights	Our Lady of Grace Catholic School	The Jones Foundation
Jane Addams Band Booster Association	Our Lady of Tepeyac	Tommy Finnegan Legacy Foundation
JDRF Illinois Chapter – Suite	PACTT Learning Center	Tourney 4 Tommy
Jones Foundation	Palatine Township Senior Citizens Council	Youth Guidance
Journeys/The Road Home	Pass With Flying Colors	UCP Seguin
Kankakee County Humane Foundation	Peace and Education Coalition	Urban Initiatives
Kenwood Oakland Community Organization	Planned Parenthood	Waters Elementary School
La Casa Norte	Police Memorial Foundation	Welles Park Recreational Group
LaSalle II PTO	Prevent Child Abuse	Whiting Lions Club
Leukemia Research Foundation	Queen of Angels Catholic Elementary	YMCA
		Youth Guidance
		Youth Outlook
		Youth Services

4th Annual “Play Your Part” Toy Drive

For the fourth year, CASA and the Toy Industry Foundation held their “Play Your Part” Toy Drive held in The Patio at Guaranteed Rate Field on July 25, 2018. Approximately 250 children from the Cook County area were greeted with a room overflowing with toys for kids of all ages. Each child leaves with a few toys and while at the event they enjoy face painting, music and games. It is like having Christmas in July.





9th Annual "Strike Out ALS" 5k event

Strike Out ALS 5k run/walk attracted over 700 runners & walkers and raised \$75,700 to support the foundations research! Runners and walkers begin their journey at "Old Home Plate" in parking Lot B and come across to the street and make their way around the warning track inside the ballpark before making their way out and around the remaining lots. Humans both big and small, as well as some four-legged friends enjoy the event all while raising funds for research to help strike out ALS.



Construction Projects

Capital Improvement Projects included renovations and upgraded facilities as required in accordance with MLB standards to the Visitors' clubhouse. This scope of work consisted of replacing lockers, relocating laundry facilities, enhancing kitchen to include cooking capabilities and eating space, upgrading training room amenities and adding a players' lounge.

The final phase of upgrading the digital displays throughout the park was completed prior to the 2018 season opener. Dynamic 16mm video ribbon board was installed along the 500 level



field wall in addition to new boards and pinwheel displays on the marquee located at 35th and Wentworth.

The first phase of Scoreboard Control Room equipment replacement began as Phase II of the Access Control upgrades focused on the installation of a security system for all of the exterior and interior doors. Additional phases of Capital Repair infrastructure improvements to the facility's waste & vent piping, concrete & waterproofing and HVAC systems continued.





Board of Directors
Illinois Sports Facilities Authority

Report on the Financial Statements

We have audited the accompanying combined statement of assets, liabilities and equity – bond indenture basis as of June 30, 2018, and the combined statement of revenues, expenditures, and changes in fund balance – bond indenture basis for the year then ended of the Illinois Sports Facilities Authority (the Authority), and the related notes to the combined bond indenture basis financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Authority’s Bond Indenture. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statements, the financial statements are prepared by the Authority on the basis of the financial reporting provisions of the Authority’s Bond Indenture, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Authority as of June 30, 2018, or changes in financial position thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

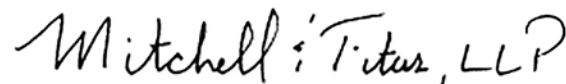
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2018, and the changes in financial position for the year then ended in accordance with the financial reporting provisions of the Authority's Bond Indenture as described in Note 1.

Other Information

Our audit was conducted for the purpose of forming an opinion on the combined bond indenture basis financial statements that collectively comprise the Authority's basic financial statements. The individual fund bond indenture basis schedules of revenues, expenditures, and changes in fund balances are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund bond indenture basis schedules of revenues, expenditures, and changes in fund balances are fairly stated, in all material respects, in relation to the basic financial statements as a whole in accordance with the Authority's Bond Indenture as described in Note 1.

Report on Summarized Comparative Information

We have previously audited the Authority's June 30, 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 27, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Handwritten signature in black ink that reads "Mitchell Titus, LLP".

October 25, 2018

Combined Statements of Assets, Liabilities and Equity – Bond Indenture Basis

ASSETS

Current Assets	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	2014 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,	
													2018	2017
Cash and Cash Equivalents	\$53,738,938	\$12,722,348	\$ 91,892	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,478	\$ 6,649,982	\$ -	\$ -	\$ 73,205,638	\$ 71,770,507
Hotel Tax Revenues Receivable	-	-	-	-	17,530,059	-	-	-	-	-	-	-	17,530,059	16,140,652
Interest and Other Receivables	23,158	-	-	-	-	12,181	-	-	6,860	-	-	-	42,199	55,571
Prepaid Expenditures	314,827	-	-	-	-	-	-	-	-	-	-	-	314,827	297,903
<i>Due from Other Funds</i>														
General Fund	-	3,138,965	301,306	5,758,542	-	-	-	-	-	-	8,619,813	-	17,818,626	16,604,362
Revenue funds	-	-	-	-	-	-	-	-	-	-	-	-	-	1
2001 Debt Service Funds	12,181	-	-	-	-	-	-	-	-	-	-	-	12,181	4,532
2014 Debt Service Funds	6,857	-	-	-	-	-	-	-	-	-	-	-	6,857	2,806
Total Current Assets	54,095,961	15,861,313	393,198	5,758,542	17,530,059	12,181	-	-	9,338	6,649,982	8,619,813	-	108,930,387	104,876,334
<i>Long-Term Assets</i>														
Stadium	-	-	-	-	-	-	-	-	-	-	-	153,260,885	153,260,885	153,260,885
Stadium Improvements	-	-	-	-	-	-	-	-	-	-	-	106,154,317	106,154,317	103,232,861
Scoreboard	-	-	-	-	-	-	-	-	-	-	-	16,162,315	16,162,315	14,928,053
Replacement Housing	-	-	-	-	-	-	-	-	-	-	-	4,763,939	4,763,939	4,763,939
Land	-	-	-	-	-	-	-	-	-	-	-	28,165,461	28,165,461	28,165,461
Land Improvements	-	-	-	-	-	-	-	-	-	-	-	4,724,111	4,724,111	4,724,111
Capitalized Interest	-	-	-	-	-	-	-	-	-	-	-	8,933,867	8,933,867	8,933,867
Total Long-Term Assets	-	-	-	-	-	-	-	-	-	-	-	322,164,895	322,164,895	318,009,177
TOTAL ASSETS	\$54,095,961	\$15,861,313	\$ 393,198	\$ 5,758,542	\$17,530,059	\$ 12,181	\$ -	\$ -	\$ 9,338	\$ 6,649,982	\$ 8,619,813	\$322,164,895	\$431,095,282	\$422,885,511

See accompanying notes to combined financial statements.

June 30, 2018 (With Comparative Totals for 2017)

LIABILITIES & EQUITY

	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	2014 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,		
													2018	2017	
Current Liabilities															
Accounts Payable	\$ 183,972	\$ 2,209,082	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,636,677	\$ -	\$ -	\$ 4,029,731	\$ 3,535,586	
Interest Payable	-	-	-	-	-	883,813	-	-	592,668	-	-	-	1,476,481	1,386,194	
State Administration Fee Payable	-	-	-	-	701,202	-	-	-	-	-	-	-	701,202	645,626	
Due to Other Funds															
General Fund	-	-	-	-	-	12,181	-	-	6,857	-	-	-	19,038	7,339	
Comiskey Park Capital Improvement Fund	3,138,965	-	-	-	-	-	-	-	-	-	-	-	3,138,965	2,321,280	
Supplemental Stadium Fund	301,306	-	-	-	-	-	-	-	-	-	-	-	301,306	301,306	
Chicago White Sox Reserve Fund	5,758,542	-	-	-	-	-	-	-	-	-	-	-	5,758,542	5,613,026	
Soldier Field Reserve Fund	8,619,813	-	-	-	-	-	-	-	-	-	-	-	8,619,813	8,368,750	
Total Current Liabilities:	18,002,598	2,209,082	-	-	701,202	895,994	-	-	599,525	1,636,677	-	-	24,045,078	22,179,107	
Long-Term Liabilities															
Long-term liabilities	-	-	-	-	-	128,183,884	-	-	279,300,000	-	-	-	407,483,884	414,402,462	
Total Liabilities	18,002,598	2,209,082	-	-	701,202	129,079,878	-	-	279,899,525	1,636,677	-	-	431,528,962	436,581,569	
Equity															
Fund Balance (Deficit)	36,093,363	13,652,231	393,198	5,758,542	16,828,857	(399,881,853)	(42,535,000)	(10,000,000)	(590,187)	5,013,305	8,619,813	165,427,895	(201,219,836)	(207,563,637)	
Principal Amount of Bonds Retired from Revenue	-	-	-	-	-	36,244,299	6,110,000	1,655,000	13,175,000	-	-	150,000,000	207,184,299	200,265,722	
Principal Amount of Bonds Retired from Refunding	-	-	-	-	-	234,569,857	36,425,000	8,345,000	(292,475,000)	-	-	-	(13,135,143)	(13,135,143)	
Principal Amount of Scoreboard Note Retired from Revenue	-	-	-	-	-	-	-	-	-	-	-	6,737,000	6,737,000	6,737,000	
Total Equity	36,093,363	13,652,231	393,198	5,758,542	16,828,857	(129,067,697)	-	-	(279,890,187)	5,013,305	8,619,813	322,164,895	(433,680)	(13,696,058)	
TOTAL LIABILITIES & EQUITY	\$ 54,095,961	\$ 15,861,313	\$ 393,198	\$ 5,758,542	\$ 17,530,059	\$ 12,181	\$ -	\$ -	\$ 9,338	\$ 6,649,982	\$ 8,619,813	\$ 322,164,895	\$ 431,095,282	\$ 422,885,511	

See accompanying notes to combined financial statements.

Combined Statements of Revenues, Expenditures and Changes in Fund Balance – Bond Indenture Basis

Revenues	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	2014 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,		
													2018	2017	
State Subsidy	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000
City Subsidy	-	-	-	-	5,000,000	-	-	-	-	-	-	-	-	5,000,000	5,000,000
Investment Income	244,066	36,679	213	-	-	151,044	-	-	89,917	14,928	-	-	-	536,847	83,882
Hotel Tax Revenue	-	-	-	-	53,363,358	-	-	-	-	-	-	-	-	53,363,358	51,811,822
Special Events Revenue	73,590	-	-	-	-	-	-	-	-	-	-	-	-	73,590	487,030
Fees to the Authority from the Chicago White Sox	-	-	-	-	1,881,532	-	-	-	-	-	-	-	-	1,881,532	1,832,869
Other Income	34,987	-	-	-	-	-	-	-	-	-	-	-	-	34,987	33,967
Total Revenues	352,643	36,679	213	-	65,244,890	151,044	-	-	89,917	14,928	-	-	-	65,890,314	64,249,570
Expenditures															
<i>General expenditures</i>															
Salaries and Benefits	958,027	-	-	-	-	-	-	-	-	-	-	-	-	958,027	943,244
Office Expenditures	73,983	-	-	-	-	-	-	-	-	-	-	-	-	73,983	91,247
Insurance Expenditures	629,261	-	-	-	-	-	-	-	-	-	-	-	-	629,261	577,871
Professional Services	443,984	702,746	-	-	-	-	-	-	-	-	-	-	-	1,146,730	961,144
Trustee Fees	-	-	-	-	15,500	-	-	-	-	-	-	-	-	15,500	15,500
State Administration Fee	-	-	-	-	2,134,534	-	-	-	-	-	-	-	-	2,134,534	2,072,473
Marketing and Special Events	221,899	-	-	-	-	-	-	-	-	-	-	-	-	221,899	1,386,847
<i>Debt service expenditure</i>															
Bond Interest	-	-	-	-	-	19,241,694	-	-	14,579,327	-	-	-	-	33,821,021	29,822,724
Bond Principal Payments	-	-	-	-	-	3,628,577	-	-	3,290,000	-	-	-	-	6,918,577	8,687,075
Total General Expenditures:	2,327,154	702,746	-	-	2,150,034	22,870,271	-	-	17,869,327	-	-	-	-	45,919,532	44,558,125
<i>Other expenditures</i>															
Capital Improvements	-	6,553,392	-	-	-	-	-	-	-	3,479,819	-	-	-	10,033,211	7,784,913
Park Maintenance	-	2,455,425	-	-	-	-	-	-	-	-	-	-	-	2,455,425	2,188,651
Soldier Field Maintenance Subsidy	5,294,063	-	-	-	-	-	-	-	-	-	-	-	-	5,294,063	5,139,867
Total Other Expenditures:	5,294,063	9,008,817	-	-	-	-	-	-	-	3,479,819	-	-	-	17,782,699	15,113,431
TOTAL EXPENDITURES:	7,621,217	9,711,563	-	-	2,150,034	22,870,271	-	-	17,869,327	3,479,819	-	-	-	63,702,231	59,671,556
Excess (Deficiency) of Revenues Over Expenditures:	(7,268,574)	(9,674,884)	213	-	63,094,856	(22,719,227)	-	-	(17,779,410)	(3,464,891)	-	-	-	2,188,083	4,578,014

See accompanying notes to combined financial statements.

For the Year Ended June 30, 2018 (With Comparative Totals for 2017)

<i>Other Financing Sources (Uses)</i>	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	2014 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,		
													2018	2017	
In-kind Donation from the Chicago White Sox	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 475,142	\$ 475,142	\$ 1,222,037
Stadium Improvements	-	-	-	-	-	-	-	-	-	-	-	-	6,925,581	6,925,581	4,508,858
Stadium Disposals	-	-	-	-	-	-	-	-	-	-	-	-	(3,245,005)	(3,245,005)	(2,048,709)
<i>Transfers-In</i>															
General Fund	-	7,953,086	-	145,516	-	-	-	-	-	3,074,686	251,063	-	11,424,351	10,889,855	
Revenue Funds	19,230,179	1,881,532	-	-	-	22,773,226	-	-	17,876,088	-	-	-	61,761,025	60,862,662	
2001 Debt Service Funds	151,045	-	-	-	-	-	-	-	-	-	-	-	151,045	50,463	
2014 Debt Service Funds	89,888	-	-	-	-	-	-	-	-	-	-	-	89,888	32,433	
<i>Transfers-Out</i>															
General Fund	-	-	-	-	(19,230,179)	(151,045)	-	-	(89,888)	-	-	-	(19,471,112)	(20,770,376)	
Comiskey Park Capital Improvement Fund	(7,953,086)	-	-	-	(1,881,532)	-	-	-	-	-	-	-	(9,834,618)	(9,053,053)	
Chicago White Sox Reserve Fund	(145,516)	-	-	-	-	-	-	-	-	-	-	-	(145,516)	(440,789)	
2001 Debt Service Funds	-	-	-	-	(22,773,226)	-	-	-	-	-	-	-	(22,773,226)	(20,543,225)	
2014 Debt Service Funds	-	-	-	-	(17,876,088)	-	-	-	-	-	-	-	(17,876,088)	(17,799,088)	
Soldier Field Capital Improvement Fund	(3,074,686)	-	-	-	-	-	-	-	-	-	-	-	(3,074,686)	(2,985,132)	
Soldier Field Reserve Fund	(251,063)	-	-	-	-	-	-	-	-	-	-	-	(251,063)	(243,750)	
TOTAL OTHER FINANCING SOURCES (USES)	8,046,761	9,834,618	-	145,516	(61,761,025)	22,622,181	-	-	17,786,200	3,074,686	251,063	4,155,718	4,155,718	3,682,186	
Net Change in Fund Balance	778,187	159,734	213	145,516	1,333,831	(97,046)	-	-	6,790	(390,205)	251,063	4,155,718	6,343,801	8,260,200	
Fund Balance (Deficit)—June 30, 2017	35,315,176	13,492,497	392,985	5,613,026	15,495,026	(399,784,807)	(42,535,000)	(10,000,000)	(596,977)	5,403,510	8,368,750	161,272,177	(207,563,637)	(215,823,837)	
Fund Balance (Deficit)—June 30, 2018	\$ 36,093,363	\$ 13,652,231	\$ 393,198	\$ 5,758,542	\$ 16,828,857	\$(399,881,853)	\$(42,535,000)	\$(10,000,000)	\$ (590,187)	\$ 5,013,305	\$ 8,619,813	\$ 165,427,895	\$(201,219,836)	\$(207,563,637)	

See accompanying notes to combined financial statements.

Notes to Combined Bond Indenture Basis Financial Statements June 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization of the Authority

The Illinois Sports Facilities Authority (the Authority) is a political subdivision, unit of local government, body politic, and municipal corporation of the State of Illinois (the State). The Authority was established by legislation originally adopted by the Illinois General Assembly in 1987 for the purpose of providing sports stadiums for professional sports teams. On July 7, 1988, the Governor of Illinois signed into law amendatory legislation, which increased the amount of bonds that the Authority could issue, provided additional security for those bonds, modified provisions of the law governing agreements between the Authority and professional sports teams, and otherwise facilitated financing of the New Comiskey Park (as defined below) by the Authority. Prior to the adoption of the 1988 amendatory legislation, the Authority and the Chicago White Sox, Ltd. (the Team), an Illinois limited partnership, entered into an agreement (the Management Agreement) by which the Authority agreed to acquire and construct a new baseball stadium and related facilities for the Team. The Management Agreement was approved by both the Commissioner of Major League Baseball and the President of the American League of Professional Baseball Clubs.

On March 29, 1989, the Authority issued \$150,000,000 Series 1989 Bonds to finance the construction of the New Comiskey Park, which was placed in service in April 1991. On June 1, 1999, the Authority issued \$103,755,000 Series 1999 Refunding Bonds and used the proceeds for the advance refunding of the Series 1989 Bonds at a call premium of 102% for amounts maturing after June 15, 1999.

On January 5, 2001, the Governor of Illinois signed into law Public Act 91-935. The principal changes contained in the Act included an increase in the Authority's bond authorization by \$399,000,000 and authorization to use those bond proceeds and to provide financial assistance to another governmental body to provide the design, construction, and renovation of a facility owned or to be owned by that body. The law was effective June 1, 2001. The 1987 legislation, together with the 1988 and 2001 amendatory legislation, is referred to as the "Authorizing Legislation."

In 2001, the Authority entered various agreements with the Chicago Park District, the Chicago Bears Football Club, Inc. (the Bears), the Chicago Bears Stadium, LLC (the Developer), and LaSalle Bank N.A. as bond trustee and disbursement agent that outline the terms and conditions with respect to the redevelopment of a 97-acre parcel of Chicago lakefront park land that includes Soldier Field (the Project). Included in these agreements are the Development Assistance Agreement and the Operation Assistance Agreement.

On October 4, 2001, the Authority issued \$398,998,040 Series 2001 Bonds to provide financial assistance to the Project. The Project included the restoration of the existing colonnades and the shell of Soldier Field; the construction of a 61,500 seat state-of-the-art facility for athletic, artistic, and cultural events; the construction of a new 2,500 space underground parking structure between Soldier Field and the Field Museum utilized for general use by the public, including Museum patrons, throughout the year; the construction of a two-story above-ground parking structure south of Soldier Field; the reconstruction and landscaping of a surface parking lot near McCormick Place; and the creation of 17 new acres of park facilities. Soldier Field officially reopened for National Football League games on September 29, 2003.

In 2003, the Authority and the Team agreed that the Team could license to United States Cellular Corporation the naming rights for the New Comiskey Park. In turn, the Authority and the Team reached agreement on certain changes and modifications including the extension of the term of the Management Agreement from 2010 until 2029, a plan and project list for construction, and the method for financing the improvements via the issuance of the Series 2003 Bonds in the amount of \$42,535,000 and a corresponding maintenance subsidy reduction to cover the debt service. The New Comiskey Park was renamed to U.S. Cellular Field and corresponding various improvements were made to the park in both the 2004 and 2005 off seasons, most notably the upper deck renovations and the addition of the Fundamental deck and the Scout Seating Area.

On December 29, 2008, the Authority issued \$10,000,000 Series 2008 Bonds to finance the redevelopment of the 35th Street infrastructure. The project consisted of the demolition of portions of the pedestrian ramps and replacement with a new enclosed system of elevators and escalators to provide access for members of the general public.

On August 20, 2014, the Authority issued \$292,475,000 Series 2014 Refunding Bonds and used the proceeds for the refunding of all maturities outstanding for the Series 2001 Current Interest Bonds, the Series 2003 Bonds and the Series 2008 Bonds, along with the advance refunding of \$46,734,857 of Series 2001 Conversion Bonds scheduled to mature from 2017 through 2028.

As a result of the issuance of the Series 2014 Refunding Bonds, all maturities outstanding for the Series 2001 Current Interest Bonds totaling \$187,835,000, along with the Series 2001 Conversion Bonds scheduled to mature from 2017 through 2028 totaling \$46,734,857, were defeased and the liability was removed from the financial statements on August 20, 2014. The Series 2001 Current Interest Bonds and the Series 2001 Conversion Bonds were redeemed on September 15, 2014 and June 15, 2015, respectively, with bond proceeds held in escrow. The 2001 Conversion Bonds were redeemed at a call premium of 101%.

As a result of the issuance of the Series 2014 Refunding Bonds, all maturities outstanding for the Taxable Series 2003 Bonds, totaling \$36,425,000, were defeased and the liability was removed from the financial statements on August 20, 2014. The Series 2003 Bonds were redeemed on September 15, 2014, with bond proceeds held in escrow.

As a result of the issuance of the Series 2014 Refunding Bonds, all maturities outstanding for the Series 2008 Bonds, totaling \$8,345,000, were defeased and the liability was removed from the financial statements on August 20, 2014. The Series 2008 Bonds were redeemed on September 15, 2014, with bond proceeds held in escrow.

The Series 2001 Bonds and Series 2014 Refunding Bonds (collectively, the Bonds) outstanding at June 30, 2018 and 2017, as applicable, were secured by an assignment of and a first lien on amounts which are to be paid to U.S. Bank N.A. (the Trustee) from the Illinois Sports Facilities Fund, a fund in the Treasury of the State.

The Bonds were also secured by Authority Tax Revenues subject to the interest of the Team under the Management Agreement until the date the Trustee first received payments from the Sports Facilities Fund after completion of the Soldier Field project. A formal certificate of completion on the Project was issued on February 7, 2007.

In August 2016, the Authority and the Team agreed that the Team may license to Guaranteed Rate, a Chicago-based mortgage lender, the naming rights for U.S. Cellular Field. In exchange, the Team agreed that the Authority will receive all incremental naming rights revenue in excess of the amount due to the Team. The Team also agreed not to invoke a provision in the Management Agreement, which requires the Authority to undertake certain major renovations during the last two years of the current lease term, and, if extended, during the one year of the extension term. The renaming of U.S. Cellular Field to Guaranteed Rate Field took effect on November 1, 2016.

Establishment of Funds

The financial activities of the Authority are recorded in the following funds required either by the Indenture of Trust, the First Supplemental Indenture of Trust, the Second Supplemental Indenture of Trust, the Third Supplemental Indenture of Trust, the Amended and Restated Indenture of Trust, and the Fourth Supplemental Indenture of Trust (collectively the "Bond Indenture") securing the Series 2001 Bonds, the Series 2003 Bonds, the Series 2008 Bonds, and the Series 2014 Refunding Bonds or the Management Agreement and the Operation Assistance Agreement, as noted below:

General Fund

The General Fund accounts for the overall operations of the Authority, as well as construction-related expenditures not paid for through the Construction Fund. Overhead items, such as professional fees, commercial insurance, salaries, and office expenditures, are paid from this fund. Certain excess revenues in the Revenue Funds are transferred into this fund.

Revenue Funds

- *Sports Facilities Fund* – Revenues received from the Illinois Sports Facilities Fund of the State Treasury, such as subsidies received from the City of Chicago (the "City") and the State, are deposited into this fund.
- *Investment Earnings Fund* – Investment earnings in funds other than the Construction Fund, Debt Service Reserve Fund, Bond Interest Fund, Bond Principal Fund, Bond Redemption Fund, Extraordinary Redemption Fund, and Rebate Fund are transferred into this fund. The amounts held in this fund are to be applied to debt service payments in the event needed. If additional funding is not required, the balance is to be transferred into the Sports Facilities Fund. As a result, when sufficient funding has been appropriated to meet debt service obligations for the fiscal year, the Authority is not required to maintain this fund.
- *Other Revenues Fund* – Authority Hotel Tax revenues and advances from the State, along with excess monies in any of the Debt Service Funds at fiscal year end, are deposited into this fund. Fees to the Authority from the Chicago White Sox under Article III and Article XXXI of the Management Agreement are also recorded in this fund.

Debt Service Funds

- *Bond Interest Fund* – Interest payments on the Bonds are paid from this fund. Revenues for payment of interest are generally transferred from the Revenue Funds.
- *Bond Principal Fund* – Principal payments on the Bonds are paid from this fund. Revenues for principal payments are generally transferred from the Revenue Funds.
- *Bond Redemption Fund* – Payments for redemption of term bonds are made from this fund. Revenues for payments are generally transferred from the Revenue Funds.
- *Capitalized Interest Fund* – A portion of the proceeds of the 2001 Series Bonds was placed into this fund to meet part of the interest obligations on such bonds for the first three fiscal years. The interest earned on these proceeds is placed into the fund and will also be used to offset interest payments on the 2001 Series Bonds.
- *Cost of Issuance Fund* – A portion of the proceeds from the issuance of the 2003 Series Bonds, the 2008 Series Bonds, and the 2014 Refunding Series Bonds were placed into the funds to meet the costs associated with issuing the 2003, 2008, and 2014 Series Bonds. The interest earned on these proceeds accumulates within the fund and continues to be used to pay expenditures related to issuing these bonds. Any funds not depleted shall be used as specified in the Bond Indenture.
- *Debt Service Reserve Fund* – The reserve requirement for debt service is maintained in this fund. Transfers may be made to other funds for interest, principal, and redemption payments. Additional revenues, if needed, in this fund are obtained through transfers from the Revenue Funds. The reserve requirement for the 2001 and 2014 Series Bonds is currently being met by surety bonds issued by Ambac Assurance Corporation (Ambac) and Assured Guaranty Municipal Corporation, respectively.
- *Extraordinary Redemption Fund* – Payments for early redemption of the bonds are made from this fund. Revenues in this fund are obtained through transfers from the Debt Service Funds.
- *Project Fund* – Upon the financial closing of the 2001 Series Bonds, the 2001 Series Project Fund received the net proceeds of the bonds after payment of costs of issuance and deposits to the Capitalized Interest Fund. Such proceeds were utilized by the Project as defined above. Additionally, the interest earned on these proceeds was deposited into the fund. As of August 20, 2004, these dollars were fully expended. Upon the financial closing of the 2003 Series Bonds, the 2003 Series Project Fund received the net proceeds of the bonds after payment of costs of issuance. Such proceeds were utilized for renovations at Guaranteed Rate Field as agreed to by the Authority and Team. Upon the financial closing of the 2008 Series Bonds, the 2008 Series Fund received the net proceeds of the bonds after payment of costs of issuance and debt service reserve. Such proceeds were utilized for the redevelopment of the 35th Street infrastructure. Additionally, interest earned on these proceeds is deposited into the fund.
- *Refunding Bond Fund* – Upon the closing of the Series 2014 Refunding Bonds, the proceeds were used to pay the principal, interest, and redemption premium of the refunded bonds, the costs of issuance, and underwriter, bond insurance, and surety fees. The Refunding Bond Fund contains the outstanding refunding bonds payable balance.
- For financial statement purposes, the debt service funds for each series of bonds have been consolidated into a single column, specifically, one column for the 2001 Debt Service Funds, one column for the 2003 Debt Service Funds, one column for the 2008 Debt Service Funds, and one column for the 2014 Debt Service Funds.

Capital Projects Funds

- *Construction Fund* – As created by the Series 1989 Indenture, this fund reflects the majority of the costs associated with the construction of the New Comiskey Park. The majority of the Series 1989 Bond proceeds were deposited into this fund. During fiscal year 1992, the Construction Fund exhausted the balance of the original bond proceeds and all remaining construction expenditures were made from the General Fund.

Other Funds

- *Comiskey Park Capital Improvement Fund (formerly known as the Maintenance and Repairs Fund)* – This fund was created by the Management Agreement and is used to finance the Authority's share of capital improvements to Guaranteed Rate Field, as well as ongoing stadium maintenance and repair obligations of the Authority after completion of the New Comiskey Park. Required annual reserves for maintenance and repair costs are transferred into this fund from the General Fund. In addition, the Three-Party Agreement between the Chicago Park District, the Chicago White Sox, and the Authority provides for portions of fees paid to the Authority by the Chicago White Sox to be deposited within this fund.

- *Supplemental Stadium Fund* – This fund was created by the Management Agreement and is used to finance capital improvements to Guaranteed Rate Field mutually agreed by the Authority and the Team. The Authority is required to transfer into the fund by November 21 of each year amounts determined pursuant to a formula set forth in the Management Agreement. The formula requires the transfer of the lesser of (i) net ticket fees paid to the Authority by the Chicago White Sox for the season most recently ended and (ii) the Amount of Authority hotel tax receipts, if any, in excess of specified annual levels set forth in the Management Agreement. The initial deposit was due in fiscal year 2008 and was paid from the Comiskey Capital Improvement Fund.
- *Chicago White Sox Reserve Fund* – This fund was created by the Management Agreement and is used to retain the reserve required by the Management Agreement between the Authority and the Team. Required annual reserves covering the Authority's good faith estimate of obligations to the Team for the following fiscal year are transferred into this fund from the General Fund.
- *Soldier Field Capital Improvement Fund* – This fund was created by the Operation Assistance Agreement and is used to finance the Authority's subsidy to the Chicago Park District for the capital improvement expenditures at Soldier Field. The required annual subsidy for Chicago Park District's capital improvement costs are transferred into this fund from the General Fund, per the agreement. The obligation for payments started in fiscal year 2004; such obligations are remitted by the Chicago Park District to the Authority for reimbursement.
- *Soldier Field Reserve Fund* – This fund was created by the Operation Assistance Agreement and is used to retain the reserve required by the Operation Assistance Agreement between the Authority and the Chicago Park District.
- *Rebate Fund* – This fund is used to reserve funds for any federal income tax arbitrage rebate liability incurred on excess investment interest income. No federal income tax liability was incurred for the years ended June 30, 2018 and 2017.

The funds shown in these financial statements are those for which activity has been recorded for the period in accordance with the Bond Indenture.

Establishment of Accounting Principles

As provided by the Authorizing Legislation, the Authority originally issued Series 1989 Bonds to construct the New Comiskey Park. Additionally, the Authority issued Series 2001 Bonds to provide financial assistance to the Chicago Park District for the Chicago Lakefront and Stadium Improvement Project, Series 2003 Bonds to renovate Guaranteed Rate Field, Series 2008 Bonds to redevelop the 35th Street infrastructure, and Series 2014 Refunding Bonds to achieve debt service savings. To set forth obligations and agreements of the Authority with regard to these Bonds, the Authority adopted the Bond Indenture.

Under the Bond Indenture and the Authorizing Legislation, various accounting principles are to be followed by the Authority, which differ in certain respects and in some cases may be material, from generally accepted accounting principles in the United States of America ("GAAP"). The more significant of these differences are as follows:

- Instead of using the modified accrual basis of accounting for governmental funds required under GAAP, the Authority's financial statements are prepared using the accrual basis of accounting and for certain revenues and expenditures, and, as described below, the cash basis of accounting.
- Under GAAP, the Authority would have been required for the year ended June 30, 2003 to adopt the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*; GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*; and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*. The principal impact of such standards include:
 - In addition to the currently prepared government fund financial statements, the Authority would be required to prepare separate government-wide financial statements under the accrual basis of accounting including recording depreciation expenditures for capital assets.
 - The Authority would be required to prepare Management's Discussion and Analysis as required supplementary information to the financial statements.
- In addition, for the year ended June 30, 2012, the Authority would have been required to adopt the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government

is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The fund balance classifications are non-spendable, restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

Therefore, the accompanying financial statements, which are prepared in accordance with the aforementioned accounting principles, are not intended to, and do not, present the financial position or results of operations in conformity with GAAP. Following are the significant accounting policies required by the Bond Indenture:

- **Accrual Basis of Accounting** – The accompanying financial statements were prepared using the accrual basis of accounting, except for the Chicago White Sox Maintenance Subsidy, the Chicago Park District Maintenance Subsidy, payment requisitions from the Project Fund, and certain Fees to the Authority from the Chicago White Sox, which are accounted for on a cash basis. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.
- **Long-Term Assets and Liabilities** – Every transaction involving an expenditure for a long-term asset is recorded as an expenditure on the combined statement of revenues, expenditures, and changes in fund balance. To record the asset on the combined balance sheet, a second entry is made. This second entry records an asset for the amount of the expenditure, with the offsetting entry going to an "other financing sources" account on the combined statement of revenues, expenditures, and changes in fund balance. Certain expenditures in the Comiskey Park Capital Improvement Fund, Series 2003 and Series 2008 Project Funds for capital improvements are recorded as long-term assets. Some transactions involving long-term liabilities are recorded as revenue on the combined statement of revenues, expenditures, and changes in fund balance. To record the liability on the combined balance sheet, a second entry records the liability for the amount of the revenue, with the offsetting entry going to an "other financing uses" account in the combined statement of revenues, expenditures and changes in fund balance. Reductions in the long-term liabilities are recorded as offsetting entry to equity in the combined statement of assets, liabilities, and equity.

The types of costs that have been recorded as long-term assets as described above include construction costs, stadium improvements, land purchases, capitalized interest, and 1989 Bond issuance costs. Expenditures surrounding the above-mentioned categories prior to fiscal year 2001 were recorded as long-term assets.

In fiscal year 2001, the Authority undertook a comprehensive process of performing both improvements and renovations to existing components at the park. In situations where these stadium improvements replaced or renovated existing components, the Authority expensed such dollars as park maintenance. However, in situations where the stadium improvement related to a new component and/or to an enhancement to the facility, the Authority recorded the expenditure as a long-term asset. This process was ongoing until fiscal year 2008. Beginning in fiscal year 2009, the historical value of replacements, when indeterminable, was derived using a capital cost reverse escalation calculator model. The model was created using data published by the Engineering News Record ("ENR") Building Cost Index ("BCI") for Chicago, Illinois. The information needed to derive the historical value for disposals includes the initial year the asset was put into service or the year the replacement asset was installed and the current amount expended on the replacement of those assets.

- **Interest** – Interest on the Bonds is provided from revenues and paid semiannually on June 15 and December 15 from the Bond Interest Fund. In addition, an accrual is made for the amount of interest owed to bondholders. Interest is accrued and paid for all bonds with the exception of the 2001 Series Conversion and Capital Appreciation Bonds, for which payment is deferred until future years.
- **Investment Income** – Income from investments, and profits and losses realized from such investments, are credited or charged to the investing fund on a monthly basis.
- **Revenues** – The Authority's major revenue sources are described below:
 - **State and City Subsidy Payments** – Under the Authorizing Legislation, the Authority is to receive, subject to sufficient appropriation by the General Assembly of the State of Illinois, \$10 million per fiscal year through fiscal year 2032. Of this \$10 million, \$5 million is a subsidy to be provided from a portion of the net proceeds of the State Hotel Operators' Occupation Tax (the State Hotel Tax) and \$5 million is a subsidy to be provided from a portion of the Local Government Distributive Fund in the State Treasury, which is allocated to the City of Chicago.
 - **Proceeds of the State Hotel Tax** – The State imposes a statewide tax on persons engaged in the business of renting, leasing, or letting hotel rooms. In each fiscal year, \$5 million is remitted to the Authority from the net proceeds of the State Hotel

Tax. Subject to annual appropriation, the payments are made to the Authority from the State Treasury in eight equal monthly installments for the first eight months of the fiscal year. This tax is separate from and in addition to the Authority Hotel Tax described below.

- **The Local Government Distributive Fund** – In each fiscal year, subject to annual appropriation, \$5 million is remitted to the Authority from the portion of the Local Government Distributive Fund allocated to the City of Chicago. The payments are made to the Authority from the State Treasury in eight equal monthly installments in the first eight months of the fiscal year.
 - **Authority Hotel Tax Collections** – Under the Authorizing Legislation, the Authority is empowered to and has imposed a 2% tax on the receipts from the occupation of renting, leasing, or letting hotel rooms in the City (the Authority Hotel Tax). The Authority Hotel Tax is collected by the Illinois State Department of Revenue, which withholds 4% of the amount collected as an administrative fee for collecting and remitting these tax revenues to the Authority.
- There is generally a three-month delay between the time hotels collect and remit the tax to the State, and the State remits the collections to the Authority. This delay results in a year-end hotel tax revenues receivable.
- **State Advance** – Subject to annual appropriation, every month, for the first eight months of a fiscal year, the State advances to the Authority the difference between the annual amount certified by the Chairman of the Authority pursuant to Section 8.25-4 of the State Finance Act (and appropriated to the Authority from the Illinois Sports Facilities Fund) less the subsidy portion of the appropriation. The amount advanced is drawn from State Hotel Tax revenues.

The original Act set the advance amount at \$8 million. Public Act 91-935 increased the advance amount to \$22,179,000 for fiscal year 2002 and 105.615% of the previous year's amount for fiscal year 2003 and each fiscal year thereafter through 2032.

Every month during the respective fiscal year, the State withholds collections of the Authority Hotel Tax to repay the amount advanced to the Authority until such time as the advance is repaid in full. The withholding amount is equal to the balance of the advance or the total amount of collections for the month, if those collections are less than the balance of the advance. To the extent the Authority Hotel Tax is not adequate to repay the advance by the end of a fiscal year, the deficiency is automatically withdrawn by the State from the City's share of the Local Government Distributive Fund. As a result, at the end of each fiscal year, the Authority's advance reimbursement obligation is fully satisfied.

During fiscal years 2018 and 2017, the State's withholding of the Authority Hotel Tax was sufficient to repay the State for the full advance amount prior to the end of the fiscal year. Following full repayment of the advance, the State remitted Authority Hotel Tax collections in excess of the advance to the Authority.

The Authorizing Legislation provides that on June 15 of each year all amounts that the Authority has received from net proceeds of the Authority Hotel Tax and which remain available after payment of debt service on bonds or notes of the Authority, deposits for debt service reserves, obligations under management agreements with users of the Authority's facilities and/or users of other government entity's facilities for which the Authority has entered into financial assistance agreements, deposits to other reserve funds, and payments of its other capital and operating expenditures, are to be repaid to the State Treasury. The Authority repaid \$0 for fiscal years 2018 and 2017.

- **Fees to the Authority from the Chicago White Sox** – The Management Agreement, as amended, currently provides three mechanisms by which the Chicago White Sox remits fees to the Authority. The first mechanism is through ticket revenues; the second is through a guaranteed fee; and the third is an escalating fee for the use of the Conference Center.

Under Article III of the Management Agreement, upon completion of the new stadium, the Authority is entitled to certain ticket fees, which represent a percentage of ticket revenues after attendance reaches a certain level, as defined by the Management Agreement. Tickets sold for the 2017 Season did not exceed the minimum ticket threshold. Therefore, no net ticket fees were received at the conclusion of the 2017 Season. Tickets sold for the 2018 Season are projected not to exceed the minimum ticket threshold. Therefore, no net ticket fees are projected to be received at the conclusion of the 2018 Season.

The Authority presents ticket fees as revenue in the combined financial statements net of other payments due to the Chicago White Sox. Tickets sold are subject to the City of Chicago's Amusement Tax. Under the Management Agreement, the Authority is required to reimburse the Chicago White Sox for a certain portion of taxes on the sale of tickets. As of June 30, 2018 and 2017, \$0 was accrued as net estimated receivables under this agreement.

In addition to ticket fees, the Authority is entitled to a base fee of \$1,200,000 beginning in Season 2008, which increases annually through 2011 by \$100,000. For Seasons 2012 and thereafter, the fee of \$1,500,000 is escalated by a fraction, the numerator of which is the Consumer Price Index (as defined in the Management Agreement, "CPI") for the month of December preceding such Season and the denominator of which is the CPI for the month of December 2010. For the 2018 and 2017 Season, the amount of the base fee was \$1,634,515 and \$1,609,681, respectively.

The Authority is also entitled to a rental payment for the Conference Center in the amount of \$100,000 beginning in 2001 and escalating by a fraction, the numerator of which is the Consumer Price Index (as defined in the Management Agreement, CPI) for the month of May during such Season and the denominator of which is the CPI for the month of May 2001. In no event may the rental payment be reduced below \$100,000. The rental payment for fiscal 2018 and 2017 was \$129,301 and \$127,430, respectively.

• *Application of Revenues Under the Indenture* – Monthly revenues are disbursed in the following order from the following accounts in the Revenue Fund:

1. From the Investment Earnings Account;
2. From the Sports Facilities Fund Account;
3. From the Authority Tax Revenues Account; and
4. From the Other Revenues Fund.

These disbursements are used to pay the following expenditures in the following order on a monthly basis:

1. One-eighth of the annual interest requirements on outstanding bonds for the first eight months of the fiscal year into the Bond Fund-Interest Account, after taking into account amounts on deposit in and available for transfer from any capitalized interest account;
2. The same as 1. above for the annual principal requirements on serial bonds into the Bond Fund-Principal Account;
3. The same as 2. above for the annual principal requirements on term bonds into the Bond Fund Redemption Account;
4. An amount, if any, needed to increase the reserve in the Debt Service Reserve Fund for: (i) first, to reimburse in full the Debt Service Reserve Fund Facility Providers for any amounts paid under their Debt Service Reserve Fund Facilities pursuant to a Deficiency Drawing, on a pro rata basis, if any; (ii) second, to increase the balance of such Fund to the Debt Service Reserve Requirement, which is equal to the lesser of (a) 50% of Maximum Annual Debt Service or (b) 10% of the aggregate principal amount of all series of the outstanding bonds; and (iii) third, to reimburse in full the Debt Service Reserve Fund Facility Providers for any amounts paid under their Debt Service Reserve Fund Facilities pursuant to an Expiration Drawing, on a pro rata basis, if any;
5. Trustee fees and credit enhancement costs;
6. On a pro rata basis, any interest due and payable to each Debt Service Reserve Fund Facility Provider pursuant to the relevant agreements;
7. All remaining amounts under the Indenture are paid to the Authority, except no investment earnings on amounts in the Revenue Fund are paid to the Authority.

• *Disposition of Revenues after Receipt by the Authority* – Amounts that the Authority receives under the Indenture, together with the proceeds of the Authority Hotel Tax, investment earnings, receipts from the Chicago White Sox and other revenues and receipts of the Authority are spent for the corporate purposes of the Authority, including to satisfy its obligations under the Management Agreement and its various contracts with the Chicago Park District. The Authority, the Chicago Park District, and the Chicago White Sox have entered into a Three-Party Agreement that describes the following relative priority of expenditures by the Authority after making the transfers, deposits, and payments required under the Indenture and described above and before rebating any surplus revenues to the State as required under Section 19 of the Act:

1. Payment of the Chicago White Sox maintenance subsidy;
2. Payment of the Authority's ordinary and necessary expenditures;
3. Payment of Guaranteed Rate Field capital repairs to a set amount;
4. Payment of the annual subsidy amount to the Chicago Park District;
5. Payment of any Guaranteed Rate Field capital repairs not provided for in item 3;
6. Payment of the required deposits to the Soldier Field Capital Improvement Fund;
7. Deposits of the required amounts to the Chicago White Sox Reserve Fund;

8. Deposits of the required amounts to the Soldier Field Reserve Fund;

9. Reserving of any amounts determined by the Authority as protection against fluctuations in the Authority Hotel Tax that might affect the Authority's ability to repay amounts advanced by the State; and

10. Payment of any amounts under any agreement with the Chicago White Sox or Chicago Park District entered into after the Three-Party Agreement.

In fiscal year 2007, the Authority established a real estate account within the General Fund of the Authority for the purpose of funding projects to acquire land relevant to the Authority. The balance in the real estate account at the conclusion of fiscal years 2018 and 2017 was \$7,155,000.

In fiscal year 2018, \$145,516 was transferred from the General Fund to the Chicago White Sox Reserve Fund; \$251,063 was transferred from the General Fund to the Soldier Field Reserve Fund; and \$1,913,084 increased the hotel tax variation reserve within the year, offset by a \$913,084 reduction, bringing the reserve balance at the conclusion of the fiscal year to \$26,000,000.

In fiscal year 2017, \$440,789 was transferred from the General Fund to the Chicago White Sox Reserve Fund; \$243,750 was transferred from the General Fund to the Soldier Field Reserve Fund; and \$1,228,237 was drawn from the hotel tax variation reserve within the year, offset by a \$1,228,237 replenishment, along with an increase of \$1,000,000, bringing the reserve balance at the conclusion of the fiscal year to \$25,000,000.

– *Investments* – The Authority follows the provisions of GASB Statement No. 72, Fair Value Measurement and Application. In accordance with the statement, fair value is the price that would be received to sell an asset or paid to transfer to a liability in an orderly transaction between market participants at the measurement date.

The investment of funds is also restricted to permitted investments of public agencies as defined by Illinois law. These permitted investments include direct obligations of the U.S. Treasury, Agencies, and Instrumentalities; commercial paper of U.S. corporations with assets exceeding \$500,000,000 if such commercial paper is rated within the three highest rating classifications; interest-bearing savings accounts; certificates of deposit; time deposits; money market accounts; and certain repurchase agreements.

The Authority did not report any investments during fiscal years ended June 30, 2018 or 2017.

• *Operations* – Operating costs and expenditures are expensed as incurred. In addition, accruals have been made for goods and services received but not paid.

• *Fund Transfers* – The Authority records transfers between funds for various purposes, including earnings transfers, funding, and payment of debt service of the Authority.

Summarized Financial Information for Fiscal Year 2017

The accompanying financial statements include certain prior-year summarized comparative information. Such information does not include all of the information required by a presentation in conformity with the basis of accounting under the Bond Indenture as previously described. Accordingly, such information should be read in conjunction with the Authority's financial statements for the year ended June 30, 2017, from which the summarized information was derived.

NOTE 2 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents

Cash equivalents include highly liquid debt instruments purchased with a maturity date of three months or less. During fiscal year 2018, the Authority's five checking accounts were changed from non-interest bearing to interest-bearing accounts. The checking accounts were fully collateralized as of June 30, 2018 and 2017.

Credit Risk

State law authorizes the Authority to invest in direct obligations of the U.S. Treasury, agencies, and instrumentalities; short-term commercial paper of U.S. corporations with assets exceeding \$500,000,000 if such commercial paper is rated within the three highest rating classifications; interest-bearing savings accounts; certificates of deposit; time deposits; money market accounts; and certain repurchase agreements.

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the Authority's policy to limit its investments in these investment types to the top two ratings issued by NRSROs.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities. Investments are held only in banks insured by the Federal Deposit Insurance Corporation. The Authority limits its investments to the safest types of securities, such as obligations backed by the United States or its agencies, in accordance with the Authority's Investment Policy, to mitigate risk of loss. Investments purchased by third-party custodial banks are in accordance with the Authority's Investment Policy and are approved by the Authority in advance. Funds of the Authority managed by the Trustee bank pursuant to the Indenture of Trust are invested by the Trustee in accordance with the Bond Indenture and the Illinois Public Funds Investment Act. All investments are held in the Authority's name.

Interest Rate Risk

The Authority's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Authority manages interest rate exposure by matching the maturities of investments with its expected cash flow needs. For investments intended to be used for operations and capital maintenance, the Authority purchases investments so that the maturity dates are in line with anticipated cash flow needs. For investments restricted for capital projects, the Authority invests in maturities that meet the projected draw schedule for related projects.

NOTE 3 BONDS PAYABLE

Series 2001

Total Series 2001 Bonds outstanding at June 30, 2018 are as follows:

Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2001	Effective Interest Rate	Amount
Conversion Bonds, Due June 15, 2028 to 2030	5.50%	\$ 89,747,586
Capital Appreciation Bonds, Due June 15, 2019 to 2026	5.22% to 9.00%	38,436,298
Total		\$ 128,183,884

The Capital Appreciation Bonds are not subject to optional or mandatory redemption prior to maturity. However, the Conversion Bonds are subject to redemption at the option of the Authority prior to maturity and following the conversion date:

Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2001	Maturing After	Redemption Price
Conversion Bonds, subject to optional redemption following the conversion date	On or after June 15, 2015 and prior to June 15, 2016	101.0%
	On or after June 15, 2016	100%

Series 2001 Bonds maturing in the years subsequent to June 30, 2018, are as follows:

Year Ending June 30	Amount	Ambac provides the debt service reserve fund surety bond and bond insurance on the Series 2001 Bonds. The proceeds of the Series 2001 Bonds were used to provide financial assistance to the Chicago Park District to finance a portion of the costs of the reconstruction of Soldier Field and improvements to the Chicago lakefront.
2019	3,637,123	
2020	3,817,434	
2021	3,968,976	
2022	4,095,360	
2023	4,199,047	
2024-2028	47,329,910	
2029-2030	61,136,034	
Total	\$ 128,183,884	

Series 2014

Total Series 2014 Refunding Bonds outstanding at June 30, 2018, are as follows:

Illinois Sports Facilities Authority Sports Facilities Refunding Bonds, Series 2014	Interest Rate	Amount
Series Bonds, Due June 15, 2019 to 2032	5.00% – 5.25%	\$ 279,300,000

The Series 2014 Bonds are subject to optional redemption prior to maturity.

Illinois Sports Facilities Authority Sports Facilities Refunding Bonds, Series 2014	Maturing After	Redemption Price
	On or after June 15, 2025	100.0%

Bonds maturing in the years subsequent to June 30, 2018 are as follows:

Year Ending June 30	Amount
2019	3,520,000
2020	3,770,000
2021	4,030,000
2022	4,305,000
2023	4,600,000
2024-2028	73,095,000
2029-2032	185,980,000
Total	\$ 279,300,000

Assured Guaranty Municipal Corporation provides bond insurance for the payment of the principal and interest on the Series 2014 Bonds maturing on June 15 of the years 2025 through 2032, and provides the debt service reserve fund surety bond for the outstanding Series 2014 Bonds.

In connection with the amended surety bond guaranty agreement with Ambac and at all times while the Bonds are outstanding or any amounts are owed to Ambac, the Authority covenanted to set aside and to maintain within the Comiskey Park Capital Repairs Account (or another Authority fund, at the discretion of the Authority), an amount (Authority Reserved Funds) equal to the Maximum Annual Debt Service (as defined in the Indenture) for all Bonds then outstanding, less the annual City Subsidy Moneys (as defined in the Indenture), less the net proceeds of the tax imposed by the State Hotel Tax Act (as defined in the Indenture) from which deposits to the Illinois Sports Facilities Fund (as defined in the Indenture) may be made.

In compliance with the amended surety bond guaranty agreement with Ambac, the Authority will determine the required amount of Authority Reserved Funds on or before November 1 of each year. If the Authority is required to increase the amount of the Authority Reserved Funds maintained in any year and the fiscal year in which Maximum Annual Debt Service occurs is five or fewer years from the date of the determination of the amount of Authority Reserved Funds, the Authority will increase the amount of the Authority Reserved Funds to comply within 12 months of the determination. If the Authority is required to increase the amount of the Authority Reserved Funds maintained in any year and the fiscal year in which Maximum Annual Debt Service occurs is more than five years from the date of the determination of the amount of Authority Reserved Funds, the Authority will increase the amount of the Authority Reserved Funds within 24 months of the determination.

At June 30, 2018 and 2017, the Authority Reserved Funds in compliance with the agreement were calculated to be \$0.

NOTE 4 TRUSTEE

The Authority and American National Bank (as the Original Trustee) entered into a Bond Indenture for the Series 1989 Bonds as of March 1, 1989. In conjunction with the refunding of the Series 1989 Bonds, the Authority and the Original Trustee entered into a new Bond Indenture, dated June 1, 1999, to apply to the Series 1999 Refunding Bonds.

On October 9, 2001, LaSalle Bank, N.A. (Former Trustee) assumed the trustee role for the 1999 Bonds. LaSalle Bank N.A. was appointed as trustee of the Series 2001 and Series 2003 Bonds.

On May 5, 2007, U.S. Bank N.A. (Trustee) assumed the trustee role for the 1999 Bonds, the Series 2001 Bonds, and the Series 2003 Bonds. U.S. Bank N.A. was also appointed as trustee of the Series 2008 and Series 2014 Bonds. Under the Bond Indenture, the Trustee has the responsibility to receive and disburse money in accordance with the Bond Indenture and the Authorizing Legislation.

NOTE 5 CONTINGENCIES AND COMMITMENTS**Maintenance Requirements, Guaranteed Rate Field**

Under the Management Agreement, the Authority reserves \$3 million, increased by 3% annually for each Season after the 2001 Season, for capital improvements, including various maintenance and repair items to be disbursed from the Comiskey Capital Improvement Fund. This increase provision was effective in fiscal year 2003 and equated to required minimum transfer amounts of \$4,814,121 and \$4,673,904 in fiscal years 2018 and 2017, respectively.

In fiscal year 2018, the Authority transferred the required amount plus an additional \$3,138,965 from the General Fund and \$1,881,532 from the Other Revenues Fund to the Comiskey Park Capital Improvement Fund to finance various projects throughout Guaranteed Rate Field and the surrounding property. In accordance with the 17th Amendment to the Management Agreement, the Authority transferred \$0 from the Other Revenues Fund to the Supplemental Stadium Fund.

In fiscal year 2017, the Authority transferred the required amount plus an additional \$2,321,280 from the General Fund and \$1,832,869 from the Other Revenues Fund to the Comiskey Park Capital Improvement Fund to finance various projects throughout Guaranteed Rate Field and the surrounding property. In accordance with the 17th Amendment to the Management Agreement, the Authority transferred \$0 from the Other Revenues Fund to the Supplemental Stadium Fund.

Maintenance Requirements, Soldier Field

Under the Operation Assistance Agreement, the Authority is required to remit to the Chicago Park District an annual maintenance subsidy, which was in the amount of \$5,294,063 in fiscal year 2018 and \$5,139,867 in fiscal year 2017. The Operation Assistance Agreement also requires an annual subsidy for capital improvements at Soldier Field to be transferred into the Soldier Field Capital Improvement Fund, which was in the amount of \$3,074,686 in 2018 and \$2,985,132 in 2017. The Chicago Park District maintains responsibility for ensuring the facility is structurally sound and safe. In fiscal years 2018 and 2017, the Authority paid the required subsidies.

Maintenance Requirements, Supplemental Stadium Fund

Under the Management Agreement, the Authority will transfer amounts determined pursuant to a formula to the Supplemental Stadium Fund in November of each year. Amounts in the Supplemental Stadium Fund will be used for capital improvements to Guaranteed Rate Field as mutually agreed by the Authority and the Team. The Authority transferred the initial required deposit of \$4,112,330 from the Comiskey Park Capital Improvement Fund in fiscal year 2008. In fiscal years 2018 and 2017, no transfer was required.

Arbitrage Rebate Requirement

The Bond Indenture requires the Authority to establish and administer a Rebate Fund. The Rebate Fund need not be maintained; however, if the Authority's bond counsel renders an opinion that failure to maintain the Rebate Fund will not cause the Bonds to become arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code or otherwise adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

Every five years, subject to certain exceptions, the Authority is required to remit to the United States government an arbitrage rebate payment for the amount of excess earnings from investment of the gross proceeds of the tax exempt bond (the Series 2001, Series 2008, and Series 2014 bonds) above the yield on those bonds. At June 30, 2018 and 2017, there was no arbitrage rebate liability.

Fund Deficits

As of June 30, 2018, the 2001 Bond Fund, the 2003 Bond Fund, the 2008 Bond Fund and the 2014 Bond Fund had deficit fund balances of \$399,881,853, \$42,535,000, \$10,000,000, and \$590,187, respectively. As of June 30, 2017, the 2001 Bond Fund, the 2003 Bond Fund, the 2008 Bond Fund, and the 2014 Bond Fund had deficit fund balances of \$399,784,807, \$42,535,000, \$10,000,000, and \$596,977, respectively. The deficit fund balances in the Bond Interest Funds included in each are due to the accrual of interest expenditures within each respective fund. The actual outflow of funds for these accruals will occur in fiscal year 2019, at which time the funds are expected to generate sufficient resources from revenues and/or transfers to pay for the related obligations. The deficit fund balances in the respective Project Funds and Refunding Bond Fund are due to outstanding the bonds payable balances related to the financial assistance provided to the Chicago Park District for the construction of the Chicago Lakefront and Stadium Improvement Project and the renovation work performed to existing elements of Guaranteed Rate Field as defined in Note 1.

NOTE 6 RETIREMENT PLAN

In fiscal year 2014, the Authority elected to change from a defined contribution simplified employee pension plan to a non-elective 401(a) governmental plan for the benefit of its employees. Employees of the Authority who have attained the age of 21 and have worked at least one year at the Authority are eligible to participate in and are fully vested in the 401(a) plan. Subject to the approval of the Authority, the one-year service requirement may be waived or modified by either the terms of an employment contract and/or by the hiring of an employee directly from a qualifying governmental entity or agency. The Authority contributes 13% of its employees' salaries. In fiscal years 2018 and 2017, retirement contributions by the Authority were \$87,817 and \$92,190, respectively.

The Authority established a 457(b) plan in fiscal year 2013 to provide employees with the opportunity to defer current compensation, up to the maximum allowable dollar limit. Employees of the Authority are fully vested in the 457(b) plan.

All plan assets and investments are administered by a trustee, which maintains an individual account for each participant. Further, each participant maintains ownership and control over all assets in his or her account. The plans may be amended or terminated by the Authority at any time and for any reason in the future, but no such action can deprive employees of their vested interests.

NOTE 7 IN-KIND DONATIONS

During fiscal year 2018, \$475,142 in in-kind donations was contributed by the Chicago White Sox and reported in the Construction Fund. Contributions consisted of capital improvements to the Stadium. The aggregate is reflected in the capital assets and other financing sources section of the financial statements of the Authority for the year ended June 30, 2018.

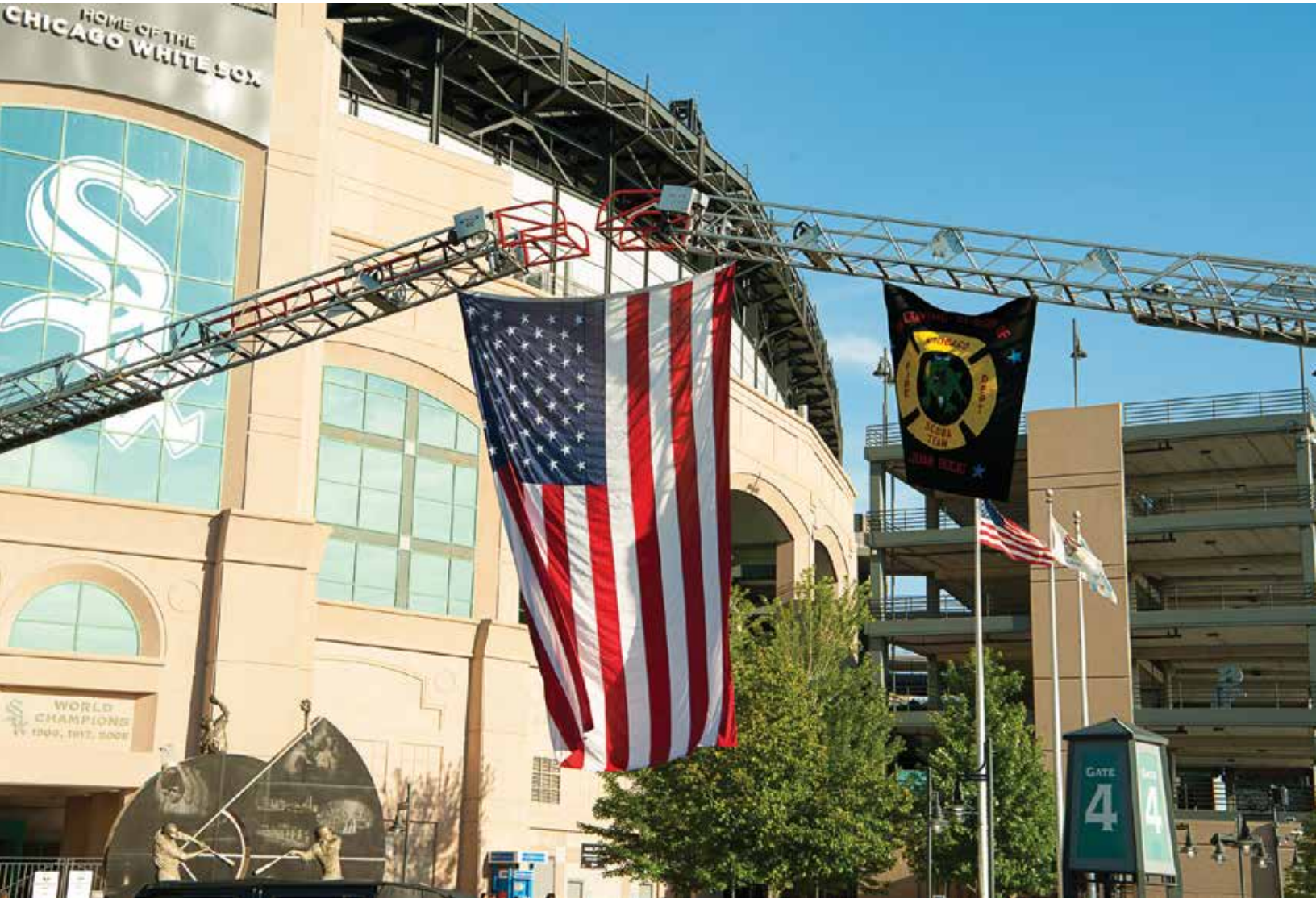
During fiscal year 2017, \$1,222,037 in in-kind donations was contributed by the Chicago White Sox and reported in the Construction Fund. Contributions consisted of capital improvements to the Stadium. The aggregate is reflected in the capital assets and other financing sources section of the financial statements of the Authority for the year ended June 30, 2017.

NOTE 8 CONTINGENT LIABILITIES

Various lawsuits, claims, and other contingent liabilities may arise during the ordinary course of the Authority's operations. In management's opinion, any current related matters have been adequately provided for, are without merit, or are of such nature that if settled, would not have a material adverse effect on the Authority's financial position.

NOTE 9 SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 25, 2018, the date the financial statements were available to be issued. No additional subsequent events were noted that would require recognition or disclosure in the financial statements.



**OWNER & DEVELOPER OF GUARANTEED RATE FIELD,
HOME OF THE CHICAGO WHITE SOX**