Table of Contents

Finest vs. Bravest Charity Game 2-3
Stadiumlinks 4-5
Finwick vs. De La Salle 6
IIT vs. Aurora University 7
Charitable Donations 8-9
4th Annual “Play Your Part” Toy Drive 10
9th Annual “Strike Out ALS” 5k Event 11
Construction Projects 12-13
Independent Auditor’s Report 14-15
Combined Statement of Assets, Liabilities and Equity 16-17
Combined Statement of Revenues, Expenditures and Changes in Fund Balances 18-19
Notes to Financial Statements 20-25

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

Manuel Sanchez
Chairman
Rosemarie Andolino
Norman R. Bobins
Richard Price
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

[Signature]
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.
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.
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.
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.
<table>
<thead>
<tr>
<th>Charitable Donations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access Living</td>
</tr>
<tr>
<td>AKArama Foundation, Inc.</td>
</tr>
<tr>
<td>Alcuin Montessori School</td>
</tr>
<tr>
<td>Alexander Leigh Center for Autism</td>
</tr>
<tr>
<td>Allie and Friends Foundation</td>
</tr>
<tr>
<td>American Cancer Society</td>
</tr>
<tr>
<td>American Lung Association</td>
</tr>
<tr>
<td>American Heart Association</td>
</tr>
<tr>
<td>Animal Care League</td>
</tr>
<tr>
<td>Antioch Rotary Club</td>
</tr>
<tr>
<td>Aspire</td>
</tr>
<tr>
<td>Association House</td>
</tr>
<tr>
<td>Bears Care Gala</td>
</tr>
<tr>
<td>Beverly Arts Center</td>
</tr>
<tr>
<td>Big Shoulders Fund</td>
</tr>
<tr>
<td>Blessings In A Backpack</td>
</tr>
<tr>
<td>Bloomingdale-Roselle Kiwanis Club</td>
</tr>
<tr>
<td>Boys &amp; Girls Club of West</td>
</tr>
<tr>
<td>Cook County</td>
</tr>
<tr>
<td>Brotherhood for the Fallen</td>
</tr>
<tr>
<td>Cabrini Green Legal Aid</td>
</tr>
<tr>
<td>Ca's Angels</td>
</tr>
<tr>
<td>Calumet College of St. Joseph</td>
</tr>
<tr>
<td>Women's Guild</td>
</tr>
<tr>
<td>Canavan Research Illinois</td>
</tr>
<tr>
<td>Cancer Kiss My Cooley</td>
</tr>
<tr>
<td>Canine Therapy Corps</td>
</tr>
<tr>
<td>Catholic Charities</td>
</tr>
<tr>
<td>Center for Disability &amp; Elder Law</td>
</tr>
<tr>
<td>Center for Economic Process</td>
</tr>
<tr>
<td>Chicago Area Alternative Education League</td>
</tr>
<tr>
<td>Chicago Bar Foundation</td>
</tr>
<tr>
<td>Chicago Children's Advocacy Center</td>
</tr>
<tr>
<td>Chicago Engineer's Foundation</td>
</tr>
<tr>
<td>Chicago Family Health Center</td>
</tr>
<tr>
<td>Chicago Fire Department</td>
</tr>
<tr>
<td>Gold Badge</td>
</tr>
<tr>
<td>Chicago Fire Fighters Union Burn Foundation</td>
</tr>
<tr>
<td>Chicago Fire Foundation</td>
</tr>
<tr>
<td>Chicago Lighthouse</td>
</tr>
<tr>
<td>Chicago Metropolitan Battered Women's Network</td>
</tr>
<tr>
<td>Chicago Police Foundation</td>
</tr>
<tr>
<td>Chicago Scholars</td>
</tr>
<tr>
<td>Chicago Sinfonietta</td>
</tr>
<tr>
<td>Chicago Summer Business Institute</td>
</tr>
<tr>
<td>Chicago Youth Symphony Orchestra</td>
</tr>
<tr>
<td>Chicagoland Czech-American Community Center</td>
</tr>
<tr>
<td>Chicagoland Lutheran Educational Foundation</td>
</tr>
<tr>
<td>Children's Heart Foundation</td>
</tr>
<tr>
<td>Children's Home and Aid</td>
</tr>
<tr>
<td>Children's Research Triangle</td>
</tr>
<tr>
<td>ChildServ</td>
</tr>
<tr>
<td>Christopher House</td>
</tr>
<tr>
<td>Clarendon Hills Infant Welfare Society</td>
</tr>
<tr>
<td>Clearbrook</td>
</tr>
<tr>
<td>Connections for Abused Women and their Children</td>
</tr>
<tr>
<td>Court Appointed Special Advocates of Cook County</td>
</tr>
<tr>
<td>Cystic Fibrosis Foundation</td>
</tr>
<tr>
<td>Daniel Murphy Scholarship Fund</td>
</tr>
<tr>
<td>Dennis J. Smith Foundation</td>
</tr>
<tr>
<td>DePaul College Prep</td>
</tr>
<tr>
<td>Domestic Violence Legal Clinic</td>
</tr>
<tr>
<td>Dominican University</td>
</tr>
<tr>
<td>Easter Seals Chicago</td>
</tr>
<tr>
<td>Easter Seals DuPage &amp; Fox Valley</td>
</tr>
<tr>
<td>Edison Regional Gifted Center</td>
</tr>
<tr>
<td>Edwards Foundation</td>
</tr>
<tr>
<td>Envision Unlimited</td>
</tr>
<tr>
<td>Erie Elementary Charter School</td>
</tr>
<tr>
<td>Erie Neighborhood House</td>
</tr>
<tr>
<td>Face the Future Foundation</td>
</tr>
<tr>
<td>Facing Forward</td>
</tr>
<tr>
<td>Families Together Cooperative Nursery School</td>
</tr>
</tbody>
</table>
Family Rescue
Foundation of Monroe County
Community Schools
Friends of Prentice
Gads Hill Center
George Rogers Clark High School
Athletic Department
Giant Steps
Gi Gi’s Playhouse
Girls in the Game
Glenwood Academy
Glen Oaks Hospital Foundation
Gold Badge Society
Goodman Theater
Guardian Angel Basset Rescue, Inc.
Guardian Angel Community Services
HACIA
Harrison Primary Center
Haven Youth & Family Services
Health & Medicine Policy Research Group
Heartland Animal Shelter
Hoffman Estates Loyal Parents
House of Good Shepherd
Hubbard Woods School
Institute for Positive Living
Intonation Music
Illinois Children’s Heart Foundation
Illinois Coalition for Immigrant and Refugee Rights
Jane Addams Band Booster Association
JDRF Illinois Chapter – Suite
Jones Foundation
Journeys/The Road Home
Kankakee County Humane Foundation
Kenwood Oakland Community Organization
La Casa Norte
LaSalle II PTO
Leukemia Research Foundation
Lisa Marie Santoro Scholarship Foundation
Loyola Academy
Lupus Society Illinois
Mainstay Therapeutic Farm
Make-A-Wish Illinois
Max Lacewell Foundation
Megan Hurckes Scholarship Fund
Mend A Heart Foundation
Mercy Home for Boys & Girls
Midwest Dachshund Rescue
Misericordia
Mitchell Museum of the American Indian
Moe Mac Memorial Scholarship
MSU Alumni Foundation of Metro Chicago
Mujeres Latina en Accion
Muscular Dystrophy Association
Music for Youth of Arlington Heights
National Association for Down Syndrom
National Latino Education Institute
New Star Services
Northern Illinois University Foundation
Northwestern Memorial Fund
Omnio Youth Services
Operation Homefront
Orchard Village
Our Lady of Grace Catholic School
Our Lady of Tepeyac
PACTT Learning Center
Palatine Township Senior Citizens Council
Pass With Flying Colors
Peace and Education Coalition
Planned Parenthood
Police Memorial Foundation
Prevent Child Abuse
Queen of Angels Catholic Elementary
Random Act of Kindness
Ronald McDonald House Charities
Safer Foundation
Saint Bede Academy
Saint Patrick’s High School
Saint Raymond de Penafort
Salvation Army
Saving America’s Youth
Saving Tiny Hearts
Schaumburg Firefighters Benevolent Association
Safe Haven
Second Sense
Shaping Americas Youth
South Suburban Humane Society
Spay Illinois
Special Olympics Illinois
St. Baldrick’s Foundation
St. Giles School
St. James Food Pantry
St. John the Baptist
St. Rita of Cascia High School
St. Viator School
Stevenson High School Foundation
Take Steps
The Cradle
The Jones Foundation
Tommy Finnegan Legacy Foundation
Tourney 4 Tommy
Youth Guidance
UCP Seguin
Urban Initiatives
Waters Elementary School
Welles Park Recreational Group
Whiting Lions Club
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.
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.
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.
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.

October 25, 2018
## Combined Statements of Assets, Liabilities and Equity – Bond Indenture Basis

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Comiskey Park Capital Improvement Fund</th>
<th>Supplemental Stadium Fund</th>
<th>Chicago White Sox Reserve Fund</th>
<th>Revenue Funds</th>
<th>2001 Debt Service Funds</th>
<th>2003 Debt Service Funds</th>
<th>2008 Debt Service Funds</th>
<th>2014 Debt Service Funds</th>
<th>Soldier Field Capital Improvement Fund</th>
<th>Soldier Field Reserve Fund</th>
<th>Construction Fund</th>
<th>Combined Total June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$53,738,938</td>
<td>$12,722,348</td>
<td>$ 91,892</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 2,478</td>
<td>$ 6,649,982</td>
<td>$ -</td>
<td>$ 73,205,638</td>
</tr>
<tr>
<td>Hotel Tax Revenues Receivable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest and Other Receivables</td>
<td>22,158</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid Expenditures</td>
<td>314,827</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Due from Other Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>-</td>
<td>3,138,965</td>
<td>301,306</td>
<td>5,758,542</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,619,813</td>
<td>-</td>
<td>17,818,626</td>
<td>16,604,362</td>
</tr>
<tr>
<td>Revenue funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>2001 Debt Service Funds</td>
<td>12,181</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,532</td>
</tr>
<tr>
<td>2014 Debt Service Funds</td>
<td>6,857</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,806</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>54,095,961</td>
<td>15,861,313</td>
<td>393,198</td>
<td>5,758,542</td>
<td>12,181</td>
<td>-</td>
<td>9,338</td>
<td>6,649,982</td>
<td>8,619,813</td>
<td>-</td>
<td>108,930,387</td>
<td>104,876,334</td>
<td></td>
</tr>
<tr>
<td><strong>Long-Term Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stadium</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>153,260,885</td>
<td>153,260,885</td>
</tr>
<tr>
<td>Stadium Improvements</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>106,154,317</td>
<td>103,232,861</td>
</tr>
<tr>
<td>Scoreboard</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>16,162,315</td>
<td>14,928,053</td>
</tr>
<tr>
<td>Replacement Housing</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,763,999</td>
<td>4,763,999</td>
</tr>
<tr>
<td>Land</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>28,165,461</td>
<td>28,165,461</td>
</tr>
<tr>
<td>Land Improvements</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,724,111</td>
<td>4,724,111</td>
</tr>
<tr>
<td>Capitalized Interest</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8,933,867</td>
<td>8,933,867</td>
</tr>
<tr>
<td><strong>Total Long-Term Assets</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>322,164,895</td>
<td>318,009,177</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$54,095,961</td>
<td>$15,861,313</td>
<td>$ 393,198</td>
<td>$ 5,758,542</td>
<td>$ 12,181</td>
<td>$ -</td>
<td>$ 9,338</td>
<td>$ 6,649,982</td>
<td>$ 8,619,813</td>
<td>-</td>
<td>$322,164,895</td>
<td>$422,885,511</td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
### Current Liabilities

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Comiskey Park Capital Improvement Fund</th>
<th>Chicago White Sox Reserve Fund</th>
<th>Revenue Funds</th>
<th>2001 Debt Service Funds</th>
<th>2003 Debt Service Funds</th>
<th>2008 Debt Service Funds</th>
<th>2014 Debt Service Funds</th>
<th>Soldier Field Capital Improvement Fund</th>
<th>Soldier Field Reserve Fund</th>
<th>Construction Fund</th>
<th>Combined Total June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable</td>
<td>$ 183,972</td>
<td>$ 2,209,082</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 1,636,677</td>
<td>$ -</td>
<td></td>
<td>$ 4,029,731</td>
</tr>
<tr>
<td>Interest Payable</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 592,668</td>
<td>-</td>
<td></td>
<td>$ 1,476,481</td>
</tr>
<tr>
<td>State Administration Fee Payable</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td></td>
<td>$ 1,386,194</td>
</tr>
<tr>
<td>Due to Other Funds</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td></td>
<td>$ 645,626</td>
</tr>
</tbody>
</table>

### Long-Term Liabilities

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Comiskey Park Capital Improvement Fund</th>
<th>Chicago White Sox Reserve Fund</th>
<th>Revenue Funds</th>
<th>2001 Debt Service Funds</th>
<th>2003 Debt Service Funds</th>
<th>2008 Debt Service Funds</th>
<th>2014 Debt Service Funds</th>
<th>Soldier Field Capital Improvement Fund</th>
<th>Soldier Field Reserve Fund</th>
<th>Construction Fund</th>
<th>Combined Total June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term liabilities</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td></td>
<td>$ 128,183,884</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>18,002,598</td>
<td>2,209,082</td>
<td>701,202</td>
<td>895,994</td>
<td>-</td>
<td>599,525</td>
<td>1,636,677</td>
<td>-</td>
<td>279,899,525</td>
<td>5,013,305</td>
<td>8,619,813</td>
<td>$ 431,528,962</td>
</tr>
</tbody>
</table>

### Equity

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Comiskey Park Capital Improvement Fund</th>
<th>Chicago White Sox Reserve Fund</th>
<th>Revenue Funds</th>
<th>2001 Debt Service Funds</th>
<th>2003 Debt Service Funds</th>
<th>2008 Debt Service Funds</th>
<th>2014 Debt Service Funds</th>
<th>Soldier Field Capital Improvement Fund</th>
<th>Soldier Field Reserve Fund</th>
<th>Construction Fund</th>
<th>Combined Total June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Balance (Deficit)</td>
<td>36,093,363</td>
<td>13,652,231</td>
<td>393,198</td>
<td>5,758,542</td>
<td>16,829,857</td>
<td>(399,811,853)</td>
<td>(42,535,000)</td>
<td>(10,000,000)</td>
<td>(590,187)</td>
<td>5,013,305</td>
<td>8,619,813</td>
<td>$ 407,460,697</td>
</tr>
<tr>
<td>Principal Amount of Bonds Retired from Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>36,244,299</td>
<td>6,110,000</td>
<td>1,655,000</td>
<td>12,175,000</td>
<td>-</td>
<td></td>
<td>$ 150,000,000</td>
</tr>
<tr>
<td>Principal Amount of Bonds Retired from Refunding</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>234,569,857</td>
<td>36,425,000</td>
<td>8,345,000</td>
<td>(292,475,000)</td>
<td>-</td>
<td></td>
<td>$ (207,184,299)</td>
</tr>
<tr>
<td>Principal Amount of Scoreboard Note Retired from Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>$ (13,135,143)</td>
</tr>
<tr>
<td>Total Equity</td>
<td>36,093,363</td>
<td>13,652,231</td>
<td>393,198</td>
<td>5,758,542</td>
<td>16,829,857</td>
<td>(129,067,697)</td>
<td>(2,991,807)</td>
<td>(10,000,000)</td>
<td>(590,187)</td>
<td>5,013,305</td>
<td>8,619,813</td>
<td>$ 322,164,895</td>
</tr>
<tr>
<td>TOTAL LIABILITIES &amp; EQUITY</td>
<td>$ 54,095,961</td>
<td>$ 15,861,313</td>
<td>$ 393,198</td>
<td>$ 5,758,542</td>
<td>$ 17,530,059</td>
<td>$ 12,181</td>
<td>-</td>
<td>-</td>
<td>$ 9,338</td>
<td>$ 6,649,982</td>
<td>$ 8,619,813</td>
<td>$ 431,095,282</td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
Combined Statements of Revenues, Expenditures and Changes in Fund Balance – Bond Indenture Basis

<table>
<thead>
<tr>
<th>Revenues</th>
<th>General Fund</th>
<th>Comiskey Park Capital Improvement Fund</th>
<th>Supplemental Stadium Fund</th>
<th>Chicago White Sox Reserve Fund</th>
<th>Revenue Funds</th>
<th>2001 Debt Service Funds</th>
<th>2003 Debt Service Funds</th>
<th>2008 Debt Service Funds</th>
<th>2014 Debt Service Funds</th>
<th>Soldier Field Capital Improvement Fund</th>
<th>Soldier Field Reserve Fund</th>
<th>Construction Fund</th>
<th>Combined Total June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Subsidy</td>
<td>$</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$ 5,000,000</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$ 5,000,000</td>
<td>$ 5,000,000</td>
<td>5,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td>City Subsidy</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- 5,000,000</td>
<td>5,000,000</td>
<td>5,000,000</td>
<td>5,000,000</td>
</tr>
<tr>
<td>Investment Income</td>
<td>244,066</td>
<td>36,679</td>
<td>213</td>
<td>-</td>
<td>151,044</td>
<td>-</td>
<td>89,917</td>
<td>14,928</td>
<td>-</td>
<td>- 536,847</td>
<td>83,882</td>
<td>83,882</td>
<td>83,882</td>
</tr>
<tr>
<td>Hotel Tax Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,881,532</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- 1,881,532</td>
<td>1,832,869</td>
<td>1,832,869</td>
<td>1,832,869</td>
</tr>
<tr>
<td>Special Events Revenue</td>
<td>73,590</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- 73,590</td>
<td>487,030</td>
<td>487,030</td>
<td>487,030</td>
</tr>
<tr>
<td>Fees to the Authority from the Chicago White Sox</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,881,532</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- 1,881,532</td>
<td>1,832,869</td>
<td>1,832,869</td>
<td>1,832,869</td>
</tr>
<tr>
<td>Other Income</td>
<td>34,987</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- 34,987</td>
<td>39,967</td>
<td>39,967</td>
<td>39,967</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>352,643</strong></td>
<td><strong>36,679</strong></td>
<td><strong>213</strong></td>
<td>-</td>
<td><strong>65,244,890</strong></td>
<td><strong>151,044</strong></td>
<td><strong>89,917</strong></td>
<td><strong>14,928</strong></td>
<td>-</td>
<td><strong>65,890,314</strong></td>
<td><strong>64,249,570</strong></td>
<td>64,249,570</td>
<td>64,249,570</td>
</tr>
</tbody>
</table>

**Expenditures**

<table>
<thead>
<tr>
<th>General expenditures</th>
<th>Salaries and Benefits</th>
<th>958,027</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>-</th>
<th>958,027</th>
<th>943,244</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Expenditures</td>
<td>73,983</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>73,983</td>
<td>91,247</td>
</tr>
<tr>
<td>Insurance Expenditures</td>
<td>629,261</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>629,261</td>
<td>577,871</td>
</tr>
<tr>
<td>Professional Services</td>
<td>443,984</td>
<td>702,746</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,146,730</td>
<td>951,144</td>
</tr>
<tr>
<td>Trustee Fees</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>15,500</td>
<td>15,500</td>
</tr>
<tr>
<td>State Administration Fee</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,134,534</td>
<td>2,072,473</td>
</tr>
<tr>
<td>Marketing and Special Events</td>
<td>221,899</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>221,899</td>
<td>1,386,847</td>
</tr>
<tr>
<td><strong>Total General Expenditures:</strong></td>
<td><strong>2,327,154</strong></td>
<td><strong>702,746</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>33,821,021</td>
<td>29,822,724</td>
</tr>
</tbody>
</table>

**Debt service expenditure**

| 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** | - | - | - | - | - | - | - | - | - | - | - | - | - | 33,821,021 | 29,822,724 |

**Other expenditures**

| Capital Improvements | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,479,819 | 7,784,913 |
| Park Maintenance | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 2,455,425 | 2,188,651 |
| Soldier Field Maintenance Subsidy | 5,294,063 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 5,294,063 | 5,199,867 |
| **Total Other Expenditures:** | **5,294,063** | **9,008,817** | - | - | - | - | - | - | - | - | - | - | - | - | - | 3,479,819 | 15,113,431 |
| **TOTAL EXPENDITURES:** | **7,621,217** | **9,711,563** | - | - | - | - | - | - | - | - | - | - | - | - | - | 63,702,231 | 59,671,556 |

**Excess (Deficiency) of Revenues Over Expenditures:**

| (7,268,874) | (9,674,884) | 213 | - | - | - | - | - | - | - | (17,779,410) | (2,464,891) | - | - | (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)

**Other Financing Sources (Uses)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>In-kind Donation from the Chicago White Sox</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$475,142 $475,142 $1,222,037</td>
</tr>
<tr>
<td>Stadium Improvements</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,925,581 6,925,581 4,508,658</td>
</tr>
<tr>
<td>Stadium Disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(3,245,005) (3,245,005) (2,048,709)</td>
</tr>
<tr>
<td><strong>Transfers-In</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>-</td>
<td>7,953,086</td>
<td>145,516</td>
<td>-</td>
<td>-</td>
<td>3,074,686</td>
<td>251,063</td>
<td>-</td>
<td>-</td>
<td>11,424,351</td>
<td>10,889,855</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue Funds</td>
<td>19,230,179</td>
<td>1,881,532</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>17,876,088</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>61,761,025</td>
<td>60,862,662</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001 Debt Service Funds</td>
<td>151,045</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>151,045</td>
<td>50,463</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014 Debt Service Funds</td>
<td>89,888</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>89,888</td>
<td>32,433</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Transfers-Out</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(19,230,179)</td>
<td>(151,045)</td>
<td>(89,888)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(19,471,112)</td>
<td>(20,770,376)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Comiskey Park Capital Improvement Fund</td>
<td>(7,953,086)</td>
<td>-</td>
<td>-</td>
<td>(1,881,532)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(9,834,618)</td>
<td>(9,053,053)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chicago White Sox Reserve Fund</td>
<td>(145,516)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(145,516)</td>
<td>(440,789)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2001 Debt Service Funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(22,773,226)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(22,773,226)</td>
<td>(20,543,225)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014 Debt Service Funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(17,876,088)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(17,876,088)</td>
<td>(17,799,088)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soldier Field Capital Improvement Fund</td>
<td>(3,074,686)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(3,074,686)</td>
<td>(2,985,132)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soldier Field Reserve Fund</td>
<td>(251,063)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(251,063)</td>
<td>(243,750)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL OTHER FINANCING SOURCES (USES)</strong></td>
<td>8,046,761</td>
<td>9,834,618</td>
<td>-</td>
<td>145,516</td>
<td>22,622,181</td>
<td>-</td>
<td>-</td>
<td>17,786,200</td>
<td>3,074,686</td>
<td>22,622,181</td>
<td>17,786,200</td>
<td>22,622,181</td>
<td>8,260,200</td>
</tr>
<tr>
<td><strong>Net Change in Fund Balance</strong></td>
<td>778,187</td>
<td>159,734</td>
<td>213</td>
<td>145,516</td>
<td>1,323,831</td>
<td>(97,046)</td>
<td>-</td>
<td>6,790</td>
<td>(390,205)</td>
<td>251,063</td>
<td>4,155,718</td>
<td>6,342,801</td>
<td>8,260,200</td>
</tr>
<tr>
<td><strong>Fund Balance (Deficit)—June 30, 2017</strong></td>
<td>35,315,176</td>
<td>13,492,497</td>
<td>392,985</td>
<td>5,612,026</td>
<td>15,495,026</td>
<td>399,784,007</td>
<td>42,535,000</td>
<td>10,000,000</td>
<td>(596,977)</td>
<td>5,403,510</td>
<td>8,368,750</td>
<td>161,272,177</td>
<td>(207,563,837)</td>
</tr>
<tr>
<td><strong>Fund Balance (Deficit)—June 30, 2018</strong></td>
<td>36,093,363</td>
<td>13,652,231</td>
<td>393,198</td>
<td>5,758,042</td>
<td>16,822,857</td>
<td>(399,881,852)</td>
<td>(42,535,000)</td>
<td>(10,000,000)</td>
<td>(590,187)</td>
<td>5,013,305</td>
<td>8,368,750</td>
<td>165,427,895</td>
<td>(201,219,836)</td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
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 the 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 renovation 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 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 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 (Amb-bac) 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 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
In fiscal year 2001, the Authority undertook a comprehensive process of performing
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 dur-
ing 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, ex-
penditures, 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 com-
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 bal-
ance. 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 inter-
est, 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 expended 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 escala-
tion 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 state-wide 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 previ-
  ous 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 au-
  tomatically 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 reap-
plied 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,
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 sta-
dium, 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 Manage-
ment 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 Author-
ity 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 Funds 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 relationship 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:

<table>
<thead>
<tr>
<th>Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2001</th>
<th>Effective Interest Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversion Bonds, Due June 15, 2028 to 2030</td>
<td>5.50%</td>
<td>$ 89,747,586</td>
</tr>
<tr>
<td>Capital Appreciation Bonds, Due June 15, 2019 to 2026</td>
<td>5.22% to 9.00%</td>
<td>38,436,298</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$ 128,183,884</strong></td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversion Bonds, subject to optional redemption following the conversion date</td>
<td>On or after June 15, 2015 and prior to June 15, 2016</td>
<td>101.0%</td>
</tr>
<tr>
<td></td>
<td>On or after June 15, 2016</td>
<td>100%</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Year Ending June 30</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>3,637,123</td>
</tr>
<tr>
<td>2020</td>
<td>3,817,434</td>
</tr>
<tr>
<td>2021</td>
<td>3,968,976</td>
</tr>
<tr>
<td>2022</td>
<td>4,095,360</td>
</tr>
<tr>
<td>2023</td>
<td>4,199,047</td>
</tr>
<tr>
<td>2024-2028</td>
<td>47,329,910</td>
</tr>
<tr>
<td>2029-2030</td>
<td>61,136,034</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 128,183,884</strong></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2001</th>
<th>Effective Interest Rate</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conversion Bonds, Due June 15, 2028 to 2030</td>
<td>5.50%</td>
<td>$ 89,747,586</td>
</tr>
<tr>
<td>Capital Appreciation Bonds, Due June 15, 2019 to 2026</td>
<td>5.22% to 9.00%</td>
<td>38,436,298</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$ 128,183,884</strong></td>
</tr>
</tbody>
</table>

The Authority invests in maturities that meet the projected draw schedule for related projects.

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 Series 2001 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 Series 2001 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 to 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 $990,187, 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.