



ANNUAL
REPORT

09

ISFA

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board of directors

Governor James R. Thompson, Chairman

John T. McCarthy, Treasurer

Timothy Ray, Secretary

Joan M. Etten

William R. Power

Peter Q. Thompson

Alvin Boutte, Jr.

Special thanks to: Ron Vesely/Chicago White Sox, Dennis Wierzbicki/Chicago White Sox, Michael Prizant Photography

ISFA staff

Perri L. Irmer
Chief Executive Officer

Dana Phillips Goodum
Chief Financial Officer

Charles P. Sampey
Director of Development and Facilities

Maureen Gorski
Director of Accounting

Eric C. Stefancic
Director of Special Events & Marketing

P.J. Frayer
Office Manager

message from the chairman

As I conclude my fourth year as Chairman of the Illinois Sports Facilities Authority (ISFA), I am proud of our continued success in making U.S. Cellular Field a world-class facility for Chicago White Sox fans and the people of Illinois. This would not be possible without the support and dedication of our Board of Directors and Chief Executive Officer, Perri Irmer, and her staff, and I thank them for their hard work.

2009 saw the completion of Phase I of the 35th Street development project, consisting of approximately \$17M in infrastructure improvements to the Gate 5 entrance. Phase I provides White Sox fans with weather-protected elevators and escalators and a spectacular view of the Chicago skyline from its grand staircase. The new structure also serves as an additional entry point for fans with disabilities, alleviating the need for wheelchairs to cross 35th street to access the elevators at Gate 4. We're hopeful that the local economy will improve so that additional phases of the project can be completed in the near future, featuring attractions that will make the 35th Street corridor a vibrant, year-round dining and entertainment destination.

The Authority also undertook and completed a number of necessary stadium improvements and repairs, including replacement of the original, 1991 chiller system (which will result in a 50% energy savings); technological updates to the operating system in the Conference and Learning Center; installation of a building-wide wireless network; seal coating of exterior pedestrian ramps and updating of the stadium's phone system from analog to Voice Over Internet Protocol (VOIP). These improvements are part of our continuing commitment to adhere to highly professional standards of operation and maintenance at U.S. Cellular Field, even as we conservatively manage our financial resources in these difficult economic times.

ISFA also continued its year-round community outreach programming with initiatives that directly impact the residents of Chicago and the citizens of Illinois. In 2009, we donated thousands of White Sox tickets to not-for-profit and charitable organizations that greatly benefit the people of Illinois. Locally, we helped secure summer jobs for our next-door neighbors at the Chicago Housing Authority's Wentworth Gardens development, opened our campus to the Chicago Police Department's cadet driver and SWAT training and began a cooperative education curriculum with Perspectives/IIT Math & Science Academy, a nearby public charter school focused on scientific inquiry and problem solving to improve students' critical thinking skills.

The Authority once again hosted numerous special events, including the annual "Diamond in the Rough" Chicago Public Schools' Chess Tournament, the Chicago Fire Department's Safety Fair, the Chicago Police Department vs. Chicago Fire Department charity baseball classic and Chicago Public League Championship game. New this year were the Alzheimer's Association's "Rundown Alzheimer's" charity run that raised nearly \$30,000 for research initiatives, and Keshet's Buddy Baseball game that allowed children with disabilities an opportunity to play baseball on a major league field. The Authority is pleased to host these and many other events annually, and is steadfastly committed to allowing greater community access to this publicly owned facility.

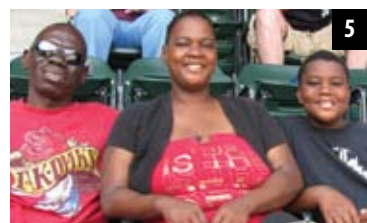
Ensuring that U.S. Cellular Field remains a state-of-the-art, environmentally-friendly, fan-friendly, accessible world-class ballpark is both a mission and an honor for the Illinois Sports Facilities Authority. We'd like to extend our sincere thanks to the State of Illinois, the City of Chicago, the Chicago Park District and the Chicago White Sox, who have been our partners in these accomplishments. We look forward to continuing to strengthen these partnerships in the upcoming year, as we work together to serve the people of the State of Illinois.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Thompson", written in a cursive, flowing style.

Governor James R. Thompson

charitable donations



As a key focus of its mission to support the public's interest, the Authority donates the use of its Diamond Suites, Scout Seats and Jim Beam Club tickets to area not-for-profits for use in their fundraising efforts. These donations welcomed more than 2,000 guests and helped support thousands of worthy causes. Below is a complete list of entities which received a donation during the 2009 season.

In addition, the Authority also donated more than 2,500 regular game tickets to not-for-profit community groups.

20/30 Club of Chicago
Access Living
AIDS Care
ALS Foundation
Alzheimer's Association
AKARAMA
American Cancer Society
American Diabetes Association
Ancona School
Aspire Illinois
Association House
Avenues
Autism Speaks
Bear Necessities
Better Boys Foundation
Big Shoulders Fund
Black United Fund
Blue Sky Inn
Boys & Girls Club of Chicago

Boys & Girls Club of Elgin
Brad's Kids
Breast Cancer Network of Strength
Brickton Art Center
Build On
Burn Foundation
Cal's All-Star Angel Foundation
CARA Program
Caravan Research
CARC
Carcinoid Cancer Foundation
CASA of Cook County
Catholic Theological Union
CAWC
CCFU
Chicago 2016
Chicago Bar Association
Chicago Chamber of Commerce
Chicago Children's Museum

Chicago Convention & Tourism Bureau
Chicago Human Rhythm Project
Chicago Lighthouse
Chicago Sinfonietta
Chicago Urban League
Chicago Youth Centers
Children at the Crossroads
Children's Cause for Cancer
Chicago's Children's Choir
Children's Heart Foundation
Children's Neuroblastoma Foundation
Children's Memorial Hospital
Children's Oncology Services
Christopher House
Christopher Reeve Foundation
Clearbrook
Cradle Foundation

Common Threads
Community Betterment Foundation
CVLS
Daniel Murphy Scholarship Fund
Deborah's Place
Dietz Syndrome Foundation
DIFFA Chicago
Disney Magnet School
DuPage Children's Hospital
Elgin Community College
Elmhurst College
Elmhurst Hospital Foundation
Erie House
Erickson Institute
Equip for Equality
Friends of Audubon
Friends of Prentice

Foundation for Sarcoidosis Research
Foundation Fighting Blindness
G.I.L.D.
Gilda's Club of Chicago
Gils on the Run
Girls in the Game
Good Sports Inc.
Grant Park Music Festival
Guild for the Blind
HACIA
Hedge Fund Cares
Helping Hand Rehab Center
Hidden Talents
High Sight
Hinsdale Jr. Woman's Club
Holy Name Cathedral
Hubbard Street Dance
Humane Society



10



13



11



12



14



15



16



17

- 1 Good Seed Ministries' youth baseball team in front of the World Series Monument prior to attending the game.
- 2 Participants from The First Tee, an organization that seeks to enhance the lives of youth through the game of golf, cheer on the White Sox.
- 3 Shabbona Park, consolidated into the Chicago Park District in 1934, brought out a group of participants in their summer programming initiatives.
- 4 Kids from the Keshet organization pose for a photo. Keshet provides educational, recreational and vocational programs for children and young adults with special needs.
- 5 White Sox fans from the Respiratory Health Association of Metropolitan Chicago enjoy a day at the ballpark.
- 6 Teens from The Republic of Panama, in town for a youth baseball tournament, pose in front of the World Series monument prior to entering the park.
- 7 Players, coaches and volunteers of RBS Youth Baseball Chicago pose outside gate 3 prior to the game.
- 8 Members of the Chicago Public Schools Department of Sports Administration pose with the skyline in the background at Gate 5 of the ballpark.
- 9 Students from Kenwood Academy cheer on the Sox in the bleachers.
- 10-17 Now in its 3rd year, the Authority's partnership with the International Visitors Center of Chicago continues to prosper and provide international visitors the opportunity to experience our national pastime.
- 10 Visitors from Iraq take in their first ever baseball game.
- 11 Danish teens cheer on the White Sox.
- 12 A Russian delegation from Open World Russia poses for a picture.
- 13 Kazakhstani citizens enjoy a day at the ballpark.
- 14 A group from the Middle East Partnership for Women gather for a picture.
- 15 Teens visiting from the United Kingdom stop for a group photo outside Gate 5.
- 16 Travelers with the Community Connection Ukraine delegation pose with White Sox statues in center-field.
- 17 Visitors from Taiwan pose for a group photo.

Hyde Park Art Center
Illinois Center for Violence Protection
Illinois Dollars for Scholars
Illinois Eye Bank
Illinois Maternal & Child Health
Inner City Education
Institute for Positive Living
Instituto del Progreso Latino
Integrative Touch for Kids
Interfaith House
JDRF
Jewish Council for Youth Services
Journey from Pads to Hope
Juvenile Protection Agency
Kankakee Montessori
Keep on Keeping On
Kids Advocacy Center
Kids in Danger

Life Link
Lincoln Park Zoo
Links
LINK Unlimited
Literacy Works
Lupus Foundation
Make-A-Wish
March of Dimes
Marianjoy Foundation
Marklund
Max Schewitz Foundation
Mercy Home for Boys & Girls
Midwest Brain Injury Clubhouse
Misericordia
Muntu Dance Theatre
National Able Network
National Latino Education Institute
National Museum of Mexican Art
North Shore Senior Center

OMNI Youth Services
Orchard Village
Otis Wilson Foundation
PACTT
Park Lawn
PAWS
Pediatric AIDS Foundation
Piven Theatre
Prevent Child Abuse
Project Exploration
Rape Victims Advocate
Rauner Family YMCA
Ready, Set, Ride
Recording Academy of Chicago
Rehab Institute of Chicago
Respiratory Health Association of Chicago
Rock for Kids
Ronald McDonald House

Safer Foundation
San Miguel Schools
Saving Tiny Hearts
Sickle Cell of Illinois
SCOPE
Seguin Services, Inc.
Seratoma Center
Special Children's Charities
Starlight Midwest
Steppenwolf Theatre
St. Joseph's
St. Jude
St. Rita
St. Xavier University
St. Vincent DePaul
Teen Living Program
The Education Center
The Hope Institute
The Resurrection Project

Thresholds
UCP of Greater Chicago
UNICEF
University of Chicago Laboratory Schools Scholarship Fund
Urban Initiatives
U.S. Ski & Snowboard Foundation
What If...
Wilmette Optimist Club
WITS
Women's Step Up Network
Women's Club of Evanston
Women's Board of Northwestern Memorial Hospital
Youth Guidance
Youth Job Center of Evanston

special events

The Authority remains committed to its mission of ensuring that U.S. Cellular Field is the people's stadium as well as the home of the Chicago White Sox.

New additions to the Authority's annual events calendar in 2009 included the "Rundown Alzheimer's" charity run and Keshet's "Buddy Baseball" game. The Authority also welcomed back the Catholic League vs. Public League All-Star game, the Chicago Magnet Schools "Diamond in the Rough" chess tournament, the Chicago Police Department vs. Chicago Fire Department Charity Baseball Classic and the Public League Championship.

1-3 Intra-city rivals meet in the annual Chicago Public League vs. Catholic League All-Star Game. This game features the area's best talent from both leagues and is attended by many collegiate and professional

scouts. The Catholic League once again prevailed by a final score of 7 to 6.

4-5 The Illinois Sports Facilities Authority hosted the first ever "Rundown Alzheimer's" charity run to benefit the Alzheimer's Association.

Approximately 200 runners participated in a 3-mile run around the 100 level concourse and the warning track; raising nearly \$30,000. Participants were also treated to a post-event concert atop the home dugout.





6-8 The 10th annual Chicago Police Department vs. Chicago Fire Department Charity Baseball Classic was once again held at U.S. Cellular Field. Funds raised are donated to charities that service the families of fallen police officers and fire fighters. The Police won 8-7 this year.

9-10 For the fifth consecutive year the Chicago Magnet Schools "Diamond in the Rough" chess tournament was hosted in the Stadium Club at U.S. Cellular Field.

The day-long event features approximately 200 participants ages 6-14. Age group champions receive trophies and raffle winners receive game tickets, courtesy of the Authority.

11-12 The Chicago Public League championship was once again played at U.S. Cellular Field in May, 2009. Roberto Clemente H.S. in a back and forth contest, defeated two-time defending champion Whitney Young H.S. by a final of 9 to 7.

Top, On a perfect summer day the Authority hosted the Keshet organization's "Buddy Baseball" in left field at U.S. Cellular Field. The event allows special-needs children the opportunity to play baseball with the assistance of a buddy. Approximately 100 kids participated while being cheered on by family and friends.



6



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7



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12



8

community outreach

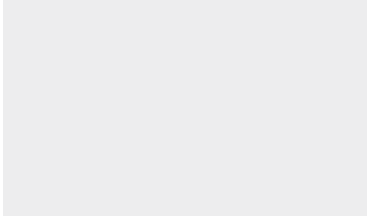


1-3 Mayor Daley tours the 2nd annual "Be Safe at Home: Exchange Household Hazards for Environmental Resources" event hosted by the City of Chicago and ISFA in Lot A. The parking lot was transformed into designated stations where local residents could drop off hazardous household materials, old lawn mowers and electronics for proper disposal and pick up rain barrels and compost bins.

4 Chicago Police 9th District Commander, Eugene Roy and Alderman Willie B. Cochran pose with local area students and members of the Chicago Police Department at a graduation ceremony hosted by ISFA for those youth who completed the Chicago Police Department's G.R.E.A.T. (Gang Resistance Education and Training) program. The G.R.E.A.T. program's mission is to make young people aware of the consequences associated with gang activity and provide them with positive alternatives.

5 Levy Restaurants General Manager, Mark Zuckert (center) and Chicago Housing Authority Vice President, Andrew Teitelman (right) pose with residents of Wentworth Gardens who secured summer employment at U.S. Cellular Field with the assistance of ISFA. 2009 marked the 2nd year of this program.

From multi-cultural outreach to environmental and educational initiatives, the Illinois Sports Facilities Authority is committed to being a good neighbor by providing the use of the facility and surrounding property to organizations that share such commitment.



- 6** For the second consecutive year, the Authority hosted the award-winning "Driving Skills for Life" program sponsored by the Ford Motor Company and the Governors Highway Safety Association. Parking lots A, B and C were converted into challenging road courses aimed at teaching teenagers vehicle handling, hazard recognition, speed management and space management in specially equipped vehicles under the guidance of highly skilled professional instructors.
- 7** Members of the Chicago Police Department SWAT team train on the 500 level of U.S. Cellular Field. Team members participated

in two intensive days of training in WMD-Advance Tactical Operation under the direction of Louisiana State University personnel.

- 8** For the second consecutive year, the City of Chicago's Shredder Day provided area residents the opportunity to have their sensitive material professionally destroyed. The event seeks to decrease the proliferation of identity theft.
- 9** Guests at the 2nd Annual Chicago Consular Corps night pose on the upper terrace at U.S. Cellular Field. Hosted by the Authority and the White Sox, the event featured a gathering

of more than 400 international guests representing Chicago's diplomatic community.

- 10-12** The Authority once again hosted the Chicago Fire Department's 9th annual Safety Fair that teaches area grade-school children what to do in case of an emergency. The event included a mock trauma emergency room, a lecture on proper use of 911, a simulated smoke house and a safety-themed mural contest. Additionally, all participants were fitted with a bicycle helmet by The City of Chicago's Bicycling Ambassadors.



conference and learning center

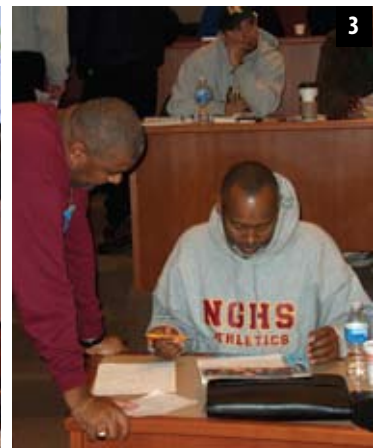
The Conference and Learning Center has hosted hundreds of non-profit, civic and community events since opening in 2001, and continues to play a vital role in furthering the Authority's effort to make U.S. Cellular Field a year-round destination for the people of Illinois.

In 2009, the state-of-the-art Conference and Learning Center was utilized by organizations such as: Chicago Housing Authority, Salvation Army, United States National Guard, Chicago Public Schools, Hope Institute and After School Matters.

1 International Educational and Cultural Services of Willowbrook, Illinois utilized the Scout Lounge and Auditorium for a day-long youth chess tournament.

2 After School Matters, a nonprofit organization that offers Chicago teens innovative out-of-school activities through hands-on, project-based programs, conducts a training session in the auditorium for its personnel.

3 Sponsored by the Chicago Public Schools' Department of Sports Administration, the annual baseball clinic for area coaches features lectures on coaching techniques, rule changes and collegiate and professional scouting.



perspectives charter school



1

1 9th grade students compare the dissipation of water between their on-campus parking lot and U.S. Cellular Field's permeable paved L-Lot.



2

2 6th grade students survey arriving White Sox fans and collect transportation data.



3

3 Students present their findings from the transportation study during a presentation in the auditorium of the Conference and Learning Center.

Located at 3663 South Wabash, mere blocks from U.S. Cellular Field, Perspectives/IIT Math & Science Academy is dedicated to using scientific inquiry and problem solving to prepare students for success in college and beyond.

In 2009, the Illinois Sports Facilities Authority began a curriculum partnership with the charter school to utilize the facility and surrounding property as a field-study classroom. Students participated in two programs: a day-of-game statistical transportation analysis and a water dissipation study. Data collected during these studies were used to build on lessons taught in the classroom.

Independent Auditor's Report

Wolf & Company LLP
Certified Public Accountants

Board of Directors
Illinois Sports Facilities Authority

We have audited the accompanying combined statements of assets, liabilities, and equity - bond indenture basis of the Illinois Sports Facilities Authority (the "Authority") as of June 30, 2009 and 2008, and the related combined statement of revenues, expenditures and changes in fund balance - bond indenture basis for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 respective financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 1 to the combined bond indenture basis financial statements, the Authority has prepared these combined bond indenture basis financial statements in accordance with the accounting principles required by the Bond Indenture securing the Bonds issued by the Authority, which practices differ from accounting principles generally accepted in the United States of America. The effects on such combined bond indenture basis financial statements of the differences between the bond indenture basis of accounting and accounting principles generally accepted in the United States of America are also described in Note 1.

In our opinion, such combined bond indenture basis financial statements present fairly, in all material respects, the assets, liabilities, and equity of the Authority as of June 30, 2009 and 2008, and its revenues, expenditures and changes in fund balances for the years then ended, on the bond indenture basis of accounting described in Note 1.

A handwritten signature in cursive script that reads "Walf & Company LLP". The signature is written in dark ink and is positioned above the printed name and date.

Oak Brook, Illinois
October 23, 2009

Combined Statements of Assets, Liabilities and Equity

ASSETS

	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	1999 Debt Service Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,	
													2009	2008
CURRENT ASSETS:														
Cash, Cash Equivalents, and Investments	\$ 54,105,744	\$ 18,654,893	\$ 3,857,789	\$ -	\$ -	\$ -	\$ -	\$ 550,688	\$ 825,601	\$ 4,063,808	\$ -	\$ -	\$ 82,058,523	\$ 82,619,929
Hotel Tax Revenues Receivable	-	-	-	-	10,279,527	-	-	-	-	-	-	-	10,279,527	14,219,248
Interest and Other Receivables	226,696	97,111	-	-	269,108	13	26	79	5	18,881	-	-	611,919	647,753
Prepaid Expenditures	316,444	-	-	-	-	-	-	-	-	-	-	-	316,444	659,578
Due From Other Funds:														
General Fund	-	12,500,000	-	7,088,210	-	-	-	-	-	-	5,679,183	-	25,267,393	15,498,277
Comiskey Park Capital Improvement Fund	391	-	-	-	-	-	-	-	-	-	-	-	391	8,039
Supplemental Stadium Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	311
Revenue Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	2
1999 Debt Service Funds	13	-	-	-	-	-	-	-	-	-	-	-	13	803
2001 Debt Service Funds	26	-	-	-	-	-	-	-	-	-	-	-	26	3,891
2003 Debt Service Funds	7	251,662	-	-	-	-	-	-	-	-	-	-	251,669	253,011
2008 Debt Service Funds	1	-	-	-	-	-	-	-	-	-	-	-	1	-
Total Current Assets	54,649,322	31,503,666	3,857,789	7,088,210	10,548,635	13	26	550,767	825,606	4,082,689	5,679,183	-	118,785,906	113,910,842

LONG-TERM ASSETS:

Stadium	-	-	-	-	-	-	-	-	-	-	-	153,260,885	153,260,885	153,260,885
Stadium Improvements	-	-	-	-	-	-	-	-	-	-	-	73,991,483	73,991,483	51,154,460
Scoreboard	-	-	-	-	-	-	-	-	-	-	-	8,777,201	8,777,201	8,295,418
Replacement Housing	-	-	-	-	-	-	-	-	-	-	-	4,763,939	4,763,939	4,763,939
Land	-	-	-	-	-	-	-	-	-	-	-	28,165,461	28,165,461	27,531,068
Land Improvements	-	-	-	-	-	-	-	-	-	-	-	4,367,560	4,367,560	4,367,560
Capitalized Interest	-	-	-	-	-	-	-	-	-	-	-	8,933,867	8,933,867	8,933,867
Total Long-Term Assets	-	-	-	-	-	-	-	-	-	-	-	282,260,396	282,260,396	258,307,197

TOTAL ASSETS	\$ 54,649,322	\$ 31,503,666	\$ 3,857,789	\$ 7,088,210	\$ 10,548,635	\$ 13	\$ 26	\$ 550,767	\$ 825,606	\$ 4,082,689	\$ 5,679,183	\$ 282,260,396	\$ 401,046,302	\$ 372,218,039
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See notes to combined bond indenture basis financial statements and independent auditor's report.

—Bond Indenture Basis

June 30, 2009 (With Comparative Totals for 2008)

LIABILITIES AND EQUITY

	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	1999 Debt Service Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,	
													2009	2008
CURRENT LIABILITIES:														
Accounts Payable	\$ 220,599	\$ 9,271,066	\$ 199	\$ -	\$ -	\$ -	\$ -	\$ 290,236	\$ -	\$ 144,776	\$ -	\$ -	\$ 9,926,876	\$ 4,568,680
Interest Payable	-	-	-	-	-	22,791	424,374	96,458	21,199	-	-	-	564,822	546,836
State Administration Fee Payable	-	-	-	-	411,181	-	-	-	-	-	-	-	411,181	568,770
Due to Other Funds:														
General Fund	-	391	-	-	-	13	26	7	1	-	-	-	438	6,045
Comiskey Park Capital Improvement Fund	12,500,000	-	-	-	-	-	-	251,662	-	-	-	-	12,751,662	2,649,630
Supplemental Stadium Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	8,039
Chicago White Sox Reserve Fund	7,088,210	-	-	-	-	-	-	-	-	-	-	-	7,088,210	7,445,504
Soldier Field Reserve Fund	5,679,183	-	-	-	-	-	-	-	-	-	-	-	5,679,183	5,557,459
2003 Debt Service Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	97,657
Total Current Liabilities	25,487,992	9,271,457	199	-	411,181	22,804	424,400	638,363	21,200	144,776	-	-	36,422,372	21,448,620

LONG-TERM LIABILITIES:

Long-Term Liabilities	-	-	-	-	-	-	397,765,620	40,665,000	10,000,000	-	-	11,800,000	460,230,620	463,136,652
Total Liabilities	25,487,992	9,271,457	199	-	411,181	22,804	398,190,020	41,303,363	10,021,200	144,776	-	11,800,000	496,652,992	484,585,272

EQUITY:

Fund Balance (Deficit)	29,161,330	22,232,209	3,857,590	7,088,210	10,137,454	(22,791)	(399,422,414)	(42,622,596)	(9,195,594)	3,937,913	5,679,183	125,523,396	(243,646,110)	(247,500,621)
Principal Amount of Bonds Retired from Revenue	-	-	-	-	-	-	1,232,420	1,870,000	-	-	-	138,200,000	141,302,420	128,396,388
Principal Amount of Scoreboard Note Retired from Revenue	-	-	-	-	-	-	-	-	-	-	-	6,737,000	6,737,000	6,737,000
Total Equity	29,161,330	22,232,209	3,857,590	7,088,210	10,137,454	(22,791)	(398,189,994)	(40,752,596)	(9,195,594)	3,937,913	5,679,183	270,460,396	(95,606,690)	(112,367,233)

TOTAL LIABILITIES AND EQUITY	\$ 54,649,322	\$ 31,503,666	\$ 3,857,789	\$ 7,088,210	\$ 10,548,635	\$ 13	\$ 26	\$ 550,767	\$ 825,606	\$ 4,082,689	\$ 5,679,183	\$ 282,260,396	\$ 401,046,302	\$ 372,218,039
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See notes to combined bond indenture basis financial statements and independent auditor's report.

Combined Statements of Revenues, Expenditures and

REVENUES:	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	1999 Debt Service Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,	
													2009	2008
State Subsidy	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000
City Subsidy	-	-	-	-	5,000,000	-	-	-	-	-	-	-	5,000,000	5,000,000
Investment Income	1,556,530	894,928	38,227	-	68	413,638	13,750	8,316	361	117,605	-	-	3,043,423	3,049,376
Hotel Tax Revenue	-	-	-	-	33,403,924	-	-	-	-	-	-	-	33,403,924	38,235,114
Special Events Revenue	21,588	-	-	-	-	-	-	-	-	-	-	-	21,588	4,880
Seat Sales Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	7,370
Fees to the Authority from the Chicago White Sox	-	-	-	-	2,672,085	-	-	-	-	-	-	-	2,672,085	4,142,249
Other Income	21,412	-	-	-	-	-	-	-	-	-	-	-	21,412	21,030
Total Revenues	1,599,530	894,928	38,227	-	46,076,077	413,638	13,750	8,316	361	117,605	-	-	49,162,432	55,460,019

EXPENDITURES:														
General Expenditures:														
Salaries and Benefits	698,799	-	-	-	-	-	-	-	-	-	-	-	698,799	598,469
Office Expenditures	98,875	-	-	-	-	-	-	-	-	-	-	-	98,875	100,477
Insurance Expenditures	562,736	4,522	-	-	-	-	-	-	-	-	-	-	567,258	579,472
Professional Services	833,239	3,242,228	43,492	-	-	-	-	-	758,037	-	-	-	4,876,996	2,352,232
Seat Sales Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	34,313
Trustee Fees	-	-	-	-	18,050	-	-	-	-	-	-	-	18,050	18,026
State Administration Fee	-	-	-	-	1,336,157	-	-	-	-	-	-	-	1,336,157	1,529,405
Amusement Tax Payments	-	-	-	-	104,524	-	-	-	-	-	-	-	104,524	982,738
Marketing and Special Events	112,408	-	-	-	-	-	-	-	-	-	-	-	112,408	41,786
Debt Service Expenditures:														
Bond Interest	-	-	-	-	-	1,093,264	9,841,500	2,368,371	257,634	-	-	-	13,560,769	13,466,864
Bond Principal Payments	-	-	-	-	-	11,235,000	1,096,033	575,000	-	-	-	-	12,906,033	11,341,388
Bond Issuance Cost	-	-	-	-	-	-	-	-	393,630	-	-	-	393,630	-
Total General Expenditures	2,306,057	3,246,750	43,492	-	1,458,731	12,328,264	10,937,533	2,943,371	1,409,301	-	-	-	34,673,499	31,045,170
Other Expenditures:														
Capital Improvements	-	16,320,223	1,110,624	-	-	-	-	-	8,114,634	1,496,908	-	-	27,042,389	4,058,729
Park Maintenance	-	2,885,442	-	-	-	-	-	-	-	-	-	-	2,885,442	4,622,065
Chicago White Sox Maintenance Subsidy	193,919	-	-	-	-	-	-	-	-	-	-	-	193,919	111,753
Soldier Field Maintenance Subsidy	4,557,459	-	-	-	-	-	-	-	-	-	-	-	4,557,459	4,439,281
State Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	1,012,277
Total Other Expenditures	4,751,378	19,205,665	1,110,624	-	-	-	-	-	8,114,634	1,496,908	-	-	34,679,209	14,244,105

TOTAL EXPENDITURES	7,057,435	22,452,415	1,154,116	-	1,458,731	12,328,264	10,937,533	2,943,371	9,523,935	1,496,908	-	-	69,352,708	45,289,275
Excess (Deficiency) of Revenues Over Expenditures	(5,457,905)	(21,557,487)	(1,115,889)	-	44,617,346	(11,914,626)	(10,923,783)	(2,935,055)	(9,523,574)	(1,379,303)	-	-	(20,190,276)	10,170,744

See notes to combined bond indenture basis financial statements and independent auditor's report.

Changes in Fund Balance — Bond Indenture Basis

For the Year Ended June 30, 2009 (With Comparative Totals for 2008)

OTHER FINANCING SOURCES (USES):

	General Fund	Comiskey Park Capital Improvement Fund	Supplemental Stadium Fund	Chicago White Sox Reserve Fund	Revenue Funds	1999 Debt Service Funds	2001 Debt Service Funds	2003 Debt Service Funds	2008 Debt Service Funds	Soldier Field Capital Improvement Fund	Soldier Field Reserve Fund	Construction Fund	Combined Total June 30,	
													2009	2008
In-kind Donation from the Chicago White Sox	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 496,279	\$ 496,279 \$ 3,894,747
Stadium Improvements	-	-	-	-	-	-	-	-	-	-	-	28,539,429	28,539,429	834,104
Stadium Disposals	-	-	-	-	-	-	-	-	-	-	-	(5,716,902)	(5,716,902)	-
Land	-	-	-	-	-	-	-	-	-	-	-	634,393	634,393	1,800,571
Bond Proceeds	-	-	-	-	-	-	-	-	10,091,588	-	-	-	10,091,588	-
Bond Proceeds Applied	-	-	-	-	-	-	-	-	(10,000,000)	-	-	-	(10,000,000)	-
Transfers-In:														
General Fund	-	16,765,587	-	-	-	-	-	322,576	118,174	1,500,000	121,724	-	18,828,061	10,657,162
Comiskey Park Capital Improvement Fund	-	-	1,373,130	-	-	-	-	-	118,218	-	-	-	1,491,348	4,595,501
Chicago White Sox Reserve Fund	357,294	-	-	-	-	-	-	-	-	-	-	-	357,294	-
Revenue Funds	21,077,663	119,770	-	-	-	12,351,352	10,916,752	2,617,932	-	-	-	-	47,083,469	48,132,607
1999 Debt Service Funds	413,640	-	-	-	-	-	-	-	-	-	-	-	413,640	423,443
2001 Debt Service Funds	13,752	-	-	-	-	-	-	-	-	-	-	-	13,752	91,947
2003 Debt Service Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	43,698
Transfers-Out:														
General Fund	-	-	-	(357,294)	(21,077,663)	(413,640)	(13,752)	-	-	-	-	-	(21,862,349)	(22,522,134)
Supplemental Stadium Fund	-	-	-	-	(1,373,130)	-	-	-	-	-	-	-	(1,373,130)	(4,112,330)
Comiskey Park Capital Improvement Fund	(16,765,587)	-	-	-	(119,770)	-	-	-	-	-	-	-	(16,885,357)	(8,975,606)
Chicago White Sox Reserve Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,417,808)
1999 Debt Service Funds	-	-	-	-	(12,351,352)	-	-	-	-	-	-	-	(12,351,352)	(12,356,600)
2001 Debt Service Funds	-	-	-	-	(10,916,752)	-	-	-	-	-	-	-	(10,916,752)	(9,571,750)
2003 Debt Service Funds	(322,576)	-	-	-	(2,617,932)	-	-	-	-	-	-	-	(2,940,508)	(3,369,952)
2008 Debt Service Funds	(118,174)	-	-	-	(118,218)	-	-	-	-	-	-	-	(236,392)	-
Soldier Field Capital Improvement Fund	(1,500,000)	-	-	-	-	-	-	-	-	-	-	-	(1,500,000)	(1,500,000)
Soldier Field Reserve Fund	(121,724)	-	-	-	-	-	-	-	-	-	-	-	(121,724)	(118,178)

TOTAL OTHER FINANCING SOURCES (USES)	3,034,288	16,885,357	1,373,130	(357,294)	(48,574,817)	11,937,712	10,903,000	2,940,508	327,980	1,500,000	121,724	23,953,199	24,044,787	6,529,422
Net Change in Fund Balance	(2,423,617)	(4,672,130)	257,241	(357,294)	(3,957,471)	23,086	(20,783)	5,453	(9,195,594)	120,697	121,724	23,953,199	3,854,511	16,700,166
Fund Balance (Deficit)—June 30, 2008	31,584,947	26,904,339	3,600,349	7,445,504	14,094,925	(45,877)	(399,401,631)	(42,628,049)	-	3,817,216	5,557,459	101,570,197	(247,500,621)	(264,200,787)
Fund Balance (Deficit)—June 30, 2009	\$ 29,161,330	\$ 22,232,209	\$ 3,857,590	\$ 7,088,210	\$ 10,137,454	\$ (22,791)	\$ (399,422,414)	\$ (42,622,596)	\$ (9,195,594)	\$ 3,937,913	\$ 5,679,183	\$ 125,523,396	\$ (243,646,110)	\$ (247,500,621)

See notes to combined bond indenture basis financial statements and independent auditor's report.

Notes to Combined Bond Indenture Basis Financial

1. Summary of Significant Accounting Policies

A. 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 governmental owner. 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; and construction of a 61,500 seat state-of-the-art facility for athletic, artistic, and cultural events; 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 a bond issuance and a corresponding maintenance subsidy reduction to cover the debt service. The New Comiskey Park is now known as 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, 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.

The Series 1999 Refunding Bonds, the Series 2001 Bonds, the Series 2003 Bonds and the Series 2008 Bonds (collectively the “Bonds”) outstanding at June 30, 2009 and 2008, are 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.

B. 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, and the Third Supplemental Indenture of Trust (collectively the “Bond Indenture”) securing the Series 1999, Series 2001 Bonds, the Series 2003 Bonds, and the Series 2008 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 and the 2008 Series Bonds were placed into the funds to meet the costs associated with issuing the 2003 and 2008 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 1999 through 2003 Series Bonds is currently being met by a surety bond issued by Ambac Assurance Corporation.
- *Extraordinary Redemption Fund* - Payments for early redemption of bonds are made from this fund. Revenues in this fund are obtained through transfers from the Debt Service Funds.
- *Bond Refunding Fund* - Payments for the refunding of outstanding bonds are made from this fund. Revenues for payments are obtained from proceeds of new bond issuances and through transfers from the General Fund.
- *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 and was 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 U.S. Cellular 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.

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 1999 Debt Service Funds, one column for the 2001 Debt Service Funds, one column for the 2003 Debt Service Funds, and one column for the 2008 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 U.S. Cellular 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 U.S. Cellular 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, 2009 and 2008.

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

C. 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 U.S. Cellular Field and Series 2008 Bonds to redevelop the 35th Street infrastructure. 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, which in some cases may be material, from accounting principles generally accepted 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.

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.

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 15th and December 15th 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.
 - **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 the 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 until such time as the advance is repaid in full, the State withholds collections of the Authority Hotel Tax to repay the amount advanced to the Authority. 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. During fiscal years 2009 and 2008, the State continued to withhold the tax collections until such time that the advance balance was completely repaid to the State. Upon complete repayment of the advance within the fiscal year, the State remitted all Authority Hotel Tax collections to the Authority at month-end. There is generally a three-month lag between the time a hotel collects the tax, remits the tax to the State, and the State remits the collections to the Authority. This lag results in the year-end hotel tax revenues receivable. To the extent that the Authority Hotel Tax is not adequate to repay the advance, the City of Chicago repays the advance deficiency from its share of the State Income Tax and the Authority would reflect a zero balance in the year-end hotel tax revenues receivable.

The Authorizing Legislation provides that on June 15th of each year all amounts which 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. For fiscal years 2009 and 2008, the Authority repaid \$0 and \$1,012,277, respectively.

- **Fees to the Authority from the Chicago White Sox** - The Management Agreement, as amended, currently provides three mechanisms by which the Chicago White Sox remit 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. Total ticket fees for the 2008 Season were \$1,373,130, resulting in a receivable and net payment to the Authority of \$1,373,130. Ticket fees for the 2009 Season are projected to exceed the minimum ticket threshold and fee credit in a net amount of \$586,504 at the conclusion of the 2009 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, 2009 and 2008, \$269,108 and \$444,449, respectively, 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 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.

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.

- **Stadium Seat Memorabilia Sales** - In 2006, the Authority began the replacement of the existing stadium seats which had reached the end of their useful lives. Due to the memorabilia value, the Authority sold the seats to the general public. Seat revenues from inception through fiscal year end 2008 were \$423,720 with corresponding expenditures of \$228,407. The net proceeds of the sales were evenly distributed to the Comiskey Park Capital Improvement and 2003 Debt Service Funds.

- **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;
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 concerning the Project. 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 U.S. Cellular Field capital repairs to a set amount;
4. Payment of the annual subsidy amount to the Chicago Park District;
5. Payment of any U.S. Cellular 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;
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 year 2008 was \$6,300,000. In fiscal year 2009, \$575,965 was drawn from such account offset by a \$1,430,965 replenishment to bring the balance at the conclusion of the fiscal year to \$7,155,000.

In fiscal year 2009, \$357,294 was transferred to the General Fund from the Chicago White Sox Reserve Fund; \$121,724 was transferred from the General Fund to the Soldier Field Reserve Fund; and \$431,988 was drawn from the hotel tax variation reserve within the year offset by a \$431,988 replenishment to bring the reserve balance at the conclusion of the fiscal year to \$19,300,000.

In fiscal year 2008, \$1,417,808 was transferred from the General Fund to the Chicago White Sox Reserve Fund; \$118,178 was transferred from the General Fund to the Soldier Field Reserve Fund; and \$558,644 increased the hotel tax variation reserve within the year offset by a \$258,644 reduction to bring the reserve balance at the conclusion of the fiscal year to \$19,300,000.

- **Investments** - The Authority follows the provisions of Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, issued by the Governmental Accounting Standards Board. In accordance with the statement, investments, which are held to their original maturity of one year or less, are recorded at amortized cost, which approximates fair value due to the short-term nature of the investments. Investments that mature greater than one year from the date of purchase are recorded at fair value. If an investment security is to be sold prior to maturity and amortized cost exceeds the expected proceeds from such sale, a loss provision for such excess is recorded in the period in which the decision to sell is made.

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.

- **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.

2. Cash and Investments

A. Cash—During fiscal years 2009 and 2008, the Authority maintained four checking accounts (one within the General Fund, one within the Comiskey Park Capital Improvement Fund, one within the Supplemental Stadium Fund, and one within the Soldier Field Capital Improvement Fund) for which amounts in excess of a preset figure were swept into a Money Market Mutual Fund that invests in securities issued or guaranteed by the U.S. Government (see the Investments section below). The checking accounts are covered 100% by federal depositary insurance.

B. Cash Equivalents—Cash equivalents are defined and include highly liquid debt instruments purchased with a maturity date of three months or less. Cash equivalents include certain money market mutual funds that allow checks to be written from that fund.

C. Investments—The following investment vehicles were maintained at June 30, 2009 and 2008:

Investments	Fair Value	Investment Maturities	
		Less than 1 Year	1-5 Years
2009 U.S. Government Agencies	\$71,342,784	\$61,160,771	\$10,182,013
2008 U.S. Government Agencies	\$34,404,413	\$15,608,743	\$18,795,670

The following schedule as of June 30, 2009 and 2008, respectively, summarizes cash, cash equivalents, and investments to their totals in the Combined Statement of Assets, Liabilities, and Equity:

	2009	2008
Cash and Cash Equivalents	\$10,715,739	\$36,085,837
Corporate Commercial Paper	-	12,129,679
Investments	71,342,784	34,404,413
	\$82,058,523	\$82,619,929

D. 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. As of June 30, 2009 and 2008, the Authority's investments in commercial paper and money market funds were rated A1 or better by Standard & Poor's.

E. 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.

F. 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.

3. Bonds Payable

A. Series 1999—Total Series 1999 Refunding Bonds outstanding at June 30, 2009 are as follows:

	Interest Rate	Amount
Illinois Sports Facilities Authority Sports Facilities Bonds, Series 1999		
Series Bonds, Due June 15, 2010	4.70%	\$11,800,000

The Series 1999 Refunding Bonds are not subject to redemption prior to maturity.

Bonds maturing in the years subsequent to June 30, 2009 are as follows:

Year Ending June 30	Amount
2010	\$11,800,000

The Authority obtained a surety bond from Ambac Assurance Corporation to cover the debt service reserve requirement. The surety bond expires on the earlier of June 15, 2010, or the date on which the Authority has made all payments required on the obligations.

B. Series 2001

Total Series 2001 Bonds outstanding at June 30, 2009 are as follows:

	Effective Interest Rate	Amount
Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2001:		
Current Interest Bonds, Due June 15, 2030 to 2032	5%	\$187,835,000
Conversion Bonds, Due June 15, 2011 to 2030	4.50% to 5.50%	141,167,392
Capital Appreciation Bonds, Due June 15, 2010 to 2026	4.45% to 9.00%	68,763,228
Total		\$397,765,620

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

	Maturing After	Redemption Price
Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2001:		
Current Interest Bonds	On or after June 15, 2012 and prior to June 15, 2013	101.0%
	On or after June 15, 2013	100.0%
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	None

Series 2001 Bonds maturing in the years subsequent to June 30, 2009 are as follows:

Year Ending June 30	Amount
2010	2,010,316
2011	2,041,432
2012	2,947,861
2013	3,797,354
2014	4,594,695
2015-2019	27,727,124
2020-2024	27,285,233
2025-2029	115,305,780
2030-2032	212,055,825
Total	\$397,765,620

Ambac Assurance Corporation 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.

C. Series 2003

Total Taxable Series 2003 Bonds outstanding at June 30, 2009 are as follows:

	Interest Rate	Amount
Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2003		
Series Bonds, Due June 15, 2010 to 2029	4.30% - 6.05%	\$40,665,000

The Taxable Series 2003 Bonds are subject to optional and mandatory redemption prior to maturity.

	Maturing After	Redemption Price
Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2003	On or after June 15, 2014	100.0%

Bonds maturing in the years subsequent to June 30, 2009 are as follows:

Year Ending June 30	Amount
2010	655,000
2011	745,000
2012	840,000
2013	945,000
2014	1,055,000
2015-2019	7,230,000
2020-2024	11,535,000
2025-2029	17,660,000
Total	\$40,665,000

The Debt Service Reserve Fund for the outstanding Bonds is funded by a surety bond issued by Ambac Assurance Corporation. In connection with the surety bond, the Authority covenanted to Ambac Assurance Corporation to set aside and 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 covenant, at the time of issuance of the Series 2003 Bonds, the Authority set aside within the Authority's Comiskey Park Capital Repairs Account until November 1, 2003 the sum of \$6,259,750 as Authority Reserved Funds. Thereafter, the Authority will determine the required amount of Authority Reserved Funds on or before November 1st 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, 2009 and 2008, the Authority Reserved Funds in compliance with the covenant were calculated to be \$0 and \$0, respectively.

D. Series 2008

Total Series 2008 Bonds outstanding at June 30, 2009 are as follows:

	Interest Rate	Amount
Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2008		
Series Bonds, Due June 15, 2010 to 2029	4.50% - 5.85%	\$10,000,000

The Series 2008 Bonds are subject to optional and mandatory redemption prior to maturity.

	Maturing After	Redemption Price
Illinois Sports Facilities Authority Sports Facilities Bonds, Series 2008	On or after June 15, 2015	100.0%

Bonds maturing in the years subsequent to June 30, 2009 are as follows::

Year Ending June 30	Amount
2010	295,000
2011	310,000
2012	330,000
2013	350,000
2014	370,000
2015-2019	2,150,000
2020-2024	2,710,000
2025-2029	3,485,000
Total	\$10,000,000

The Debt Service Reserve Fund amount held for the outstanding Bonds totals \$812,631 and covers the debt service reserve requirement. The proceeds of the 2008 Bonds were used to finance the redevelopment of the 35th Street infrastructure.

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, US Bank N.A. (“Trustee”) assumed the trustee role for the 1999 Bonds, the Series 2001 and Series 2003 Bonds. US Bank N.A. was appointed as trustee of the Series 2008 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.

5. Contingencies and Commitments

A. Maintenance Requirements, U.S. Cellular Field—Under the Management Agreement, the Authority reserves \$3 million, increased by 3% annually for each Season after the 2001 Season (this increase provision was effective for the Authority’s fiscal year 2003 and equated to minimum transfer amounts of \$3,689,622 and \$3,582,157 in fiscal years 2009 and 2008, respectively), for capital improvements including various maintenance and repair items to be disbursed from the Comiskey Park Capital Improvement Fund. In fiscal year 2009, the Authority transferred the required amount plus an additional \$13,075,965 from the General Fund and \$119,770 from the Other Revenue Fund to the Comiskey Park Capital Improvement Fund to finance various improvements, maintenance and repair projects throughout U.S. Cellular Field and the surrounding property. In accordance with the 17th Amendment to the Management Agreement, the Authority transferred \$1,373,130 from the Other Revenue Fund to the Supplemental Stadium Fund. In fiscal year 2008, the Authority transferred \$4,112,330 from the Comiskey Park Capital Improvement Fund to establish the Supplemental Stadium Fund and \$483,171 to the 2003 Project Fund.

B. Maintenance Requirements, Soldier Field—Under the Operation Assistance Agreement, as the stadium was substantially complete before December 31, 2003, as defined in the Development Agreement, the

annual maintenance subsidy amount for fiscal year 2004 was equal to \$3.5 million. Each year thereafter, the Authority will need to remit the \$3.5 million, increased by 3% annually starting in fiscal year 2005, to the Chicago Park District. The Operation Assistance Agreement also calls for an annual subsidy to the Chicago Park District in the amount of \$1.5 million starting in fiscal year 2004, increased to \$2.5 million in fiscal year 2011 with a 3% escalation thereafter, for capital improvements at Soldier Field. These amounts are reserved in the Soldier Field Capital Improvement Fund. The Chicago Park District maintains responsibility for ensuring the facility is structurally sound and safe. In fiscal years 2009 and 2008, respectively, the Authority made these required disbursements. In fiscal years 2009 and 2008, the Authority made additional maintenance subsidy contributions of \$500,000 and \$500,000, respectively. The additional contributions were made after the Board approved the request presented by the Chicago Park District.

C. 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 U. S. Cellular Field as mutually agreed by the Authority and the Team. In fiscal year 2008, the Authority transferred the initial required deposit of \$4,112,330 from the Comiskey Park Capital Improvement Fund. In fiscal year 2009, the Authority transferred the required amount.

D. 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 1999, Series 2001 bonds and Series 2008) above the yield on those bonds. At June 30, 2009 and 2008, there was no arbitrage rebate liability.

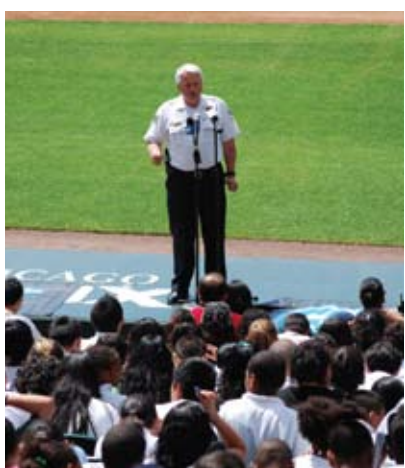
E. Fund Deficits—As of June 30, 2009, the 1999 Bond Fund, the 2001 Bond Fund, the 2003 Bond Fund, and the 2008 Bond Fund had deficit fund balances of \$22,791, \$399,422,414, \$42,622,596, and \$9,195,594, respectively. As of June 30, 2008, the 1999 Bond Fund, the 2001 Bond Fund, and the 2003 Bond Fund had deficit fund balances of \$45,877, \$399,401,631, and \$42,628,049, respectively. The deficit fund balances in the Bond Interest Funds 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 2010, 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 balance in the respective Project Funds was 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 U.S. Cellular Field as defined in Note 1.

F. Phase V Renovations at U.S. Cellular Field—During the completion of the Fundamentals Deck Phase V renovation project, a construction layout error occurred. This resulted in unanticipated expenditures for remedial and acceleration costs in order to meet the season opening day deadline. The Authority contends that it was not at fault in any manner for the layout error and resulting damages and, therefore, is entitled to full recovery from the contractors responsible for the error. Total cost incurred to correct the error was approximately \$500,000. The Authority is currently in litigation with the contractors involved in order to collect the full monies incurred. Should the Authority be found responsible for the additional expenditures, an additional \$360,000 of monies will be paid.

G. Phase VI Renovations at U.S. Cellular Field—In April 2007, damage to translucent wall panels at the Stadium occurred as a result of design and construction errors. This resulted in immediate, unanticipated expenditures of \$275,000 to secure the panels in order to meet the season opening day deadline. The Authority was not at fault in any manner for the design and construction errors and resulting damages and, therefore, is entitled to full recovery from the architect and contractors responsible for the errors. Total cost incurred to correct the errors was approximately \$1,185,000. The Authority is currently in litigation with the architect and contractors involved in order to collect the full monies incurred.

6. Retirement Plan—The Authority provides a defined contribution simplified employee pension plan for the benefit of its employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. 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 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 Authority contributed 13% of its employees’ salaries. Employees, at their option, may contribute up to 15% (within a maximum dollar limit) of their salaries to the plan. The plan 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.

7. In-kind Donations—During fiscal year 2009, \$496,279 of in-kind donations was contributed by the Chicago White Sox. Contributions consisted of capital improvements to the Stadium totaling \$496,279. 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, 2009. During fiscal year 2008, \$3,894,747 of in-kind donations was contributed by the Chicago White Sox. Contributions included land improvements southwest of the Stadium of \$3,264,787 and capital improvements to the Stadium totaling \$629,960. 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, 2008.





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