Recreational Development Commission
State Of Indiana

June 30, 2005
Financial Report

Recreational Development Commission

Table of Contents

Kehlenbrink
Lawrence
Pauckner
Certified Public Accountants

317-257-1540
FAX: 317-257-1544
www.klpcpa.com
6296 Rucker Road, Suite G
Indianapolis, IN 46220

To the Officials of
Recreational Development Commission

Independent Auditor's Report

We have audited the accompanying basic financial statements of Recreational Development Commission as of June 30, 2005 and 2004, as listed in the table of contents. These basic financial statements are the responsibility of the Commission'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 financial statements are free of material misstatements. 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.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Recreational Development Commission as of June 30, 2005 and 2004 and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Management's Discussion and Analysis on pages 2 through 5 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kehlenbrink, Lawrence & Pauckner

July 18, 2005

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Our discussion and analysis of the Recreational Development Commission's financial performance provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2005.

Please read it in conjunction with the Commission's basic financial statements.

FINANCIAL HIGHLIGHTS

- Total revenues decreased approximately $3,920,000, or 68%. This consisted of a decrease of $3,800,000 received from DNR for Clifty Inn, a decrease in rent income from DNR of $211,000, an increase in investment income of $93,000, and a decrease in miscellaneous income from insurance proceeds of $2,000.
- Total expenses decreased approximately $104,000. In general, this resulted from a decrease in interest expense of $198,000, an increase of amortization and depreciation of $137,000, a decrease in Public Finance Office expense of $17,000, a decrease in insurance premiums of $21,000 and a decrease in audit, administrative and legal fees of $5,000.
- Exclusive of the advance refunding of the 1994 bonds, principal payments were $440,000, an increase of $35,000 from the prior year.
- Cash flow from operations after principal payments on debt was $929,726 which represented a decrease of $4,370,155 from the previous year. In general, this decrease resulted from a $3,800,000 appropriation and a $300,000 loan repayment from DNR made in the previous year.
- The Commission's net assets decreased by $589,998, or nearly 32%.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets, Statement of Activities and Statement of Cash Flows (on pages 6 through 8 of the financial report) provide information about the activities of the Commission as a whole. The Recreational Development Commission is considered an internal service fund in the State of Indiana's Comprehensive Annual Financial Report (CAFR).

BUSINESS-TYPE ACTIVITIES

One of the most important questions asked about the Commission's finances is "Is the Commission better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Commission and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Commission's net assets and changes in them. You can think of the Commission's net assets as the difference between assets, what the Commission owns, and liabilities, what the Commission owes. Over time, changes in an entity's net assets are one indicator of whether its financial health is improving or deteriorating.

In evaluating the Commission, it is also important to look at other factors. The Commission's purpose is to enhance DNR facilities through the issuance of Revenue Bonds, the proceeds from which are used to fund the costs of construction and renovation. The Commission incurs higher interest expense in earlier years of bond issues and this has resulted in negative net assets. As the bonds are retired, interest expense will decrease and net assets are expected to increase. While the statement of net assets is important, we believe the Statement of Cash Flows is a better tool for evaluating the Commission's finances. This statement reports the Commission's activity on a cash basis, thereby ignoring the cost of depreciation which is a non-cash expense. Cash provided from operations can be compared with the cash required to retire bond obligations.

Condensed Financial Information

The Commission's total net assets changed from a year ago, decreasing from $1,831,090 to $1,241,092. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the Commission's activities.

Table 1
Net Assets

	Business-Type Activities	
	2005	2004
Current and other assets	$ 4,805,174	$ 8,238,921
Capital assets	30,753,463	22,560,216
Total assets	35,558,637	30,799,137
Long-term debt outstanding	(31,889,698)	(26,866,021)
Other liabilities	(2,427,847)	(2,102,026)
Total liabilities	(34,317,545)	(28,968,047)
Net assets:		
Invested in capital assets, net of debt	--	--
Externally restricted	--	--
Unrestricted	1,241,092	1,831,090
Total net assets	$ 1,241,092	$ 1,831,090

The Commission can only use these net assets to fund projects involving Department of Natural Resources' properties.

Table 2
Changes in Net Assets
Business-Type Activities

	2005	2004
Revenues		
Investment income	$ 143,051	$ 49,683
Rent income	1,681,972	1,893,146
Appropriation from DNR	-	3,800,000
Miscellaneous income	5,652	8,492
Total revenues	1,830,675	5,751,321
Expenses		
Insurance	284,147	305,027
Depreciation	912,023	783,996
Interest expense	1,175,685	1,373,923
Other expenses	48,818	62,191
Total expenses	2,420,673	2,525,137
Increase (decrease) in net assets	$ (589,998)	$ 3,226,184

Rent income is received from the Department of Natural Resources. The amount of rent is tied to the debt service requirements on the bond issues. The total cost of all projects and services decreased by $104,000 (or 4.14 %).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2005, the Commission had $30.7 million invested in capital assets, including land, buildings and improvements at recreational facilities at Indiana state parks. (See Table 3 below.) This amount represents a net increase (including additions and deductions) of just over $8,190,000 or 37%, over last year. The Commission is reflecting a $5,072,023 work-in-progress increase, which is related to renovations to Clifty Inn at Clifty Falls State Park.

Table 3
Capital Assets at Year-End
(Net of Depreciation)
Business-Type Activities

	2005	2004
Land	$ 2,500,000	$ 2,500,000
Buildings and improvements	18,185,487	15,064,263
Total capital assets	20,685,487	17,564,263
Work in progress	10,067,976	4,995,953
Total capital assets	$ 30,753,463	$ 22,560,216

The Commission has commitments for fiscal year 2005 to continue renovation of Clifty Inn at Clifty Falls State Park. The renovations will include the "Riverview" section of the Inn, replacement of the existing ballroom with a new conference facility, interior renovations, a new waterline addition, a sprinkler system, enhanced outdoor activity spaces, expanded parking and other necessary amenities,

Debt

At year-end, the Commission had $31.9 million in bonds and loans outstanding versus $26.9 million last year – an increase of 18.7% as shown below.

Table 4
Outstanding Debt at Year-End
Business-Type Activities

	2005	2004
Loan from cigarette tax fund	$ 500,000	$ 500,000
Revenue bonds	31,389,698	26,366,021
Total debt outstanding	$ 31,889,698	$ 26,866,021

More detailed information about the Commission's long-term liabilities is presented in Note 7 to the financial statements.

Economic Factors

We are not aware of any future economic conditions that would negatively impact the financial position or results of operations of the Commission.

CONTACTING THE COMMISSION'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Treasurer of Indiana, 242 State House, Indianapolis, Indiana 46204.

Recreational Development Commission

Statements of Net Assets

ASSETS	June 30, 2005	June 30, 2004
Current Assets:		
Cash and cash equivalents	$ 2,635,941	$ 295,759
Interest receivable	6,665	6,861
Prepaid insurance	71,691	68,874
Bank certificate of deposit	300,000	3,800,000
Total Current Assets	3,014,297	4,171,494
Non-Current Assets:		
Restricted:		
U.S. Government money market funds	1,244,604	3,670,014
Interest receivable	1,359	1,653
Deferred cost of debt issuance	544,914	395,760
Capital Assets:		
Land	2,500,000	2,500,000
Buildings and improvements	27,493,468	23,460,221
Construction in progress	10,067,976	4,995,953
Less: Accumulated depreciation	9,307,981	8,395,958
Total Non-Current Assets	32,544,340	26,627,643
Total Assets	35,558,637	30,799,137
LIABILITIES		
Current Liabilities:		
Current portion of long-term debt	535,000	440,000
Bank overdraft	845,664	-
Accounts payable	890,065	1,426,001
Accrued interest	692,118	676,025
Total Current Liabilities	2,962,847	2,542,026
Non-Current Liabilities:		
Loan from cigarette tax fund	500,000	500,000
Revenue bonds	30,854,698	25,926,021
Total Non-Current Liabilities	31,354,698	26,426,021
Total Liabilities	34,317,545	28,968,047
NET ASSETS		
Invested in Capital Assets, net of related debt	-	-
Externally Restricted	-	-
Unrestricted	1,241,092	1,831,090
Total Net Assets	$ 1,241,092	$ 1,831,090

The accompanying notes are an integral part of these financial statements.

Recreational Development Commission

Statements of Revenues, Expenses and Changes in Fund Net Assets

	Year Ended June 30, 2005	Year Ended June 30, 2004
Operating revenues		
Rent income	$ 1,681,972	$ 1,893,146
Received from Department of Natural Resources	-	3,800,000
Miscellaneous income	5,652	8,492
Total operating revenues	1,687,624	5,701,638
Operating expenses		
Insurance	284,147	305,027
Audit and accounting fees	8,000	8,500
Other professional fees	-	3,500
Administrative	-	1,495
Amortization of debt issuance costs	37,584	28,376
Depreciation	912,023	783,996
Public Finance Office expense	1,125	18,500
Bank charges	2,109	1,820
Total operating expenses	1,244,988	1,151,214
Operating income	442,636	4,550,424
Non-operating revenues (expenses)		
Investment income	143,051	49,683
Interest expense	(1,175,685)	(1,373,923)
Net non-operating revenues (expenses)	(1,032,634)	(1,324,240)
Change in Net Assets	(589,998)	3,226,184
Net Assets - Beginning of Year	1,831,090	(1,395,094)
Net Assets - End of Year	$ 1,241,092	$ 1,831,090

The accompanying notes are an integral part of these financial statements.

Recreational Development Commission

Statements of Cash Flows

	Year Ended June 30, 2005	Year Ended June 30, 2004
Cash Flows From Operating Activities:		
Rent received from DNR	$ 1,681,972	$ 1,893,146
Received from DNR	-	4,100,000
Received from insurance proceeds	5,652	8,492
Cash paid to suppliers	(317,898)	(296,757)
Net Cash Provided by Operating Activities	1,369,726	5,704,881
Cash Flows From Investing Activities:		
Proceeds from sale of investments	29,129,597	4,906,043
Cash purchases of investments	(23,204,187)	(5,183,409)
Cash purchases of property and equipment	(8,777,042)	(3,593,088)
Interest received	144,741	47,852
Net Cash Used in Investing Activities	(2,706,891)	(3,822,602)
Cash Flows From Capital and Related Financing Activities:		
Principal payments on debt	(440,000)	(405,000)
Proceeds from bonds issued	13,022,636	-
Bond issuance costs paid	(220,672)	-
Payment to refunded bond escrow agent	(7,623,367)	-
Interest paid	(1,061,250)	(1,382,459)
Net Cash Provided by (Used in) Capital and Related Financing Activities	3,677,347	(1,787,459)
Net Increase (Decrease) in Cash and Cash Equivalents	2,340,182	94,820
Cash and Cash Equivalents at Beginning of Year	295,759	200,939
Cash and Cash Equivalents at End of Year	$ 2,635,941	$ 295,759
Reconciliation of operating income to net cash provided (used) by operating activities:		
Operating income	$ 442,636	$ 4,550,424
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation and amortization	949,607	812,372
Change in assets and liabilities:		
Advance to DNR	-	300,000
Prepaid items	(2,817)	37,807
Accounts and other payables	(19,700)	4,278
Total adjustments	927,090	1,154,457
Net cash provided by operating activities	$ 1,369,726	$ 5,704,881

The accompanying notes are an integral part of these financial statements.

Recreational Development Commission

Notes to Financial Statements

June 30, 2005

Note 1 – Significant Accounting Policies

Financial Reporting Entity

The Recreational Development Commission (the Commission) was created in 1973 by an Act of the General Assembly which is now I.C. 14-14-1, for the purpose of providing funds for projects involving Department of Natural Resources' properties. The Commission consists of six members. The Treasurer of State, the Director of the Department of Natural Resources (DNR) and the Budget Director are members by virtue of their offices and the other three members are appointed by the Governor, not more than two of whom may be members of the same political party.

On May 12, 2005, Senate Enrolled Act 578 was signed by the Governor of Indiana. This legislation consolidates decision making and borrowing authority of various State agencies that issue bonds, notes and other obligations. Effective May 15, 2005, all powers and duties of the Commission were transferred to the Indiana Finance Authority under IC 4-4-11.

Basis of Accounting

The Commission is accounted for as an Internal Service Fund thus following the accrual basis of accounting. Internal Service Funds are used to account for operations that are financed and operated by one governmental department or agency for another. The intent of the governing body is that the costs of providing goods or services on a continuing basis be financed or recovered through user charges.

Accounting Estimates

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Cash and Investments

The Commission is authorized to invest in deposit accounts issued or offered by a designated depository; securities backed by the full faith and credit of the United States Treasury; and repurchase agreements that are fully collateralized, as determined by the current market value computed on the day the agreement is effective, by interest-bearing obligations that are issued, fully insured or guaranteed by the United States or any U.S. government agency.

Investments are shown at fair value; except that money market investments such as U.S. Treasury obligations that have an original maturity of one year or less are shown at amortized cost.

Note 1 - Significant Accounting Policies (Continued)

Investment Expenses
Expenses relating to investment income amounted to $1,200 and $1,030 in 2005 and 2004, respectively. The fees have been netted against investment income in the accompanying statement of activities.

Interest Expense
The Commission follows the policy of capitalizing interest as a component of the cost of constructed property. For the years ending June 30, 2005 and 2004, total interest incurred was $1,348,595 and $1,452,956, of which $172,910 and $79,033 was capitalized.

Debt Issuance Cost
Costs associated with issuing debt are deferred and amortized over the life of the respective debt issues on a straight-line basis.

Supplemental Cash Flow Disclosures
Cash and cash equivalents includes cash and short term, highly liquid investments with original maturities of three months or less.

Concentration of Credit Risk
More than 5% of the Commission's investments are in three securities. They are composed of Flagstar Bank certificate of deposit (58%), Farmers & Mechanics Savings and Loan certificate of deposit (10%) and Bank One repurchase agreements (32%).

Reclassifications
Certain June 30, 2004 amounts have been reclassified to conform with the June 30, 2005 financial statement presentation.

Note 2 – Equity Restrictions

In 1987 and 1990, the Commission issued Revenue Debentures, the proceeds from which were restricted to paying the cost of expanding and renovating recreational facilities at Indiana State Parks. The 1987 bonds were issued to finance the cost of expanding and renovating the Abe Martin Lodge in Brown County State Park. Proceeds from the 1990 bonds were used to renovate an existing lodge at Turkey Run State Park and construct and equip ten (10) new cabins in Harmonie State Park and thirteen (13) new cabins in Whitewater State Park.

Note 2 – Equity Restrictions (Continued)

In 1994, the Commission issued Revenue Bonds to finance the cost of renovations and improvements at Pokagon and Charlestown State Parks. Proceeds from the bond issue were also used to refund, in advance of their maturing dates, the Abe Martin Debentures and Series 1990 Revenue Bonds.

In 1997, the Commission issued Revenue Bonds to finance the cost of the acquisition, renovation, improvement and equipping of a 230 acre golf course and related facilities situated within Fort Benjamin Harrison, located on the northeast side of Indianapolis, Indiana.

In 2002, the Commission issued Revenue Bonds to finance the cost of the development of park facilities at Prophetstown State Park, located near Battle Ground, Indiana in Tippecanoe County. The project included construction of picnic areas, campground sites, trails, a gatehouse and maintenance facilities. Proceeds from the bond issue were also used to refund, in advance of their stated maturing dates, a portion of the 1994A Series Revenue Bonds.

In 2004, the Commission issued Revenue Bonds to finance the replacement of the "Riverview" section of the Clifty Inn at Clifty Falls State Park, located near Madison, Indiana in Jefferson County. The project will include construction to connect the replacement section to the remainder of the inn, replace and expand the conference center, redesign the kitchen and add recreational sites. Proceeds from the bond issue were also used to refund, in advance of their stated maturing dates, the remaining 1994A Series Revenue Bonds.

To facilitate the Commission's ability to begin these projects, titles and lease agreements associated with the real estate were transferred to the Commission from the DNR

For all projects, the Commission receives lease payments from the DNR under the terms of a Master Use and Occupancy Agreement.

Note 3 - Deposits and Investments

As of June 30, 2005, the Commission had the following investments and maturities:

Investment Type	Fair Value	Matures Less than One Year
Repurchase Agreements	$ 935,941	$ 935,941
Certificates of Deposit	2,000,000	2,000,000
	$ 2,935,941	$ 2,935,941

Note 3 - Deposits and Investments (Continued)

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Commission's deposits may not be returned or the Commission will not be able to recover collateral securities that are in the possession of an outside third party. At June 30, 2005, the Commission had $2,000,000 in certificates of deposit at two banks and $935,941 in Bank One repurchase agreements. The certificates of deposit are uncollateralized and insured by the FDIC up to $100,000 at each bank. The securities of the repurchase agreements are fully collateralized by direct obligations or obligations guaranteed as to principal or interest by the United States and securities which are issued or guaranteed by corporations in which the United States has a direct or indirect interest.

Note 4 – Capital Assets

All construction costs associated with the expansion and renovation of park facilities have been capitalized. Depreciation has been recorded using the straight-line method over periods ranging from 20 years to 40 years.

Capital asset activity for the year ended June 30, 2005 was as follows:

Business – type activities:	Balance at July 1, 2004	Increases	Decreases	Balance at June 30, 2005
Capital assets, not being depreciated:				
Land	$ 2,500,000	$ --	$ --	$ 2,500,000
Construction in progress	4,995,953	10,510,511	5,438,488	10,067,976
Total capital assets, not being depreciated	7,495,953	10,510,511	5,438,488	12,567,976
Capital assets, being depreciated:				
Buildings and improvements	23,460,221	4,033,247	--	27,493,468
Less accumulated depreciation for:				
Buildings and improvements	(8,395,958)	(912,023)	--	(9,307,981)
Total capital assets being depreciated, net	15,064,263	3,121,224	--	18,185,487
Business-type capital assets, net	$ 22,560,216	$ 13,631,735	$5,438,488	$ 30,753,463

Recreational Development Commission

Notes to Financial Statements

June 30, 2005

Note 4 – Capital Assets (Continued)

A summary of the buildings and improvements follows:

Facility	June 30, 2005	June 30, 2004
Abe Martin Lodge	$ 4,364,319	$ 4,362,059
Turkey Run Lodge	1,051,741	1,051,741
Harmonie State Park	1,116,314	1,116,314
Whitewater State Park	1,147,865	1,147,865
Pokagon State Park	9,707,748	9,707,748
Charlestown State Park	1,064,755	1,064,755
Prophetstown State Park	4,030,987	-
Fort Benjamin Harrison	5,009,739	5,009,739
	$ 27,493,468	$23,460,221

Note 5 - Leases

The Commission leases various facilities, which have been constructed or renovated using proceeds from bond issues, to the Department of Natural Resources. The lease is subject to the terms of the Master Use and Occupancy Agreement dated March 1, 1994 and is accounted for as an operating lease.

Although the initial agreement terminated on June 30, 1995, both parties have extended the term of this agreement until June 30, 2006. The Commission and the DNR have the right to extend the term of the agreement from biennium to biennium. The Commission and the DNR are deemed to have exercised this right to extend, and the term of the Master Use and Occupancy Agreement is extended, for each successive biennium, unless either the Commission or the DNR delivers written notice of nonextension to the other party not less than three months prior to the last day of any biennium, in which event the Master Use and Occupancy Agreement will terminate on the last day of such biennium.

Note 5 – Leases (Continued)

Minimum lease payments to be received from all projects are as follows:

Year Ending	Operating leases
2006	$ 2,121,924
2007	2,407,199
2008	2,819,751
2009	3,114,353
2010	3,163,159
2011-2015	16,453,121
2016-2020	12,618,581
2021-2025	2,011,000
2026	398,775
Total minimum lease payments	$ 45,107,863

Note 6 – Contingency

The Commission has been named as a co-defendant in a lawsuit involving a personal injury claim at an Indiana State Park. While the results of such litigation cannot be predicted with certainty, management based upon the advice of counsel, believes that the final outcome will not have a material adverse effect on the financial condition of the Commission.

Recreational Development Commission

Notes to Financial Statements

June 30, 2005

Note 7 - Long Term Debt

The following is a summary of long term debt:

Business-type Activities:	Interest Rates Range	Maturity Range	Annual Payment Range	Amount
Recreational Development Commission	2.125%-5.25%	2006-2026	$398,775–$3,400,338	$ 31,389,698

The long-term debt payable consisted of the following:

	June 30, 2005	June 30, 2004
$7,775,000 Revenue Bonds, Series 1994A dated March 1, 1994, due 2005 - 2019 at 5.50% - 6.125% interest. Net of unamortized discount	$ -	$ 7,504,534
Less: loss on advance refunding	-	269,851
Net long term debt, Series 1994A	-	7,234,683
$6,600,000 Revenue Bonds, Series 1997, dated January 1, 1997, due 2006 - 2018 at 4.85% - 5.60% interest. Net of unamortized discount	5,020,882	5,261,719
$14,400,000 Revenue Bonds, Series 2002, dated December 19, 2002, due 2006 - 2019 at 2.10% - 5.25% interest. Plus unamortized premium	14,636,367	14,653,250
Less: loss on advance refunding	731,389	783,631
Net long term debt, Series 2002	13,904,978	13,869,619
$12,780,000 Revenue Bonds, Series 2004, dated September 23, 2004, due 2008 - 2026 at 2.125% - 5.00% interest. Plus unamortized premium	13,009,401	-
Less: loss on advance refunding	545,563	-
Net long term debt, Series 2004	12,463,838	-
Loan from cigarette tax fund	500,000	500,000
Less: current portion of long-term debt	(535,000)	(440,000)
Total long term debt	$ 31,354,698	$ 26,426,021

Recreational Development Commission

Notes to Financial Statements

June 30, 2005

Note 7 - Long Term Debt (Continued)

The following is a summary of changes in long-term debt for the year ended June 30, 2005:

	Balance at July 1, 2004	Increases	Decreases	Balance at June 30, 2005	Amounts Due within One Year	Amounts Due Thereafter
Business-type activities:						
Revenue bonds	$26,366,021	$12,683,171	$ 7,659,494	$31,389,698	$ 535,000	$30,854,698
Cigarette tax Fund	500,000	--	--	500,000	--	500,000
Total	$26,866,021	$12,683,171	$ 7,659,494	$31,889,698	$ 535,000	$31,354,698

The annual debt service requirements to maturity for long-term debt as of June 30, 2005 are as follows:

Year Ending June 30,	Principal	Interest
2006	$ 535,000	$ 1,366,924
2007	1,005,000	1,337,199
2008	1,465,000	1,294,751
2009	1,830,000	1,239,353
2010	1,940,000	1,173,160
2011-2015	11,870,000	4,558,122
2016-2020	11,540,000	1,978,580
2021-2025	1,720,000	291,000
2026	390,000	8,775
Unamortized discount/premium	(405,302)	
Total	$31,889,698	$ 13,247,862

There is no maturity date specified for the loan from the cigarette tax fund. It is not expected to be repaid within one year and is therefore classified as long-term.

Note 8 - Advance Refunding

In 2004, the Commission advance refunded the remaining portion of the Series 1994A Revenue Bonds using a portion of the proceeds from the 2004 Revenue Bonds. The loss on advance refunding is being amortized over the remaining life of the old bonds.

At June 30, 2005, outstanding revenue bonds of $7,565,000 were considered to be defeased. The advance refunding was undertaken to reduce total debt service requirements. Cash funds needed for the new refunding debt decreased by $1,119,068 from that needed under the prior debt service requirements. The economic gain, or present value savings, on the refunding was $1,056,941.

In 2002, the Commission advance refunded a portion of the Series 1994A Revenue Bonds. The Commission issued $10,170,000 of Series 2002 Revenue Bonds to provide funds that were placed in an escrow account along with $1,000,000 from a reserve fund for the purpose of providing resources for all future debt service payments of the refunded debt. The difference between the reacquisition price and the carrying amount of the old bonds represents a loss which is being amortized over the remaining life of the old bonds.

In 1994, the Commission advance refunded debentures issued in 1987 and 1990 using a portion of the proceeds from the 1994A Revenue Bonds. The loss on advance refunding is being amortized over the remaining life of the old bonds. All of the bonds covered under the 1994 escrow agreement have been called.