

The series 1985 revenue bonds maturing after July 1, 1995, are subject to redemption, at the Authority's option, beginning July 1, 1995. The redemption prices range, as a percentage of the principal amount, from 100% to 102%. The bonds maturing July 1, 2015, are subject to redemption, at the Authority's option, beginning July 1, 1995, at a redemption price of 100%. A portion of the bonds maturing on July 1, 2005, \$22,480,000, is subject to redemption beginning in 2001. A portion of the bonds maturing July 1, 2015, \$97,870,000, is subject to redemption beginning in 2006. The principal amortization requirements range from \$4,930,000 to \$14,975,000 per year. The series 1991 revenue bonds maturing after July 1, 2001 are subject to redemption, at the Authority's option, on or after July 1, 2001, at redemption prices ranging from 100% to 102% of the principal amount.

In compliance with the Trust Agreement dated December 1, 1985, underlying the Transportation Facilities Projects Revenue Bonds, Series 1985, the Authority has established restricted accounts for the payments of debt service related to the revenue bonds, major maintenance, project requirements and improvements, betterments, enlargements or capital additions. Assets consisting of cash and cash equivalents, \$56,363,000; investments, \$30,024,000; and other assets, \$1,113,000; less current accounts payable, \$17,361,000 have been restricted for such purposes.

In August 1992, the Authority issued \$162,115,000 aggregate principal amount of Transportation Facilities Projects Revenue Bonds, Series 1992 ("Series 1992 Bonds"). The Series 1992 Bonds dated August 15, 1992, consist of \$94,200,000 current interest serial bonds, \$40,895,000 capital appreciation bonds and \$27,020,000 current interest term bonds. The series bonds mature in annual installments ranging from \$5,135,000 to \$14,570,000 from July 1, 1996, to July 1, 2013, inclusive, with interest rates ranging from 4.375% to 5.8%, payable semiannually. The capital appreciation bonds mature in annual installments ranging from \$3,000,000 to \$15,420,000 from July 1, 2004, to July 1, 2015, inclusive, yielding interest at maturity ranging from 6% to 6.35%. The term bonds, with interest payable semiannually at 5.75%, are due July 1, 2015. The Series 1992 Bonds were issued to advance refund a portion of the outstanding Series 1985 Bonds.

At June 30, 1992, \$162,110,000 of revenue bonds are considered defeased.

Maryland State Lottery Agency:

Obligations Under Capital Leases:

Obligations under capital leases of \$13,079,000 exist at June 30, 1992 bearing interest at an annual rate of 7.5%. The following is a schedule of annual future minimum payments under these obligations, along with the present value of the related net minimum payments at June 30, 1992 (amounts expressed in thousands):

Years Ending June 30,	Amount
1993	\$ 3,853
1994	3,853
1995	3,853
1996	3,853
Total future minimum payments	15,412
Less amount representing interest	2,333
Present value of net minimum lease payments	<u>\$13,079</u>

Maryland Environmental Service (Service):

Revenue Bonds:

The Service has issued revenue bonds and other debt for the construction of certain projects. The balance at June 30, 1992, is \$20,860,000. Series 1985 bonds bear interest at 57% of prime, not to exceed 10.5%, and its other debt bears interest at rates ranging from 5.2% to 8.46%. The bonds are collateralized by the assets and revenues of the projects and any other revenues of the Service that are not otherwise pledged. All rights, title and interest in the related property, plant and equipment remains with the Service until expiration or completion of the project and repayment of the revenue bonds. Thereafter, title to the assets pass to the governmental unit served by the projects.

On September 15, 1992, the Service issued \$3,550,000 of Lease Revenue Bonds. The bonds mature serially from March 1993 through September 1997 and bear coupon rates ranging from 3.25% to 5.5%.