

CITY OF HOUSTON, TEXAS
Airport System
Statements of Cash Flows
For the Years Ended June 30, 1999 and 1998
amounts expressed in thousands

	<u>1999</u>	<u>1998</u>
Cash flows from operating activities		
Operating income	\$ 22,628	\$ 30,839
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	42,537	43,166
Changes in assets and liabilities		
Accounts receivable	824	2,022
Contracts receivable	1,321	36
Due from other funds	(106)	(864)
Due from other governments	(709)	(659)
Inventory	29	(245)
Accounts payable	1,106	(155)
Accrued payroll liabilities	124	180
Due to other funds	(583)	(361)
Construction and retainages payable	11,849	7,782
Claims for workers' compensation	5,824	(466)
Compensated absences	408	160
Other revenues	207	796
Other long-term liabilities	100	571
Net cash provided by operating activities	<u>85,559</u>	<u>82,802</u>
Cash flows from investing activities		
Interest income on investments	21,830	13,208
Purchase of investments	(2,404,657)	(1,035,609)
Proceeds from sale of investments	1,929,512	1,111,394
Net cash provided by (used for) investing activities	<u>(453,315)</u>	<u>88,993</u>
Cash flows from capital and related financing activities		
Retirement of revenue bonds	(14,475)	(127,812)
Proceeds from issuance of revenue bonds	620,338	103,660
Retirement of commercial paper	(70,900)	-
Proceeds from issuance of commercial paper	8,600	17,000
Interest expense on revenue bonds	(12,055)	(21,026)
Advances and deposits on construction	(30,989)	(72,358)
Contributed capital	15,679	15,734
Acquisition of property, plant and equipment	(147,809)	(85,873)
Net cash provided by (used for) capital and related financing activities	<u>368,389</u>	<u>(170,675)</u>
Net increase in cash and cash equivalents	633	1,120
Cash and cash equivalents, July 1	<u>5,070</u>	<u>3,950</u>
Cash and cash equivalents, June 30	<u>\$ 5,703</u>	<u>\$ 5,070</u>