

**CITY OF HOUSTON, TEXAS**  
**ENTERPRISE FUNDS**  
**Convention and Entertainment Facilities Fund**  
**Statements of Cash Flows**  
**For the Years Ended June 30, 1999 and 1998**  
*amounts expressed in thousands*

	<u>1999</u>	<u>1998</u>
<b>Cash flows from operating activities</b>		
Operating loss	\$ (7,485)	\$ (9,772)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation and amortization	6,640	6,412
Changes in assets and liabilities		
Accounts receivable, net	444	(292)
Due from other funds	(203)	(50)
Accounts payable	(220)	259
Accrued payroll liabilities	79	27
Construction and retainages payable	(71)	-
Due to component unit	-	(1,796)
Due to other funds	151	(95)
Due to other governments	(4)	(609)
Advances and deposits	(148)	47
Claims for workers' compensation	2	(23)
Compensated absences	48	43
Other revenues	1,042	1,599
Other expenses	(9,565)	(6,431)
Hotel occupancy tax revenue	40,559	37,463
<b>Net cash provided by operating activities</b>	<u>31,269</u>	<u>26,782</u>
<b>Cash flows from investing activities</b>		
Interest income on investments	3,174	3,268
Purchases of investments	(4,892)	92
Proceeds from sales of investments	1,163	-
<b>Net cash provided by (used for) investing activities</b>	<u>(555)</u>	<u>3,360</u>
<b>Cash flows from capital and related financing activities</b>		
Retirement of revenue bonds	(4,340)	(4,000)
Payments from issuance of note payable	(405)	(192)
Interest expense on revenue bonds	(7,577)	(7,818)
Acquisition of property, plant and equipment	(10,627)	(10,686)
<b>Net cash (used for) capital and related financing activities</b>	<u>(22,949)</u>	<u>(22,696)</u>
<b>Cash flows from noncapital financing activities</b>		
Promotional contracts paid from hotel occupancy tax revenues to component units	(6,000)	(5,000)
Residual equity transfers	-	9
<b>Net cash used for noncapital financing activities</b>	<u>(6,000)</u>	<u>(4,991)</u>
Net increase in cash and cash equivalents	1,765	2,455
Cash and cash equivalents, July 1	<u>23,891</u>	<u>21,436</u>
<b>Cash and cash equivalents, June 30</b>	<u>\$ 25,656</u>	<u>\$ 23,891</u>
<b>Non cash transactions</b>		
Contribution of building improvements	\$ -	\$ 2,990
Issuance of a note payable for building improvements	-	8,150
	<u>\$ -</u>	<u>\$ 11,140</u>