

**CITY OF HOUSTON, TEXAS**  
**COMBINED STATEMENT OF CASH FLOWS**  
**All Proprietary Fund Types**  
**For the Year Ended June 30, 1999**  
**(With comparative totals for 1998)**  
*amounts expressed in thousands*

	<b>Proprietary Fund Types</b>		<b>(Memorandum Only)</b>	
	<b>Enterprise</b>	<b>Internal Service</b>	<b>Totals</b>	
			<b>1999</b>	<b>1998</b>
<b>Cash flows from operating activities</b>				
Operating income (loss)	\$ 148,687	\$ (772)	\$ 147,915	\$ 155,421
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation and amortization	239,382	-	239,382	224,605
Bad debt expense	740	-	740	1,071
Changes in assets and liabilities				
Accounts receivable, net	7,163	(1)	7,162	(12,114)
Contracts receivable	1,321	-	1,321	36
Due from other funds	(512)	-	(512)	4,604
Amounts held by other governments	2	-	2	-
Due from other governments	(709)	-	(709)	(659)
Inventory	(3,048)	-	(3,048)	(60)
Accounts payable	902	(52)	850	(9,394)
Accrued payroll liabilities	222	34	256	291
Construction and retainages payable	(23,036)	-	(23,036)	48,377
Due to other funds	(5,093)	7,474	2,381	(241)
Due to other governments	(4)	-	(4)	(614)
Advances and deposits	186	-	186	425
Claims and judgments	5,090	519	5,609	(172)
Compensated absences	431	28	459	896
Other long-term liabilities	100	-	100	660
Accrued interest on contracts payable	(718)	-	(718)	(820)
Other revenues	1,249	-	1,249	(5,631)
Other expenses	(9,565)	-	(9,565)	1,599
Miscellaneous revenues	18,116	-	18,116	12,193
Hotel occupancy tax revenue	40,559	-	40,559	37,463
<b>Net cash provided by operating activities</b>	<b>421,465</b>	<b>7,230</b>	<b>428,695</b>	<b>457,936</b>
<b>Cash flows from investing activities</b>				
Interest income on investments	63,015	752	63,767	58,465
Proceeds from sale of investments	2,000,296	-	-	(1,093,342)
Purchase of investments	(2,505,015)	-	(2,505,015)	1,165,629
Collection of long-term receivables	2,491	-	2,491	-
<b>Net cash provided by (used for) investing activities</b>	<b>(439,213)</b>	<b>752</b>	<b>(2,438,757)</b>	<b>130,752</b>

(Continued)

**CITY OF HOUSTON, TEXAS**  
**COMBINED STATEMENT OF CASH FLOWS - Continued**  
**All Proprietary Fund Types**  
**For the Year Ended June 30, 1999**  
**(With comparative totals for 1998)**  
*amounts expressed in thousands*

	<b>Proprietary Fund Types</b>		<b>(Memorandum Only)</b>	
	<b>Totals</b>			
	<b>Enterprise</b>	<b>Internal Service</b>	<b>1999</b>	<b>1998</b>
<b>Cash flows from capital and related financing activities</b>				
Retirement of revenue bonds	(91,225)	-	(91,225)	(198,717)
Proceeds from issuance of revenue bonds, net of discount	851,765	-	851,765	465,839
Retirement of Commercial Paper	(70,900)	-	(70,900)	-
Payments from issuance of note payable	(405)	-	(405)	(192)
Proceeds from issuance of commercial paper	85,300	-	85,300	86,980
Interest paid on				
Revenue bonds	(156,826)	-	(156,826)	(164,513)
Contracts payable	(19,165)	-	(19,165)	(21,056)
Retirement of contractual obligations	(4,355)	-	(4,355)	(11,982)
Advances and deposits on construction	(31,614)	-	(31,614)	(71,008)
Contributed capital	15,679	-	15,679	17,972
Acquisition of property, plant and equipment	(980,797)	-	(980,797)	(820,861)
Proceeds from sale of fixed assets	504,721	-	504,721	217,595
Accrued maintenance repair and replacement cost	89	-	89	-
<b>Net cash provided by (used for) capital and related financing activities</b>	<b>102,267</b>	<b>-</b>	<b>102,267</b>	<b>(499,943)</b>
<b>Cash flows from noncapital financing activities</b>				
Operating transfers to component units	(6,000)	-	(6,000)	(5,000)
Operating transfers to debt service fund	(37,883)	-	(37,883)	(34,529)
Operating transfers to other funds	(20,686)	-	(20,686)	(30,614)
Cash transfers of residual equity	-	-	-	(8,141)
Other nonoperating income	-	5	5	4
<b>Net cash used for noncapital financing activities</b>	<b>(64,569)</b>	<b>5</b>	<b>(64,564)</b>	<b>(78,280)</b>
Net increases (decreases) in cash and cash equivalents	19,950	7,987	27,937	10,461
Cash and cash equivalents, July 1	100,596	7,211	107,807	97,346
<b>Cash and cash equivalents, June 30</b>	<b>\$ 120,546</b>	<b>\$ 15,198</b>	<b>\$ 135,744</b>	<b>\$ 107,807</b>
<b>Non cash transactions</b>				
Contribution of building improvements	\$ -	\$ -	\$ -	\$ 2,990
Issuance of a note payable for building improvements	-	-	-	8,150
Write-off of a capital grant receivable	-	-	-	3,565
	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,705</b>

\* The notes to the general purpose financial statements are an integral part of this statement \*