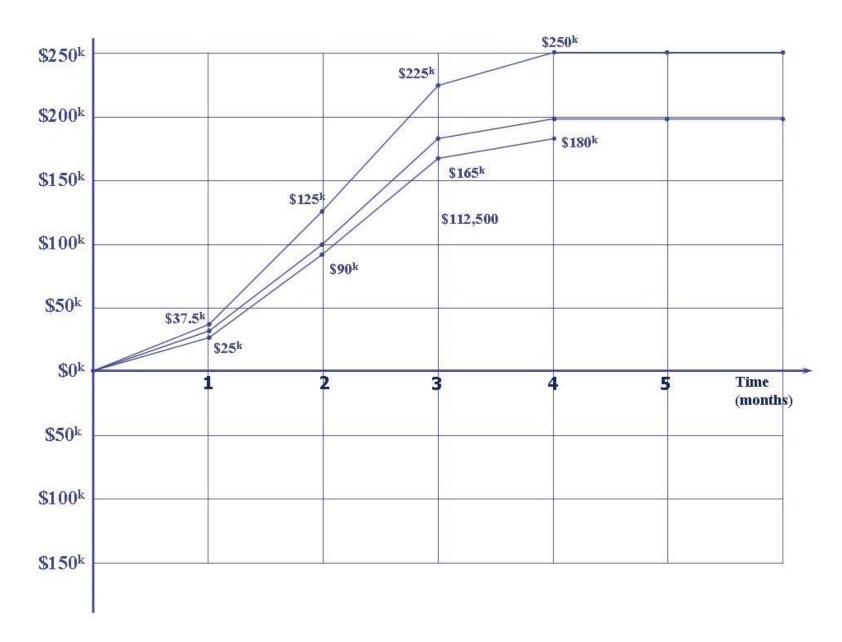
Project Cash Flow Example Problem

 Table 9.3
 Overdraft Calculations with Mobilization Payment

	Month										
	1	200	2		3		4		5		6
Direct cost	\$25,000		\$65,000		\$75,000		\$15,000				
Indirect cost	5,000		5,000		5,000		5,000				
Subtotal	30,000		70,000		80,000		20,000				
Markup (25%)	7,500		17,500		20,000		5,000				
Total billed	37,500		87,500		100,000		25,000				
Retainage withheld (10%)	3,750		8,750		0		0				
Payment received		\$20,000		\$33,750		\$78,750		\$100,000		\$17,500	
Total cost to date	30,000		100,000		180,000		200,000		200,000		
Total amount billed to date	37,500		125,000		225,000		250,000		250,000		
Total paid to date		\$20,000		\$53,750		\$132,000		\$232,500		\$250,000	
Overdraft end of month	30,000		80,300		127,353		69,877		(29,424) ^a		$(46,924)^a$
Interest on overdraft balance	300		803		1,274		699		0		0
Total amount financed	\$30,300		\$81,103		\$128,627		\$70,576		(29,424)		

^aParentheses indicate a positive balance.



Source: Halpin, D. W. Construction Management. John Wiley & Sons, Inc., © 2006.