

List of Acronyms and Abbreviations

MLEC	Master Lithium Energy Controller	A circuit board inside the high voltage traction battery of the Think City that coordinates the RLECs and communicates with the vehicle systems, one per car.
PCU	Power Conversion Unit	An aluminum module that contains circuits distribute the energy from the traction battery to various vehicle systems and a circuit to charge the traction battery.
R&R	Remove and replace	May include repairing the removed component or replacing with new.
RLEC	Remote Lithium Energy Controller	A circuit board inside the high voltage traction battery of the Think City that monitors individual cell voltages and temperatures, sixteen per car.

Table 1: Projected and Actual Services for Think City cars

Services for Think City	Labor hours	Projected service per year (estimated April 2016)	Actual services performed (4-month period, June to September 2016)	Parts and consultation provided to remote customers (same 4-month period)	Revised estimated services per year
MLEC R&R	2.0	30	1	1	5
PCU R&R	8.0	10	5	1	12
Motor/transaxle R&R	12.0	1	2	-	5
Gear selector micro-switches	1.0	10	4	-	10
12k Inspection	3.0	20	6	-	18
Traction battery repair	5.0	-	4	6	15
Other diagnosis	Varies	-	3	-	10
Other remote consultation	Varies	-	N/A	5	15
Steering rack R&R	7.0	-	1	-	1
Tie rod end R&R	0.5	-	1	-	6
12 Volt battery R&R	1.5	10	12	-	20
Transaxle drain/fill	0.5	10	6	-	20
Brake flush	1.5	10	8	-	25
Front brake pads and rotors	2.0	10	1	-	5
Tire rotation	0.5	10	0	-	10
Tire replacement (4)	2.5	5	0	-	5
Tire patch	1.0	5	0	-	5

**Table 2: Income Statement from
Inception (June 2016) to 31 October 2016**

Account number	Account description	Amount
4001	Sales of Services	\$5,727.00
4002	Resale of Goods	\$1,522.23
4003	Resale of Subcontracted Services	\$182.72
4000	Revenue	\$7,431.95
4501	Goods purchased for resale	\$1,752.74
4502	Services subcontracted for resale	\$170.13
4500	Total Cost of Goods Sold	\$1,922.87
	Gross Profit	\$5,509.08
5005	Insurance	\$227.00
5006	Legal and Accounting	\$135.95
5007	Miscellaneous Expenses	\$296.49
5010	Shipping	\$0.00
5011	Rent Expense	\$36.00
5013	Supplies	\$297.35
5014	Travel	\$34.23
5017	Laundry	\$55.00
5018	Car washes	\$25.00
5019	EV Charging	\$8.44
5020	Parking	\$1.50
5021	Vehicle expenses	\$67.77
5022	Research and Development	\$44.80
5023	PayPal Merchant Fees	\$52.90
5024	Tools purchased under \$500	\$2,029.08
5025	Uniforms and clothing	\$295.97
5026	Furniture under \$500	\$114.00
5000	Total Operating Expenses	\$3,721.48
	Net profit	\$1,787.60

Table 3: Balance Sheet

Account number	Account description	Amount
1001	Albina LLC Cash	\$773.68
1002	PayPal LLC Cash	\$0.00
1100	Accounts Receivable	\$113.59
1200	Inventory	\$0.00
1000	Current Assets	\$887.27
1501	Tools and Equipment	\$0.00
1504	Furniture	\$0.00
1500	Long-term Assets	\$0.00
	Total Assets	\$887.27
2001	Accounts Payable	\$0.00
2000	Total Liabilities	\$0.00
3001	JM Investments	\$754.67
3002	JM Drawing	\$1,655.00
3003	Retained Earnings	\$1,787.60
3000	Total Equity	\$887.27
	Total Liabilities and Equity	\$887.27

Table 4: BizStats Income Statement Benchmarks for Sole Proprietor Automotive Repair Shops

Sales	100.00%
Inventory (% of Sales)	1.78%
Cost of Sales	38.87%
COS-Labor Portion	3.98%
Gross Profit	61.13%
Salary-Wages	6.38%
Contract Labor-Commissions	2.60%
Rent	4.81%
Taxes	2.44%
Interest paid	1.12%
Amort. & Dep.	2.94%
Advertising	0.93%
Benefits-Pension	0.28%
Insurance (non-health)	1.42%
Home Office Expense	0.29%
Other SG&A Exp.	19.86%
Total Expenses	43.06%
Net Profit	18.07%
Total Direct Labor & NP	31.02%

Table 5: Projected Income Statement (no employees)

	<u>Minimum</u>	<u>Best guess</u>	<u>Maximum</u>
Revenue			
Labor	\$4,000.00	\$8,000.00	\$12,000.00
	(2 hours billed/day)	(4 hours billed/day)	(6 hours billed/day)
Parts	(Equal to cost of parts)		
Cost of Goods Sold			
Parts	(Equal to revenue from parts)		
Gross Profit	\$4,000.00	\$8,000.00	\$12,000.00
Operating Expenses			
Rent (including NNNs)	\$1,000.00	\$2,000.00	\$3,000.00
Electricity	\$100.00	\$100.00	\$400.00
Water	\$50.00	\$75.00	\$100.00
Garbage and Recycling	\$20.00	\$50.00	\$50.00
Gas	\$50.00	\$100.00	\$200.00
Internet	\$80.00	\$100.00	\$200.00
Alarm system	\$0.00	\$50.00	\$100.00
Advertising/Marketing	\$350.00	\$450.00	\$1,000.00
Web dev/maint., SEO, IT services	\$100.00	\$300.00	\$500.00
Phone	\$21.00	\$100.00	\$200.00
Insurance	\$44.00	\$100.00	\$500.00
Industry organization memberships:			
iATN	\$19.00	\$45.00	\$45.00
SAE	\$7.42	\$22.42	\$22.42
ASE Exams	\$9.17	\$12.83	\$12.83
Education and training	\$0.00	\$50.00 *	\$300.00
TIS/TechStream subscription	\$92.00	\$92.00	\$92.00
Identifix subscription	\$0.00	\$0.00	\$179.00
Fleet vehicles/maintenance	\$0.00	\$100.00 *	\$500.00
Legal and Accounting	\$30.00	\$50.00	\$150.00
Miscellaneous Expenses	\$0.00	\$0.00	\$100.00
Shipping	\$0.00	\$10.00	\$20.00
Repair and maintenance	\$0.00	\$50.00	\$500.00
Office supplies	\$10.00	\$50.00	\$100.00
Small tools	\$100.00	\$500.00 *	\$1,000.00
Shop supplies	\$50.00	\$100.00	\$200.00
Environmental protection expense	\$0.00	\$30.00	\$30.00
Travel	\$0.00	\$100.00 *	\$500.00
Laundry	\$20.00	\$20.00	\$100.00
Car washes	\$0.00	\$20.00 *	\$50.00
PayPal Merchant Fees	\$100.00	\$250.00	\$500.00
Uniforms and clothing	\$20.00	\$50.00 *	\$100.00

Furniture under \$500	\$0.00	\$20.00 *	\$50.00
Bad debt	\$0.00	\$10.00	\$50.00
State and local taxes			
Personal property tax	\$0.00	\$50.00	\$100.00
Unemployment insurance tax	\$0.00	\$0.00	\$0.00
Hazardous substance fee	\$0.00	\$0.00	\$50.00
Workers Benefit Fund	\$0.00	\$5.00	\$5.00
Workers' Compensation Insurance	\$0.00	\$220.00 *	\$220.00
Health Insurance	\$260.00	\$519.00	\$519.00
Licenses and fees	\$10.00	\$100.00	\$100.00
Depreciation	\$0.00	\$50.00	\$500.00
Interest Expense	\$0.00	\$100.00	\$200.00
Loan repayment	\$100.00	\$300.00	\$500.00
Total Operating Expenses	\$2,642.59	\$6,351.25	\$13,045.25
Net Profit	\$1,357.41	\$1,648.75	-\$1,045.25

*These expenses totaling over \$1,000 are somewhat discretionary or at least can be delayed.

Table 6: Additional Projected Monthly Revenue and Expenses for One Employee

Revenue	
Labor	\$6,400.00
Parts	-
Cost of Goods Sold	
Payroll	\$3,000.00
Bonuses and allowances	\$200.00
Health Insurance	\$260.00
Life Insurance	\$30.00
IRA, employer contribution	\$100.00
Employee Assistance Program	\$10.00
Laundry and uniforms	\$100.00
Federal taxes	
Social Security + Medicare	\$255.00
Federal Unemployment Tax	\$36.00
State and local taxes	
TriMet tax	\$22.00
Unemployment insurance tax	\$83.00
Workers Benefit Fund	\$5.00
Workers' Compensation Insurance	\$122.00
Parts	-
Total Cost of Goods Sold	<u>\$4,223.00</u>
Gross Profit per employee	<u><u>\$2,177.00</u></u>

Table 7: Estimated Cost of Shop Equipment

Priority	Equipment	Cost	Cumulative Total Cost
Required	Computer with Windows OS	\$500	\$500
	MongoosePro (Toyota hardware interface)	\$695	\$1,195
	Lift	\$5,100	\$6,295
	Air compressor, plumbing	\$500	\$6,795
	Brake parts washer	\$1,000	\$7,795
	Oil tanks/delivery	\$200	\$7,995
	Waste oil/coolant tanks	\$100	\$8,095
	Oil drain	\$100	\$8,195
	Workbench with vise	\$200	\$8,395
	Material handling/storage, shelves, etc	\$500	\$8,895
	Phone(s)	\$300	\$9,195
	Exhaust hoses	\$100	\$9,295
	Highest	Blue Seal of Excellence Recognition Program initial fee	\$235
Tire mount/dismount and balance machines		\$2,000	\$11,530
Tire balancer		\$2,000	\$13,530
Alignment rack		\$5,000	\$18,530
Alignment instrumentation		\$10,000	\$28,530
Arbor press		\$500	\$29,030
Floor crane		\$300	\$29,330
Engine stand		\$200	\$29,530
Parts washer/solvent tank.		\$400	\$29,930
Strut compressor		\$500	\$30,430
Tranny jack		\$500	\$30,930
Grinder		\$200	\$31,130
A/C recovery machine		\$8,000	\$39,130
Lowest	Vacuum pump (for A/C)	\$100	\$39,230
	Pressure washer/car washing stuff	\$500	\$39,730
	Gas caddy/Fuel safe	\$300	\$40,030

Table 8: Monthly Loan Repayment Amount, 8.25% APR

	Loan Principal				
	\$5,000.00	\$10,000.00	\$15,000.00	\$20,000.00	\$25,000.00
Loan Period in Years					
1	\$435.52	\$871.04	\$1,306.56	\$1,742.08	\$2,177.60
2	\$226.71	\$453.41	\$680.12	\$906.83	\$1,133.53
3	\$157.26	\$314.52	\$471.78	\$629.04	\$786.30
4	\$122.65	\$245.30	\$367.96	\$490.61	\$613.26
5	\$101.98	\$203.96	\$305.94	\$407.93	\$509.91
6	\$88.28	\$176.56	\$264.83	\$353.11	\$441.39
7	\$78.56	\$157.11	\$235.67	\$314.22	\$392.78
8	\$71.32	\$142.64	\$213.96	\$285.28	\$356.60
9	\$65.74	\$131.49	\$197.23	\$262.97	\$328.72
10	\$61.33	\$122.65	\$183.98	\$245.31	\$306.63

Table 9: Expense of fees divided over the period of the loan

Calculated as (Principal x 3% + \$250) / (Number of Months)

	Loan Principal				
	\$5,000.00	\$10,000.00	\$15,000.00	\$20,000.00	\$25,000.00
Loan Period in Years					
1	\$33.33	\$45.83	\$58.33	\$70.83	\$83.33
2	\$16.67	\$22.92	\$29.17	\$35.42	\$41.67
3	\$11.11	\$15.28	\$19.44	\$23.61	\$27.78
4	\$8.33	\$11.46	\$14.58	\$17.71	\$20.83
5	\$6.67	\$9.17	\$11.67	\$14.17	\$16.67
6	\$5.56	\$7.64	\$9.72	\$11.81	\$13.89
7	\$4.76	\$6.55	\$8.33	\$10.12	\$11.90
8	\$4.17	\$5.73	\$7.29	\$8.85	\$10.42
9	\$3.70	\$5.09	\$6.48	\$7.87	\$9.26
10	\$3.33	\$4.58	\$5.83	\$7.08	\$8.33