

19TH ANNUAL AIRCRAFT ACQUISITION PLANNING SEMINAR

December 4–5, 2018
Scottsdale, Arizona

AGENDA

DAY ONE: Tuesday, December 4, 2018

- 8–8:30 a.m.** **Continental Breakfast Buffet**
- 8:30–8:45 a.m.** **Opening Remarks**
Jason Schwab, JSSI Advisory Services
- 8:45–9 a.m.** **Introductions & Demo**
Jason Schwab, JSSI Advisory Services; and Nel Stubbs, Conklin & de Decker
- 9–9:45 a.m.** **How to Determine the Right Aircraft for the Mission**
How do you differentiate between “required” and “desired” criteria? How do you define and quantify a key mission? How many aircraft do you really need to perform the required missions? Learn how to set up quantitative analyses for evaluating candidate aircraft. Put it all together with solid analysis and rank aircraft based on measurable, unbiased criteria. The *Conklin & de Decker Aircraft Performance Comparator* software will be used to illustrate the comparisons.
Presenter: David Wyndham, Conklin & de Decker
- 9:45–10:25 a.m.** **Choosing the Right Aircraft**
Once you know the aircraft to suit your mission, how do you choose the right aircraft to buy? What do you look for? Should you buy a newer aircraft or an older aircraft? Should you do a pre-buy inspection?
Moderator: Lou Seno, JSSI
Panelists: Bill Quinn, Aviation Management Systems; Rebecca Posoli-Cilli, Freestream Aircraft USA; and Brad Harris, Dallas Jet International
- 10:25–10:45 a.m.** **BREAK**
- 10:45–11:15 a.m.** **How to Assess the Value of an Aircraft**
Over the past several years, aircraft values across the board have taken the biggest hit since the inception of the industry. Has the market truly “bottomed out” yet? Are some segments of the market now in better shape than others? How do you know you are truly paying today’s true fair market value? Should you retain the services of a fully accredited appraiser (whether a lender requires it or not) to value the aircraft you are about to make an offer on?
Moderator: Richard Berkemeier, Pegasus Aircraft Appraisal Group
Panelists: Rich Thompson, JSSI Advisory Services; and Jeff Dorrough, Mente Group

- 11:15 a.m.–12 p.m. Financial Analysis**
After selecting a number of mission capable aircraft, you need to know how much each one will cost during its life cycle. A complete financial analysis takes into account depreciation, income taxes and something called *Net Present Value*. Learn why the “lowest cost” alternative is not always the one with the best value. The costs of new versus used aircraft will also be covered. The *Conklin & de Decker Life Cycle Cost* software will be used to demonstrate various aircraft and travel analyses.
Presenter: Bill de Decker, Conklin & de Decker
- 12–1 p.m. LUNCH**
- 1–2:15 p.m. Alternatives for Ownership & Operation of Aircraft**
This session will provide a discussion of various ownership and leasing options within the Federal Aviation Regulations. In addition, the session will look at whole, joint, co- and fractional ownership programs using specific flight department scenarios. How does the FAA view wet and dry leases? What should you know about a “flight department company?” How does the FAA’s interest in operational control impact your agreements?
Moderator: Eileen Gleimer, Crowell & Moring
Panelist: David Warner, Lane Powell, PC
- 2:15–3 p.m. FAA Owner Trusts**
This presentation will focus on the FAA owner and trust and their many uses in an aircraft transaction. The various reasons that an FAA owner trust is employed to register an aircraft will also be discussed.
Presenters: Tobias Kleitman, TVPX; and Mike Hoggan, TVPX Aircraft Registration & Services
- 3–3:30 p.m. BREAK**
- 3:30–4:30 p.m. Internal Flight Department vs. External Aircraft Management**
When acquiring an aircraft, whether for the first time or not, there is always the decision to be made as to whether to employ the crew directly and have an “in-house” flight department, to go with an “aircraft services company,” or to go with a combination of both. What about placing your aircraft on a 135 certificate? What are the benefits?
Moderator: Lou Seno, JSSI
Panelists: Leslie Cheshire, Jet Aviation; and Jeff Lee, FlightSafety International
- 4:30–5:15 p.m. Keynote Speaker**
Phil Derner, NBAA Regional Representative, Western Region
- 5:30 p.m. Networking Reception**
Sponsored by Jet Support Services, Inc.

DAY TWO: Wednesday, December 5, 2018

- 8–8:30 a.m. Continental Breakfast Buffet/CDD Demos Upon Request**
- 8:30–8:35 a.m. Opening Remarks**
Lou Seno, JSSI
- 8:35 – 9:25 a.m. State Tax Planning**
This session covers how the state sales and use taxes apply to business aircraft ownership and leasing operations. The review will cover not only the basics of aircraft registration fees and personal property taxes but also how they apply to business aircraft. What are some of the common exemptions and misconceptions regarding these taxes? These and other issues will be discussed and analyzed. The *Conklin & de Decker State Tax Guide for General Aviation* will be used to show how the states compare.
Presenter: Nel Stubbs, Conklin & de Decker
- 9:25 – 10:10 a.m. What You Should Know About Aircraft Financing**
Financing is more than just getting a good interest rate. How do you evaluate a lender? Should you lease instead? Operating leases, capital leases, synthetic leases—what are they? Each has its own advantages and disadvantages. Hear more about how general aviation aircraft financing is impacted by the current economy.
Moderator: Lou Seno, JSSI
Panelists: Keith Hayes, PNC Aviation Finance; Al Qualey, 1st Source Bank; and Jim Simpson, First Republic Bank; Dave Labrozzi, Global Jet Capital
- 10:10–10:30 a.m. BREAK**
- 10:30–11 a.m. ADS-B Mandate**
Presenter: Tim Kelly, Duncan Aviation
- 11 a.m.–12 p.m. Properly Insuring Your Investment & Risk Management**
Are you properly insured? Do you really have all the insurance that the management company is providing, or is it shared? How much is enough insurance? How can you lower your insurance premiums? Who should carry worker's compensation? What kind of insurance is appropriate for an operation? How can you manage your risks? How would having a safety management system in place manage your risk? This session will answer these questions and more to assist in making the best decisions regarding your insurance coverage.
Moderator: Lou Seno, JSSI
Panelists: Steve Johns, LL Johns & Associates; and Ernest DeSpain, W. Brown & Associates
- 12–1 p.m. LUNCH**

1–1:30 p.m.

Aircraft Registration

In the past, aircraft registrations were filed at the FAA at the time of change of ownership. You would not need to “touch it” again unless there was a change of address or a change in ownership. The rules have changed! Now, FAA aircraft registrations are *expirable* and the aircraft must be *re-registered* at certain intervals. If you miss your re-registration window, your registration may expire and your airworthiness certificate would be considered ineffective.

Presenter: Suzanne Pruitt, AIC Title Service, LLC

1:30–2:30 p.m.

Operating Costs: A Significant Element of Aircraft Operations

The acquisition of an aircraft, and all the steps involved to make a proper selection, is an important process. However, just as important but often overlooked is an understanding of the costs, especially maintenance costs, associated with operating an aircraft. This session will examine four areas as it relates to operating costs: 1) the significance of operating costs and some of their unusual attributes; 2) discussion of the issues and opportunities associated with guaranteed maintenance programs; 3) methods for organizing operating costs and converting data into useful information; and 4) factors to consider when building an aircraft budget. The *Conklin & de Decker Aircraft Cost Evaluator* software will be used to demonstrate how you can benchmark your costs.

Presenter: Brandon Battles, Conklin & de Decker

2:30–3:15 p.m.

Guaranteed Maintenance Programs

Known by many names (e.g., Total Assurance Plan, Power-by-the-Hour, and Executive Care) and offered by a variety of companies, guaranteed maintenance programs (GMPs) are designed to simplify the behavior of maintenance costs by offering predictability in an area of cost uncertainty. But as with any tool, simplifying a complex subject requires additional insight before making an informed decision. This session will explore what typically is, and is not, included in GMPs as well as what you should consider when evaluating a program.

Presenter: Greg Hampton, JSSI

3:15–4 p.m.

Basics of Personal & Entertainment Use of Aircraft

How should personal and non-business use of the aircraft be handled? What is the SIFL Rule? The Jobs Creation Act of 2005 made some changes as to how deductions for personal use should be handled. What do you need to know about how to handle these deductions?

Presenter: Nel Stubbs, Conklin & de Decker

4 p.m.

Closing Remarks

Lou Seno, JSSI