



## Budget Builder™

### *How to build a realistic operating budget for business aviation*

Every year, you'll get "the call" from your corporate office, giving you a 1-2 month notice to submit a first draft of next year's aviation budget. Maybe you'll be given an explicit budget objective to meet—or maybe you'll be asked to submit a decrease. But does either of those options make operational sense?

**To answer this question, you must first ask yourself:**

- How will our fleet change in the coming year?
- Do we anticipate changing our flight hours?
- How will our travel mission change?
- What's likely to happen with fuel consumption?
- Will we need change staffing levels?
- What are next year's big maintenance needs?
- Will our rent, taxes and insurance change?
- What should we estimate for training travel?

*The list of questions can go on and on.*

Now imagine if you could submit a completely fact-based budget to your corporate office—one that outlines the realistic costs to support aviation's needs based on *quantified assumptions*.

### **Introducing Budget Builder™**

It's a customized, ready-to-go, evidence-based aviation budget report and commentary, packaged so that it can be presented to corporate or your owner—with minimal effort on your part!



### **How it Works**

Depending on the size and scope of your organization and specific operating requirements, you'll receive a custom Budget Builder™ report in PDF format of up to 160+ line items and 20+ summarized categories, including:

- Aircraft asset costs (owned, leased or both)
- Compensation and benefits
- Fuel expenses
- Maintenance
- Hangar & occupancy
- Supplemental lift
- Developmental and technical training
- International operations
- Insurance and taxes
- And more

Your flight department undoubtedly has all of the detailed data, but corporate will need a summary. Gray Stone Advisors will aggregate the 20+ categories from your custom Budget Report into the categories and accounts specified by corporate. We'll also provide the backup needed to substantiate every line item in your budget.

### Get started with Budget Builder™ in just three easy steps:

1. We'll send you a questionnaire covering the input assumptions in a fillable PDF.
2. You provide us with the evidence-based answers.
3. One of our aviation financial analysts will process your department's data using our proprietary budgeting model and return a detailed Budget Report, capturing every expense—plus a rolled-up summary and high-level commentary for your accounting team.

## Business Benefits

Gray Stone Advisors' comprehensive Budget Builder™ helps you:

- **Create realistic expectations.** If your existing budget doesn't match the number given to you by corporate, this fact-based and assumption-driven approach will provide a common level of understanding for both parties. This process is often very educational, identifying which expense areas are controllable and which are not.
- **Eliminate financial surprises.** Asking for "forgiveness" following a budget miss can be career-limiting. That's why generating a "clean sheet" operating budget helps you identify the influencing factors of each expense category. It also supports your quest to manage expectations, provide accurate and monthly budget updates, and forecast planned and unplanned events as operational needs change.
- **Save time.** Relying on experienced aviation financial analysts frees you up to focus on more pressing operational issues. Simply provide the input requested and get a full Budget Builder™ Report in return. All of the spadework is done for you.
- **Demonstrate your value.** Not only will you demonstrate to your corporation or owner that your aviation operation is a strategic business partner, but you'll gain important recognition for being a true business professional and aviation expert, someone who knows how to run a "business within a business."
- **Improve your business skills.** It's important to know what's going on financially in your organization (and why) so you can have confident, well-informed and objective conversations with your boss and others at corporate.

## Additional Financial Services

Upon request, Gray Stone Advisors can also assist you with:

- Personal and confidential telephone or on-site coaching to master the budgeting process.
- Accurately mapping the detailed aviation budget to your accounting system, such as SAP and Oracle.
- Developing your PowerPoint presentation to executive leadership, including charts, graphs and the summarized budget with high-level commentary.
- Creating quarterly projections and mid-year reviews as well as periodic budget "tune-ups."

The impact of BudgetBuilder™ has been remarkable for flight departments who are continuously improving their operations and processes, as well as achieving alignment with the expectations of their corporate office. Best of all, this budgeting system is expertly designed based on an assumption-driven methodology and modeling tools, as well as Gray Stone Advisors' decades of experience leading flight departments and working with many corporate accounting teams.

### Learn how to build a realistic operating budget for business aviation

Call Gray Stone Advisors today at +1.865.357.5077 or email us at [info@graystoneadvisors.com](mailto:info@graystoneadvisors.com). We'll answer your questions and email your fillable PDF template the same day.