



ANTLERS

AT VAIL

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AntlersVail.com

Agenda

Antlers Condominium Association

44th Annual Homeowners Meeting

Sunday, September 4, 2016 4:00 PM

1. Call to order
2. Establish quorum
3. Approve minutes – 2015 Annual Meeting
4. Introduction of Owners
5. Welcome and progress report – Catherine Michela, Board President
6. Financial report
 - A. Projected year end 2015 – 2016
 - B. Proposed budget 2016 – 2017
 - C. Capital Projects
7. Board of Directors Election
8. Staff Reports & Recognition
9. Other business
10. Adjourn meeting

6:00 PM - Reception & Dinner

Minutes
Antlers Condominium Association
43rd Annual Homeowners Meeting
Sunday, September 6, 2015

Call to Order

Catherine Michela, Board President called the meeting to order at 4:10 PM. She gave a brief overview of the meeting procedures.

Establish Quorum

A quorum was established with the owners of 24 condominiums present and another 39 who had submitted proxies.

Approve Previous Minutes

The meeting minutes from August 31, 2014 were approved as submitted by a voice vote.

Introduction of Owners

Each of the owners introduced themselves and in response to Catherine's question, stated what their favorite college course was. Catherine introduced the other board members present, Tom Riedel (501), Rich Buckley (620), Lori Radcliffe (303), Helen Wachendorfer (505) and Burk Schmitt (515). Other owners in attendance were Jason Byrne (106), Mike & Ann Kennedy (108), Arthur & Arlene Elkind (202), Susie Ramsay (203), Tom & Libby Sperr (210), Jeff Radcliffe (303), Cheryl Moskal & Richard Jackson (305 & 320), Tom & Marsha Smedley (310), Jane Packard (312), Dan & Chris Havekost (315, 514), Joyce Riedel (501), Charley Wachendorfer (505), Shirley Rauter (506), Robin Burch (516), Mark Ulmschneider (517), Kathy Caloia (602), Ron & Dawn Bobuk (607), Susan Hagy Humphrey (608), Theresa Buckley (620) and Bill & Jacque Oakes (704). A number of Antlers staff and some guests were also in attendance.

Review of 2014-2015

Catherine welcomed everyone and reviewed the capital projects that had been completed in the past year, mainly the first floor hallway improvements, as well as a variety of individual unit improvements. She also highlighted a few of the projects underway and recently completed around town.

Financial Report & 2015-16 Budget

Rob reviewed the year end financials, pointing out it was the second best year for revenue in the Antlers history. That reflected a 12.2% increase in gross revenues which was 8.2% ahead of budget. With the sliding scale rental split (new this year) the effective commission was 37.7%. As a result, Rental Commission revenue was up 17.2% from last year. Rob noted that no line item projections had changed significantly from the June estimates. The bottom line surplus had decreased from about \$29K to about \$16K and most of that change was due to capital expenditures in July and August. He highlighted a few of the many capital expenses, explaining that more had been done this year because of the healthy income picture. There were no questions on the 2015-16 budget, which was ratified as presented. The advance booking reports were presented reflecting a healthy 99% of the summer budget booked (with two months to go), and 36% of the winter budget on the books, which matched expectations.

Rich Buckley explained that the board was beginning to foresee some infrastructure issues, such as the elevator, that the current level of capital assessment would certainly not be able to address. Communication to that effect had gone out to all the owners subsequent to the June board meeting. However, the board wanted to make sure that everyone was aware of the likelihood of a special assessment in the next several years. Alternatively, the HOA could borrow the money for such projects, but repayment would still require some sort of significant increase in the homeowners' dues.

Other Capital Expenses and Improvements

Rob reviewed the detailed list of capital expenses and improvements, reiterating that the HOA had taken advantage of the strong revenues this year to accomplish a few discretionary items, as well as a number of the things that had been deferred from the previous few years. The updated list of future potential Capital Improvements was noted, with attention called to the work already scheduled on the west end entrance/exit to the pool area. He also invited feedback from the ownership on new ideas as well as prioritization of this list.

Board of Directors Election

Ballots for the Board of Directors were distributed, with Cheryl Moskal and Susan Hagy Humphrey running for the one open seat. Catherine appointed Randi Davis, Tom Smedley and Jacque Oakes as the election committee. They collected the ballots and took the proxies that had been submitted, and left the room to count the votes. When they finished, Randi announced that Susan Hagy Humphrey was the winner in a close election.

Staff Reports

Ryan Kelsey gave a thorough presentation regarding his role and priorities as the Revenue Manager. Liana Moore did the same with regard to the Antlers marketing plan. Magdalena King reviewed the Unit Quality Improvement Plan, calling attention to the huge accomplishment of attaining property-wide Platinum status. She also noted the importance of continued progress, as well as focusing on the work needed to keep those "just barely" platinum units, from slipping back.

Rob then announced seven employees who had enjoyed 5, 10, 15, 20 and 25 year anniversaries this year. He noted that they will each receive a small bonus. He also explained the celebration that was held for Lora when she retired after 39 years.

There was no other business raised and the meeting was adjourned at 6:20 PM.

Antlers Projected Actuals & Proposed Budget 2016 - 2017

Revised 08/17/16	ACTUAL 2013-14	ACTUAL 2014-15	ESTIMATED ACTUAL 2015-16	BUDGET 2016-17	Notes	NO-RENT BUDGET 2016-17
REVENUES						
Association Income						
Housing & Storage Income	27,470	26,731	30,545	36,500		36,500
General Assessments	889,256	889,257	934,985	963,050	1	963,050
Capital Reserve Assessment	149,989	149,801	149,998	150,000	2	150,000
Laundry Income	3,852	4,448	3,692	4,000		
Interest Income/Common	6	893	2,648	240		240
Interest Income/Reserves	109	130	113	100		100
Miscellaneous/Assoc	7,056	13,765	10,087	6,500		1,500
Unit Maintenance Income	95,482	44,300	68,436	35,000	3	
Total Association Income	1,173,220	1,129,325	1,200,504	1,195,390		1,151,390
Rental Management Income						
Cancellations	12,521	24,983	23,513	25,000		
Conference Room	84,919	78,549	93,726	100,000		
Discounts Earned	5,462	7,591	7,360	7,000		500
Housekeeping	14,248	13,231	13,814	15,000		
Interest	1,583	1,398	1,428	1,400		
Lift Ticket	0	206	0	-		
Miscellaneous/Rental	1,360	4,695	6,185	7,000		
Deposit Protection	19,997	21,192	26,563	28,500		
Rental Commission	1,829,155	2,142,908	2,163,000	2,174,648	4	
Telephone	0	0	0	0		
Valet	214	301	220	300		
Video	79	138	8	0		
Total Rental Mgmt Income	1,969,538	2,295,192	2,335,817	2,358,848		500
TOTAL REVENUE	3,142,758	3,424,517	3,536,322	3,554,238		1,151,890
EXPENSES						
Salaries & Wages						
Contract Labor	9,658	20,175	80,392	80,000		
Housekeeping/Laundry	712,277	734,858	687,942	684,000	5	99,080
Maintenance	244,404	270,339	271,991	280,000		87,440
Administrative	231,859	280,118	274,564	331,000	5	95,360
Group Sales & Marketing	112,262	123,224	142,770	135,200	5	
Reservations/Front Desk	209,946	227,465	231,336	238,000		54,750
Total Salaries & Wages	1,520,406	1,656,179	1,688,995	1,748,200	6	336,630
Employee Benefits						
401k Expenses	13,997	14,431	14,015	14,000	7	3,500
Bonuses	15,000	42,000	22,676	24,000		5,000
Employee Housing	7,306	8,500	5,622	5,000		5,000
Employee Insurance	329,003	317,925	303,613	325,000	8	76,000
Employee-Misc	43,075	46,019	47,033	47,000		10,000
Payroll Taxes	117,341	126,823	128,895	133,500		29,500
Uniforms	4,818	2,620	2,039	5,000		1,000
Post Retirement Obligation	0	66,000	0	-		
Total Employee Benefits	530,540	624,318	523,893	553,500		130,000

Revised 08/17/16	ACTUAL 2013-14	ACTUAL 2014-15	ESTIMATED ACTUAL 2015-16	BUDGET 2016-17		NO-RENT BUDGET 2016-17
Rental Management Expenses						
Advertising & Promotion	46,304	52,491	52,179	55,000	9	
Bad Debt	7,105	395	277	1,000		
Cash (Over)/Short	19	1	-55	0		
Conference Room	72,999	66,192	78,329	85,400		
Credit Card Fees	103,000	118,791	131,135	130,000		
Housekeeping Supplies	51,148	49,249	62,843	55,000		5,000
Laundry	20,082	18,234	18,342	20,000		
Lift Tickets	0	0	0	0		
Linens	12,894	10,333	24,647	14,500		
Marketing	67,517	73,116	79,416	80,000	9	
Guest Services	36,630	39,256	36,229	40,000		
Misc Rental Exp	1,555	1,949	2,360	1,500		
Telephone-Long Distance	8,687	1,646	2,120	2,000		
Travel Agent Commission	39,578	46,525	35,382	40,000		
Valet	108	344	246	500		
Video	341	28	52	0		
Total Rental Mgmt Expenses	467,967	478,550	523,502	524,900		5,000
Association Expenses						
Assoc Dues & Subscriptions	10,402	16,773	13,661	18,000	10	6,000
Bank Service Charges	1,936	916	636	1,000		250
TV Connection	22,483	24,063	25,943	28,000		28,000
Common Rep & Maint	66,505	84,570	74,236	67,500		67,500
Depreciation	27,694	28,151	37,657	38,000		38,000
Education & Seminars	5,184	4,094	4,526	6,000		2,000
Elevator Maintenance	12,525	12,313	14,406	12,500		12,500
Insurance	37,197	38,199	42,679	42,000		42,000
Interest	0	43	7	0		
Landscaping	20,512	26,690	22,352	23,000		23,000
Legal & Accounting	8,450	9,057	8,729	9,000		4,500
Misc-Common	2,423	1,432	2,002	1,800		1,800
Office Supplies	9,396	14,522	14,670	14,000		2,500
Owner Services	16,136	2,812	16,229	16,000		16,000
Pool Operations	5,032	11,104	14,866	11,000		11,000
Postage	3,161	4,141	3,658	4,000		750
Property Taxes	6,684	7,200	7,200	7,200		7,200
Telephone & Internet Service	26,396	46,246	45,975	46,000		46,000
Trash Removal	14,648	9,819	10,017	12,000		12,000
Utilities-Common	129,343	107,823	101,800	108,000		108,000
Vehicle Expense	7,854	6,942	7,401	7,500		-
Water & Sewer	60,995	67,005	73,964	75,000		75,000
Total Association Expenses	494,956	523,915	542,614	547,500		504,000
Capital Expenditures						
General Improvements	4,380	28,978	33,878	10,000	11	10,000
Equipment/Fixtures	10,433	15,862	20,705	10,000	11	10,000
Office Equipment	9,282	14,916	26,799	10,000	11	5,000
Capital Reserve Fund	150,000	150,000	150,000	150,000		150,000
Total Capital Expenses	174,095	209,756	231,382	180,000		175,000
TOTAL EXPENSES	3,187,964	3,492,718	3,510,386	3,554,100		1,150,630
NET INCOME/(LOSS)	(45,206)	(68,201)	25,936	138		1,260

Notes to Antlers Budget 2016 - 2017

Note

- 1 Represents a 3% increase from 2014-15 assessments. The general assessments were increased 7% in 2011, 6% in 2013 and 5% in 2015 with no changes in-between years. This now comes to roughly \$0.91 per square foot per month for original units and \$0.99 for Antlers 2000 units, which covers their additional utility charges.
- 2 This represents no change since 2011. In recent years, we have spent roughly 3/4 of this assessment on projects and then added the remaining 1/4 (roughly \$40,000) to our reserve fund. Without any large, pressing projects, this year more of that money may go into reserves.
- 3 This net figure comes from the roughly 10% markup we take on unit remodels and improvements, less the expense of small, unbilled unit maintenance charges, carpet cleaning, seasonal cleaning. Much of our labor costs do not get allocated here, and only show up under salaries and wages.
- 4 Based on \$5.958 million gross rental revenue. This reflects a 2% increase from last year's gross. It estimates an average rental split of 63.5/36.5, but that number continues to change, approaching the historical 64/36 as more and more units are rated platinum.
- 5 This reflects a re-allocation of some salaries. Previously, part of the Assistant GM's pay was allocated to Housekeeping and Sales & Marketing, reflecting the time she spent specifically on those functions. Now, Administrative includes 100% of the pay for GM, Asst GM, Comptroller, Revenue Manager and consultant. There is a new, part-time position included in the Sales & Marketing line going forward.
- 6 The budget reflects an average salary increase of 2.3% plus one part-time additional position.
- 7 This represents about \$3,000 in administrative costs and \$11,000 in matching funds for employee salary deferrals. Historically, those matching funds have been increased on a discretionary basis, based on that year's financial success.
- 8 As a partially self-insured entity, this anticipates a claims level higher than last year, with little or no change to our fixed cost (the premiums).
- 9 Increase in marketing costs reflect the continued additional expense of logo change and rebranding
- 10 The fees for the LQA, paid to the Vail Valley Partnership are a large portion of this line item. Those fees have increased for next year.
- 11 A number of one-time expenses were intentionally incurred in 2015-16, anticipating a year-end surplus.

general

The "No-Rent" budget is the theoretical budget it would take to run the Antlers if no owners rented their unit. Naturally, a lot of assumptions must be made about owners and owners' guest usage in such a scenario. While there is no "exactly right" number for many of the line items, each of them has been deemed to be "reasonable" by the ownership. This no-rent budget drives the general assessments (condo fees), which by default leaves all the remaining expenses incurred, and paid for, by the rental program.

General Assessments for 2016 - 2017

Reflects a 3% increase from 2015-2016

UNIT	TYPE	% INTEREST	Class	Annual	UNIT	TYPE	% INTEREST	Class	Annual
101	1BR	0.0104	Original	employee housing	406	1BR	0.0078	Original	\$7,423
102	1BR	0.0078	Original	employee housing	407	1BR	0.0078	Original	\$7,423
103	1BR	0.0078	Original	\$7,423	408	STD	0.0078	Original	\$7,423
104	1BR	0.0078	Original	\$7,423	409	STL	0.0148	Original	\$14,085
105	1BR	0.0078	Original	\$7,423	410	3BR	0.0148	Original	\$14,085
106	1BR	0.0078	Original	\$7,423	411	2BR	0.0148	Original	\$14,085
107	1BR	0.0078	Original	\$7,423	412	3BR	0.0148	Original	\$14,085
108	1BR	0.0078	Original	\$7,423	414	2BR	0.0128	A2000	\$13,225
109	STD	0.0078	Original	\$7,423	415	2BR	0.0128	A2000	\$13,225
110	1BR	0.0078	Original	\$7,423	416	2BR	0.0116	A2000	\$11,989
111	1BR	0.0078	Original	\$7,423	417	2BR	0.0116	A2000	\$11,989
112	1BR	0.0078	Original	\$7,423	418	2BR	0.0121	A2000	\$12,502
201	2BR	0.0104	Original	\$10,104	420	2BR	0.0115	A2000	\$11,884
202	1BR	0.0078	Original	\$7,423	421	2BR	0.0115	A2000	\$11,884
203	1BR	0.0078	Original	\$7,423	501	2BR	0.0104	Original	\$10,104
204	1BR	0.0078	Original	\$7,423	502	1BR	0.0078	Original	\$7,423
205	1BR	0.0078	Original	\$7,423	503	1BR	0.0078	Original	\$7,423
206	1BR	0.0078	Original	\$7,423	504	1BR	0.0078	Original	\$7,423
207	1BR	0.0078	Original	\$7,423	505	1BR	0.0078	Original	\$7,423
208	STD	0.0078	Original	\$7,423	506	STD	0.0078	Original	\$7,423
209	1BR	0.0078	Original	\$7,423	507	1BR	0.0078	Original	\$7,423
210	1BR	0.0078	Original	\$7,423	508	1BR	0.0078	Original	\$7,423
211	1BR	0.0078	Original	\$7,423	514	3BR	0.0170	A2000	\$17,569
212	STD	0.0078	Original	\$7,423	515	3BR	0.0170	A2000	\$17,569
301	2BR	0.0104	Original	\$10,104	516	3BR	0.0173	A2000	\$17,874
302	STD	0.0078	Original	\$7,423	517	2BR	0.0116	A2000	\$11,989
303	1BR	0.0078	Original	\$7,423	518	4BR	0.0208	A2000	\$21,496
304	STD	0.0078	Original	\$7,423	519	4BR	0.0212	A2000	\$21,905
305	1BR	0.0078	Original	\$7,423	520	2BR	0.0115	A2000	\$11,884
306	STD	0.0078	Original	\$7,423	521	2BR	0.0115	A2000	\$11,884
307	STD	0.0078	Original	\$7,423	601	2BR	0.0104	Original	\$10,104
308	1BR	0.0078	Original	\$7,423	602	1BR	0.0078	Original	\$7,423
309	1BR	0.0078	Original	\$7,423	603	1BR	0.0078	Original	\$7,423
310	STD	0.0078	Original	\$7,423	604	STD	0.0078	Original	\$7,423
311	1BR	0.0078	Original	\$7,423	605	1BR	0.0078	Original	\$7,423
312	1BR	0.0078	Original	\$7,423	606	1BR	0.0078	Original	\$7,423
314	2BR	0.0128	A2000	\$13,225	607	STD	0.0078	Original	\$7,423
315	2BR	0.0128	A2000	\$13,225	608	1BR	0.0078	Original	\$7,423
316	2BR	0.0116	A2000	\$11,989	620	4BR	0.0203	A2000	\$20,973
317	2BR	0.0116	A2000	\$11,989	621	4BR	0.0203	A2000	\$20,973
318	2BR	0.0121	A2000	\$12,502	701	3BR	0.0173	Original	\$16,671
320	2BR	0.0115	A2000	\$11,884	702	3BR	0.0148	Original	\$14,085
321	2BR	0.0115	A2000	\$11,884	703	3BR	0.0148	Original	\$14,085
401	2BR	0.0104	Original	\$10,104	704	2BR	0.0148	Original	\$14,085
402	STD	0.0078	Original	\$7,423	705	3BR	0.0148	Original	\$14,085
403	1BR	0.0078	Original	\$7,423	706	3BR	0.0148	Original	\$14,085
405	3BR	0.0156	Original	\$14,846	707	3BR	0.0148	Original	\$14,085
					708	3BR	0.0148	Original	\$14,085
TOTAL					1.0000			\$963,050	

Note - Annual Assessments for Antlers 2000 class of units include domestic heat and hot water at \$0.94/ sf.

Annual Assessments for "01" Original class of units include domestic heat and hot water at that rate for 220 sf.

Capital Assessment 2016-2017

Reflects no change in five years

UNIT	TYPE	% INTEREST		UNITTYPE	% INTEREST	ASSMT
101	2BR	0.0104		406	1BR	0.0078 \$1,192
102	2BR	0.0078		407	1BR	0.0078 \$1,192
103	1BR	0.0078	\$1,192	408	STD	0.0078 \$1,192
104	1BR	0.0078	\$1,192	409	STL	0.0148 \$2,261
105	1BR	0.0078	\$1,192	410	3BR	0.0148 \$2,261
106	1BR	0.0078	\$1,192	411	2BR	0.0148 \$2,261
107	1BR	0.0078	\$1,192	412	3BR	0.0148 \$2,261
108	1BR	0.0078	\$1,192	414	2BR	0.0128 \$1,956
109	STD	0.0078	\$1,192	415	2BR	0.0128 \$1,956
110	1BR	0.0078	\$1,192	416	2BR	0.0116 \$1,772
111	1BR	0.0078	\$1,192	417	2BR	0.0116 \$1,772
112	1BR	0.0078	\$1,192	418	2BR	0.0121 \$1,849
201	2BR	0.0104	\$1,589	420	2BR	0.0115 \$1,757
202	1BR	0.0078	\$1,192	421	2BR	0.0115 \$1,757
203	1BR	0.0078	\$1,192	501	2BR	0.0104 \$1,589
204	1BR	0.0078	\$1,192	502	1BR	0.0078 \$1,192
205	1BR	0.0078	\$1,192	503	1BR	0.0078 \$1,192
206	1BR	0.0078	\$1,192	504	1BR	0.0078 \$1,192
207	1BR	0.0078	\$1,192	505	1BR	0.0078 \$1,192
208	STD	0.0078	\$1,192	506	STD	0.0078 \$1,192
209	1BR	0.0078	\$1,192	507	1BR	0.0078 \$1,192
210	1BR	0.0078	\$1,192	508	1BR	0.0078 \$1,192
211	1BR	0.0078	\$1,192	514	3BR	0.0170 \$2,597
212	STD	0.0078	\$1,192	515	3BR	0.0170 \$2,597
301	2BR	0.0104	\$1,589	516	3BR	0.0173 \$2,643
302	STD	0.0078	\$1,192	517	2BR	0.0116 \$1,772
303	1BR	0.0078	\$1,192	518	4BR	0.0208 \$3,178
304	STD	0.0078	\$1,192	519	4BR	0.0212 \$3,239
305	1BR	0.0078	\$1,192	520	2BR	0.0115 \$1,757
306	STD	0.0078	\$1,192	521	2BR	0.0115 \$1,757
307	STD	0.0078	\$1,192	601	2BR	0.0104 \$1,589
308	1BR	0.0078	\$1,192	602	1BR	0.0078 \$1,192
309	1BR	0.0078	\$1,192	603	1BR	0.0078 \$1,192
310	STD	0.0078	\$1,192	604	STD	0.0078 \$1,192
311	1BR	0.0078	\$1,192	605	1BR	0.0078 \$1,192
312	1BR	0.0078	\$1,192	606	1BR	0.0078 \$1,192
314	2BR	0.0128	\$1,956	607	STD	0.0078 \$1,192
315	2BR	0.0128	\$1,956	608	1BR	0.0078 \$1,192
316	2BR	0.0116	\$1,772	620	4BR	0.0203 \$3,101
317	2BR	0.0116	\$1,772	621	4BR	0.0203 \$3,101
318	2BR	0.0121	\$1,849	701	3BR	0.0173 \$2,643
320	2BR	0.0115	\$1,757	702	3BR	0.0148 \$2,261
321	2BR	0.0115	\$1,757	703	3BR	0.0148 \$2,261
401	2BR	0.0104	\$1,589	704	2BR	0.0148 \$2,261
402	STD	0.0078	\$1,192	705	3BR	0.0148 \$2,261
403	1BR	0.0078	\$1,192	706	3BR	0.0148 \$2,261
405	1BR	0.0156	\$2,383	707	3BR	0.0148 \$2,261
				708	3BR	0.0148 \$2,261
				TOTAL	1.0000	\$150,000

Ever-Changing List of Recent and Future Capital Improvements

(as of 9/2/16)

Completed in 2015-2016

Replace garage door	\$30,679	
Replace west end walkway windows and pool exit by 112	\$36,317	completion in Sept 2016
Repairs to South Elevator	\$76,217	

Potential future replacement and improvements:

		<u>Priority (subject to change)</u>
Dress up east & north stairwells (carpet, paint, finish some walls)	\$20,000	A
Improve garage entry to south elevator and conf rooms	\$35,000	A (this was approved and scheduled years ago, but bumped by more pressing issues)
Stucco or improve south side building façade	\$200,000	A *
Remodel and enlarge front desk area	\$150,000	A *
Create reception area outside conference room patio	\$30,000	A (still needs more investigation)
Enlarge and renovate ski locker area	\$60,000	(depends on participation by Ski Butlers or others)
Improve courtyard facing façade of original building	?	?
Replace center staircase handrails	?	?
Install soffits in original building exterior hallways	\$60K per floor	B
Renovate conference rooms	\$180,000	B *
Mudjack NW corner of pool deck	\$25,000	B (still needs more investigation)
Flower boxes on balcony railings	\$30,000	B (seems to be some desire to downgrade this to "C" status)
More surveillance cameras		B
Replace electric service (MDC) to original building	\$130,000	B *
Replace exterior walkway lights	\$8,000	C
Redesign of fitness center		C
Install skylights above second floor hallway	\$175,000	C *
Shutters on the windows of original building	\$35,000	C
Replace south elevator	?	C *
Enclosures for trash and recycling in garage by elevator entrances		C
Bench where fountain is outside lobby door.		C

Notes -

Some of these items are the suggestion of just one or two owners, others seem to be more of a consensus. In the course of prioritizing them, some on this list will undoubtedly never get done, other things may get added and then accomplished.

* - Projects that will likely be too expensive to accomplish with the current level of capital improvement funding, and may have to wait for a future special assessment

Many of the cost estimates are very rough guesses and have not been verified by proposals from qualified contractors. Prior to making any final decisions on a work program, those costs will be firmed up.