

LASATA HEIGHTS RETIREMENT CENTER 2007 ANNUAL REPORT

Lasata Heights experienced a 23% turnover rate in 2007. This is down from 36% in 2006. Those tenants who terminated their residency did so for the following reasons: 6 moved to Lasata Care Center, 2 moved to their children's home, 2 died, 2 moved to an assisted living facility and 2 moved to a nursing home other than Lasata.

Lasata Heights has 60 apartments and averaged 97% occupancy, only 2 open apartments per month even though we budgeted for 5.

Monthly rent included 15 meals with additional meals available for \$6.00 each. On average 28 tenants a day took advantage of the daily noon meal offered. We changed our meal program to incorporate more choices available to enhance the dining experience. This has been viewed positively by the tenants and is a wonderful marketing tool.

Our marketing continues to focus on attracting the independent senior. However we are frequently hearing potential customers say they are interested in more amenities than we have available. Active seniors are looking for wellness/exercise centers, planned and chaperoned trips, daily activities, dishwashers, washers and dryers in each apartment.

The majority of prospective tenants also are looking for larger accommodations. This makes marketing of our smaller one bedroom apartments a challenge. The majority of the open apartments in 2007 were the smaller one bedroom. The larger one bedroom and two bedrooms rent immediately as our wait lists for those apartments are the longest.

Screening potential tenants for independence is extremely time consuming for the part-time manager. It often requires lengthy or repeated meetings to educate the customer and their family as to what independent senior living is and to convince them that they may be better served in an assisted living facility. Many would rather move into the Heights anyway because it is significantly cheaper than assisted living facilities. These customers are encouraged to contact the County Aging and Disability Resource center for assistance and advice.

Projects completed during the year included replacing carpet in the dining room and library and installation of new carpet in 4 apts. and vinyl flooring in 3 apts. We replaced 11 stoves, 3 refrigerators and the air conditioning unit in the 1 South hall. All the windows and sliding glass doors were replaced and the roof was partially replaced. We updated the landscaping by adding raised brick flower beds at both entrances to the building. We replaced the fire sprinkler system pipes in the 3rd floor central hallway due to numerous leaks.

Operating Revenues were budgeted at \$694,040 and year-end un-audited amounts were \$725,480. This increase in revenues received was due to having more apartments filled than planned. Operating expenses were budgeted at \$520,950 and year-end un-audited amounts were \$461,630. This reduction was mostly due to savings in supplies, materials and service contracts.

Lasata Heights budgeted a \$173,090 surplus and the year-end un-audited surplus was \$263,850. This surplus was used to offset the losses at Lasata Care Center.

Goals for 2008 are to continue working with Plunkett Raysich Architects to develop plans for refurbishing and updating the entire facility to ensure we remain competitive within the market place. We will also continue to provide services and programs designed for independent senior living.

Submitted by the Ozaukee County Aging and Long Term Care Committee and the Lasata Heights Housing Manager.