

## LASATA HEIGHTS SENIOR APARTMENTS ANNUAL REPORT, 2010

2010 was filled with construction projects such as remodeling the kitchen, dining room and public bathrooms, replacing a failed elevator, re-siding the entire building, replacing half of the roof, replacing the emergency call/daily check in systems. Throughout the entire process the tenants as well as staff were flexible and excited to see the finished product. Prospective tenants have commented on how nice the updated areas look.

Lasata Heights experienced a 20% turnover in 2010. This is a decrease from 30% last year. Those tenants who terminated their residency did so for the following reasons: 1 moved to a condo, 3 moved to Lasata Care Center, 3 moved to a CBRF, 3 moved to Lasata Crossings and 2 died.

The economy continues to have an impact on our ability to rent apartments. We averaged 96% occupancy (up from 95% in 2009), having averaged 2 open apartments per month which is what we budgeted. Similar challenges/concerns that the seniors faced last year remain; they can't sell their homes or get the price they need to be able to afford the rental rates of the Heights. We continue to have a wait list for our larger one bedroom and two bedroom apartments as those are consistently rented. The apartments that were open throughout the year are our smaller one bedroom. In order to stay competitive and ensure consistent revenue for the campus, we need to consider remodeling the apartments with new cabinets/countertops, walk in showers and washer/dryer in the larger units.

Focus was placed on marketing and increasing community involvement at the Heights. We were able to partner with Northshore Bank to provide banking services for our tenants as well as the Crossings. We also linked with Crossroads Church, University School, Cedarburg Mom's Club, Delta Kappa Gamma Book Club, Concordia Nursing and Therapy student programs to name a few that now regularly provide us with programming for the tenants. Logged volunteer hours for the Heights for the year were 477.

Operating revenues were budgeted at \$781,690 and year end un-audited amounts were \$792,078. This increase in revenues received was due to keeping larger higher priced apartments filled as well as an increase in meal tickets sold. Operating expenses were budgeted at \$532,696 and year end un-audited amounts were \$505,459. The reduction in expenses was due to savings in utilities, supplies and materials.

We had budgeted for an operating surplus of \$248,994 and ended the year with an operating surplus of \$286,619. After an inter-departmental transfer of

\$248,994 to cover the Lasata Care Center budgeted losses the Heights still had an operating surplus of \$37,625.

Goals for 2011 are to start discussions for future renovation plans and to continue to search out marketing and community involvement opportunities.

**Beth Carstens, Lasata Heights Manager**

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