Steps to Capital Planning in Senior Living

Capital planning addresses two different capital asset problems:
- Assets you can see (ex. carpets, furniture, etc.)
- Assets you can’t see (ex. HVAC equipment, roofing, etc.)

About 20% of capital equipment is in service past its replacement date.

Long-range capital planning is essential to the future of your operations but most organizations don’t give it the attention it deserves.

But, organizations that focus on capital planning can:
- Make repair vs. replace decisions with asset lifecycle data
- Better plan and prioritize upcoming large expenses
- Reduce ongoing compliance risk
- Stay competitive in the market

So how do you get started?

4 steps to successful capital planning

1. Set capital budgeting priorities
2. Set a plan to address deferred maintenance
3. Create a capital plan
4. Track repair costs to inform future decisions

Want to learn more?
Check out our guide:
Better Capital Planning with Strategic Asset Management