

# 2026 Adams Run HOA Dues Analysis

## Challenge – Problem Statement

- We have 144 homes in Adams Run. Current annual dues of \$475 per household gives us a total of \$68,400 in annuals dues.
- Our current draft budget for 2026 is \$73,000. This would require us to withdraw \$3,600 from our reserve account.
- Hurricane damage that was not covered by insurance in 2024 was \$8,000.
- Annual maintenance costs such as grounds, utility and pool costs continued to increase each year at a rate of 3.5%.
- Our reserve account is limited due to increased costs over the past 7 years since the last dues increase in 2018.
- Capital projects have been delayed and cannot be delayed any longer to maintain the home equity in our neighborhood. A well-maintained HOA neighborhood increases your property value on average 6-8%.

## History of Dues and Assessments

- In 2005 dues increased to \$375.
- Last dues increase was done in 2018. Dues went from \$375 to \$475.
  - A total of 127 votes were submitted.
  - 110 homeowners who voted “**yes**” to increase the annual dues.
  - 17 homeowners voted “**no**” to the increase the annual dues.
- In 2024 and 2025 we had a special assessment for pool repairs. Total was \$660.

## How do we compare to other HOAs?

| Association/<br>Neighborhood | Yearly HOA<br>Dues<br>(2025) | Number of<br>Homes | Amenities Description            | Annual Budget |
|------------------------------|------------------------------|--------------------|----------------------------------|---------------|
| Adams Run                    | \$475                        | 144                | Pool, Pond, Common Area          | \$68,400      |
| Ravenwood                    | \$685                        | 123                | Pool, Pond (2), Common Area      | \$84,255      |
| Twin Creeks                  | \$700 (Semi<br>annual \$350) | 200                | Pool, Playground, Common<br>Area | \$140,000     |
| Holly Trace                  | \$495                        | 176                | Pool, Tennis, Common Area        | \$87,120      |

### Adams Run Pond Maintenance Cost

- Annual maintenance – Dam mowing, Wildlife Mgt. and Vegetation control - \$6,000
- Pond infrastructure project cost - includes Bathymetric study, Overflow valve replacement, Lake dredging and Silt filter installation - \$38,000

## Cost drivers for increased HOA budget

- Increased utility costs
- Liability insurance has increased by 50%. \$5,000 - \$7,500.
- Pool maintenance cost – Pool management company requires pool be serviced 5 days per instead of 3 days per week during summer months.
- Irrigation and water line repairs have increased due to aging of infrastructure components. We are averaging \$3,000 on repair costs. Zone replacement is \$3,000 per zone. We need to replace two Adams Lake Blvd center island zones. \$6,000.
- Grounds maintenance has increased. On average 3% annually over the past 5 years.
- Infrastructure Projects such as:
  - Streetlight replacement – Increases annual utility costs
  - Street sign replacement – \$7,000.
  - Mulch for entrances. landscape circles and pool landscape – 140 yards at \$8,400 total. This needs to be scheduled every other year.
  - Repair of Adams Mill Road entrance - stone wall, outdoor lighting and landscape. \$20,000 - \$30,000.
  - Removal of trees from hurricane damage - \$20,000
  - Lake maintenance –
    - Overdue for bathymetric study due to silt runoff from Scuffletown Road widening project. \$5,500
    - Lake overflow valve and drain replacement. \$2,000
    - Lake dredging and installation of silt filters - \$30,000
  - Pool parking lot resurfacing - \$28,000
- Reduction in reserve account –
  - Hurricane damage in 2024 - \$5,000
  - Repair of Scuffletown Entrance - \$12,000
  - Pool Bathroom remodel/upgrade in 2021 - \$40,000

## Dues based on Cost of Living Increases

|                         |  | Year | Average Cost of living % | Annual Dues |
|-------------------------|--|------|--------------------------|-------------|
| Last Dues<br>Increase > |  | 2017 | 2.00                     | 475         |
|                         |  | 2018 | 2.80                     | \$ 488.30   |
|                         |  | 2019 | 1.60                     | \$ 496.11   |
|                         |  | 2020 | 1.30                     | \$ 502.56   |
|                         |  | 2021 | 5.90                     | \$ 532.21   |
|                         |  | 2022 | 8.70                     | \$ 578.52   |
|                         |  | 2023 | 3.20                     | \$ 597.03   |
|                         |  | 2024 | 2.50                     | \$ 611.95   |
|                         |  | 2025 | 2.80                     | \$ 629.09   |
|                         |  | 2026 | 2.50                     | \$ 644.82   |
|                         |  | 2027 | 2.50                     | \$ 660.94   |

**NOTE: Source of 'Average Cost of Living %' was the Social Security Cost-Of-Living Adjustments by year published on the Social Security website.**

## Adams Run Grounds Cost Increase Case Study

- We compared the cost of the major grounds expense items from 2017 to 2025.
- Grounds expenses are 1/3 of our total annual expense budget, not including special Grounds projects.
- The increase from 2017 until 2025 was 57.6%.
- Below is a detailed breakdown:

| Item                         | 2017 Budget      | 2025 Actuals     |
|------------------------------|------------------|------------------|
|                              |                  |                  |
| <b>Grounds</b>               |                  |                  |
| Irrigation Repairs           | \$ 1,000         | 2200             |
| Landscape Maintenance        | \$ 800           | 868              |
| Lighting Maintenance         | \$ 600           | 200              |
| Seasonal Plantings           | \$ 1,395         | 1229             |
| Service Contract             | \$ 11,000        | 18822            |
| <b>Total</b>                 | <b>\$ 14,795</b> | <b>\$ 23,319</b> |
|                              |                  |                  |
| <b>Net Increase of 57.6%</b> |                  |                  |

# Recommendation

- We need to increase annual HOA dues starting in 2026. The dues increase will be in the \$650 range.
- This allows us to:
  - **Start** completing some of our overdue infrastructure projects
  - **Meet** our annual budget commitments
  - **Replenish** our reserve account over the next several years