



CITY OF PINE LAKE, GEORGIA

PUBLIC HEARING AGENDA

JUNE 11, 2026 @ 6:00PM

COURTHOUSE AND COUNCIL CHAMBERS  
459 PINE DRIVE, PINE LAKE, GA 30072

**NOTE: All attendees are reminded to silence cellular phones and other devices that may cause interruption of the session proceedings.**

**CALL TO ORDER – PUBLIC HEARING (6:00PM)**

- 2026 Millage Rate

**ADJOURNMENT**

**COUNCIL MEMBERS**

Jeff Goldberg – Mayor pro tem  
Deborah Hull  
Stephanie Kohler  
Jane Lowers  
Thomas Torrent

**CITY OF PINE LAKE**

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**2026 PROPERTY TAX MILLAGE RATE  
PUBLIC HEARING INFORMATIONAL PACKET**

## **About the 2026 Millage Rate Process**

[This is a brief summary – for more details on the millage process and Pine Lake financial issues, [CLICK HERE to view the May 26, 2026 City Council Regular Meeting Agenda Packet](#)]

### **What is the council doing?**

By July 1, 2026, the council must vote on the millage rate that will determine how much the city collects in property taxes this year. The taxes collected in 2026 cover the 2026 budget that was approved in December 2025.

There are several steps in the process. The first step, which the council voted on May 26, is to determine the maximum increase it will consider for the year. Next, the council will hold five public hearings (June 9 at 11 a.m. and 6 p.m.; June 11 at 11 a.m. and 6 p.m.; and June 30 at 7 p.m.) for residents to voice their opinions on the proposed millage rate. The council will vote on the 2026 millage rate at its June 30, 2026 Regular Meeting.

### **How could the council's decisions affect property taxes for homeowners in Pine Lake?**

Pine Lake homeowners' property taxes pay for city operations, county services, and county schools. In 2025 the millage rates were:

City of Pine Lake: 19.400 mills

DeKalb County: 15.002 mills

DeKalb County Schools: 22.780

Total= 57.182 mills

A mill is \$1 of tax liability per \$1,000 of a property's assessed value. The assessed value is 40% of fair market value. So for an average Pine Lake home worth \$300,000, the assessed value would be \$120,000. For every mill in the property tax bill, the cost would be \$120. In 2025, someone with a \$300,000 home would have paid roughly \$6,862 in property taxes. Of that, \$2,328 went to Pine Lake.

### **What factors are the council considering?**

The budget approved in December 2025 relied on using reserve funds to cover a portion of city operations; drawing on the reserve for routine operations could make the city more financially vulnerable in the future. The council is considering setting a millage rate that covers operations out of tax revenues rather than drawing on reserves.

The DeKalb County Board of Assessors found that property values in Pine Lake decreased 2.4% for the 2026 tax year. If the city keeps the millage rate the same, it will face a budget shortfall since the city would collect less tax revenue.

The council is also weighing how to prepare for state-level changes in property taxes. A senate bill passed and signed in 2026 would limit cities to increases in property tax of no more than 3% per year or the rate of inflation, whichever is less, in the future. While sales tax, if sponsored by the county and passed by referendum, could offset some of the loss, the change could limit Pine Lake's ability to restructure taxes in the future if its needs change. For example, it could limit our ability to give more than cost-of-living raises to staff, upgrade equipment, or commission research needed for strategic planning. Other cities, like Clarkston, are considering raising millage rates in 2026 to provide more cushion against future needs.

Finally, the council is highly sensitive to the financial concerns of residents, particularly those on a fixed income.

Importantly, capital improvements to our buildings, lake and watershed are covered through separate funds, not the general fund. Plans for the wetlands or building renovations have no impact on the property tax issue.

**What range of options is the council considering?**

The minimum up for consideration is the “rollback rate,” which is the millage rate in 2026 that would be necessary to collect the same tax revenue as in 2025. Because property values decreased, that rate is 19.957. On May 26, the council voted that the maximum it will consider is 26.000, which would provide buffer against future uncertainty. The city administration estimates that the millage rate needed to fully fund the 2026 budget as written is 23.825.

For the owner of a \$300,000 home in Pine Lake, the city portion of property taxes would be:

19.957 = \$2395

23.825 = \$2859

26.000 = \$3120

Again, the city's portion of property tax is in addition to that collected for DeKalb County and the Dekalb County School District.

### **What does this mean for the future of Pine Lake?**

The council is actively looking for ways to keep costs down while maintaining city services, such as sharing functions with neighboring cities. Long-term strategies, such as attracting more businesses and growing to incorporate more commercial and residential property, also are up for consideration. These are essential topics for upcoming town halls.

### **What can I do?**

Georgia offers some property tax exemptions for homeowners who have fixed incomes, are disabled veterans, or meet other criteria. You can read about and apply for exemption from some property taxes here: <https://dor.georgia.gov/property-tax-homestead-exemptions>

To give the council input on the 2026 millage rate, you can attend one of the five public hearings in June or write the council at [GoverningAuthority2026@pinelakega.net](mailto:GoverningAuthority2026@pinelakega.net)

You can also write the council, give public comment during council meetings, or attend town halls to discuss Pine Lake's economic future.



**COUNCIL AGENDA MEMORANDUM (CAM)**

**TO:** City Council  
**FROM:** Stanley D Hawthorne, City Manager *Stanley Hawthorne*  
**DATE:** May 26, 2026  
**TITLE:** 2026 Property Tax Digest Millage Rate Setting Process

**RECOMMENDATION**

Approve resolution providing direction concerning the 2026 property tax millage rate process.

**BACKGROUND**

On May 15, 2026, the DeKalb County Tax Commissioner’s Office released tangible real and personal property value changes for 2026. The report represents a 2.41% decrease in real estate valuation and a 2.11% decrease in personal property and motor vehicle valuation for Pine Lake. These percentages represent a change in real estate of a negative \$1,146,422 based on growth (+\$184,840) and reassessment of existing real property (-\$1,331,262). Overall, Pine Lake’s total tax digest valuation for real estate changes from \$47,611,322 (2025) to \$46,464,900 (2026) and personal property/motor vehicles change from \$953,310 (2025) to \$933,155 (2026). The gross digest for 2026 is \$47,398,055 compared to the gross digest in 2025 of \$48,564,632 is a 2.4% decrease in valuation. Exemptions for 2026 total \$1,048,033. The net digest for 2026 is \$46,350,022.

In 2025, the Pine Lake City Council adopted a millage rate of 19.40, generating an aggregate tax levy of \$921,502. The mill rate that will render the approximated same amount of “as billed” revenue in 2026 as billed in 2025, based on the current year’s net digest valuation of property is 19.957 mills. This rate is known as the rollback millage rate. To help ensure a structurally balanced budget for 2026 and to mitigate future impacts of Senate Bill 33 and other prospective property tax limitation measures by the State of Georgia on local governments, I recommend a tentative tax millage rate increase of 3.868 mills, which equates to a millage rate increase of 19.38%, by adjusting the current rollback millage rate from 19.957 mills to 23.825 mills.

In the millage rate adoption process, there are several steps that must be taken to include notices of public hearings, newspaper ads, etc. If a taxing authority elects to adopt a millage higher than the rollback rate, a press release must be issued, and three public hearings must be advertised and held before the adoption of the new millage rate. The final adoption of the millage rate deadline is July 1, 2026.

**RESOURCE IMPACT**

Millage Rate(mills)	Assessed Values	Tax Revenue	Change from 2025
19.400 current rate	\$46,350,022	\$899,190	<del>\$22,312-</del>
19.957 rollback rate	\$46,350,022	\$925,007	\$3,505
23.825 proposed rate	\$46,350,022	\$1,104,289	\$182,787

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## **ATTACHMENTS**

Resolution

Digest Compliance Guide

Digest Submission Checklist

PT 32.1 - Computation of MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN PROPERTY TAXES – 2026

Consolidation & Evaluation of Digest

2026 Budget: General Fund Summary

City of Pine Lake: Table of Organization

2026 Current Tax Digest and 5-Year History of Levy

[Sample] Notice of Tax Increase, Pine Lake 2026

February 2026 Strategic Performance Report (SPR) Article: “Council-Manager Form of Government”

February 2026 SPR Article: “The Professionalization of City Government”

February 2026 SPR Article: “Pine Lake: Sustainable Development Plans”

March 2026 SPR Article: “What is the Classification and Pay Plan System?”

March 2026 SPR Article: “Pine Lakes Adopted Class and Pay Plan: What are its Implications for the Future?”

March 2026 SPR Article: “What are Pine Lake’s Options to Ensure Financial Sustainability?”

March 2026 SPR Article: “Threat: House Bill 1116”

March 2026 SPR Article: “Strength: Property Tax Home Rule”

March 2026 SPR Article: “Weakness: Structurally Imbalanced Budget”

March 2026 SPR Article: “Opportunity: Municipal Annexation”

March 2026 SPR Article: “Opportunity: Disincorporation”

April 2026 SPR Article: “Property Tax (recommended)”

April 2026 SPR Article: “Municipal Annexation (not recommended)”

April 2026 SPR Article: “Disincorporation (not recommended)”

April 2026 SPR Article: “Historical Budget Variances”

May 2026 SPR Article: “Property Tax Digest”

May 2026 SPR Article: “Calculator: Understanding Property Taxes”

**A RESOLUTION PROVIDING DIRECTION TO THE CITY MANAGER  
CONCERNING THE 2026 MILLAGE RATE DECISION-MAKING PROCESS,  
SETTING DATES FOR PUBLIC HEARINGS, AUTHORIZING PUBLICATION OF  
NOTICES FOR PUBLIC HEARINGS, AND FOR OTHER MATTERS**

WHEREAS, The Board of Tax Assessors has released the 2026 Preliminary Digest for all of DeKalb County; and

WHEREAS, The Board of Tax Assessors has identified a rollback rate of taxes for Pine Lake to be 19.957 mills, that is the millage rate that, when applied to the 2026 taxable value of properties within Pine Lake, would generate the same revenue levied by the City in 2025; and

WHEREAS, The City Administration has tentatively recommended a tax millage rate for real and personal property in Pine Lake at 23.825 mills, which is 3.868 mills or 19.38% higher than the current rollback rate of 19.957 mills; and

WHEREAS, The City Council desires to preserve its options and hear from the public about spending priorities and taxation policy for Fiscal Year 2026 which will be funded by taxes received by the end of 2026;

NOW THEREFORE, BE IT RESOLVED by the Governing Authority of the City of Pine Lake, Georgia, the City Manager, or his designee, is directed to advertise as required by law Notice of Public Hearings to be held as follows:

<u>Date</u>	<u>Time Hearing to Begin</u>	<u>Location</u>
June 11	Public Hearing to begin at 11:00 AM	City Council Chamber
June 11	Public Hearing to begin at 6:00 PM	City Council Chamber
June 30	Public Hearing to begin at 7:00 PM	City Council Chamber

BE IT FURTHER RESOLVED that the Governing Authority of the City of Pine Lake shall hold Public Hearings at the times and places identified in the Public Notice to be advertised in the City’s Legal Organ.

BE IT FURTHER RESOLVED that the Governing Authority of the City of Pine Lake has made no decision about what final millage rate may be adopted by the Governing Authority through this Resolution and is only providing notice to the public of its current options being considered, of its intent to preserve the option to preserve and protect the fiscal health of the City, and to advise the citizens and residents of Pine Lake of their opportunity to be heard in response to these options.

BE IT FURTHER RESOLVED that any and all resolutions or any part thereof in conflict with this resolution are hereby repealed this Resolution shall be effective immediately upon its adoption.

ADOPTED by the Mayor and Council of the City of Pine Lake, this 26th day of May 2026.

\_\_\_\_\_  
JEFF GOLDBERG  
Mayor pro tempore

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
NED DAGENHARD  
City Clerk

\_\_\_\_\_  
CHRISTOPHER D. BALCH  
City Attorney

# 2026 Digest Compliance Guide

For the Tax Commissioner's office to submit an acceptable 2026 Digest to the Department of Revenue, it is essential that all required advertisements and public hearings be conducted in accordance with Georgia state law. Per OCGA 48-5-32/32.1, the following advertisement requirements must be met to ensure compliance with Georgia statutes when a taxing authority intends to adopt a millage rate:

## General Rules

- If a taxing authority elects to adopt a millage rate higher than the rollback rate, a press release must be issued, and 3 public hearings must be advertised and held before the adoption of the new millage rate
- All advertisements must be published in a physical newspaper that is circulated throughout the district
- Advertisements cannot appear in the legal section
- If you hold a virtual meeting, the advertisements must include all information for the public to join the meetings
- If the rollback rate is not exceeded, only a 5-Year History advertisement is required
- If the actual percentage of tax increase is greater than 3% of the advertised tax increase percentage, then the taxing authority must start the adoption process over
- If the adopted millage rate exceeds the advertised millage rate, the taxing authority must start the adoption process over
- The deadline for cities to adopt their millage rate is **July 1<sup>st</sup>**
- All documents shall be sent to the Tax Commissioner's office for review no later than **July 6<sup>th</sup>**

## Current & Five-Year History of Levy

- 5-Year History must be advertised at least one week prior to establishing a millage rate and include the date, time, and place where the millage rate will be adopted
- 5-Year History must contain the assessed taxable values for all properties and property classes, the new year's proposed millage rate, and the values and millage rates for the immediately preceding 5 calendar years
- Values for the preceding 5 years must reflect the final approved digest from each year
- 5-Year History must include the percentage increase and total dollar increase for each year advertised
- 5-Year History must be posted on the authority's website in an easily accessible location at the same time as it appears in the local newspaper

## Public Hearing(s)

- Notice of Public Hearing must be in the same format and language as the DOR has provided
- Notice of Property Tax Increase must be at least 30 square inches (ex:6x5 or 5x6)
- Notice of Public Hearing must be published one week prior to each hearing
- If the first Notice contains the date/time/location of all three hearings, no additional Notice is required
- Notice of Public Hearing must be posted on the authority's website in an easily accessible location at the same time it appears in the local newspaper
- When holding three hearings, at least one of the three shall be held between 6pm and 7pm
- If holding two hearings on the same day, one shall be held no later than 12pm, and the second shall be held between 6pm and 7pm
- The 1<sup>st</sup> and 3<sup>rd</sup> hearings must be 7 days apart

## 2026 Digest Submission Checklist

The following documents must be delivered to Christy Huiel or David Butler at the DeKalb County Tax Commissioner's Office, no later than 5:00 PM on Monday 6th, 2026:

### Documents Required When Rollback Rate is NOT Exceeded

- Signed and completed PT-32.1 Millage Rate Rollback Certification **(Original)**
- PT-32.1 with final values must be signed and returned prior to digest submission to DOR **(Date TBD)**
- Advertisements (original full-page newspaper ad) including:
  - "Current 2026 Tax Digest and 5 Year History" full advertisement ran at least one week prior to millage rate adoption date.
  - Screenshots from website with 5 Year History
- Signed and completed Form PT-38 City Millage Rate Certificate for Tax Year 2026. Confirm all local exemptions are included on the form prior to submission. **(Original)**

### Documents Required When Rollback Rate is Exceeded

- Signed and completed PT-32.1 Millage Rate Rollback Certification **(Original)**
- PT-32.1 with final values must be signed and returned prior to digest submission to DOR **(Date TBD)**
- Advertisements (original full-page newspaper ad) including:
  - "Current 2026 Tax Digest and 5 Year History of Levy" full advertisement ran at least one week prior to millage rate adoption date.
  - All Notice of Property Tax Increase advertisements
  - Screenshots of website with Notice of Tax Increase and 5 Year History of Levy
- Proof of submitting press release to local media. This press release does not have to be published but does have to be provided to the media. Evidence of such submitted document must be provided to the Tax Commissioner's Office. Acceptable proof can be an email showing where your department provided the press release to the media.
- Signed and completed Form PT-38 City Millage Rate Certificate for Tax Year 2026. Confirm all local exemptions are included on the form prior to submission. **(Original)**

### Additional Documents Required

1. CIDs must submit resolution certifying 2026 millage rate.
2. Freeport resolution (Only required if the Freeport exemption amount has changed).
3. Signed resolution(s) must be adopted by July 1<sup>st</sup> to adjust existing special assessment rates or homestead exemption amounts for the upcoming billing.

For questions or additional assistance, please reach out to Christy Huiel (404-298-3068) at [cahuiel@dekalbcountyga.gov](mailto:cahuiel@dekalbcountyga.gov) or David Butler (404-298-3100) at [dhbutler@dekalbcountyga.gov](mailto:dhbutler@dekalbcountyga.gov).

**All required advertisements and public hearings must be conducted in accordance with state law. All documents must be delivered to the Tax Commissioner's Office by 5:00 PM on Monday 6th, 2026.**

**PT-32.1 - Computation of MILLAGE RATE ROLLBACK AND PERCENTAGE INCREASE IN PROPERTY TAXES - 2026**

COUNTY: 002 - DEKALB TAXING JURISDICTION: PINE LAKE

ENTER VALUES AND MILLAGE RATES FOR THE APPLICABLE TAX YEARS IN YELLOW HIGHLIGHTED BOXES BELOW

DESCRIPTION	2025 DIGEST	REASSESSMENT OF EXISTING REAL PROP	OTHER CHANGES TO TAXABLE DIGEST	2026 DIGEST
REAL	47,611,322	(1,331,262)	184,840	46,464,900
PERSONAL	893,410		(7,895)	885,515
MOTOR VEHICLES	59,900		(12,260)	47,640
MOBILE HOMES	0		0	0
TIMBER -100%	0		0	0
HEAVY DUTY EQUIP	0		0	0
GROSS DIGEST	48,564,632	(1,331,262)	164,685	47,398,055
EXEMPTIONS	1,064,526		(16,493)	1,048,033
NET DIGEST	47,500,106	(1,331,262)	181,178	46,350,022
	(PYD)	(RVA)	(NAG)	(CYD)

2025 MILLAGE RATE: 19.400

2026 MILLAGE RATE: 23.825

**CALCULATION OF ROLLBACK RATE**

DESCRIPTION	ABBREVIATION	AMOUNT	FORMULA
2025 Net Digest	PYD	47,500,106	
Net Value Added-Reassessment of Existing Real Property	RVA	(1,331,262)	
Other Net Changes to Taxable Digest	NAG	181,178	
2026 Net Digest	CYD	46,350,022	(PYD+RVA+NAG)
2025 Millage Rate	PYM	19.400	PYM
Millage Equivalent of Reassessed Value Added	ME	-0.557	(RVA/CYD) * PYM
Rollback Millage Rate for 2026	<b>RR - ROLLBACK RATE</b>	<b>19.957</b>	PYM - ME

**CALCULATION OF PERCENTAGE INCREASE IN PROPERTY TAXES**

If the 2026 Proposed Millage Rate for this Taxing Jurisdiction exceeds Rollback Millage Rate computed above, this section will automatically calculate the amount of increase in property taxes that is part of the notice required in O.C.G.A. § 48-5-32.1(c) (2)	Rollback Millage Rate	19.957
	2026 Millage Rate	23.825
	<b>Percentage Tax Increase</b>	<b>19.38%</b>

**CERTIFICATIONS**

I hereby certify that the amount indicated above is an accurate accounting of the total net assessed value added by the reassessment of existing real property for the tax year for which this rollback millage rate is being computed.

-----  
 Chairman, Board of Tax Assessors Date

I hereby certify that the values shown above are an accurate representation of the digest values and exemption amounts for the applicable tax years.

-----  
 Tax Collector or Tax Commissioner Date

I hereby certify that the above is a true and correct computation of the rollback millage rate in accordance with O.C.G.A. § 48-5-32.1 for the taxing jurisdiction for tax year 2026 and that the final millage rate set by the authority of this taxing jurisdiction for tax year 2026 is \_\_\_\_\_

**CHECK THE APPROPRIATE PARAGRAPH BELOW THAT APPLIES TO THIS TAXING JURISDICTION**

If the final millage rate set by the authority of the taxing jurisdiction for tax year 2026 exceeds the rollback rate, I certify that the required advertisements, notices, and public hearings have been conducted in accordance with O.C.G.A. §§ 48-5-32 and 48-5-32.1 as evidenced by the attached copies of the published "five year history and current digest" advertisement and the "Notice of Intent to Increase Taxes" showing the times and places when and where the required public hearings were held, and a copy of the press release provided to the local media.

If the final millage rate set by the authority of the taxing jurisdiction for tax year 2026 does not exceed the rollback rate, I certify that the required "five year history and current digest" advertisement has been published in accordance with O.C.G.A. § 48-5-32 as evidenced by the attached copy of such advertised report.

-----  
 Responsible Party Title Date

<b>General Fund Performance</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Audited</b>	<b>Unaudited</b>
<b>Trailing 5-Year Lookback</b>	<b>12/31/2021</b>	<b>12/31/2022</b>	<b>12/31/2023</b>	<b>12/31/2024</b>	<b>12/31/2025</b>
<b><u>Revenues</u></b>					
Taxes	792,635	765,030	884,926	1,025,240	1,050,401
Licenses and permits	6,515	10,974	30,470	12,080	13,283
Intergovernmental	14,241	-	11,382	26,957	-
Charges for services	41,351	40,713	42,939	49,345	49,983
Fines and forfeitures	83,283	70,893	85,266	111,752	122,746
Interest	984	221	1	-	-
Rental Income	-	3,575	6,075	-	-
Other	4,212	8,386	4,274	6,318	39,974
<b>Total Revenues</b>	<b>\$943,221</b>	<b>\$899,792</b>	<b>\$1,065,333</b>	<b>\$1,231,692</b>	<b>\$1,276,387</b>
<b><u>Expenses</u></b>					
General government	278,419	297,013	340,212	436,132	676,757
Municipal Court	71,248	68,290	94,536	131,481	142,085
Police	332,233	348,387	318,812	334,517	385,018
Public works	118,153	116,645	130,778	251,388	244,558
Culture and recreation	35,804	38,080	44,576	37,200	29,891
Capital Outlay	-	-	117,273	-	-
Debt Service (Principal)	62,877	56,790	80,838	119,389	90,797
Debt Service (Interest)	23,235	20,440	19,732	22,677	20,791
<b>Total Expenses</b>	<b>\$921,969</b>	<b>945,645</b>	<b>\$1,146,757</b>	<b>\$1,332,784</b>	<b>\$1,589,897</b>
<b><u>Operating Transfers</u></b>					
Transfers In	-	-	-	-	133,665
Transfers Out	-	-	-	-	-
Proceeds from debt issuance	-	-	179,162	-	-
Proceeds from asset disposition	28,750	-	-	-	4,450
<b>Net Transfers</b>	<b>\$28,750</b>	<b>-</b>	<b>\$179,162</b>	<b>-</b>	<b>\$138,115</b>
<b><u>Error Corrections</u></b>					
Compensated Absences	-	-	-	\$27,447	
Accounts Payable	-	-	-	\$21,843	
<b>Net Change in Fund Balance</b>	<b>\$50,002</b>	<b>(\$45,853)</b>	<b>\$97,738</b>	<b>(\$101,092)</b>	<b>(\$175,395)</b>
<b><u>Fund Balance</u></b>					
Beginning	\$573,956	\$623,958	\$578,105	\$675,843	\$624,041
Ending	\$623,958	\$578,105	\$675,843	\$624,041	\$448,646
<b>Expenditure Coverage (Months)</b>	<b>8</b>	<b>7</b>	<b>7</b>	<b>6</b>	<b>3</b>

## Tax Levy Comparison

2025 Tax Levy				
2025 Net Digest	47,500,106			
2025 Millage Rate	19.400			
Tax Levy	921,502			
2026 Options				
2026 Net Digest	46,350,022			
2026 Millage Rate	19.400	19.957	<b>23.825</b>	<b>26.000</b>
Tax Levy	899,190	925,007	1,104,289	1,205,101
Change in revenue	(22,312)	3,505	182,787	283,599
Property Tax Increase	0.00%	0.00%	19.38%	30.28%
Increase on Average Taxpayer \$300,000 FMV	-2.79%	-	464.16	725.16

## Budgeting

2026 Millage Rate	19.400	19.957	<b>23.825</b>	<b>26.000</b>
97% Collections	872,215	897,257	1,071,161	1,168,948
2026 Budgeted Property Taxes	901,572			
Estimated Budget Variance	(29,357)	(4,315)	169,589	267,376
2026 Appropriated Fund Balance Use	209,962			
Estimated 2026 Decrease (Increase) in Fund Balance	239,319	214,277	40,373	(57,414)
Estimated Fund Balance as of December 31, 2025	448,646			
Estimated Fund Balance as of December 31, 2026	209,327	234,369	408,273	506,060

**EXHIBIT 1**  
**CITY OF PINE LAKE - FY2026 BUDGET PROPOSAL**

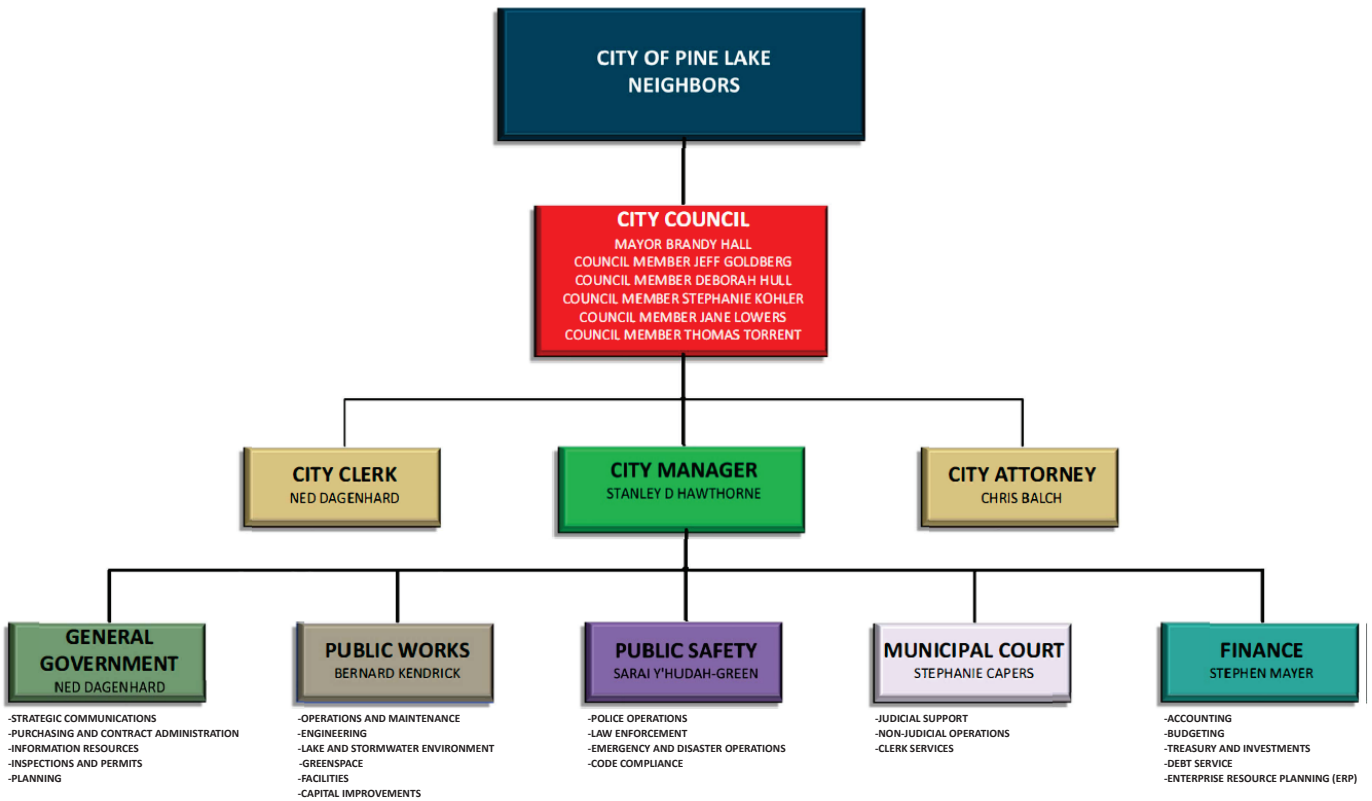
**GENERAL FUND SUMMARY**

<b>SOURCES OF FUNDS</b>	<b>2025 Amended Budget</b>	<b>2026 Proposed Budget</b>
<b>REVENUES</b>		
Taxes	\$ 1,043,574	\$ 1,115,222
Licenses & Permits	\$ 12,500	\$ 14,900
Intergovernmental	\$ 13,500	\$ 26,500
Charges for Services	\$ 47,970	\$ 48,970
Fines and Forfeitures	\$ 103,450	\$ 108,000
Investment Income	\$ 2,500	\$ 5,000
Private Grants	\$ -	\$ -
Miscellaneous Revenue	\$ 3,000	\$ 10,000
Other Financing Sources	\$ -	\$ -
<b>TOTAL CURRENT REVENUE</b>	<b>\$ 1,226,494</b>	<b>\$ 1,328,592</b>
Transfers To DDA Bond Fund	\$ -	
Transfer to Debt Service Fund	\$ -	
Transfer from SPLOST I Fund	\$ 255,465	
Transfer from ARPA (General O&M)	\$ -	
Use of Fund Balance	\$ 268,465	\$ 191,962
Addition To Fund Balance	\$ -	
Assigned Fund Balance	\$ 185,028	
<b>TOTAL GENERAL FUND SOURCES</b>	<b>\$ 1,565,396</b>	<b>\$ 1,520,554</b>
<b>USES OF FUNDS</b>		
<b>APPROPRIATIONS</b>		
Dept 011 Administration	\$ 653,342	\$ 712,000
Dept 012 Court	\$ 142,343	\$ 142,343
Dept 013 Public Safety	\$ 422,597	\$ 372,597
Dept 014 Public Works	\$ 195,863	\$ 142,363
Dept 023 Recreation	\$ 39,684	\$ 39,684
<b>TOTAL GENERAL FUND APPROPRIATIONS</b>	<b>\$ 1,453,829</b>	<b>\$ 1,408,987</b>
Transfers To DDA Bond Fund	\$ 77,230	\$ 77,230
Transfer to Debt Service Fund	\$ 34,337	\$ 34,337
<b>TOTAL GENERAL FUND USES</b>	<b>\$ 1,565,396</b>	<b>\$ 1,520,554</b>
Over/Deficit		

**CONSOLIDATION AND EVALUATION OF DIGEST 2026**

COUNTY NAME: DeKalb				COUNTY NO: 44				Sheet # 46 - CITY OF PINE LAKE (74, 74A)				Total Parcel Count: 452				
<b>RESIDENTIAL</b>				<b>FOREST LAND CONSERVATION USE</b>				<b>EXEMPT PROPERTY</b>				<b>SUMMARY</b>				
Code	Count	Acres	40% Value	Code	Count	Acres	40% Value	Code	Count	40% Value	PROPERTY CLASS	COUNT	ACRES	ASSESSED VALUE		
R1	333		30,993,140	J3	0	0.00	0	E0	0	0	Residential Real	389	89.00	38,866,960		
R3	389	89.00	7,873,820	J4	0	0.00	0	E1	24	391,412	Residential Personal	0		0		
R4	0	0.00	0	J5	0	0.00	0	E2	10	276,200	Residential Total	389	89.00	38,866,960		
R5	0	0.00	0	J6	0	0	0	E3	0	0	Residential Trans.	0	0.00	0		
R6	0		0	<b>FLPA FAIR MARKET ASMT</b>				E4	0	0	Historic	0	0.00	0		
R9	0	0.00	0	Code	Count	Acres	40% Value	E5	0	0	Agricultural Real	0	0.00	0		
RA	0		0	F3	0	0.00	0	E6	0	0	Agricultural Personal	0		0		
RB	0		0	F4	0	0.00	0	E7	0	0	Agricultural Total	0	0.00	0		
RF	0		0	F5	0	0.00	0	E8	0	0	Preferential	0	0.00	0		
RI	0		0	F6	0	0	0	E9	0	0	Conservation Use	0	0.00	0		
RZ	0		0	Total		0	0	<b>TOTAL</b>	34	667,612	Environmentally Sen	0	0.00	0		
<b>RESIDENTIALTRANSITIONAL</b>				<b>ENVIRONMENTALLY SENSITIVE</b>				<b>HOMESTEAD &amp; PROPERTY EXEMPTIONS</b>				Commercial Real	27	20.98	7,338,540	
Code	Count	Acres	40% Value	Code	Count	Acres	40% Value	Code	Count	M&O AMOUNT	BOND AMOUNT	Commercial Personal	22		380,738	
T1	0		0	W3	0	0.00	0	S1	0	0	0	Commercial Total	49	20.98	7,719,278	
T3	0	0.00	0	W4	0	0.00	0	S3	0	0	0	Industrial Real	2	0.51	259,400	
T4	0	0.00	0	W5	0	0.00	0	S4	0	0	0	Industrial Personal	0		0	
<b>HISTORIC</b>				<b>COMMERCIAL</b>				S5	0	0	0	Industrial Total	2	0.51	259,400	
Code	Count	Acres	40% Value	Code	Count	Acres	40% Value	S6	0	0	0	Forest Lnd Con Use	0	0.00	0	
H1	0		0	C1	22		5,616,944	S7	0	0	0	Brownfield Property	0	0.00	0	
H3	0	0.00	0	C3	27	20.98	1,721,596	SD	0	0	0	Qualified Timberland	0	0.00	0	
<b>AGRICULTURAL</b>				C4	0	0.00	0	SS	0	0	0	Real Total	418	110.49	46,464,900	
Code	Count	Acres	40% Value	C5	0	0.00	0	SE	0	0	0	Personal Total	22		380,738	
A1	0		0	C9	0	0.00	0	SG	0	0	0	Digest Total	440	110.49	46,845,638	
A3	0	0.00	0	CA	0		0	S8	0	0	0	Public Utility	3	0.00	504,777	
A4	0	0.00	0	CB	0		0	S9	0	0	0	Motor Vehicle	52		47,640	
A5	0	0.00	0	CF	14		239,562	SF	0	0	0	Mobile Home				
A6	0		0	CI	8		141,176	SA	0	0	0	Timber - 100%	0	0.00	0	
A9	0	0.00	0	CP	0		0	SB	0	0	0	Heavy Duty Equip.				
AA	0		0	CZ	0		0	SP	9	12,033	12,033	Gross Digest Total	495	110.49	47,398,055	
AB	0		0	<b>INDUSTRIAL</b>				SH	0	0	0	Exemptions-Bonds			12,033	
AF	0		0	Code	Count	Acres	40% Value	SI	0	0	0	Net Bond Digest			47,386,022	
AI	0		0	I1	1		223,440	ST	0	0	0	Gross Digest Total	495	110.49	47,398,055	
AZ	0		0	I3	2	0.51	35,960	SV	0	0	0	Exemptions-M & O			1,048,033	
<b>PREFERENTIAL</b>				I4	0	0.00	0	SJ	0	0	0	Net M & O Digest			46,350,022	
Code	Count	Acres	40% Value	I5	0	0.00	0	SX	0	0	0	DO NOT USE L1 THRU L9 CODES ON STATE SHEET	TYPE	MILLAGE	ASSESSED	TAX
P3	0	0.00	0	I9	0	0.00	0	SN	0	0	0	L1	259	1,036,000	0	
P4	0	0.00	0	IA	0		0	L2	0	0	0	L2	0	0	0	
P5	0	0.00	0	IB	0		0	L3	0	0	0	L3	0	0	0	
P6	0		0	IF	0		0	L4	0	0	0	L4	0	0	0	
<b>CONSERVATION USE</b>				II	0		0	L5	0	0	0	L5	0	0	0	
Code	Count	Acres	40% Value	IP	0		0	L6	0	0	0	L6	0	0	0	
V3	0	0.00	0	IZ	0		0	L7	0	0	0	L7	0	0	0	
V4	0	0.00	0	<b>PUBLIC UTILITY</b>				L8	0	0	0	L8	0	0	0	
V5	0	0.00	0	Code	Count	Acres	40% Value	L9	0	0	0	L9	0	0	0	
V6	0		0	U1	0		0	L10	0	0	0	L10	0	0	0	
<b>BROWNFIELD PROPERTY</b>				U2	3	0.00	504,777	L11	0	0	0	L11	0	0	0	
Code	Count	Acres	40% Value	U3	0	0.00	0	L12	0	0	0	L12	0	0	0	
B1	0		0	U4	0	0.00	0	L13	0	0	0	L13	0	0	0	
B3	0	0.00	0	U5	0	0.00	0	L14	0	0	0	L14	0	0	0	
B4	0	0.00	0	U9	0	0.00	0	L15	0	0	0	L15	0	0	0	
B5	0	0.00	0	UA	0		0	L16	0	0	0	L16	0	0	0	
B6	0		0	UB	0		0	<b>TOTAL</b>	268	1,048,033	12,033	<b>TOTAL</b>	268	1,048,033	12,033	
<b>Qualified Timberland</b>				UF	0		0	<p>I, Nicole M. Golden, receiver of tax returns in and for said county, do hereby certify that the above and foregoing is a true and correct consolidation of all the tax returns received from the taxpayer (or assessed against defaulters) in said county of DeKalb for the year 2026, and duplicate digests have been made and delivered to the county governing authority and tax collector of said county as required by law.</p> <p>Witness my hand and official signature, this 31st day of July 2026.</p> <p style="text-align: right;">R.T.R.</p> <p>Tax Commissioner</p>								
Code	Count	Acres	40% Value	UZ	0		0									
Q4	0	0.00	0													
Q5	0	0.00	0													

# CITY OF PINE LAKE: TABLE OF ORGANIZATION



### **NOTICE OF PROPERTY TAX INCREASE**

The City Council of the City of Pine Lake, Georgia has tentatively adopted a millage rate which will require an increase in property taxes by 30.28% percent.

All concerned citizens are invited to the public hearing on this tax increase to be held in the City Council Chambers located at 459 Pine Drive, Pine Lake, GA 30072 on June 11 at 11:00 AM.

Times and places of additional public hearings on this tax increase are in the City Council Chambers located at 459 Pine Drive, Pine Lake, GA 30072 on June 11 at 6:00 PM and June 30 at 7:00 PM.

This tentative increase will result in a millage rate of 26.000 mills, an increase of 6.043 mills. Without this tentative tax increase, the millage rate will be no more than 19.957 mills. The proposed tax increase for a home with a fair market value of \$300,000 is approximately \$725.16 and the proposed tax increase for nonhomestead property with a fair market value of \$200,000 is approximately \$483.44.

**NOTICE**

The City of Pine Lake does hereby announce that the millage rate will be set at a meeting to be held at the City Council Chambers located at 459 Pine Drive, Pine Lake, GA 30072 on June 30, 2026 at 7:00PM and pursuant to the requirements of O.C.G.A. § 48-5-32 does hereby publish the following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five years.

**CURRENT 2026 PROPERTY TAX DIGEST AND 5 YEAR HISTORY OF LEVY**

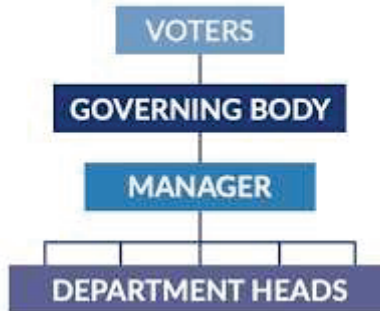
		CITY WIDE	2021	2022	2023	2024	2025	2026
CITY AREA	VALUABLE	Real & Personal	32,715,662	36,282,334	45,817,979	45,965,058	48,504,732	47,350,415
		Motor Vehicles	120,180	100,300	89,640	83,620	59,900	47,640
		Mobile Homes						
		Timber - 100%						
		Heavy Duty Equipment						
		Gross Digest	32,835,842	36,382,634	45,907,619	46,048,678	48,564,632	47,398,055
		Less Exemptions	1,015,624	1,028,021	1,017,795	1,060,951	1,064,526	1,048,033
	<b>NET DIGEST VALUE</b>	<b>31,820,218</b>	<b>35,354,613</b>	<b>44,889,824</b>	<b>44,987,727</b>	<b>47,500,106</b>	<b>46,350,022</b>	
	RATE	Gross Maintenance & Operation Millage	19.3240	18.4220	16.4810	19.4000	19.4000	26.0000
		Less Rollback (Local Option Sales Tax)						
		<b>NET M&amp;O MILLAGE RATE</b>	<b>19.3240</b>	<b>18.4220</b>	<b>16.4810</b>	<b>19.4000</b>	<b>19.4000</b>	<b>26.0000</b>
	TAX	<b>TOTAL M&amp;O TAXES LEVIED</b>	<b>\$614,894</b>	<b>\$651,303</b>	<b>\$739,829</b>	<b>\$872,762</b>	<b>\$921,502</b>	<b>\$1,205,101</b>
		Net Tax \$ Increase	\$61,743	\$36,409	\$88,527	\$132,933	\$48,740	\$283,599
Net Tax % Increase		11.16%	5.92%	13.59%	17.97%	5.58%	30.78%	



# STRATEGIC PERFORMANCE REPORT

## FEBRUARY 2026

### The Council-Manager Form



Good day Mayor and Council Members and Happy New Year to everyone reading,

I am pleased to share with you the eleventh installment of the Community Building Team’s Strategic Performance Report (SPR). It is produced to coincide with the monthly City Council Work Session. The format and content are topical based; concise in nature; organized by the alphabetical order of offices/departments following City Manager lead topics; and accented with images and illustrations for more relatable reading. A pdf version of the document is attached for higher quality reading and printing.

Our last installment was a Special Edition of the Strategic Performance Report for the end of 2025 and beginning of 2026 as the last City Council ended its term and the current City Council begins its term. I asked each department director to prepare an “operations guide” of their department as it aligns with the new table of organization under the City’s transitioned form of government “Council-Manager” and to offer a comprehensive look of the work that goes on behind the scenes daily for City of Pine Lake operations. The operations guide served as a tool in the recorded orientation session with the new Council held on January 29, 2026.

This month’s SPR edition continues with educational footnotes of Pine Lake’s new form of government. There are implications for which the governing body and community must be a part of the discussion along with remedies for future and already realized growing pains. Another continuing topic of this month’s SPR began last summer with the former City Council, that of “Sustainable Development” for the City of Pine Lake.

Long term plans were developed and adopted by the City over the past ten years: updates to one of those plans, namely the 2021 Comprehensive Plan, requires updating, as a State of Georgia mandatory review, for 2026; reviving the City’s business corridor using significant economic development tools such as the potential enactment of a development authority; and re-beginning

a broad scale exploration of annexation for economies of scale in the delivery of Pine Lake municipal services.

## **COUNCIL-MANAGER FORM OF GOVERNMENT**

“Changing to a council-manager government shifts city administration from elected political leadership to a professional, appointed city manager who handles daily operations, hiring, and budget implementation. This structure typically increases administrative efficiency, lowers corruption risks, and promotes long-term planning, but may reduce direct voter accountability and limit visible political leadership.

Key Implications for Cities:

- **Professionalization & Efficiency:** Day-to-day operations are managed by a professional, often hired from outside the city, which can lead to more, cost-effective, and technically proficient, services.
- **Separation of Politics and Administration:** The council focuses on policymaking, while the manager handles implementation, insulating municipal services from partisan politics.
- **Accountability Structure:** The manager reports to the entire council, not a single mayor, and can be removed by them, providing high, direct accountability to the council, although some critics argue this reduces direct accountability to voters.
- **Improved Fiscal Management:** Studies indicate council-manager cities often have stronger financial stability, better budget forecasting, and lower per capita spending.
- **Reduced Corruption:** Research shows that council-manager governments are significantly less likely to have corruption convictions, notes the National Civic League and this ICMA document.

Potential Disadvantages:

- **Lack of Strong Political Leadership:** The system may lack a single, visible leader to rally public support or navigate crises.
- **Distance from Voters:** An appointed manager may be perceived as too far removed from the immediate needs of the community compared to an elected official.
- **Cost of Management:** The city manager is typically one of the highest-paid employees, which might be a strain for smaller, municipalities.”

## **THE PROFESSIONALIZATION OF CITY GOVERNMENT**

“The professionalization of city government—often characterized by the shift to a council-manager system, the hiring of credentialed administrators, and increased reliance on expert staff—involves several costs, ranging from direct budgetary expenditures to reduced direct

political accountability. While often leading to greater efficiency, the process introduces new fiscal, structural, and democratic challenges.

#### Financial and Direct Costs

- **High Salaries and Compensation:** Professional managers, such as city managers, are typically among the highest-paid employees in a city, with salaries that can exceed \$180,000–\$250,000 in some jurisdictions, placing a strain on smaller municipal budgets.
- **Administrative Overhead:** Professionalization requires a larger, specialized staff (e.g., HR professionals, planners, IT experts) to manage daily operations, increasing overall administrative costs.
- **Recruitment Expenses:** Identifying and hiring specialized talent involves costs for search firms, interviewing, and relocation.
- **Training and Development:** Ongoing professional development, certifications (e.g., ICMA credentialing), and conference attendance for staff to stay updated on best practices incur continuous costs.

#### Structural and Democratic Costs

- **Reduced Direct Accountability:** Because professional managers are appointed by the city council rather than elected by the public, they are less directly accountable to the voters, which can cause a disconnect between citizen demands and policy implementation.
- **Loss of Local Control:** The reliance on experts can shift power from elected, local representatives to unelected, professional managers who may prioritize technical efficiency over community sentiment.
- **"Occupational Closure" and Elitism:** Professionalization can create "occupational closure," where high-level positions are restricted to those with specific degrees (e.g., MPA) or certifications, excluding qualified individuals without formal credentials.

#### Operational and Philosophical Costs

- **Bureaucratic Red Tape:** A professionalized government may become more rigid, relying on formal procedures that increase the time it takes to make decisions, reducing responsiveness to urgent, unique situations.
- **High Vacancy Rates:** Due to the high demand for specialized skills, small or less-affluent cities may experience high turnover or struggle to fill professional positions, leading to gaps in service planning and management.
- **Disconnect from Community Input:** The emphasis on expert, objective, and data-driven decisions can sometimes ignore the nuanced, non-technical desires of residents, leading to a feeling that the government is distant or unrepresentative.

#### Balanced View on Costs

Research suggests that while professionalization increases direct payroll costs, these are often offset by reduced overall operating expenses, increased efficiency, improved revenue collection, and more effective use of technology. The "cost" is, therefore, often a trade-off, where cities

exchange a small, informal, and highly responsive government for a more expensive, yet efficient, stable, and capable administration.”

## **PINE LAKE: SUSTAINABLE DEVELOPMENT PLANS**

“Sustainable development is an approach to progress that meets the needs of the present without compromising the ability of future generations to meet their own needs. It's about balancing economic growth, social inclusion, and environmental protection to ensure a healthy planet and society for everyone, both now and in the future.”



Sustainable development aims to improve living conditions, provide access to resources, and promote well-being for people today. It encourages a long-term perspective, recognizing that short-term gains can sometimes lead to long-term problems if not carefully managed.

In past years, the City of Pine Lake has undertaken long-term studies that could contribute to the community’s sustainability. These include a Wetlands Management Strategy from October 2024 <https://pinelakega.sophicity.com/Assets/Files/Wetlands/WetlandsManagementStrategy-memo.pdf>; a Comprehensive Plan Update in October 2021 <https://pinelakega.sophicity.com/Assets/Files/Planning/PineLake2021CompPlanUpdateFINAL.pdf>; and the Rockbridge Road Economic Development Plan in April 2019 <https://pinelakega.sophicity.com/Assets/Files/Planning/EconomicDevelopmentPlanandVision062819.pdf>;

I believe that it is incumbent upon us to leverage the value of these long-term strategic plans with sufficient review and updates as we plan future retreats towards an activated sustainable course for the City of Pine Lake.

## **ECONOMIC DEVELOPMENT PLAN**

The City’s economic plan was memorialized in the Rockbridge Road Commercial Corridor Economic Development Vision & Plan in April 2019. The plan was undertaken with the understanding that economic development is necessary to maintain and improve the quality of life for citizens and to maintain the economic viability of the community.

To be effective, the plan acknowledged that this long-range plan should be used to guide short-range decisions made over the next several years. Shortly afterwards (about a year), the

Coronavirus of 2019 (COVID- 19) disease hit the world and disrupted the best intended plans. However, sufficient time from recovery of the global epidemic affords the opportunity along with other changes in Pine Lake’s government to get back on course.

Recommendations presented in the economic development plan range from the broadest category to the simplest, beginning with a Vision Statement:



*“The Rockbridge Road corridor in Pine Lake will be a vibrant commercial district with a unique atmosphere that is welcoming to everyone and that serves as a departure from the chronic sameness of the typical American commercial landscape. The Rockbridge Road corridor will be a safe and thriving commercial area consisting of a mosaic of small businesses in a setting that reflects Pine Lake’s passion for the environment and the arts while also celebrating the tremendous ethnic diversity in and around Pine Lake.”*

It is a powerful and appealing vision, one that if we truly work to achieve it, I believe that it will produce dividends that this unique community deserves. In near future reporting to and discussions with the City Council, we will review the list of goals and strategic initiatives for achieving the City’s vision of economic development along the Rockbridge Road corridor and how they made need to be revised since 2019 for advancing our aspirations.

## **COMPREHENSIVE PLAN**

Comprehensive plans in Georgia are mandated by the state's Department of Community Affairs (DCA). They serve as roadmaps for local governments to guide future development. These plans, typically updated every five to ten years, address physical, economic, social, and other factors to shape a community's vision and goals. They guide land use, transportation, and infrastructure, while also protecting natural resources and enhancing quality of life.



## Key Components and Purpose of a Comprehensive Plan:

### Land Use Plan

Outlines desired locations, density, and design for future development, redevelopment, or preservation.

### Public Input

Comprehensive plans are developed with public dialogue and input, ensuring they reflect the community's vision.

### Asset-Based Community Development

Plans often focus on identifying and utilizing local resources like parks, historic downtowns, and retail districts.

### Five-Year Work Program

Includes a detailed plan to address the community's needs and priorities.

The City of Pine Lake's Comprehensive Plan (a hard copy is provided with your agenda packet) was adopted on October 12, 2021, as prepared by the Atlanta Regional Commission. It consists of multiple chapters specified for data and demographics; community input, vision, and feedback; issues, opportunities, and policies; areas of attention; character areas and narrative; transportation; broadband; report of accomplishments; and community work program.

We received communication from the Atlanta Regional Commission advising that the City's Comprehensive Plan should be updated by October 2026 and the process to meet that timeline should begin soon. The City decided to continue with the ARC for facilitating Pine Lake's process.

The Georgia DCA Local Planning Rules allow communities to request assistance from their Regional Commission to prepare a basic plan update, at no additional cost to the jurisdiction. In accordance with the rules, the Regional Commission plan update process largely focuses on the local plan's Goals, Needs and Opportunities, Broadband Element, and five-year Community Work Program.

CHAPTER 110-12-1-.02 REQUIREMENTS 110-12-1-.02 Requirements. O.C.G.A. 50-8-1 et seq. gives the Department authority to establish standards and procedures for comprehensive planning by all local governments in Georgia.

Those standards and procedures, embodied herein, emphasize preparation of plans that help each local government address its immediate needs and opportunities while moving toward realization of its long-term goals for the future.

In order to maintain qualified local government certification, and thereby remain eligible for selected state funding and permitting programs, each local government must prepare, adopt, maintain, and implement a comprehensive plan as specified in these standards.

(1) Required and Optional Plan Elements.

Each community’s comprehensive plan must include the required plan elements specified in the “Required for” column below. Each community is encouraged to go beyond these minimum required elements and supplement its comprehensive plan with other plan elements (refer to the list of optional plan elements in the Supplemental Planning Recommendations for suggestions) to make the overall plan a good fit for the community.

<b>Plan Element</b>	<b>Required for</b>	<b>Recommended for</b>	<b>Specifics at</b>
Community Goals	All local governments		110-12-1-.03(1)
Needs and Opportunities	All local governments		110-12-1-.03(2)
Community Work Program	All local governments		110-12-1-.03(3)
Broadband Services Element	All local governments		110-12-1-.03 (4)
Capital Improvements Element	Governments that charge impact fees		110-12-1-.03(5)
Economic Development Element	Communities included in Georgia Job Tax Credit Tier 1	Communities seeking improved economic opportunities for their citizens	110-12-1-.03(6)
Land Use Element	Communities with zoning or equivalent land development regulations that are subject to the Zoning Procedures Law	Communities that: <ul style="list-style-type: none"> <li>• Are considering new land development regulations</li> <li>• Include Target Areas in their comprehensive plan</li> <li>• Wish to improve aesthetics of specific areas or protect the character of specific parts of their community</li> </ul>	110-12-1-.03(7)
Transportation Element	Local governments that have territory included in a Metropolitan Planning Organization	Communities: <ul style="list-style-type: none"> <li>• With automobile congestion problems in selected areas</li> <li>• Interested in adding alternative transportation facilities for bicyclists, pedestrians, public transportation users</li> <li>• That may have too much or too little parking in specific areas</li> </ul>	110-12-1-.03(8)
Housing Element	HUD CDBG Entitlement Communities	Communities with: <ul style="list-style-type: none"> <li>• Concentrations of low-quality or dilapidated housing</li> <li>• Relatively high housing costs compared to individual/family incomes</li> <li>• A jobs-housing imbalance</li> </ul>	110-12-1-.03(9)



# STRATEGIC PERFORMANCE REPORT

## MARCH 2026

### Financial Sustainability



Good day Mayor and Council Members and Happy March 2026 to everyone reading,

I am pleased to share with you the twelfth installment of the Community Building Team's Strategic Performance Report (SPR). It is produced to coincide with the monthly City Council Work Session. The format and content are topical based; concise in nature; organized by the alphabetical order of offices/departments following City Manager lead topics; and accented with images and illustrations for more relatable reading. A pdf version of the document is attached for higher quality reading and printing.

Last month's SPR edition started with a focus on Pine Lake's new form of government: the Council-Manager governmental structure approved by the State Legislature and signed by the Governor in 2024. The change in the form of government which relies upon the expertise of professionally led departments and per the City's Charter, the formal implementation of a Position Classification and Pay Plan has inherent incremental costs that are major contributing factors to the City's financial sustainability. Pine Lake's Classification and Pay Plan was

approved by the City Council on December 8, 2025, and funded within the Fiscal Year 2026 Adopted Budget.

What is the Classification and Pay Plan system? What are its implications for the future? What are Pine Lake's options to ensure its financial sustainability? Answers to those questions are my focus for this month's Strategic Performance Report.

## **WHAT IS THE CLASSIFICATION AND PAY PLAN SYSTEM?**

Section 3.16 [Position classification and pay plans] of the City of Pine Lake's Charter provides:

“The city manager shall be responsible for the preparation of a position classification and pay plan which shall be submitted to the city council for approval. Such plan may apply to all employees of the city and any of its agencies, departments, boards, commissions or authorities. When a pay plan has been adopted, the city council shall not increase or decrease the salary ranges applicable to any position except by amendment of such pay plan.”

The adoption of a classification and pay plan is a formal process where the governing body (city council) officially approves a system for grouping jobs and setting their salaries. This plan is used to manage human resources by providing a uniform and equitable structure for hiring, promotions, and compensation, helping to ensure fair pay based on job duties and market competitiveness.



Key aspects of the plan:

- **Classification plan:** This is the foundation, a systematic process that groups jobs based on similar duties, responsibilities, and requirements. It provides consistent job titles and descriptions for the organization.
- **Pay plan:** This component establishes salary ranges for each job classification to ensure competitive and equitable compensation. It helps determine starting salaries, manage pay progression, and provides structure for budget planning.
- **Administrative tool:** Once adopted, the plan serves as an administrative tool to guide various human resource actions like recruitment, training, performance reviews, and promotion.

- Equity and fairness: A primary goal is to ensure that employees are compensated fairly and consistently for similar work, which helps to attract and retain qualified staff.

For adoption of the plan, the budgetary impact to adjust regular full-time salaries to the minimum of the pay table ranges was estimated at \$129,995. As stated in the City Manager’s Final Proposed Budget Message: ‘the budget was balanced by a combination of sources consisting of tax revenue of \$1,115,222, a 6.9 percent increase, non-tax revenue of \$213,370, a 16.6 percent increase, and unassigned fund balance of \$191,962. The property tax millage rate was proposed at 19.4, the same millage rate as the City Council approved for the FY 2025 Adopted and Amended Budgets, but subject to adjustment next spring and summer after required public tax hearings.’

## PINE LAKE’S ADOPTED CLASS AND PAY PLAN:

### WHAT ARE ITS IMPLICATIONS FOR THE FUTURE?



In an organization’s pay and class system, the minimum, midpoint, and maximum points define the salary range for a specific job, acting as boundaries that ensure pay is both externally competitive with the market and internally fair.

- **Minimum (The “Floor”):** The lowest amount an organization is willing to pay for a particular role. The minimum is typically for employees who are new to the position, still in training, or gaining proficiency. All employees in the classification should be paid at least this amount.
- **Midpoint (The “Target”):** The exact middle of the salary range, calculated as the median between the minimum and the maximum. It represents the competitive “market rate” for a fully qualified, proficient employee performing at an expected level. It is used to balance internal equity with external market competitiveness.
- **Maximum (The “Ceiling”):** The highest rate of pay an organization is prepared to pay for a role. It is generally reserved for top performers, employees with specialized skills, or those with significant tenure in the position.

### Purpose of the Pay System

- **External Competitiveness:** Organizations use the midpoint to align their pay with similar jobs in the external labor market.

STRATEGIC PERFORMANCE REPORT: MARCH 2026

- Internal Equity: The structure ensures employees with similar responsibilities are paid within a comparable range.
- Growth Opportunity: The spread between the minimum and maximum allows for salary increases and career growth within the same job grade.
- Control: The maximum acts as a safeguard against overpaying for a position.

CITY OF PINE LAKE POSITION GRADE AND SALARY TABLE: Adopted December 8, 2025

Grade*	Minimum	Midpoint	Maximum
11	\$29,696.85	\$34,151.38	\$39,274.09
12	\$34,303.77	\$39,449.33	\$45,366.73
13	\$38,910.68	\$44,747.28	\$51,459.37
14	\$43,517.59	\$50,045.23	\$57,552.01
15	\$48,124.50	\$55,343.18	\$63,644.66
16	\$52,731.42	\$60,641.13	\$69,737.30
17	\$57,338.33	\$65,939.08	\$75,829.94
18	\$61,945.24	\$71,237.03	\$81,922.58
19	\$66,552.16	\$76,534.98	\$88,015.23
20	\$71,159.07	\$81,832.93	\$94,107.87
21	\$75,765.98	\$87,130.88	\$100,200.51
22	\$80,372.90	\$92,428.83	\$106,293.15
23	\$84,979.81	\$97,726.78	\$112,385.80
24	\$89,586.72	\$103,024.73	\$118,478.44
25	\$94,193.63	\$108,322.68	\$124,571.08
26	\$98,800.55	\$113,620.63	\$130,663.72

*City Manager	26	Lieutenant	17
City Clerk/Assistant to CM	20	Corporal	15
Court Administrator	20	Police Officer	14
Chief of Police	24	Administrative Officer	14
Public Works Director	24	Maintenance Worker	11
Administrative Assistant	13		

## WHAT ARE PINE LAKE'S OPTIONS TO ENSURE FINANCIAL SUSTAINABILITY?



### THREAT

### HOUSE BILL 1116

#### **Property Tax Proposal Update**

On March 3, [HR 1114](#), the constitutional amendment required for the House Leadership's Property Tax Proposal to move forward, failed to receive the two-thirds majority needed for passage. Before reaching the House floor, HR 1114 and its companion [HB 1116](#) underwent a comprehensive rewrite. The revised proposal mandates a 75% reduction in homesteaded ad valorem revenues by local governments over a ten-year period. It does not include limitations on other property tax revenue or the ability to levy special fees and assessments.

The package includes new sales tax options, including a local homestead option sales tax and a potential municipal homestead option sales tax, to replace property tax revenue for cities and counties. It would eliminate the Local Option Sales Tax (LOST) and Homestead Option Sales Tax (HOST) used by jurisdictions across Georgia. The expiration of LOST in 2027 would cause a one-time millage rate increase to cover the absent revenues. While this legislation does not raise the sales tax cap of 9%, it increases the number of exceptions to the cap, allowing some jurisdictions to reach 10% or even 11%. House leadership has committed to revisit HR 1114. The legislation is eligible for consideration today ahead of the crossover deadline.

GMA will continue to engage leadership on this specific proposal and other property tax legislation that may arise.

In the analysis of this question, in addition to internal factors of strengths (excellent workforce, as an example) and weaknesses (high property tax millage rate, as an example), we must also consider factors of external opportunities (such as annexation) and threats such as current tax bills under consideration in State legislation. The latter point is where we will start:

Earlier this week, I received an email communication from Larry Hanson, Chief Executive Officer and Executive Director of the Georgia Municipal Association. Following his update of the latest property tax legislation under consideration by the State Legislature, I **answer** his two requests within the body of his message below:

“A few weeks ago, I notified city officials about important property tax reforms pending in the General Assembly. At that time, I shared several concerns about HR 1114, a proposed Constitutional Amendment, and HB 1116, the enabling legislation if the Constitutional Amendment were to pass.

Those bills have since been substantially amended. GMA would like you to focus on **HB 1116** today and evaluate how it might impact your city.

While some of the more harmful provisions, such as ad valorem caps, have been removed, HB 1116 still includes two significant shifts you should be aware of. First, the bill moves local government funding away from property tax revenue and toward greater reliance on sales tax revenue. Second, within the property tax revenue, the burden shifts away from homestead property to all other forms of property, such as non-homestead residential, commercial, and industrial property.

Since the impact of these proposed changes will vary significantly by city, statewide figures alone cannot provide the full story. We need local data. Please ask your staff to evaluate two things:

1. How the shift from ad valorem to sales tax revenue would affect your city’s budget, including the shift from ad valorem to sales tax revenue in your city’s budget?

Sales tax revenue in Georgia and DeKalb County is collected at the state level and distributed to local governments (counties and municipalities) based on intergovernmental agreements, population formulas, and specific local option referendums. Pine Lake receives a small portion of the DeKalb County Special Purpose Local Option Sales Tax (SPLOST).

DeKalb County and its cities (including Pine Lake) use an intergovernmental agreement based on population to distribute the 1% SPLOST revenue for infrastructure, roads, and public safety. For the six-year period of April 2018 through March 2024, Pine Lake’s share of approximately \$687,704 averaged to receipts of roughly \$114,600 per year.

Due to Pine Lake’s small population of roughly 750 people, if its current residential property taxation levy (approximately \$900,000 annually) was supplanted by sales tax as its primary source for governmental operations, it would require a stand-alone, supplemental sales tax rate of 8% based on current formulas and historic collections.

2. How the shift away from homestead property would affect your city’s digest.

Based on the 2025 Tax Digest for Pine Lake, the gross digest total for all property types before exemptions is \$48,564,632. The residential (85%), commercial (13%), and industrial/utilities property (2%) (proportioned) values are respectively: \$41,271,080, \$6,485,272, and \$808,280.

Given the very high percentage of 85% assigned from the residential property class for the City's annualized \$900,000 in revenues, a disproportionate share of the City's revenue base will be impacted by the proposed shift away from homestead property to all other forms of property, such as non-homestead residential, commercial, and industrial property. Exemptions for 2025 reduced Pine Lake's assessed value by \$1,064,526.

Please gather this information as soon as possible and share it with Leona Rittenhouse at [lrittenhouse@gacities.com](mailto:lrittenhouse@gacities.com).

Also, please consider sharing this information with your House members so they understand how the proposed bill impacts your city. This message is best delivered by you.

We are always committed to keeping our cities informed and will continue to do so as this legislation advances.

Sincerely,  
Larry"

## STRENGTH

### PROPERTY TAX HOME RULE

Ad valorem tax in Georgia refers to the property tax levied on real estate, which is the primary source of revenue for local governments. The tax amount is calculated based on the property's fair market value as determined by the county tax assessor's office. The calculation of ad valorem tax involves three main components:

1. Fair Market Value (FMV): The county tax assessor determines the FMV of property as of January 1 each year, which is the price a willing buyer would pay a willing seller.
2. Assessed Value: By law, property in Georgia is assessed at 40% of its fair market value unless a special program or local law specifies otherwise.
3. Millage Rate: The local governing authorities (county commissioners, school boards, and city councils) set the millage rate annually. A mill is one dollar per \$1,000 of assessed value.

The formula is: Assessed Value – Exemptions x Millage Rate. The current millage rate for the City of Pine Lake is 19.400 mills. This rate was adopted for fiscal year 2024 and maintained for the 2025 budget.

This millage rate is part of a combined property tax, which also includes levies from the DeKalb County Government and the DeKalb County School District. The total combined millage rate for a property in Pine Lake for 2024 was 56.116 mills.

Historical millage rates for Pine Lake have fluctuated over the past 10 years: (City officials noted during 2024 deliberations that millage rates in previous decades had been as high as 23.00 mills.)

2016	20.38 mills
2017	22.20 mills
2018	22.00 mills
2019	21.53 mills
2020	19.91 mills
2021	19.32 mills
2022	18.42 mills
2023	16.48 mills
2024	19.40 mills
2025	19.40 mills

Although Pine Lake's 2026 Budget has been adopted, its major revenue source, property tax, has not yet been set and will follow the 2026 Property Tax Digest process that runs from April through June 2026.

The property tax digest for the City of Pine Lake is overwhelmingly residential. Based on the 2025 Tax Digest, the gross digest total for all property types before exemptions is \$48,564,632. The residential (85%), commercial (13%), and industrial/utilities property (2%) (proportioned) values are respectively: \$41,271,080, \$6,485,272, and \$808,280. Exemptions for 2025 reduced Pine Lake's assessed value by \$1,064,526.

Based on the 2024 and 2025 tax rates, a home in Pine Lake with a fair market value of \$300,000 would have an estimated total annual property tax bill of \$6,733.92 composed of the three taxing jurisdictions:

1. City of Pine Lake (19.40 mills): \$2,328
2. DeKalb County Government (13.74 mills): \$1,648
3. DeKalb County Schools (22.98 mills): \$2,758

Several exemptions can significantly lower the property tax bill in Pine Lake. Because the City is in DeKalb County, property owned by neighbors may qualify for both municipal-level and county-level reductions.

- Basic Homestead Exemption: available to all homeowners who own and occupy the property as their primary residence.
- Senior and Disability Exemptions: Residents aged 62 or older, or those with permanent disabilities, can qualify for higher exemptions based on income.

- Specialized Exemptions: Disabled veterans may qualify for massive reductions for both school and county levies. Surviving spouses of peace officers and firefighters killed in the line of duty and remain unmarried are eligible for 100% exemption from all property taxes.
- Assessment Freeze: DeKalb County provides a property assessment freeze for all properties with a homestead exemption freezing the assessed value for county government taxes only and meaning the county tax bill will not increase due to rising property values.

Each 1 mill increment generates approximately \$50,000 of additional revenue for the City's General Fund.

The table that follows illustrates 2025 Millage Rates across Dekalb County.

# STRATEGIC PERFORMANCE REPORT: MARCH 2026



**IRVIN J. JOHNSON**

DeKalb County Tax Commissioner

2025 County, School, State and City Millage Rates \*Revised 08/27/2025

*Millage rates are set by the authorities for their county, city, state or district.*

	Unincorp	Avondale	BKHAVN	BKHAVN-ANX	BKHAVN-ANXB	Chamblee	Clarkston	Doraville
	04	14	20/SI/1320	20A/1320A	20B/1320B	24	34	44
General Opns	11.027	11.027	11.027	11.027	11.027	11.027	11.027	11.027
Hospitals	0.611	0.611	0.611	0.611	0.611	0.611	0.611	0.611
County Bnds	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Fire	2.453	2.453	2.453	2.453	2.453	2.453	2.453	2.453
Police	5.965	0.067	0.000	0.000	0.000	0.027	0.639	0.000
Special Svcs	0.500	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Unic Bonds	<u>0.254</u>	<u>0.000</u>	<u>0.254</u>	<u>0.254</u>	<u>0.254</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>County Total</b>	<b>20.810</b>	<b>14.158</b>	<b>14.345</b>	<b>14.345</b>	<b>14.345</b>	<b>14.118</b>	<b>14.730</b>	<b>14.091</b>
School Opns	22.780	22.780	22.780	22.780	22.780	22.780	22.780	22.780
State	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
City Millage	<u>0.000</u>	<u>9.550</u>	2.740	2.740	2.740	6.250	<u>15.800</u>	9.000
City Svcs			0.000	12.000	0.000			
City Bond			<u>0.470</u>	<u>0.470</u>	<u>0.470</u>	<u>0.810</u>		<u>0.625</u>
<b>TOTAL</b>	<b>43.590</b>	<b>46.488</b>	<b>40.335</b>	<b>52.335</b>	<b>40.335</b>	<b>43.958</b>	<b>53.310</b>	<b>46.496</b>

	Dunwoody	Lithonia	Atlanta	Pine Lake	Stonecrest	Stn. Mtn.	Tucker	Decatur
	50	54	61	74	80	84	90	92
General Opns	11.027	11.027	11.027	11.027	11.027	11.027	11.027	11.027
Hospitals	0.611	0.611	0.611	0.611	0.611	0.611	0.611	0.611
County Bonds	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Fire	2.453	2.453	0.000	2.453	2.453	2.453	2.453	0.000
Police	0.000	0.662	0.000	0.756	5.965	0.051	5.965	0.036
Special Svcs	0.000	0.155	0.000	0.155	0.248	0.000	0.000	0.000
Unic Bond	<u>0.254</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.254</u>	<u>0.000</u>	<u>0.254</u>	<u>0.000</u>
<b>County Total</b>	<b>14.345</b>	<b>14.908</b>	<b>11.638</b>	<b>15.002</b>	<b>20.558</b>	<b>14.142</b>	<b>20.310</b>	<b>11.674</b>
School Opns	22.780	22.780	0.000	22.780	22.780	22.780	22.780	0.000
State	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
City Millage	<u>3.040</u>	<u>13.021</u>	<u>32.447</u>	<u>19.400</u>	<u>1.257</u>	<u>15.827</u>	<u>2.036</u>	<u>33.270</u>
<b>TOTAL</b>	<b>40.165</b>	<b>50.709</b>	<b>44.085</b>	<b>57.182</b>	<b>44.595</b>	<b>52.749</b>	<b>45.126</b>	<b>44.944</b>

2025 City of Atlanta		2025 ATL Beltline SSD		2025 Special Districts		2025 City of Decatur	
City Opns	0.009520	City Opns	0.009520	BRKSSD	4.000	City Opns	0.011150
City Bonds	0.000850	City Bonds	0.000850	PTSSD	0.000	City Bonds	0.001820
City Parks	0.001000	City Parks	0.001000	DTSSD	2.000	City Schools	<u>0.020300</u>
Library	0.000577	Library	0.000577	TNKSSD	20.000	<b>Total</b>	<b>0.033270</b>
Atlanta Schls	0.020500	Atlanta Schls	0.020500	ATLSSD Beltline	2.000	<b>Decatur MV</b>	<b>0.041588</b>
School Bnd	<u>0.000000</u>	School Bnd	0.000000	ASSEMBLY SSD	135.178	<b>EHOST Factor 100%</b> <b>Gen Ops/ Hosp</b> <i>varies yearly per BOC</i>	
<b>Total</b>	<b>0.032447</b>	ATL SSD	0.002000	INVSSD	5.000		
		<b>Total</b>	<b>0.034447</b>	DPSSD	2.000		

## WEAKNESS

### STRUCTURALLY IMBALANCED BUDGET

A structurally imbalanced budget for local governments occurs when recurring, long-term expenditures (salaries, debt, services) exceed projected recurring revenues (taxes, fees), causing a chronic, unsustainable shortfall. Unlike temporary deficits, it is a permanent misalignment where spending grows faster than revenue, often requiring the use of one-time revenue sources such as selling assets or draining reserves to fund ongoing operations.

Common Examples of Structural Imbalance:

- ❖ **Reliance on Reserves/One-Time Revenue:** A city uses its “rainy day” savings or sells property to pay for annual employee salaries.
- ❖ **Deferred Maintenance:** Postponing repairs on roads or buildings, which saves money immediately but increases future costs, creating a long-term structural issue.
- ❖ **Overly Optimistic Projections:** A local government budgets assuming a 5% increase in property tax revenue based on past trends, but the economy slows and revenue remains flat.
- ❖ **Increased Service Costs:** A municipality sees a decrease in its tax base (lower income residents) while simultaneously needing to spend more on social services.
- ❖ **Debt Restructuring:** A city rearranges its debt payments to lower short-term, immediate costs, which results in higher, more unsustainable debt payments in future years.

## OPPORTUNITY

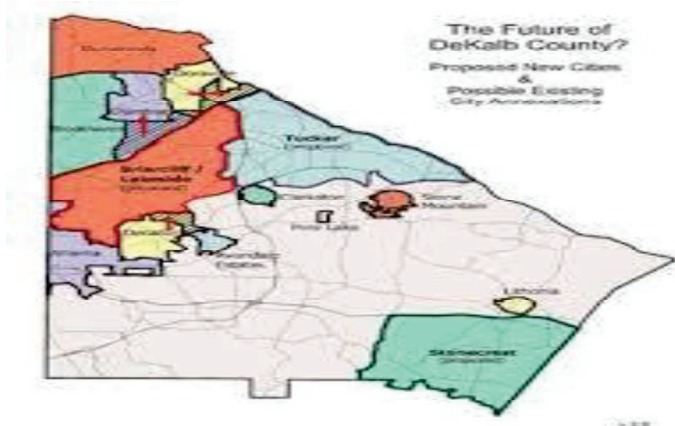
### MUNICIPAL ANNEXATION

Municipal annexation in Dekalb County, Georgia, involves the transfer of land from unincorporated county control to a municipality (such as Pine Lake, Doraville, Decatur, or Brookhaven), resulting in a shift in service provision, tax rates, and zoning control. The primary advantages include improved, localized public services, and potential property value appreciation, while the main costs are higher property taxes and the loss of revenue for the county.

Specific Case Findings:

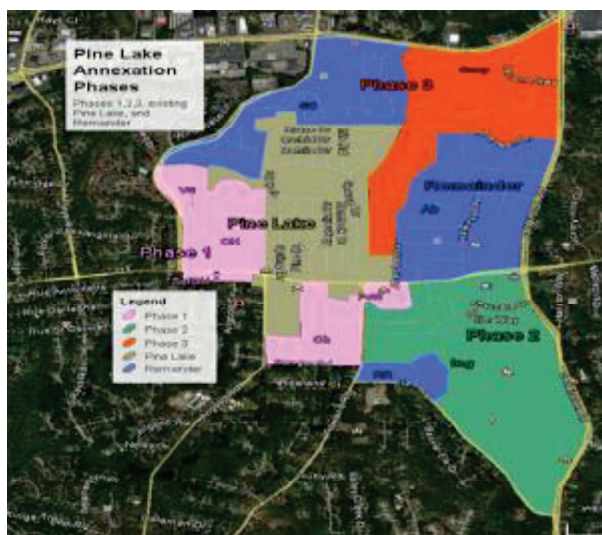
- **Stone Mountain** - A 2016 study found that annexation could increase property taxes by \$263 per \$100,000 of assessed value for new residents but increase the City’s commercial and industrial tax base from 20% to 36%.
- **Doraville** - Recent proposed annexations aimed to improve response times and public safety in surrounding areas.
- **Avondale Estates** – A 2017 study suggested that annexations could bring over \$1 million in new revenue for the city.

- DeKalb County – The County has expressed concern that rapid annexations could impact the funding of county-wide services, particularly in fire and police, and has used the Carl Vinson Institute to study these impacts.



**RECENT HISTORY: PINE LAKE**

In April 2017 after conducting two Town Hall meetings to discuss the pros and cons of annexation, a Work Group was formed of residents and Council Members to make a recommendation to the City Council on how to proceed. The Work group presented a three-phase plan to Council at the August 14th meeting and at the August 29th meeting. The Annexation Plan and Map was approved unanimously.



Starting in quarter one of 2018, the City began an Annexation Study for the 1st phase mapped out in the plan, with the intention of getting legislative support to present a bill to the 2019 Georgia Legislative Session. Ultimately, the Pine Lake City Council determined that rather than concentrating on annexation it would put that energy into improving the Rockbridge Commercial Corridor. All annexation plans except for two properties on Rockbridge Road were tabled for the foreseeable future.

### **CASE HISTORY 1: AVONDALE ESTATES**

“In October 2016, the City of Avondale Estates requested that the Carl Vinson Institute of Government conduct a study of the fiscal impacts of a possible annexation. This report presents an analysis of how this annexation would affect the city’s finances. More specifically, we studied whether the estimated municipal revenues derived in the study area will be greater or less than the cost to provide levels of service in the study area comparable to that currently received by Avondale Estates residents and businesses. This study should not be viewed as a statement supporting or discouraging annexation; rather it is an information tool for the elected and appointed officials and the citizens of Avondale Estates.”

### **CASE HISTORY 2: CLARKSTON**

In October 2025, the City of Clarkston (“City”) requested proposals from qualified consultants/economists to assist with their annexation feasibility study. “The intent is to evaluate locations adjacent to the City limits for feasibility of annexation. The City seeks a comprehensive analysis to inform strategic planning and future growth. Specifically, the study should address: A. An evaluation of the options, fiscal impacts, and economic advantages and disadvantages of annexing adjacent unincorporated areas. B. Strategies to prevent the City from becoming landlocked by neighboring jurisdictions. C. Opportunities and approaches for diversifying the City’s tax base. D. Methods to achieve a balanced tax digest through an optimal mix of commercial and residential development. E. Assessment of services and infrastructure. F. Cost analysis of property tax changes. G. Impact on the city to issue bonds. H. Analysis of land use and zoning considerations.”

### **ANNEXATION: ACT OF GENERAL ASSEMBLY – ARTICLE 1A**

“The Georgia General Assembly has the authority to pass local Acts annexing territory to municipal corporations. The above methods are derived from the General Assembly's legislative power to annex. This authority was codified effective July 1, 1996 as Article 1A of Chapter 36, Title 36. Official Code of Georgia Annotated (O.C.G.A.)

A. Local Acts annexing areas comprised of more than 50 percent residential property, by acreage must use this Article. Residential is defined as sub 5 acre lots. Presumably this article need not be followed for annexation of property less than 50 percent residential. O.C.G.A. § 36-36-15.

B. Author of the legislation must:

1. Give notice (cert. mail) of the proposed annexation to the governing authority of the county wherein the property is located,
  2. Within five business days, and
  3. The notice must include a map or other description sufficient to identify the area. O.C.G.A. §§ 36-35-16, 36-36-6.
- C. The county must respond (cert. mail) within five business days of receipt, and inform if any county owned facilities are located in the proposed area to be annexed. O.C.G.A. § 36-36-7.
- D. The legislation may incorporate referendum approval under the terms and conditions specified in local law, and such referendum approval is required if the area to be annexed contains more than 500 people, or more than 3 percent of the municipalities population. The municipality must pay for the referendum. O.C.G.A. § 36-36-16.
- E. There is no contiguity requirement for this method. See, *City of Fort Oglethorpe v. Boger*, 267 Ga. 485, 480 S.E.2d 186 (1997).”

## OPPORTUNITY

### DISINCORPORATION



Disincorporation of a municipality in DeKalb County involves a city returning to unincorporated county control. In the context of DeKalb’s recent, rapid urbanization – where cities like Brookhaven, Dunwoody, Tucker, and Stonecrest have formed – disincorporation is rare, but the decision to remain or become unincorporated has well-documented, significant impacts based on local studies and resident experiences.

#### *Advantages of Disincorporation (Returning to Unincorporated DeKalb)*

- **Lower Taxes:** Residents in unincorporated DeKalb generally pay lower property taxes compared to those in municipalities, as they do not have city-specific departments such as for police, fire, planning, public works, parks, etc.
- **Reduced Regulatory Burdens:** Unincorporated DeKalb is often perceived as having less stringent, or less frequently enforced regulations such code enforcement regarding property upkeep (e.g., mailboxes, grass length, exterior renovations, etc).

- **Elimination of City-Specific Fees:** Property owners could be relieved of municipal fees for services like stormwater, which may be lower through the county, or other special fees put in place by the City.
- **Broader Political Representation:** Instead of a mayor and council, residents are represented by the larger DeKalb County Board of Commissioners.

*Disadvantages of Disincorporation (Returning to Unincorporated DeKalb)*

- **Reduced Service levels:** Unincorporated residents generally receive fewer, less responsive services than city residents. Police response times and other services may be slower.
- **Lack of Local Control (Zoning):** The county government, not local Council or residents, make decisions on land use, rezoning, and development that could lead to increased or unwanted development (e.g., apartment complexes or commercial, high-density projects).
- **Infrastructure Neglect:** Unincorporated DeKalb has a large backlog of deferred maintenance for roads, sidewalks, and parks.
- **Potential for “Unincorporated Island” Status:** If a city disincorporates but is surrounded by other cities, it can create a service-delivery nightmare, often termed an “island” or pocket, which is difficult for the county to manage efficiently.
- **Loss of Community Identity:** The area loses its municipal branding, downtown development authority, and focused economic development efforts.

In summary, disincorporating in DeKalb County is largely a trade-off: lower taxes and fewer restrictions (unincorporated) in exchange for higher taxes, stricter rules, but better services (incorporated).



# STRATEGIC PERFORMANCE REPORT

## APRIL 2026

### Financial Sustainability: dollars and cents



Good day Council Members and Happy April 2026,

I am pleased to share with you the thirteenth installment of the Community Building Team's Strategic Performance Report (SPR). It is produced to coincide with the monthly City Council Work Session. The format and content are topical based; concise in nature; organized by the alphabetical order of offices/departments following City Manager lead topics; and accented with images and illustrations for more relatable reading. A pdf version of the document is attached for higher quality reading and printing.

Last month's SPR posed a key question: What are Pine Lake's options to ensure financial sustainability?

Through the lens of an abbreviated strengths, weaknesses, opportunities and threats analysis, the following options were examined among strengths and opportunities in consideration of long-term financial sustainability and more immediately achieving a structurally balanced budget: (1) property tax (2) municipal annexation, and (3) disincorporation.

**This month's key question as applied to those three options: What are the practical dollars and cents of those propositions?**

### PROPERTY TAX

Historical millage rates for Pine Lake have fluctuated over the past 10 years: (City officials noted during 2024 deliberations that millage rates in previous decades had been as high as 23.00 mills.)

What are the practical dollars and cents of property tax to residential property owners of Pine Lake over the last ten years?

The expanded table below from the March SPR illustrates a 10-year trend of millage rates and percentage annual change, average assessed value of single unit residential properties and percentage annual change, average market value of single unit residential properties, city taxes paid on average assessed value properties per single unit and percent annual change:

<b>Year</b>	<b>Mills</b>	<b>%</b>	<b>Avg. Assessed Value</b>	<b>%</b>	<b>Avg. Market Value</b>	<b>Taxes</b>	<b>%</b>
2016	20.38		\$43,382	---	\$108,455	\$884	---
2017	22.20	9%	\$46,408	7%	\$116,020	\$1,030	16.5%
2018	22.00	(1%)	\$54,443	17%	\$136,108	\$1,198	16%
2019	21.53	(2%)	\$56,216	3%	\$140,540	\$1,210	10%
2020	19.91	(8%)	\$59,642	6%	\$149,105	\$1,187	(2%)
2021	19.32	(3%)	\$69,997	17%	\$174,993	\$1,352	14%
2022	18.42	(5%)	\$79,077	13%	\$197,693	\$1,457	8%
2023	16.48	(11%)	\$102,781	30%	\$256,953	\$1,694	16%
2024	19.40	18%	\$103,251	.5%	\$258,128	\$2,003	18%
2025	19.40	0%	\$106,369	3%	\$265,933	\$2,064	3%

The predominant factor in Pine Lake’s rise in residential property taxes since 2016 has been the increase in residential property values and not the millage rate. The value of residential property in Pine Lake on average over the ten-year period has increased by 145%. Correspondingly, residential property values in unincorporated DeKalb County during the same period have increased by less than 40% based on synthesized internet data.

The net annual change in the millage rate from 2016 through 2025 is a slight reduction of (.33%) while the average annual change in assessed value during this same period is 10.7%.

A general assumption is that communities do not like rising property taxes; however, there is a silver lining in the case of Pine Lake homeowners’ increased taxation over the past 10 years. The increase over the last 10 years isn’t attributable to an increase in the millage rate; rather, it has been a rise in the worth and market value of homes and property. From the data, Pine Lake is a place where others in the market for homes want to be and are willing to pay for it, boosting property values across the community notwithstanding increased property taxes that have been an outcome of inflated property values.

While an increase in property values is generally indicative of an increase in nominal wealth and net worth or equity, it does not automatically equate to increased cash flow or immediately spendable wealth. More so, it is considered “paper wealth” until the property is sold or the equity is accessed through loans.

A structurally imbalanced budget for local governments occurs when recurring, long-term expenditures (salaries, debt, services) exceed projected recurring revenues (taxes, fees), causing a chronic, unsustainable shortfall. Unlike temporary deficits, it is a permanent misalignment where spending grows faster than revenue, often requiring the use of one-time revenue sources such as selling assets or draining reserves to fund ongoing operations.

Pine Lake’s Adopted 2026 Budget used \$191,962 of unassigned fund balance to balance total expenditures of \$1,520, 554. Total expenditures include finite annual debt service payments of \$111,567 that will be paid off within two years: a finance purchase agreement with the Georgia Municipal association for Public Works equipment and a vehicle in the amount of \$34,358 will be paid off in 2027; while issued revenue bonds by the Pine Lake Downtown Development Authority on behalf of the City for various capital improvements in the amount of \$1,023,307 will be paid off in 2028 with annual debt service of \$77,230 until that time.

While the City at this time is not in a state of a perpetually structural imbalanced budget, it risks significantly shrinking its unassigned fund balance of \$606,745 based on 2024 audited figures until debt services are fully paid off in 2028. It faces the challenge and responsibility of funding the recently executed position classification and pay system, as provided for in the City’s Charter.

Each 1 mill increment generates approximately \$50,000 of additional revenue for the City’s General Fund.

A 3 mill increase from the current 19.4 mills to 22.4 mills that I am likely to propose is needed to cover the recurring costs of the implemented position classification and pay plan system of roughly \$150,000. The annual cost to the average valued residential property based on 2025 assessed values is \$319.11.

## MUNICIPAL ANNEXATION

Municipal annexation in DeKalb County, Georgia, involves the transfer of land from unincorporated county control to a municipality (such as Pine Lake, Doraville, Decatur, or Brookhaven), resulting in a shift in service provision, tax rates, and zoning control. The primary advantages include improved, localized public services, and potential property value appreciation, while the main costs are higher property taxes and the loss of revenue for the county.

What are the practical dollars and cents in 2026 for considering annexation by Pine Lake?

Previously, I shared summaries of two cities in DeKalb County, Avondale Estates and Clarkston, who have recently traveled down the road of broad annexation to their municipal boundaries.

### CASE HISTORY 1: AVONDALE ESTATES

“In October 2016, the City of Avondale Estates requested that the Carl Vinson Institute of Government conduct a study of the fiscal impacts of a possible annexation. This report presents an analysis of how this annexation would affect the city’s finances. More specifically, we studied whether the estimated municipal revenues derived in the study area will be greater or less than the cost to provide levels of service in the study area comparable to that currently received by Avondale Estates residents and businesses. This study should not be viewed as a statement supporting or discouraging annexation; rather it is an information tool for the elected and appointed officials and the citizens of Avondale Estates.”

### CASE HISTORY 2: CLARKSTON

In October 2025, the City of Clarkston (“City”) requested proposals from qualified consultants/economists to assist with their annexation feasibility study. “The intent is to evaluate locations adjacent to the City limits for feasibility of annexation. The City seeks a comprehensive analysis to inform strategic planning and future growth.”

Of the two case histories noted above, perhaps the more relevant comparison for Pine Lake due to recency and outreach to potentially partnering cities for consideration by the General Assembly in 2027 is Clarkston.

At its December 2, 2025 meeting, the City of Clarkston City Council approved a resolution awarding a professional service agreement to KB Advisory Group to complete an Annexation Feasibility Study in the amount of \$87,000.

The study will provide the City of Clarkston with clear, data-driven findings that support informed decision-making about annexation and its impact on Clarkston’s long-term fiscal stability, service delivery, and community identity. The scope of work is grounded on three principles: 1. Analytical rigor; 2. Authentic community engagement; and 3. Implementation-ready strategy.

The Clarkston Annexation Feasibility Study will be completed over approximately 20 weeks. This duration allows adequate time for data collection, departmental coordination, fiscal modeling, and review by the City of Clarkston at each milestone.

A fundamental question that must be asked of the Pine Lake community is if annexation of any significant size or population gain is conducive to the unique community culture that has been harnessed and has thrived since its earliest beginnings. Any significant change could challenge its smallness, its closeness, its spirit, its politics, its artistry, its very fabric.

The known factual hurdles to annexation are costs and time to meet consideration as part of the collective cities' effort being coordinated through the DeKalb Municipal Association to be heard as part of the General Assembly 2027 legislative session.

Locally, at this time, the City is challenged by the recent implementation of its first ever position classification and compensation system required by the City's Charter; potential structural imbalance of its budget if tough decisions are deferred; new form of government experiencing growing pains; resignation of long-tenured Mayor, its chief elected official; non-renewal of employment agreement by City Manager, chief executive and administrative officer; potential staff transitions; deteriorated staff morale; community frustration over an infrastructure improvement project; a minimum tenured governance board; all of which and more has contributed to dysfunctionality in the governmental structure.

Therefore, due to the impracticality of time and costs along with the unfortunate circumstances and challenges facing the City during 2026, I do not recommend proceeding with annexation considerations at this time.

## DISINCORPORATION



Disincorporation of a municipality in DeKalb County involves a city returning to unincorporated county control. In the context of DeKalb's recent, rapid urbanization – where cities like Brookhaven, Dunwoody, Tucker, and Stonecrest have formed – disincorporation is rare, but the decision to remain or become unincorporated has well-documented, significant impacts based on local studies and resident experiences.

### *Advantages of Disincorporation (Returning to Unincorporated DeKalb)*

- Lower Taxes: Residents in unincorporated Dekalb generally pay lower property taxes compared to those in municipalities, as they do not have city-specific departments such as for police, fire, planning, public works, parks, etc.
- Reduced Regulatory Burdens: Unincorporated Dekalb is often perceived as having less stringent, or less frequently enforced regulations such code enforcement regarding property upkeep (e.g., mailboxes, grass length, exterior renovations, etc).

- Elimination of City-Specific Fees: Property owners could be relieved of municipal fees for services like stormwater, which may be lower through the county, or other special fees put in place by the City.
- Broader Political Representation: Instead of a mayor and council, residents are represented by the larger DeKalb County Board of Commissioners.

*Disadvantages of Disincorporation (Returning to Unincorporated DeKalb)*

- Reduced Service levels: Unincorporated residents generally receive fewer, less responsive services than city residents. Police response times and other services may be slower.
- Lack of Local Control (Zoning): The county government, not local Council or residents, make decisions on land use, rezoning, and development that could lead to increased or unwanted development (e.g., apartment complexes or commercial, high-density projects).
- Infrastructure Neglect: Unincorporated DeKalb has a large backlog of deferred maintenance for roads, sidewalks, and parks.
- Potential for “Unincorporated Island” Status: If a city disincorporates but is surrounded by other cities, it can create a service-delivery nightmare, often termed an “island” or pocket, which is difficult for the county to manage efficiently.
- Loss of Community Identity: The area loses its municipal branding, downtown development authority, and focused economic development efforts.
- 

In summary, disincorporating in DeKalb County is largely a trade-off: lower taxes and fewer restrictions (unincorporated) in exchange for higher taxes, stricter rules, but better services (incorporated).

**What are the dollar and cents implications if Pine Lake chose to disincorporate?**

The primary cost/savings factor would be property tax aside from other considerations outlined above. For purpose of comparison, let’s use the total 2025 millage rate levied for unincorporated DeKalb County of 43.590 mills as compared to the total millage rate for Pine Lake of 57.182 mills.

If the City ceases all current operations of general government, municipal court, public works, recreation, and public safety, the annual property tax savings differential for the average unit residential property is calculated as follows:

2025 Average Assessed Value (\$106,369) x Pine Lake Property Owner’s Total Millage (.057182)  
less 2025 Average Assessed Value (\$106,369) x DeKalb County Unincorporated Property  
Owner’s Total Millage (.043590) = \$6,082 less \$4637 = \$1445 in net annual savings.

It is important to note that per the table illustrated on page 2 of this report that the City’s millage rate of 19.4 mills cost the property owner \$2,064 in Pine Lake taxes; however, only a fraction of

these savings (\$1,445) would be yielded in savings if disincorporated as unincorporated DeKalb County owners pay separate millage rate charges for certain services such as for Police in addition to the County's general operations millage; the 2025 millage rate for Police Services provided to unincorporated DeKalb County is 5.965 mills.

I do not recommend disincorporation as a viable option to the quality of services currently enjoyed by neighbors of Pine Lake by its separate governance as a City at what would be an inequivalent fraction of savings.

## HISTORICAL BUDGET VARIANCES



In the following email from Council Member Jane Lowers on March 16, 2026, she requested data to assist the City Council in their future budget discussions:

**From:** Jane Lowers <janelowers@pinelakega.net>

**Sent:** Monday, March 16, 2026 11:25 AM

**To:** Governing Authority 2026 <GoverningAuthority2026@pinelakega.net>; Stanley Hawthorne <stanleyhawthorne@pinelakega.net>

**Subject:** request for information to support discussion of city sustainability

“Mr. Hawthorne --

To follow up on your March 10 presentation on the city's long-term options, I'd like to request that the following information be made available to the council for discussion well in advance of any consideration of 2027 millage rates:

1. Update on current under/overspending vs budget (I believe this is going to be a regular feature of future meetings from the finance team)
2. Itemized options for trimming costs or adjusting revenues (e.g., impact fees) that could be employed to mitigate our shortfall in the current fiscal year and maintained in 2027

3. The cost of assuming services for a larger area via annexation (e.g., the cost of providing police, zoning, etc for X-hundred homes, Walmart, whatever) vs the expected tax revenue. The largest footprint from the existing annexation map would be a good starting point.”

In reverse order of addressing, for information request 3., should the City Council determine that it wants to proceed with a review of annexation scenarios, the prudent course, in my professional opinion, is to undertake a formal study through either a formal open solicitation process or without a formal solicitation process by request of a proposal of study with an expert consultant such as I profiled, respectively, with the Cities of Clarkston and Avondale Estates under the “Municipal Annexation” section of this report. I do not recommend proceeding with annexation considerations at this time based on those previously outlined factors.

For information request 2., as “impact fees” were listed as an example for “adjusting revenues that could be employed to mitigate our shortfall in the current fiscal year and maintained in 2027,” let’s be clear on what are impact fees.



Local government impact fees are one-time charges levied on new development projects to pay for the expansion of public infrastructure such as roads and parks needed to serve new residents. These fees shift the financial burden of growth from existing residents to developers and new homebuyers helping to ensure that infrastructure keeps pace with development. The lack of growth, growth capacity, and restricted utilization of such funds for recurring expenditures make this category of potential revenue as a non-viable option to the premise of the question.

From a revenue perspective, over the coming months as I have previously referenced under the “Property Tax” section of this report, I am likely to recommend an increase in the property tax millage rate to cover the recurring costs of the implemented position classification and pay plan system of roughly \$150,000 and for maintaining a structurally balanced budget.

From an expenditure perspective and “itemized options for trimming costs,” I developed my first originally proposed budget for Pine Lake only a short few months ago. It was a learning experience as I had to become intimately familiar with the dozens of line items and multifarious costs that constitute the operating budget.

I shared my learning with the City Council and community by developing written narrative explaining each of the line items in detail. I am attaching that composition as an exhibit to this

report but the information has also been published in the 2026 Budget Document that is available on the web site, as a hard copy, and via links previously shared in City newsblasts.

Pine Lake's budget is small and without elasticity cushion or budgetary fluff. To illustrate with historical variance of the most recent audited data available, I examined the spending patterns for fiscal years 2023 and 2024:

For the fiscal year that ended December 31, 2023 for General Fund operations, actual expenditures overall of \$1,146,757 exceeded the original budget of \$1,136,345 by \$10,412. 101% of the original budget was expended. A departmental breakdown is as follows: for General Government, \$340,212 or 96% of the original budget was expended; Municipal Court expended \$94,356 or 94% of the original budget; Police expended \$318,812 or 94% of the original budget; Public Works expended \$130,778 or 93% of the original budget; Culture and Recreation expended \$44,576 or 76% of the original budget; capital outlay requirements of \$117,273 resulted in 182% of the original budget being expended; and debt service of \$100,470 was 130% of the original budget.

For the fiscal year that ended December 31, 2024 for General Fund operations, actual expenditures overall of \$1,332,784 exceeded the original budget of \$1,168,367 by \$164,417. 114% of the original budget was expended. A departmental breakdown is as follows: for General Government, \$436,132 or 115% of the original budget was expended; Municipal Court expended \$131,481 or 104% of the original budget; Police expended \$334,517 or 94% of the original budget; Public Works expended \$251,388 or 161% of the original budget; Culture and Recreation expended \$37,200 or 95% of the original budget; and debt service of \$142,066 was 127% of the original budget.



For the current year's budget, personal service line items consist of regular and part-time employees' salaries, overtime compensation, and employee benefits such as health insurance premiums, social security contributions, and retirement benefits. Historically, those costs have constituted a majority of the City's General Fund Budget. In Fiscal Year 2024 (proposed), personal services were \$602,924 of the \$1,070,435 budget or 56 per cent of the operating budget; for FY 2025 (proposed), personal services were \$628,101 making up 55% of the operating budget. In Fiscal Year 2026, the proportion is maintained if not higher with the implementation of

the Position Classification and Pay Plan System. There are no current vacancies and therefore no savings being accrued.

Contracted service line items consist of office and administrative, professional, and property services such as payroll service, finance administration, county collection fees, legal expenses, auditor fees, municipal codification costs, judicial fees, information technology, engineering costs, cleaning service, repairs and maintenance, liability insurance, claims and judgements, communications, travel and training, and miscellaneous other costs.

Historically, those costs have constituted the second largest share of the City's General Fund Budget. In Fiscal Year 2024 (proposed), contracted services were \$382,494 of the \$1,070,435 budget or 36 per cent of the operating budget; for FY 2025 (proposed), contracted services were \$409,602 making up 36% of the operating budget.

For Fiscal Year 2026, the proposed budget factors for significant budgetary adjustments from the 2025 Amended Budget: increases associated with the adjusted true costs for accounting services (\$87,750 since reduced to \$60,000 with a new service provider), code compliance program (\$50,000 since reduced to \$0 for balancing the budget), legal expenses (\$38,000), website and agenda enhancement (\$11,000), judicial services for Public Defender and Court interpreters (\$6600), and planning/zoning related costs (\$12,120).

Bonded debt service remains level in the proposed budget and is based on the amortization schedule for outstanding long-term debt with transfers budgeted of \$77,230\* and \$34,337\*\* to the Revenue Bond Capital Projects Fund and Debt Service Fund, respectively, from the General Fund.

\*An intergovernmental agreement with the City of Pine Lake to provide funding for the debt servicing of revenue bonds issued by the Pine Lake Downtown Development Authority in the amount of \$1,023,307; the proceeds were to be used by the City to make various environmental, recreational and street improvements; interest is charged at 4.49%, due in equal annual installments of \$77,230. This debt service will be paid off in two more years, fiscal year 2028

\*\*Capital lease principal of \$28,794 and interest of \$5543 for a Leaf Machine aiding Public Works operations. This debt service will be paid off in one more year, fiscal year 2027.

Information request 1. is currently under development within our new enterprise resource system. The City's new Finance Director, Stephen Mayer, will provide an update at the April 14 Work Session on progress within the context of multiple priorities that challenge his limited time given the part-time service afforded for underdeveloped financial operations, as provided by contractual agreement.



# STRATEGIC PERFORMANCE REPORT

## MAY 2026



Good day Council Members and Happy May 2026 Pine Lake Neighbors,

I am pleased to share with you the fourteenth installment of the Community Building Team's Strategic Performance Report (SPR). It is produced to coincide with the monthly City Council Work Session. The format and content are topical based; concise in nature; organized by the alphabetical order of offices/departments following City Manager lead discussions; and accented with images and illustrations for more relatable reading. A pdf version of the document is attached for higher quality reading and printing.

With the 2026 season upon us, much of this month's report is dedicated to understanding the property tax process and calculations that will lead to among the most important policy decisions of the year by the Pine Lake City Council. It will certainly offer a more fully rounded perspective to last month's review of property tax as a viable option to ensure the continuing financial sustainability of Pine Lake as a full-service municipality.

### PROPERTY TAX DIGEST

The 2026 property tax digest process in DeKalb County is a multi-step cycle managed by the Property Appraisal Department and the Tax Commissioner's Office. It follows a strict timeline governed by state law to determine the fair market value of all property as of January 1 each year.

On April 24, 2026, the Tax Commissioner's Office held a 2026 Digest Seminar with DeKalb County's local government representatives to review the process and schedule. They highlighted recently approved legislative bills that could affect property tax administration. SB 566 (signed by Governor) removes the estimated roll-back in all forms and opt out messaging from tax bills.

SB 33 (not yet signed by Governor) allows local governments to adopt via referendum a new 1% Local Homestead Option Sales Tax (LHOST) for homestead tax relief as it also repeals the ability of local governments (such as Pine Lake elected last year) to opt out of the state-based assessment freeze provided by last year's HB 581.



The 2026 Digest Calendar lists April 30 as approval date of 2026 real estate values by the County's Board of Assessors. On May 5, DeKalb County's Office of the Tax Commissioner released the early 2026 preliminary tax digest; an updated digest will be provided on May 15. For Pine Lake, while commercial real and personal property values increased by 19%, residential property valuation declined by 6% representing an overall property valuation decline of 2.5%.

In accordance with the Official Code of Georgia Annotated (OCGA), Pine Lake's digest requirements include calculation of rollback rate, requirements if millage exceeds the rollback rate, other rules and regulations, advertisements of five year history of levy, advertising for public hearings, press release, and holding of public hearings.

For 2025, Pine Lake's overall real estate valuation increased by 5.48%. Based on the millage rate of 19.40 mills adopted in 2024, the mill rate equivalent to generate the same amount of revenue as the previous year was 18.653 mills, also known as the rollback rate.

For 2026, based on the early preliminary tax digest reduction in value by 2.5%, the millage rate necessary to generate the same amount of tax levy as in 2025 would require a millage rate increase to 19.883 mills (early 2026 rollback rate).

At the May 12, 2026 Regular City Council Meeting, Administration will recommend a tax millage rate that will be higher than the current millage rate of 19.4 mills. By resolution, the City Council will need to adopt a tentative millage rate that can be lowered but cannot exceed the tentative rate upon adoption of a final millage rate by July 1, 2026.

Based on the assumptions of the previous paragraph and within the authorizing resolution, the City Council will approve a series of public hearings (minimum of three) that meet strict scheduling dates and times as well as notice and advertising requirements.

On May 29, the annual notice of assessment will be mailed to property owners. Property owners have 45 days from the notice's mailing date to challenge the valuation.

Important deadlines include final millage rate adoption by July 1, 2026 and resolution for special assessment rate changes (stormwater rates, as may be applicable to Pine Lake) also by July 1, 2026.

## CALCULATOR: UNDERSTANDING PROPERTY TAXES

### Property Taxes by State and County, 2025

March 4, 2025 By: Andrey Yushkov



Property taxes are the primary tool for financing local governments. In fiscal year 2022, property taxes comprised 27.4 percent of total state and local tax collections in the United States, more than any other source of tax revenue, despite being levied almost exclusively at the local (not state) level. Local governments rely heavily on property taxes to fund schools, roads, police departments, fire and emergency medical services, and other services associated with residency and property ownership. Property taxes accounted for 70.2 percent of local tax collections in fiscal year 2022.

While no taxpayers in high-tax jurisdictions will be celebrating their yearly payments, property taxes are largely rooted in the benefit principle of taxation: the people paying the property tax bills are most often the ones benefiting from the services (think about K-12 education, local surface roads, police and fire service, and parks). As Joan Youngman argues, a well-designed property tax, despite being the target of frequent political attacks, can be considered a good tax since it is usually transparent, simple, and stable, satisfying most of the principles of sound tax policy. Property taxes also tend to be more economically efficient than alternative sources of tax revenue.

Higher median payments tend to be concentrated in urban areas. Median property taxes paid in Manhattan (New York County), San Francisco, Chicago (Cook County), and Miami (Miami-Dade County) are two to three times higher than their state's average. This is partially explained by the prevalence of above-average home prices in urban centers. Because property taxes are assessed as

a percentage of home values, it follows that higher property taxes are paid in places with higher housing prices. However, because millages—the amount of tax per thousand dollars of value—can be adjusted to generate the necessary revenue from a given property [tax base](#), the higher payments also reflect an overall higher cost of government—and commensurately higher taxes—in these areas.

Because the dollar value of property tax bills often fluctuates with housing prices, it can be difficult to use this measure to make comparisons between states. Further complicating matters, rates don't mean the same thing from state to state, or even county to county, because the millage is often imposed only on a percentage of actual property value, as is discussed below. However, one way to compare is to look at effective tax rates on owner-occupied housing—the average amount of residential property taxes actually paid, expressed as a percentage of home value. In calendar year 2023 (the most recent data available), New Jersey had the highest effective rate on owner-occupied property at 2.23 percent, followed by Illinois (2.07 percent) and Connecticut (1.92 percent). Hawaii was at the other end of the spectrum with the lowest effective rate of 0.27 percent, followed closely by Alabama (0.38 percent), [Nevada](#) (0.49 percent), [Colorado](#) (0.49 percent), and [South Carolina](#) (0.51 percent).

**Georgia Property Tax Calculator**



In general, property taxes in Georgia are relatively low. The median real estate tax payment in Georgia is \$2,048 per year, about \$1,000 less than the national average. The average effective property tax rate in Georgia is 0.83%.

**How Your Property Taxes Compare Based on an Assessed Home Value of \$500,000**

DeKalb County	\$4,745	0.949% of Assessed Home Value
Georgia	\$4,165	0.833% of Assessed Home Value
National	\$4,495	0.899% of Assessed Home Value

The amount of property taxes you pay in Georgia depends on the assessed value of your home, which is based on (but not equal to) your home's market value. To determine assessed value, assessors in each county first appraise every home in the county in order to figure out the market value of each piece of real estate.

They typically do this through mass appraisals that determine the market value of a large number of homes based on factors such as property type and neighborhood. Once they determine the market value, they then apply the Georgia assessment ratio. Nearly every county and city in Georgia uses an assessment ratio of 40%. That means that if your home's market value is \$100,000, the assessed value is \$40,000.

A small number of cities in Georgia use assessment ratios other than 40%, including Decatur, where the assessment ratio is 50%.

Property tax rates in Georgia can be described in mills, which are equal to \$1 of taxes for every \$1,000 in assessed value. In most counties, taxes for schools are the largest source of property taxes. They are typically between 15 and 20 mills.

Because millage rates apply to assessed value, which varies depending on the assessment ratio and the local exemptions offered, it can be difficult to compare millage rates between two locations. For an apples-to-apples comparison, it's useful to look at effective property tax rates. These are the median property taxes paid as a percentage of median home value. They give a good idea as to how much a new homeowner can expect to pay in property taxes.

#### Fulton County

Home to most of the city of Atlanta and some other cities like Sandy Springs, Fulton County is the most populous county in Georgia. Homeowners in Fulton County pay the highest property taxes in dollar terms, with the median property tax payment equaling \$3,631 per year. On the other hand, property tax rates in Fulton County are not especially high. The average effective tax rate is 0.91%, lower than the national average.

#### Gwinnett County

Located northeast of Atlanta is Gwinnett County. The county's effective property tax rate is 1.02%, which comes in above both state and national averages.

Many homeowners in Gwinnett County may be able to reduce their property taxes by claiming property tax exemptions. For example, the homestead exemption is available on owner-occupied primary residences. It reduces the assessed value of a home by \$10,000 for county taxes, \$4,000 for school taxes and \$7,000 for recreation taxes.

#### DeKalb County

DeKalb County contains about 10% of Atlanta's real estate, along with the city of Decatur. The typical homeowner in DeKalb County pays \$2,856 annually in property taxes, which is higher

than the \$2,048 state average, but is still well below what homeowners pay in neighboring Fulton County.

#### Cobb County

With a population of around 750,000, Cobb County is one of the largest counties in Georgia. Property tax rates in Cobb County rank among the lowest in the state. The effective property tax rate is just 0.69%, well below the state average of 0.83%. At that rate, a homeowner whose home has a market value of \$100,000 would pay just \$690 annually in property taxes.

#### Clayton County

Clayton County is a mostly suburban area that sits south of the city of Atlanta. The median home value in Clayton County is \$167,200, significantly lower than the median values in other Atlanta-area counties like Fulton and DeKalb. That means property tax payments are also generally lower, though. In fact, the county has a median annual payment of just \$1,523. However, effective tax rates in Clayton County don't follow the same pattern, as they currently stand at 0.91%.

#### Henry County

Henry County is part of the Atlanta metropolitan area and has a population of more than 250,000 residents. The average effective property tax rate in Henry County is 0.98%, higher than most Georgia counties.

### **Georgia Department of Revenue: Property Tax Millage Rates**



The tax rate, or millage, in each county is set annually by the board of county commissioners, or other governing authority of the taxing jurisdiction, and by the Board of Education. A tax rate of one mill represents a tax liability of one dollar per \$1,000 of assessed value. The average county and municipal millage rate is 30 mills.

The State millage rate on all real and personal property has been phased out. In 2015 the State millage rate was .05. On January 1, 2016, there was no State levy for ad valorem taxation.

Municipalities also assess property taxes based upon county-assessed values and rates established by the municipal governing authority.

**How to Figure Tax:** The assessed value (40 percent of the fair market value) of a house that is worth \$100,000 is \$40,000. In a county where the millage rate is 25 mills the property tax on that house would be \$1,000; \$25 for every \$1,000 of assessed value or \$25 multiplied by 40 is \$1,000.

The Georgia County Ad Valorem Tax Digest Millage Rates have the actual millage rates for each taxing jurisdiction:

<https://dor.georgia.gov/document/document/2023-georgia-county-ad-valorem-tax-digest-millage-rates/download>

### **City of Pine Lake, Georgia: 2025 Property Tax Millage Rates**

Residents of Pine Lake, Georgia, are subject to property taxes levied by three main jurisdictions: the City of Pine Lake, DeKalb County Government, and the DeKalb County School District. Each sets its own millage rate, which is used to determine the property taxes owed based on the assessed value (40% of fair market value) of a property.

The millage rates for 2025 are as follows:

- City of Pine Lake: 19.400 mills
- DeKalb County Government: 15.002 mills
- DeKalb County School District: 22.780 mills

This results in a total combined millage rate of 57.182 mills. These funds support essential services such as municipal operations, public safety, and public education.

Homeowners may also qualify for property tax relief through homestead and senior exemptions offered by DeKalb County. These exemptions reduce the taxable value of a property and must be applied for by April 1 of the tax year.

The determination of property tax millage rates is conducted annually by each taxing jurisdiction—namely, the City of Pine Lake, DeKalb County Government, and the DeKalb County School District.

Each entity independently sets its millage rate through a series of public hearings and official meetings, typically held between late spring and early summer.



#### City of Pine Lake

The City of Pine Lake holds public hearings to discuss proposed millage rates. If an increase is proposed, three hearings are conducted; otherwise, a single hearing suffices. Following these hearings, the City Council adopts the final millage rate in a council meeting. The city then notifies the State of Georgia and DeKalb County of the new rate, which is used for issuing property tax bills.

#### DeKalb County Government

DeKalb County Government also conducts public hearings to set its millage rates. These hearings are part of the county's annual budget process, where proposed rates are discussed and adopted. The county's millage rate has remained consistent in recent years, with the combined rate for various services totaling 20.810 mills since 2015. (DeKalb County GA)

#### DeKalb County School District

The DeKalb County School District holds three public hearings to discuss and adopt its millage rate, especially if an increase is proposed. These hearings are typically scheduled in early June, with two in-person meetings and one virtual session to gather public input before finalizing the rate. (DeKalb County School District)