



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)

CITY CLERK'S OFFICE/GENERAL GOVERNMENT

Ned Dagenhard, City Clerk/Assistant to City Manager

Fees: Permits, Certificates, and Licenses

Well, my friends and neighbors, millage rate season is upon us again! And as always, it's time to have some tough conversations around the one lever we have to maintain services—and, in fact, existence—as a City. At the end of next month, City Council will adopt a new millage rate, which will be factored into your or your landlord's property tax bill, alongside the DeKalb County School Board (the “lion's share”), and the County itself (those trash cans don't empty themselves, after all).



Now, as your humble City Clerk this is all, shall we say, a day's hike past my campsite. But when it comes to collecting revenue for Pine Lake, this potluck party we share, I am not without purpose. So, I'd like talk—at a 30,000-foot view—about the pennies between the dollars; the butter on the toast; the clover growing between the 'maters. I'd like to talk about *fees*.

Sometimes petty, sometimes chunky, fees may not make or break our ability to sustain ourselves, but *they do matter*. They're the side hustle, the 5-to-9 after the 9-to-5. They help directly offset the cost of consulting partners in permitting and inspections, and justify the administrative efforts undergone by staff to make sure folks aren't building 12-foot fences and dumping spent grease down the storm drain.

Sizing Up the Schedule

The chart of fees is called a “schedule.” Adopted by the City Council, this document outlines how much the City charges for each service, with the goal of aligning the price with the cost—let it all shake out justly. But there's been a question on the minds of the City Manager and City Council over the past year: “Hey, ya know this *schedule* hasn't changed in a while... are we hitting the make? Getting back what we're paying out?” and more directly—and recently—what are our *neighbors* doing? Clarkston? Stone Mountain?



Well, the answer to the former is short, and long: we need to order a formal study, an assessment. We need to look at *all* of our fees, fines, taxes, penalties, *everything*, and come up with something cohesive, and rooted in market-analysis performed by a professional. What's that look like? Well, that's dependent on the outcome of City Council deliberation, to which I defer. But in the meantime, we can poke and prod at that second question.

The Rockbridge/Memorial Trio

We have some pretty respectable neighbors. Clarkston and Stone Mountain are both longstanding Pine Lake siblings. So what are they charging? Let’s compare a few items off our respective fee schedules:

Category	Pine Lake	Clarkston	Stone Mountain
Zoning Certification	\$50	\$40	\$40
Certificate of Occupancy	\$100	\$50-100	\$50-100
Demolition Permit	\$150	\$150-200	\$100-200
Occupational Tax Certificate (AKA "Local Business License")	\$150	\$130	\$180
Plan Review	\$250-250+	\$100-200+	\$150-300+

Not too shabby, Pine Lake. But what’s with all those ranges? Well, even though the numbers average out similarly, our neighbors are a bit more sophisticated, calculating fees based on a quotient that takes—in the case of properties, permits, etc.—the value of a project, and the zoning of the property (commercial, residential).

And therein lies the thought behind a professional study, what’s in a fee? That which we assess a permit at any other rate, would it cost as much? Okay, that was gobbledygook. But I think you get the picture. We need to take a *holistic approach* to fee assessments. And it doesn’t end at doing the right thing; there’s a practical reasoning, too.

Keeping Us Above Board

Look, I’m gonna wrap this up with my *opinion*, dear reader. From where I sit, you can’t build community by saying no and putting a price tag on everything. If you’re all stick and no carrot, you might find yourself tending to a barren farm.



So, as we look at further researching and adopting a new and improved fee schedule, it would behoove us to keep in mind our administrative bandwidth and practical “return on investment.”

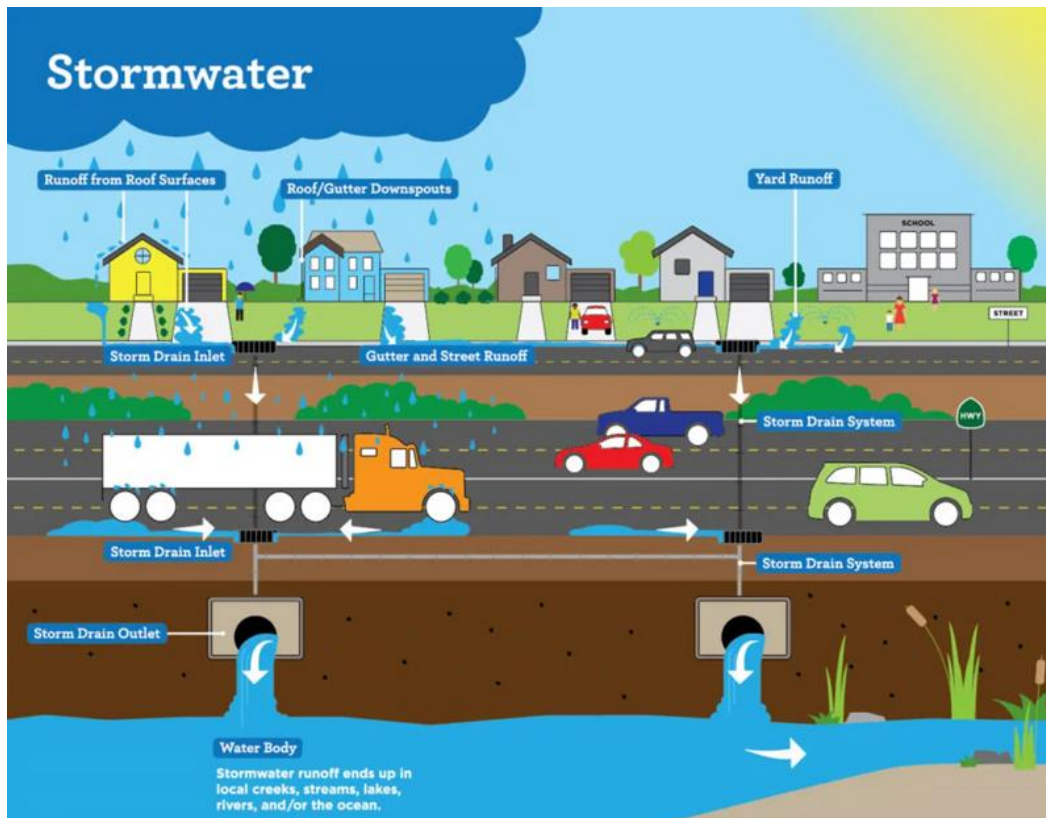
Overplay your hand, and you incentivize deception and dodging. That takes us out of the conference room and into the court room. *Underbid*, however, and you wind up writing checks to your plan reviewer and erosion control inspector right out of the taxpayer’s pocket. With the right attention and professional approach, we will *hit* that proverbial sweet spot.

FINANCE

Stephen Mayer, Finance Director

Stormwater Utility Fees

Stormwater utility fees are commonly used by municipalities and counties throughout Georgia to fund the operation, maintenance, repair, and replacement of public drainage and stormwater infrastructure. Unlike property taxes, stormwater fees are generally structured as utility-style fees based on a property's impact on the stormwater system, often using impervious surface area or Equivalent Residential Units (ERUs). Pine Lake's current rate is \$100 per Equivalent Residential Unit.



Stormwater utilities provide a dedicated funding source for infrastructure needs that might otherwise compete with general governmental operations and public safety services. Many Georgia local governments periodically review and adjust stormwater utility fees to address aging infrastructure, increased operational costs, regulatory requirements, and long-term capital improvement needs.

Common Uses of Stormwater Utility Fees

- Drainage system maintenance and repairs
- Flood mitigation and erosion control
- Stormwater pipe and culvert replacement

- Water quality and environmental compliance
- Capital infrastructure improvements
- Long-term infrastructure sustainability

Common Factors Considered in Fee Adjustments

- Aging infrastructure and deferred maintenance
- Inflationary increases in operational costs
- Increased stormwater management needs
- Regulatory and environmental compliance requirements
- Long-term financial sustainability
- Capital improvement planning

Typical Process for Stormwater Fee Adjustments

Adjustments to stormwater utility fees are generally implemented through formal action of the governing authority, typically by resolution, ordinance, or adoption of an updated rate schedule in accordance with local policy and applicable Georgia law.

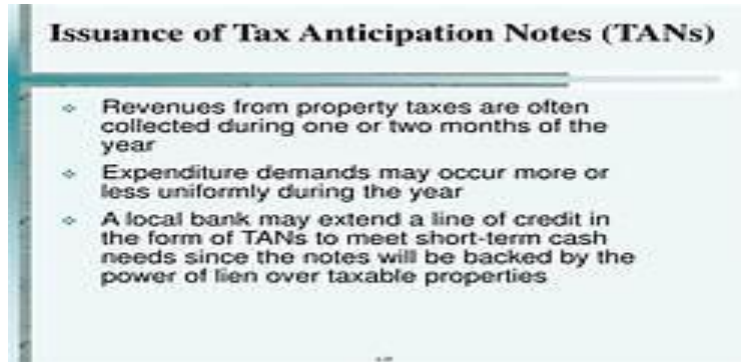
The review process commonly includes:

- Evaluation of current revenues and expenditures
- Assessment of operational and infrastructure needs
- Review of rate sufficiency and long-term sustainability
- Governing authority discussion, consideration, approval and adoption of a resolution to the Office of the Tax Commissioner
- Public communication regarding the purpose and impact of the proposed adjustment

Tax Anticipation Notes (TANs)



Tax Anticipation Notes (TANs) are short-term financing instruments commonly used by Georgia local governments to address temporary timing differences between operational expenditures and the collection of property tax revenues. TANs are considered a standard cash flow management tool and are not intended to finance long-term deficits or ongoing structural budget imbalances.



Local governments may utilize TANs to maintain continuity of operations and meet essential obligations until anticipated revenues are received later in the fiscal year. TANs are typically repaid from property tax collections and generally mature within the same fiscal year in which they are issued.

Common Uses of TANs

- Payroll and employee benefits
- Public safety and operational expenditures
- Vendor and contractual obligations
- Utility and insurance payments
- Temporary cash flow stabilization
- Preservation of working capital reserves

Typical TAN Issuance Process

- Cash flow analysis and revenue forecasting
- Determination of short-term borrowing needs
- Governing authority approval
- Coordination with financial advisors and bond counsel
- Issuance and repayment planning

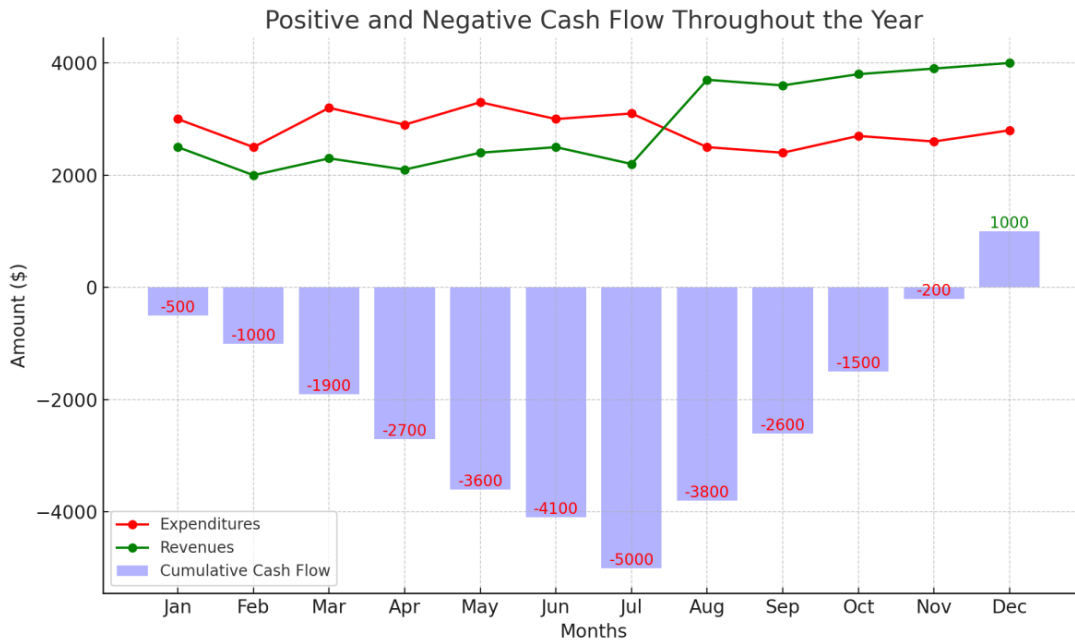
Cash Flow and Borrowing Needs

76% of budgeted General Fund revenue for Pine Lake is collected in the final four months of the fiscal year. These revenues include your property taxes, sanitation fee/plot tax, and insurance premium tax. This leaves only 24% of all other General Fund revenues to cover the City's ongoing cash needs for employee pay and benefits, vendor services, supplies, and other costs. These revenue sources include licenses and permits (e.g. building permits), charges for services (building rentals), municipal court fines, and miscellaneous revenue (e.g. proceeds from surplus property sales) and are collected a little more evenly throughout the year.

When comparing revenues and expenditures for the General Fund for the months of May through August for Fiscal Year 2024 and Fiscal Year 2025, the average monthly negative cash flow was

\$89,014 and \$133,696 respectively. That’s \$356,056 and \$534,784 of negative cash flow across four months. This isn’t necessarily an issue if sufficient revenue is collected in the prior year with the intention of covering these periods.

However, when expenditures are more than revenues in total, that causes cash reserves to decrease with time, and leads to insufficient cash needed to fund the City’s operations. This is the current situation for Pine Lake. We will not have enough cash in our General Fund to finance operations through September of this year, which is about the time revenues start to outpace expenditures. Staff will be requesting at the May 26 Regular Meeting for Council’s approval of a Tax Anticipation Note to cover this gap in funding. The amount, terms, and issuance costs of the note will be presented at that time.



It’s important to emphasize that TANs are commonplace in Georgia local government, in DeKalb County and elsewhere. Many municipalities rely on property taxes to fund most of their General Fund operations, and given the common process of annual billings, this can lead to the cash flow deficits described above. Some municipalities also use TANs to preserve their working capital reserves also mentioned above. That’s usually an extra precaution that allows a City to respond if emergency spending is needed. So, even though Pine Lake needs a TAN for 2026, this does not mean it will be an annual requirement. As discussed a few times now between City Council and City Manager, options do exist for Pine Lake to improve upon its financial position in both the short and long term.

PUBLIC SAFETY

Sarai Y'Hudah-Green, Police Chief

Community Policing and Public Safety

The Pine Lake Police Department continues to stay actively engaged in both community outreach and public safety initiatives. Officers recently participated in DeKalb Preparatory Academy Career Day, connecting with students and encouraging the next generation of leaders, while also successfully completing departmental range requalification to maintain training standards and operational readiness. In addition, the Department executed two (2) Emergency Protective Orders, reflecting our continued commitment to victim safety, timely intervention, and serving the community with professionalism and care.



Code Compliance

Code Compliance, Police Administration, and City Hall recently partnered on a coordinated outreach initiative, going door-to-door to meet and welcome our newly annexed businesses. This informal “meet and greet” effort included canvassing the plaza areas and connecting directly with property managers to ensure that all businesses operating within the City of Pine Lake are properly permitted and aligned with City requirements. Equally important, this initiative allowed us to extend a warm welcome to our new business community.

We are committed to working collaboratively to ensure all businesses are in good standing and positioned for success within Pine Lake. We look forward to building strong partnerships and supporting continued growth within our community.



Community Service

Our volunteers continue supporting Public Works on community improvement projects that help maintain clean, safe, and welcoming shared spaces. As seasonal activity increases, volunteers will also assist on alternating weekends to help support lakefront activity and traffic management throughout the summer season.

PUBLIC WORKS

Bernard Kendrick, Public Works Director

Integrated Pest Management



Public Works Director Kendrick has earned a State of Georgia Commercial Pesticide Applicator license.

The license is valid for five years and authorizes the legal use of restricted-use pesticides and herbicides. Director Kendrick earned this license to support the City of Pine Lake's Bee City application. To become a Bee City affiliate, pesticide applicators, including City staff and third-party contractors, must follow the City's adopted Integrated Pest Management (IPM) plan.

Staff will prepare a model IPM plan for formal adoption by City Council. The adopted IPM plan will prioritize **non-chemical methods** and **strictly limit pesticide use**.

Director Kendrick will continue to complete annual training and obtain additional licenses in Right of Way Management, Ornamental and Turfgrass Management, Mosquito Surveillance and Control, and Aquatic Pest Management.

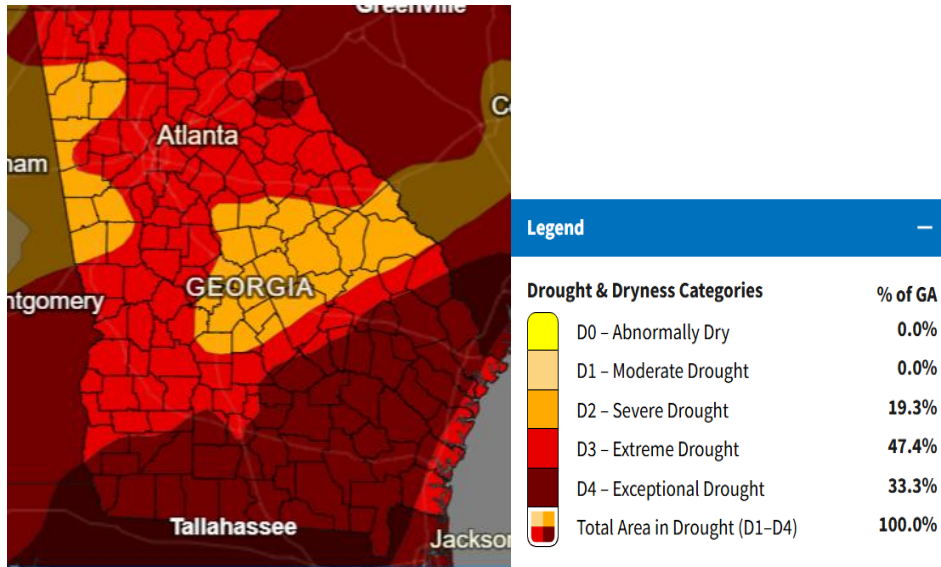
Director Kendrick was previously licensed in IPM in both Florida and South Carolina.

Beach House Repairs



Repairs to the plumbing and electrical will begin May 11 – May 15. The installation of the outdoor lighting will begin on May 19th. These dates have been coordinated with P.L.A.I.N and the reservations calendar. The next 2 weeks will be enough for completion.

Drought Conditions Continue



As of April 22, 2026, The Georgia Department of Agriculture has designated 126 Georgia counties as primary natural disaster areas due to severe, ongoing drought. DeKalb County has been designated as one of 23 counties contiguous to those primary natural disaster areas.

100% of the state is in severe to exceptional drought for the first time since the drought monitor began in 2000.

Drought conditions have contributed to [wildfires across South Georgia](#) with [burn bans](#) now in place for much of the state. Earlier this week the Georgia Environmental Protection Division declared a [level 1 drought response](#), urging state residents to conserve water where possible.

Good news is that the prolonged dry stretch has come to a temporary end, and more meaningful rain is in store over the next few days. May, however, is typically one of the driest months across the state.