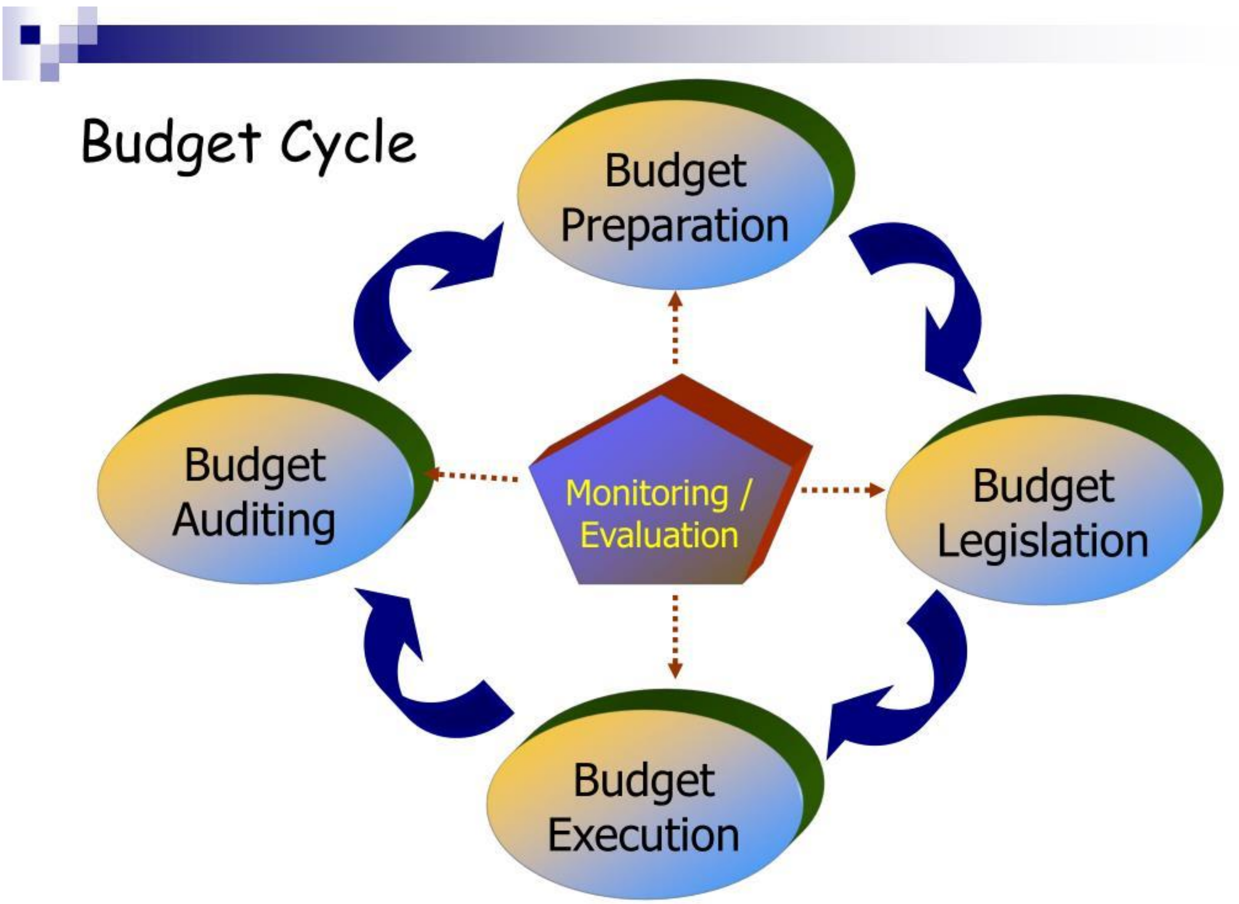
# STRATEGIC PERFORMANCE REPORT

# SEPTEMBER 2026




Good day Council Members and Happy September 2026 to our Pine Lake Neighbors,

I am pleased to share with you the seventeenth installment (following an August publication respite) 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.

As the fall season approaches, after a busy summer season including unplanned vacancies in elected and appointed positions as well as activities to refill those via qualifications, elections, and appointments, a new budgeting cycle for 2027 is upon us. Along with the usual updates on departmental operations, Pine Lake's annual budgeting process is the focus of this month's Strategic Performance Report. We are rethinking how the budget is prepared, legislated, executed, and evaluated. Much change lies ahead and there's no better tool to kick it off than the budgeting process itself. Our process this next year is partnered with the several thousands of local governments that look to the Government Finance Officers Association for guidance, renewal, and innovation annually.

As you know having been primary participants, after months of study, presentations, discussion, outreach, questions, answers, feedback, deliberations, and decisive action, the Pine Lake Council restored a structurally balanced budget for the current 2026 cycle in adjusting the property tax and stormwater fee rates. As those policy discussions took place as well as other finance related agenda items were deliberated this summer, the City Council prioritized the need to develop and memorialize financial policies that will meet sustainability goals for Pine Lake's enduring and long-term future.

However, the utilization of the budgeting process for policy development is only a fraction of the four components recommended to best enlighten and engage Pine Lake stakeholders; the other three components utilize the budget as a financial plan, communications tool, and operations guide. The pages ahead will outline the criteria developed by the Government Finance Officers Association for continuing to build upon the inaugural Pine Lake 2026 Budget Document to reach budgetary distinction. The start of the comprehensive development and review process for preparation of the Fiscal Year 2027 Budget begins now.

## DISTINGUISHED BUDGETING GUIDELINES

The Government Finance Officers Association (GFOA), founded in 1906, represents public finance officials throughout the United States and Canada. The association's more than 30,000 members are federal, state/provincial, and local finance officials deeply involved in planning, financing, and implementing thousands of governmental operations in each of their jurisdictions. GFOA's mission is to advance excellence in public finance. I have relied upon their expertise in guiding our path in preparing the 2027 Budget.

GFOA has established specific criteria for budget documents to ensure that they serve as effective policy documents, financial plans, operations guides, and communication tools. These criteria include requirements for clarity, completeness, and transparency in presenting financial information.

Understanding the GFOA criteria is essential for effective budgeting:

- Clarity – budget documents must be clear and understandable to the public and decision-makers.
- Financial – information should include beginning and ending fund balances, revenues, expenditures, and other financing sources.
- Comprehensive – documents must excel in presenting financial data and operational plans.
- Amendment – procedures for amending the budget after adoption must be clearly described.

*GFOA recommends that governments strive for broader consumption and greater comprehension of the budget document.*

The budget document is very important, since it identifies the services to be provided (along with the funding), and the rationale behind key decisions. Because of the time required to read and understand the entire budget document, a concise summary (such as the City Manager's Transmittal Letter/Budget Message) that captures these elements is essential. Users of the budget document will benefit from a high-quality report that promotes better communication, which makes it easier to comprehend the information presented.

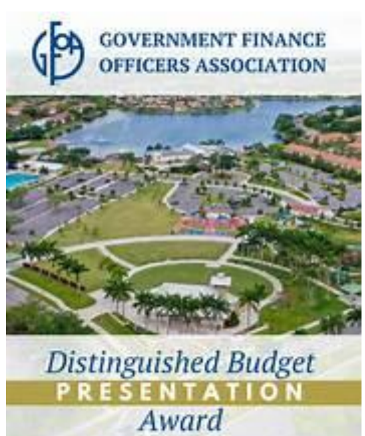
*GFOA recommends that governments incorporate the following guidelines to facilitate broader consumption and greater comprehension of the budget document.*

*Organization.* Improving the organization of a budget document lessens redundancy and allows for a better flow of information through a more logical sequence. While governments may develop their own organizing principles, the twenty-seven criteria in the GFOA's Distinguished Budget Presentation Awards Program are arranged in a sequence that may be used to organize a budget document. There are six major sections within the criteria including:

1. Introduction and overview.
2. Financial structure, policy and process.
3. Financial summaries.
4. Capital and debt.
5. Departmental information.
6. Document-wide criteria (glossary and statistical/supplemental section).

*Detail.* Excessive detail can provide a hindrance to the understanding of a government's budget document. Limit the number of financial schedules, text, and supplemental data to what is necessary in conveying key information. Rounding dollars to thousands or millions in the financial schedules is an effective way to present data. Showing headcount/position data without decimal points is easier to follow. An inordinate amount of account detail can distract from the primary points presented in the budget document. Eliminating numerical errors and typos improves the credibility of the budget document so proof the content.

*Design.* The design of the budget document should be simple and easy to use, but attractive. Hard copy budget documents should have an appealing front cover with tabs and dividers to differentiate major sections. An electronic document should use such options as bookmarks and hyperlinks between the table of contents and specific pages. The use of color (especially in charts and pictures) can be a good design tool and make information easier to understand.




*Consistency.* Since different individuals usually contribute to the content of the budget document, make sure that information is presented in a way that the work of one individual does not overlap or contradict that of another. For instance, departmental presentations within a budget document should be consistent between departments.

*Highlights.* A budget-in-brief can be presented as an internal or external feature that highlights major points from the budget document. Governments frequently use budget-in-briefs as a supplement to their main budget document. Whether presenting information in a budget-in-brief or the main budget document, the effective use of tables, charts, and graphs can help in communicating information, which then saves narrative for analysis/interpretation.

*Format.* The usefulness of a document is enhanced when a government observes the following formatting conventions. If a document is issued in hardcopy form, the web site version should be identical. Font size, page layout (i.e., portrait versus landscape), and direction should be consistent throughout the report. Pages should be numbered sequentially, avoiding special characters. Also, page numbering should be synchronized between electronic and printed versions.

GFOA has established specific criteria for budget documents to ensure that they serve as effective policy documents, financial plans, operations guides, and communication tools. Detailed criteria is broken down for each component below:

## Policy Document


The policy document must include these four components:

- Strategic Goals and Strategies
  - ✓ Provide a coherent statement of organization-wide, strategic goals and strategies that address long-term concerns and issues.

- Priorities and Issues
  - ✓ Provide a budget message that articulates priorities and issues for the upcoming year. The message should describe significant changes in priorities from the current year and explain the factors that led to those changes. The message may take one of several forms (e.g., transmittal letter, budget summary section).

- Financial Policies
    - ✓ Include a coherent statement of entity-wide long-term financial policies.

- Budget Process
    - ✓ Describe the process for preparing, reviewing, and adopting the budget for the coming fiscal year. Also, describe the procedures for amending the budget after adoption.

## Financial Plan


The financial plan must include these seven components:

- Fund Descriptions and Fund Structure
    - ✓ Describe all funds that are subject to appropriation.

- Consolidated Financial Schedule
    - ✓ Present a summary of major revenues and expenditures, as well as other financing sources and uses, to provide an overview of the total resources budgeted by the organization.

- Three Year Consolidated and Fund Financial Schedules
    - ✓ Include summaries of revenues and other financing sources, and of expenditures and other financing uses for the prior year actual, the current year budget and/or estimated current year actual, and the proposed budget year.

- Fund Balance
    - ✓ Include projected changes in fund balance/net position for appropriated funds included in the budget presentation.

- Revenues
    - ✓ Describe major revenue sources, explain the underlying assumptions for the revenue estimates, and discuss significant revenue trends.

- Capital Program
    - ✓ Include budgeted capital expenditures, whether authorized in the operating budget or in a separate capital budget.

- Debt
    - ✓ Include financial data on current debt obligations, describe the relationship between current debt levels and legal debt limits, and explain the effects of existing debt levels on current operations.

## Operations Guide

The operations guide must include these four components:

- Organization Chart
    - ✓ What's it all about?
      This criterion requires that a legible organization chart be presented for the overall agency. Organization charts for individual units are not required.
    - ✓ How to put it into practice?
      Provide an organization chart for your entire entity.
      When organization charts are provided for individual units within your agency, those charts should be presented in a way that underscores the link between the individual unit and the overall entity.
      Explain how the organization structure helps in achieving your agency's goals.

- Position Summary Schedule
    - ✓ What's it all about?
      Here, it's required to present position counts or full-time equivalents (FTEs) within your agency. The presentation may be by position and/or by summaries of positions.
    - ✓ How to put it into practice?
      Provide a schedule or summary table of personnel or position counts for prior, current, and budgeted years.
      If presented, position counts on the departmental summaries should tie to the consolidated position count schedule for your agency as a whole.

- Departmental/Program Description
    - ✓ What's it all about?
      This criterion requires a clear presentation of your agency's organizational/departmental programs. A narrative description of the assigned services, functions, programs, and activities of organizational units should be included.


- ✓ How to put it into practice?
  Include departmental/program descriptions and address major priorities within each organizational unit.

- Performance measures
  - ✓ What's it all about?
    Performance measures should include the outputs of individual departments or programs and provide a meaningful way to assess their effectiveness and efficiency.
  - ✓ How to put it into practice?
    Provide objective measures of progress toward accomplishing your government's mission as well as goals and objectives for specific departments and programs. The measures should be related to the mission, goals, and objectives of each department or program.
    Include information for at least three years (the prior year actual, current year estimate or budget, and budget year).
    Present anticipated results.

## Communications Tool


The communications tool must include these two components:

- Table of Contents
  - ✓ Include a table of contents that facilitates easy access to information.

- Budget Overview
  - ✓ An overview of significant budgetary items and trends should be provided. The overview should be presented within the budget as a separate section (e.g., budget-in-brief) or integrated within the transmittal letter.


In January 2022, the International City Management Association (ICMA) and Government Finance Officers Association jointly published a white paper, "Why Do We Need To Rethink Budgeting?" The study convened a group of officials from local governments of all types and sizes across North America. They were joined by leading academics who study public budgeting. Along with GFOA staff, they conducted a deep investigation of key weaknesses of the conventional local government approach to planning, budgeting, and monitoring/reporting. For extracurricular reading, the white paper link can be copied and pasted from below:

https://gfoa-craftcms.files.svdcdn.com/production/general/Why-Do-We-Need-to-Rethink-Budgeting_R3.pdf?dm=1759231576

"Local governments have long relied on incremental, line item budgeting where last year's budget becomes next year's budget with changes around the margin. Though this form of budgeting has its advantages and can be useful under circumstances of stability, it also has important disadvantages. The primary disadvantage is that it causes local governments to be slow to adapt to changing conditions.

The premise of the Rethinking Budgeting initiative is that the public finance profession has an opportunity to update local government budgeting practices to take advantage of new ways of thinking, new technologies, and to better meet the changing needs of communities.

The Rethinking Budgeting initiative will raise new and interesting ideas like those featured in this paper and will produce guidance for state and local policy makers on how local government budget systems can be adapted to today's needs.

What is Our Plan for Rethinking Budgeting?

The budget is, arguably, the most important policy a local government produces. It describes how government's limited resources will be used and who gets those resources. A policy that important can be difficult and complicated to do well.

A time-honored method for tackling a difficult problem is to break it down into smaller parts. Hence, we will break budgeting down into three parts: Planning is articulating a desired future state for the organization. Budgeting is allocating a local government's limited resources. Monitoring/reporting is making sure that the commitments made during planning and budgeting are lived up to and maintaining an understanding of the environment."

Let's go!

Very truly yours,

Stanley D Hawthorne

**City Manager**
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PINE LAKE GEORGIA
Arts' Natural Habitat

# CITY CLERK'S OFFICE/GENERAL GOVERNMENT

## Ned Dagenhard, City Clerk/Assistant to City Manager

*Media Production Permitting*

*"I go and lie down where the wood drake rests his beauty on the water, and the great heron feeds. I come into the peace of wild things…" -Wendell Berry*

Maybe that has nothing to do with media production permitting, fees, or calculating the impact of said-productions on our narrow streets, but I can't *not* take the opportunity to drop some Wendell Berry—who passed on last week—on ye gentle reader. If you don't know his works, and you live or spend time in Pine Lake, then something is certainly *off*. I recommend pausing for a moment to read his poem, "The Peace of Wild Things"—quoted above—in its entirety. It's short. I'll wait.

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Isn't that wonderful? Okay, on with it then. Back in May's SPR, the Department of General Government teed up discussion about permitting and licenses, the process we follow for collecting applications and supporting documents, and the fees charged to the applicant as part of that process. The question I and other fans of honest-no-nonsense-don't-just-take-people's-money government need ask throughout that process is, "*what is the applicant paying for?"*

*The Karma of Permitting*

If you have trouble with that question, it should give you pause. If you're a humble clerk, like yours truly, you may present the question to subject matter expert and—eventually—to the governing authority for deliberation and correction.

Luckily, we seldom have trouble with that question in Pine Lake. Take an electrical permit, for example. An electrician's application is approved, we charge $150 and they get their permit. Of that $150, about $126 goes to our inspection authority and the other $24 comes to the City. So, *"what is the applicant paying for?"* Well, $126 gets you inspections, $24 gets you administrative support—application review, permit issuance, and wiring approval for Georgia Power to turn power back on once the inspection passes. Passing grade on "honest-no-nonsense-don't-just-take-people's-money."

There's another question worth asking, though. That is, *"Is the City being properly compensated for the impact this project has on staff, residents, and the public areas?"* Not quite as succinct as the first question, but it gets you there. Is everything lining up?

*Worth the Money…*

This is what we're playing with today, and we're targeting media production permitting. Currently, the City has a very simple fee structure for media production and filming. $100 for low impact productions, $250 for high impact productions, and $100 per day of filming.

But what about road closures? What about reviewing changes to ingress and egress to ensure emergency vehicles can still access Ridge Drive? What about construction of a base camp (trailers, easy-ups, and teamster trucks) on City-owned property, or the effort taken by the City to facilitate establishment of a base camp on private property (like the church parking lot)? These are areas where, essentially, the City runs the risk of handing out freebies to studios.

*Help from a Neighbor*

Do we lose sleep when we don't squeeze some more cash out of a student's end-term short film project? Of course not. But what happens when Paramount or Netflix wants to film for three weeks and hop around the City, closing different roads every few days? We could very easily wind up expending valuable staff time at the cost of residents rather than film studios.

Currently, the Department of General Government is working with neighboring jurisdictions to get a lay of the land—getting to know Stone Mountain's process will help shape our own, for example. What kind of documents are presented as part of a road closure plan review? How does security and liability function? These are the questions we'll be answering in the coming weeks and months. We want to court media production in Pine Lake, but we also want to make sure Pine Lake's best intertest is protected.

As noted in other sections of this same Strategic Performance Report, we are approaching budget development season. And while reworking media production permitting fees likely won't result in a big revenue bump, it leads us down the right path. It gets us on mulling the right questions. Because in the interest of the City's annual expenses, resources and efficiency can matter as much as dollars and cents.

# FINANCE (encore report)

## Stephen Mayer, Finance Director

*Tax Anticipation Note Finalized*

All documents related to the Tax Anticipation Note (TAN) have been executed and the city's first drawdown of funds has been received. The TAN was a necessity for Pine Lake this year to ensure cash was available for ongoing obligations. Most of Pine Lake's revenue is from property taxes and collected in September through December. This causes cash deficits (payments are greater than collections) for the months of January through August. The agreement with Renasant was for $450,000 at 4.9% with principal and interest due on December 31, 2026. It's a line of credit, so we only draw down funds as we need it. This helps save on interest costs. What a TAN is and the city's need for one in 2026 was discussed in the May Strategic Performance Report and during the May 12 Work Session.

*Millage Rate Set*

City Council made a tough decision to increase the millage rate from 19.400 mills to 23.825 at the June 30 Regular Meeting. That's a 19.38% tax increase or an increase of $464.16 for a property with a fair market value of $300,000. Council made this decision knowing that homestead property owners would not be paying the full amount of this increase. The Governor and General Assembly approved a Homeowner Tax Relief Grant (HTRG), which will be an additional $18,000 exemption. That's $428.85 in tax savings, which will appear on the tax bill as a credit. The net increase after the HTRG for a property with $300,000 fair market value is $35.31or 1.53%! That means the State is paying most of the 19.38% increase in taxes through the HTRG. All millage rate documents have been submitted to the DeKalb County Tax Commissioner. Tax bills are typically due in two installments. One in September and one in November.


*Banking and Investment Changes*

Council authorized staff to change banking institutions from Truist to Renasant and to explore investment account options with Georgia Fund 1. Conversations with Renasant bank for deposit and money market accounts have started. Once we have an idea of what accounts will be held at Renasant, staff will open accounts at Georgia Fund 1. The City is moving to a new banking institution in the hopes of developing a better partnership than what exists at Truist currently. Truist refused to offer a TAN to Pine Lake because we were too small. They turned us down in a time of need, which is not the kind of bank we want to be in business with. We're also aiming to earn better interest rates on our idle cash. It's wasteful not to do so, and Truist has allowed this for years. More updates on these changes in the coming weeks as more information becomes available.


Source: Grafner, Getty Images for Canva Pro

*What's Next?*

With the millage rate set, and Council's request for finance policy development, we'll now be shifting our focus away from property taxes, the tax anticipation note, and stormwater fees. Finance needs to get back to focusing on starting and completing the 2025 financial audit. The consequences of being behind is significant. Council and staff's desire (and need) is to monitor the financial condition of the city on a monthly, quarterly, and annual basis. It's a challenge to do so when amounts from prior years aren't finalized yet. The information used to monitor feels incomplete. We don't have a known starting Fund Balance to monitor changes, and we can't compare performance in revenue and expenditure accounts from one year to the next until those amounts are known. We have filed an extension with the State for the 2025 audit, which gives us a new due date of December 31, 2026. This allows us to remain compliant with State law; however, the goal remains to finish much sooner. I'd like to be done with the audit in September or October given where we are today and with the hopes of having more dedicated time to this task.

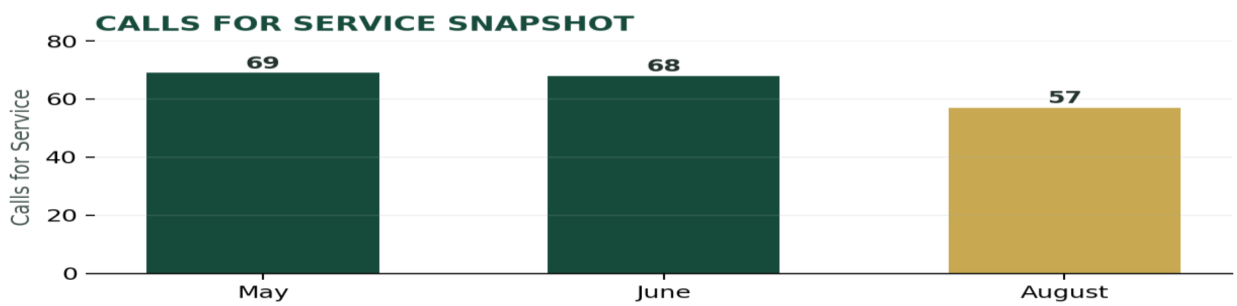

Council has requested some financial reporting requirements and Finance has encouraged policies to help drive those requirements. I think it's wise to be thinking on a set of financial policies that help guide Council and staff on sound financial management decisions. Policies are not something created overnight and should be tailored to the specific needs of that city. However, I think the start of this process is okay, and we should all keep in mind a realistic timeline for the completion of this task. Once a policy is in place, city staff must comply with those requirements, and the last thing we want to do is implement a policy that we cannot realistically comply with. The main point of Council, as I understand it, is regular financial reporting to help with their oversight of the city's finances. This is a reasonable request and a must for them to do their job with confidence. I think we can meet Council's needs on financial reporting without having to rush policy development and implementation. The current plan is to provide an outline of this policy development at the July Work Session and is being headed up by the City Manager. Finance is looking forward to further discussions and progression on the development of regular financial reporting packages.

# PUBLIC SAFETY

## Sarai Y'Hudah-Green, Police Chief

*August 2026 At A Glance*

- 57 Calls for Service
- UNDERWAY Security Enhancements - Council Presentation September 29
- ACTIVE Community Service Program
- 18 Active Code Compliance Cases
- ACTIVE BRACE Grant Development
- PENDING In-Car Computer and Printer Project




*Community Policing and Public Safety*

The big public-safety win for August was Pine Lake's National Night Out. Community members and neighbors joined first responders, surrounding public safety agencies, county representatives, and elected officials in a celebration of partnership and community. This year's theme was "Reboot," and that is exactly what we did-reconnecting, strengthening relationships, and renewing our shared commitment to keeping Pine Lake safe.

*Code Compliance*

Code Compliance remained busy throughout August, with 18 active cases. Our objective is not to be punitive, but to educate residents about health and safety requirements and the City's ordinances while encouraging timely, voluntary compliance whenever possible.

*Community Service*

The Community Service Program continues to perform well. The department has assisted the Department of Community Supervision and county probationers with completing court-mandated service hours. During August, three additional volunteers completed their requirements, contributing a combined total of more than 300 hours of service to the community.

*Special Projects and Operational Readiness*

Security enhancement projects remain underway and are scheduled for presentation to the City Council on September 29, 2026.

The Police Department is actively developing a BRACE grant proposal to support a community cleanup initiative focused on reducing litter, blight, and illegal dumping. Proposed activities include an Amnesty Day with dumpsters for resident cleanup debris, a litter-prevention workshop, and coordinated clearing of overgrown rights-of-way along Pine Lake's narrow roads.

Lastly, the in-car computer and printer project remains pending as we prepare to replace the printer in the final vehicle.

*Chief's Remarks*

Pine Lake has begun to slow down from the fast pace of summer as we approach the end of swim season and prepare for what I call our "festival season." This year, three events are scheduled, and we are preparing our employees and collaborating with event organizers and City staff to help ensure each event runs safely and smoothly.

I would also like to thank everyone who came out and participated in National Night Out—our big community win for the month of August. Your presence, partnership, and support are what make Pine Lake special.