

**City of Pickens
Special Called Meeting
October 22, 2025
10:30 a.m.**

The Mayor and City Council convened at City Hall 219 Pendleton Street, Pickens S.C. for a Special Called Work Session. Agendas were posted and sent to media on October 20, 2025.

Council Members in Attendance:

Mayor, Isaiah Scipio
Mayor Pro-Tem Cameron Rivers
Council Member, John McManus
Council Member, Floyd Rogers
Council Member, Ray Wilson
Council Member Allie Winter

Staff:

Administrator Tim O'Briant
Finance Director, Mandy Hess
Public Works Director, Trey Adams
Kayla McJunkin, Front Office Manager
Dana Epps, Finance
Randal Beach, Police Chief
Chris Elrod, Fire Chief
Recreation Director, Jonathon Morris

(The minutes are a synopsis of the meeting, and they are not a verbatim discussion. Full viewing and recording of the meeting is available on the City of Pickens Web-page and Facebook. Also, the full agenda packet with all departmental reports are available in the City Clerk's office.)

This was an informal work session for Council to hear and openly discuss the following items. The minutes will not be as detailed and the entire livestream is available on the website, and can be viewed in the City Clerk's office

WELCOME AND CALL TO ORDER:

Mayor Scipio called the meeting to order and welcomed those in attendance. Mayor Scipio called upon Police Chief Randal Beach to give the invocation followed by the Pledge of Allegiance.

DISCUSSION AS IT RELATES TO SOUTH CAROLINA HOUSING TRUST PROGRAMS AND FUNDING AVAILABILITY – WORKFORCE HOUSING IN PICKENS:

City Council heard a presentation from Mr. Todd Latiff and Robert Macdonald.

The South Carolina Housing Trust Fund (SC HTF) provides financial support for affordable housing initiatives, including home repairs, disaster recovery, and builder incentives—resources that can directly benefit residents and developers in the City of Pickens. The South Carolina Housing Trust Fund (HTF) is a state-funded program administered by SC Housing. Its mission is to develop and preserve safe, decent, and affordable housing for low- to very low-income households across South Carolina.

SC HTF operates through several targeted initiatives:

- Home Repair Program: Assists homeowners with general repairs to maintain safe living conditions.
- Critical Home Repair Program: Focuses on urgent repairs that affect health and safety, such as roofing, plumbing, or HVAC issues.
- Supportive Housing Program: Funds housing projects that serve vulnerable populations, including seniors, people with disabilities, and those experiencing homelessness.
- Disaster Assistance Program (DAP): Provides emergency housing support and repair funding after natural disasters.

During the presentation, SC HTF officials outlined several ways the program can support the city:

- Grants for homeowners: Residents in Pickens may qualify for funding to repair or modify their homes, especially for accessibility or disaster recovery needs.
- Builder incentives: Developers in Pickens can access workforce housing incentives to build affordable homes, helping address local housing shortages.
- Partnership opportunities: The city can collaborate with SC Housing and nonprofit organizations to expand affordable housing options and improve housing conditions.

Council members inquired about several items and declared they would begin the application process.

>>Council Member John McManus moved to have a short recess, motion was seconded by Council Member Ray Wilson and unanimously passed.

>>Motion was made by Council Member Allie Winter, seconded by Council Member Floyd Rogers, and unanimously passed to convene from recess.

FINANCIAL PLANNING MODEL FOR CURRENT AND FUTURE YEARS WITH EXAMPLE PROJECTS FOR INITIAL COUNCIL REVIEW:

Administrator Tim O'Briant presented a detailed spreadsheet and explained the City of Pickens has partnered with First Tryon Advisors, a firm specializing in government finance, to develop a custom financial dashboard. This tool helps visualize:

- Current and future capital projects
- Fund balances (hospitality, general, utility)
- Debt service obligations
- Revenue and expense projections (with 3% inflation applied)
- Impact of project timing and funding sources

It is a living document updated with audited financials and used to simulate scenarios like:

- Pay-as-you-go vs. debt-financed projects
- Prioritization of amenities (e.g., splash pad vs. skate park)

- Long-term infrastructure needs (e.g., sewer plant upgrades through 2041)
- Strategic Planning Capabilities, The model allows council and staff to:
- Toggle projects on/off to see financial impact
 - Plan for match funding to unlock state and federal grants
 - Forecast reserves and operating impacts through 2062
 - Make data-driven decisions on timing and funding sources (hospitality tax, general Reserves are not just “money we haven’t spent”—they are intentional safeguards and financial tools. Here's why they exist and why they are valuable:

>>Council asked several questions about reserves, bonding, and credit. Legal and Policy Requirements

- State law and city code mandate minimum reserve levels:
- 24% for the General Fund
- 16% for the Utility Fund
- These thresholds ensure fiscal stability and compliance with best practices.

Bonding and Creditworthiness

- Reserves are essential for maintaining a strong credit rating.
- They support revenue bonds, which rely on future utility revenues.
- Lenders and rating agencies assess whether the city can withstand disruptions (e.g., a tornado halting payment for six months).

Emergency Preparedness

- Reserves function as a rainy-day fund for unforeseen events.
- They ensure continuity of services like water, sewer, and public safety—even during crises.

Strategic Flexibility

- Reserves allow the city to:
- Pay cash for one-time capital projects (e.g., road resurfacing, splash pads)
- Avoid over-reliance on debt
- Match grant funding from state or federal sources

Cash Flow Management: With the state withholding up to \$800,000 due to audit delays, reserves ensure payroll and services continue uninterrupted.

Mr. O’Briant stated The city hasn’t tapped reserves yet but is prepared to do so responsibly and reimburse itself once state funds are released.

>>Council will propose an Ordinance regarding Audit Compliance.

- It reinforces accountability beyond state mandates
- It signals good faith to legislators, rating agencies, and residents
- It assist in preventing future funding freezes like the current one

Mayor Scipio asked Council members and staff about reviewing a preliminary list of capital projects for 2027 and beyond. Council held discussions about many projects, but discussed the following:

Garbage truck replacements
Fire Truck expenses/needs
Recreation center HVAC
Teen Canteen
SCADA system

Council discussed the need to group projects by their funding source before prioritizing:

- Hospitality Tax Fund: Restricted to tourism and recreation-related projects.
- General Fund: Broad flexibility for city operations and services.
- Utility Fund: Limited to water, sewer, and related infrastructure.
 - Department heads will review and confirm their top capital needs. Department Heads will become part of regular work sessions.
 - Council will prioritize based on updated input and financial modeling.
 - Visual tools and folders will support decision-making in upcoming work sessions.

UPDATE ON METER INSTALLATION PROCESS: TREY ADAMS AND KAYLA MCJUNKIN:

Trey Adam explained to Council what has happened with the new meter installation. Routes 1 through 6 have the new meters.

Initial Issues Identified:

- Route 1 had 241 meters.
 - Initially, 85–87 meters failed to transmit readings.
 - Troubleshooting steps reduced failures to 22 meters.
 - Corrected EID mismatches.
 - Replaced metal lids with plastic ones.
 - Adjusted meter working modes to match AMR system.
 - Identified meters too deep or in outdated boxes.
- Read Accuracy:
- Target: 3–8 missed reads per cycle.
 - Current: 22 missed reads in Route 1.
 - All meters still read accurately; issue is transmission, not data integrity
 - Testing 8–10 wired units for hard-to-reach meters.
 - Wired units transmit from a puck mounted on the lid.
 - May resolve issues with deep installations or metal obstructions.
 - Potential swap program with Consolidated for wired units.
 - Awaiting cost difference details.

Council members asked several questions about reading and billings. Kayla McJunkin explained one of the issues was that the staff was supposed to have a 2 or 3-day intensive training with Master Meter. This did not happen appropriately but is now resolved with better understanding between the meters and billing software.

The new meters can log usage retroactively from the time they were installed.

This means it's technically possible to retrieve water consumption data for the past 6 months.

- Flat fees were charged during the troubleshooting period.
- Actual usage was not billed, resulting in lost revenue for both water and sewer services.

- Sewer charges are based on water consumption, so underbilling affects both utilities. Councilman Rogers raised the question: Should the city go back and bill for actual usage now that data is available? Some members expressed concern about fairness, because customers were not at fault. Council also discussed businesses (e.g., restaurants, schools) which may have higher usage and greater impact on lost revenue.

Staff is doing more checks on meters. Also, water crews are carrying the plastic lids in the truck, and the wire for deeper meters. Mr. Adams stated more is being done with the actual installation. No new meters are being installed until there is resolve. Council needs to decide about going back after the lost revenue. The city is currently 6.8% behind trend, equating to approximately \$300,000 in lost collections for the year. Mr. O’Briant stated there is approximately \$296,000 in the budget for purchasing more meters. Therefore, since no further installations are being done at the present, this could help. Council discussed looking at the company for faulty meters to recover some of the loss and be fair. Mr. O’Briant also emphasized the equipment is working.

Council would like to continue keeping up with these issues and would like to see instructions in place as it relates to installation, settings, and software. Council would also like to have knowledge about issues like this sooner rather than later.

DISCUSSION AS IT RELATES TO CITY FINANCIAL REPORTS:

The State Treasurer’s Office is withholding all tax disbursements until the city submits its FY 2023–2024 audit, scheduled for January 2026. Mandy Hess went over the Finance Reports and reported on the State Withholding Revenue for incomplete Audits:

- Homestead Exemption reimbursements
- Merchants Inventory Tax
- Accommodations Tax
- Local Government Fund
- Local Option Tax
- Estimated \$700,000 in withheld funds from now until January.
- Funds will be released upon audit submission, regardless of audit findings.
- Audit submission triggers a verification via the financial clearinghouse, typically within a day.

Spending Freeze & Cash Flow Strategy

Recommendations:

- Implement spending freeze policy for discretionary expenses.
- Continue auditing expenditures (led by Dana Epps).
- Possibly tap into reserves if necessary, pending council approval.

Seasonal Revenue Dip:

- August–January is historically the city’s lowest revenue period.
- Applies to budgeted items that can be deferred.
- All spending must be reviewed by the finance director and administrator.
- If reserves are needed, council will vote on the amount and repayment terms.

Council Discussion Highlights

- Emphasis on avoiding a “run on the bank” once funds are released.
- Spending must remain aligned with budget priorities.
- Council does not need to vote on the freeze itself but will vote if reserve funds are needed.

>>Council Member Allie Winter moved to recess; motion was seconded by Council Member Ray Wilson. Council will recess for a 15–20-minute lunch.

>>Motion was made by Council Member Floyd Rogers, seconded by Council Member Allie Winter to reconvene from recess. Motion carried with a unanimous vote.

DISCUSSION AS IT RELATES TO POLICIES FOR BOARDS AND COMMISSIONS FOR THE CITY OF PICKENS:

Council reviewed a sample policy governing boards and commissions. Council preferred an ordinance and requested the policy be sent to the City Attorney.

Current City Boards Involved

- Planning Commission
- Board of Zoning Appeals (BZA)
- Board of Architectural Review (BAR)

Appointment & Vacancy Process

- **Application Access:** Board applications are available on the city website and promoted via Facebook.
- **Retention:** Applications are kept on file for two years.
- **Current Vacancies:** Two open seats on the BAR; outreach yielded three interested applicants.

Reporting & Oversight Structure

- **Staff Role:** Jennifer Vissage serves as staff liaison, not manager, to the boards.
- **Reporting Incidents:**
- Incidents or concerns should be reported to the clerk, who will notify all council members.
- The City Clerk will notify all council members as vacancies occur.

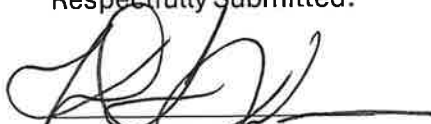
Term Limits & Succession

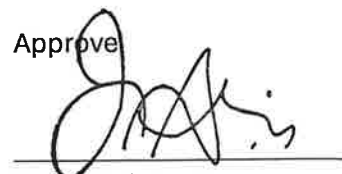
- **Current Practice:**
- Some boards have term limits (e.g., two terms), others do not.
- Planning Commission is considering aligning with BAR/BZA by requiring reappointment after four years.
- **90-Day Rule Proposal:** Council discussed leaving a member on the board until replaced. The City Attorney will advise.

ADJOURNMENT:

Hearing no further business, Mayor Scipio called for the motion to adjourn. Motion was made by Council Member John McManus, seconded by Council Member Floyd Rogers, and unanimously approved to adjourn. Pickens City Council stood adjourned at 2:18 p.m.

Respectfully Submitted:


Donna F. Owen, City Clerk

Approve

Isaiah Scipio, Mayor