



**BAMBERG COUNTY
FY24 BUDGET SUMMARY
PREPARED FOR COUNTY COUNCIL
DATE: MAY 22ND 2023**

BAMBERG COUNTY BUDGET HIGHLIGHTS AND CHALLENGES

Health Insurance

The County's "load factor" increased substantially in January of 2018, and has remained at relatively high levels since that time. Loading is based on the size of the group, age, gender, smoking, occupations, previous health claims, and other factors. A load factor of 1.0 simply means that your employees have the same amount of risk associated with them than the average of the entire group. Our load factor for 2024 is 1.320. meaning that Bamberg County employees have been deemed to be at a 32% higher risk than the average of all the employees on the State health plan.

The County normally has regular increase to the premiums, and then also must consider any load factor increase. Below is a table that shows our history of increases.

YEAR	% INCREASE	LOAD FACTOR
2014	9.00%	1.000
2015	9.00%	1.063
2016	4.50%	1.029
2017	0.60%	1.00
2018	3.75%	1.50
2019	0.00%	1.50
2020	0.00%	1.50
2021	0.00%	1.50
2022	6.0%	1.365
2023	18.1%	1.249
2024	3.7%	1.320

YEAR	PREMIUMS
FY18	\$ 737,000
FY19	\$ 1,013,000
FY20	\$ 1,064,000
FY21	\$ 1,111,600
FY22	\$ 1,133,965
FY23	\$ 1,005,453
FY24	\$ 1,170,785



PEBA
 SC Retirement Systems
 and State Health Plan

South Carolina Public Employee Benefit Authority

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 www.peba.sc.gov

BAMBERG COUNTY COUNCIL
 THOMAS M THOMAS
 PO BOX 149
 BAMBERG, SC 29003-0149

Date: 03/17/23
 Group ID: 7050100

RE: Experience rating for optional employers

Dear Employer:

The experience rating, or "load factor," for your employer group has been recalculated for 2024 using the most current health claims data. Your current load factor of 1.249 will remain in effect through December 31, 2023.

Effective January 1, 2024, the State Health Plan experience rating load factor for your employer group is 1.320. This load factor will be applied to the statewide rates in effect for 2024 for both the employer and subscriber contributions for the State Health Plan only. After the load factor is applied to the rates, the minimum employer contribution, as a percentage of the total contribution, should be the same as the statewide rates in effect for 2024 based on level of coverage. For example, in 2023, the employer share for Employee-only coverage in the State Health Plan Standard option is 82.58 percent of the total contribution, and for Employee/spouse is 79.20 percent of the total contribution. Rate tables with the new employer and employee premiums will be provided before the January 2024 billing.

2023 load factor:	1.249
2024 load factor:	1.320

This load factor will be in effect for twelve months and will end December 31, 2024. Please note that the load factor will continue to be recalculated and distributed annually.

It is important that you share this information with all benefits and payroll staff in your employer group. Please contact PEBA Analytics at analytics@peba.sc.gov with any questions you may have concerning the experience rating of health insurance for optional employers. Thank you for your participation in the state insurance program.

Sincerely,

Rob Tester
 Insurance Policy Director, Public Employee Benefit Authority

Thus, Health Insurance is increasing by \$165,332 in the FY24 Budget.

In past years, the County has absorbed all (100%) of the premium increases, meaning that the employees have not had any insurance premium increases for many years.

Below is a table that depicts what the County could require the employees to pay, compared to what the employees actually do pay.

Projected Rates at Load Factor of 1.320							
And also calculating an estimated 3.7% Increase to Premiums Employer, and 0% Increase to Employees							
Effective January 1, 2024 to June 30, 2024							
Represents a 3.7% increase		1.037 to Employer					
No increase to Employee premium		1.000 to Employee					
Premiums Per State				What the Employee & County Actually Pay			
		Employee	Employer	Total	Employee	Employer	Total
BB1	Subscriber	128.95	634.01	762.97	8.78	754.19	762.97
BB2	Subscriber + Spouse	334.48	1,320.96	1,655.44	143.16	1,512.28	1,655.44
BB3	Subscriber + Children	189.92	1,036.15	1,226.07	33.66	1,192.41	1,226.07
BB4	Family	404.73	1,673.56	2,078.29	98.18	1,980.11	2,078.29

If the County chose to pass along the increase, an employee with family coverage would pay a total of \$4,857 per year as opposed to what they are actually paying now, which is \$1,178 per year, \$3,679 per year savings to the employee.

Retirement Contributions

Retirement reform from 2018 continues to impact our budget. H.3726/S.394 made major changes to the SCRS and PORs. Below is a table that provides historical and future contribution rates for the employees and for the employer.

RETIREMENT CONTRIBUTION RATES				
	REGULAR		POLICE OFFICERS	
	EMPLOYEE	EMPLOYER	EMPLOYEE	EMPLOYER
FY12	7.0%	10.6%	7.0%	12.3%
FY13	7.0%	10.6%	7.50%	12.50%
FY14	7.5%	10.6%	7.84%	12.84%
FY15	8.0%	10.9%	8.41%	13.41%
FY16	8.16%	11.06%	8.41%	13.74%
FY17	8.66%	11.56%	8.91%	14.24%
FY18	9.00%	13.56%	9.75%	16.24%
FY19	9.00%	14.56%	9.75%	17.24%
FY20	9.00%	15.56%	9.75%	18.24%
FY21	9.00%	16.56%	9.75%	19.24%
FY22	9.00%	17.56%	9.75%	20.24%
FY23 and after	9.00%	18.56%	9.75%	21.24%

The chart below depicts the total retirement cost to the County over the past 7 years:

2018	\$ 414,650
2019	\$ 505,000
2020	\$ 581,400
2021	\$ 617,000
2022	\$ 647,875
2023	\$ 750,492
2024	\$ 836,127

So, from FY18 to FY24 we have experienced an increase in retirement of \$421,477, an increase of over 100%. The FY24 increase will be \$85,635, over FY23.

Summary Health Insurance and Retirement

Combined, these two fringe benefits alone will increase by \$250,967.

Personnel Requests

Each year County departments submit their annual budget request. Part of that request consists of operating expenditures, but also requests for additional full-time and part-time positions. Some departments ask for across the board pay increases for their employees. This year County Departments requested in total \$53,563 for new part-time positions and \$69,697 for new full-time positions. These amounts include fringe benefits such as health insurance and retirement.

Below is a chart summarizing the requests:

BAMBERG COUNTY NEW POSITION REQUESTS FOR FY24 BUDGET						
DEPARTMENT	# OF POSITIONS	JOB TITLE	REQUESTED SALARY	BUDGET INCREASE	FULL TIME?	NOTES/JUSITFICATION FROM DEPARTMENT HEAD
County Auditor	1	Tax Clerk	\$ 14,560	\$ 18,563	N	"To stay competitive and up to standards with surrounding counties. A part-time tax clerk will help our office be more efficient, and will allow staff to attend trainings which the office will be always covered. The part-time clerk will help managing the office. They will also help with deeds and processing homestead applications."
County Treasurer	1	Tax Clerk	\$ 15,000 (estimate by Finance)	\$ 19,000 (estimate by Finance)	N	"During the Real Estate Tax Collection period (October-March). We have long and busy days. I feel a part-time person during the six month of our busiest tax collection time would be beneficial."
Fire Service	1	Full-Time Firefighter	\$ 36,000	\$ 69,697	Y	"Many of our volunteer firefighters have full-time jobs and are not available to respond to calls during the normal work day. In the lower part of the country, our departments are struggling to cover the calls with volunteers. If we could hire a full-time Fire Fighter, 1st Responders could also help with the daily/weekly and annual checks on county owned equipment. They could be hired with minimal qualifications and be required to meet certification requirements to be retained in the position and receive raises."
IMPACT ON THE BUDGET :				\$ 107,259.97		
		Part-Time Positions Requeste	2			
		Full-Time Positions Requeste	1			

Sheriff Requesting Additional Salary Increases

The Sheriff has also requested additional increases to his staff, beyond what is already included in the budget. He has asked for an additional \$71,117 for the Sheriff employees and an additional \$43,615 for Dispatch employees. These total \$114,732, including FICA/Medicare and Retirement. Right now, we are evaluating this request, and comparing it to our Comprehensive Wage Plan that was approved in the FY23 Budget. Part of that plan involved moving any employee with seven years of service to the mid-point of their pay grade, if they were not already at the mid-point of their pay grade, subject to a successful performance evaluation. We also had established a listing of positions that were evaluated, and many of those changes have been made. We believe that the continued implementation of the FY23 Wage & Compensation Plan, taken along with this year's proposed across-the-board 3% cost-of-living increase, given to all employees, will address much of this need.

Other Offices Requesting Salary Increases

The Magistrate has requested salary increases of \$2,000 for his staff. Right now, we are evaluating this request, and comparing it to our Comprehensive Wage Plan that was approved in the FY23 Budget. Part of that plan involved moving any employee with seven years of service to the mid-point of their pay grade, if they were not already at the mid-point of their pay grade, subject to a successful performance evaluation. We believe that the continued implementation of the FY23 Wage & Compensation Plan, taken along with this year's proposed across-the-board 3% cost-of-living increase, given to all employees, will address much of this need.

Detention Center

The Administrator would like to continue to place emphasis on increasing the salaries of the Detention Center employees. The County is working to guard against losing good employees to other local government agencies, and we must continue to follow our plan, and do what we can to make our wages more competitive. We have proposed some funds in the FY24 Budget to address this issue, with specific increases to Detention Center Officer salaries, as was included in the Comprehensive Wage Plan that was approved during the FY23 budget process. We are simply asking to continue to evaluate and to make salary adjustments as needed to maintain critical staff needs.

Other Personnel Matters

The Administrator is proposing we continue the practice of matching the first \$1,000 of 401k contributions made by employees. This means that if an employee makes a minimum of \$1,000 401k contribution, then the County will contribute \$1,000 to that employee's account.

Administrator’s Budget Directive

1. Hold budget increases only to those necessary (Retirement, Health Insurance)
2. Freeze expenditures at current level
3. Pay for the equipment/capital that we already have
4. No tax increase, except only if necessary for EMS services.
5. Provide 3% Cost-of-living increase for all employees
6. No new positions are proposed

Summary

If you look at the budget in its entirety, and sum up all of the funds, this is what it looks like, as of today, May 22nd, 2023

Bamberg County - FY24 Budget Totals by Fund			
			FY23 TO FY24
	FY23	FY24	VARIANCE
GENERAL FUND	9,957,210	10,389,475	432,265
SPECIAL REVENUE	8,799,795	6,787,795	(2,012,000)
ENTERPRISE FUND	1,414,270	1,449,735	35,465
DEBT SERVICE FUND	348,370	448,150	99,780
CAPITAL PROJECTS FUND	9,479,460	8,412,440	(1,067,020)
GRAND TOTAL COUNTY BUDGET	29,999,105	27,487,595	(2,511,510)

Proposed Tax Levies

MILLAGE		
	BUDGET	ESTIMATED MILLAGE
	2022-2023	2023-2024
CURRENT MILLAGE		
OPERATIONS	128.9	128.9
UNFUNDED STATE MANDATES	28.9	28.9
EMS/RESCUE	18.5	18.5
CAPITAL RESERVE	32.0	32.0
DEBT SERVICE	9.1	9.1
FIRE SERVICE (UNINCORPORATED)	24.0	24.0
DENMARK TECHNICAL COLLEGE	1.0	1.0
TOTALS	242.4	242.4

BAMBERG COUNTY						
MILLAGE HISTORY						
	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>
COUNTY OPERATIONS	129.9	129.9	128.9	128.9	128.9	128.9
EMS/RESCUE	18.5	18.5	18.5	18.5	18.5	18.5
CAPITAL NEEDS RESERVE FUND	32.0	32.0	32.0	32.0	32.0	32.0
DENMARK TECHNICAL COLLEGE	-	-	1.0	1.0	1.0	1.0
FIRE SERVICE	24.0	24.0	24.0	24.0	24.0	24.0
UNFUNDED STATE MANDATES	28.9	28.9	28.9	28.9	28.9	28.9
FIRE SERVICE PRIOR YR DEFICIT						
ROAD MAINTENANCE PRIOR YR DEFICIT	9.5		0.0	0.0	0.0	0.0
SUBTOTAL	242.8	233.3	233.3	233.3	233.3	233.3
HOSPITAL BOND	3.8	5.0	4.6	4.7	0.0	
TAN AT ENTERPRISE BANK	-	-		-		
MINI BONDS FOR IPRB	8.5	7.1	7.7	8.1	9.1	9.1
SUBTOTAL FOR DEBT SERVICE	12.3	12.1	12.3	12.8	9.1	9.1
TOTAL	255.1	245.4	245.6	246.1	242.4	242.4

Conclusion

The Administrator's Proposed FY24 Budget does not contain a tax increase. We are simply asking for funds to continue with the current levels and to pay for the essential services that the County provides.

We believe that this is a prudent budget, and it has been prepared so that Bamberg County can continue to make continuous improvement to the quality of life for all its citizens, and to continue to make sound and reasonable plans, and govern and discipline ourselves based on reason and good judgment.

As always, the Administrator and his team are grateful to this Council and the support given as we all work together to make Bamberg County a fiscally sound and well-managed County.