

EMPLOYER CONTRIBUTION TRENDS

NOVEMBER 28, 2022



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Overview

- This report analyzes the trends and costs of employer contributions
- Employer contributions are an important part of overall compensation and include costs that are salary dependent, such as retirement and social security, and non-salary dependent, such as those based on plan selection by an employee for health and dental insurance
- This report shows these trends by type and across pay bands one through ten
- Retirement contribution rates increased in FY 2017-18 through FY 2023-24* due to Act 13 of 2017 (Retirement System Funding and Administration Act)
 - The employer contribution rate increased by 2% effective July 1, 2017
 - For each of the next five years thereafter, the rate will increase by 1% through FY 2023-24*

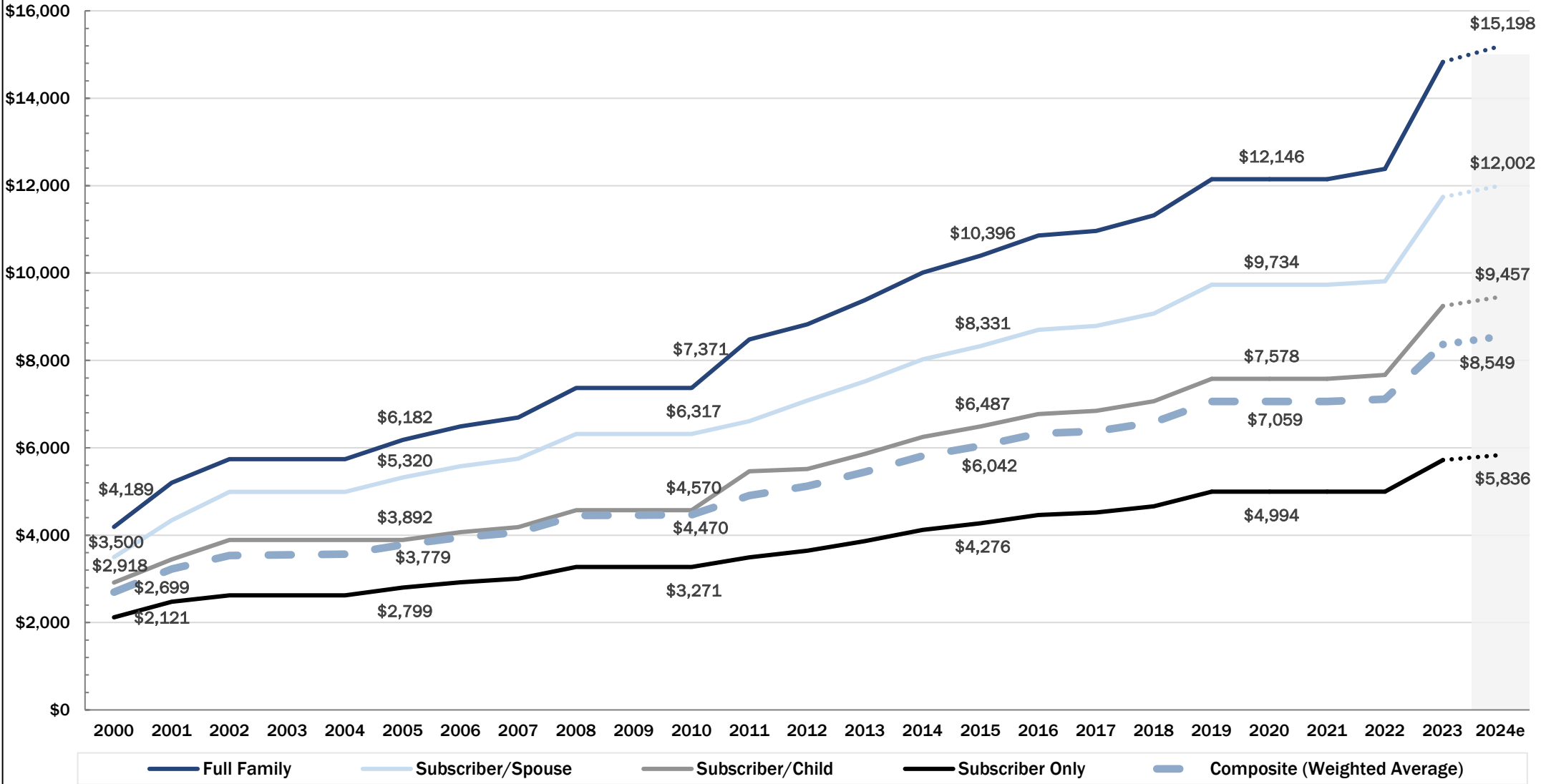
*Act 13 was initially scheduled to phase-in through FY 2022-23 but was extended one year due to the Continuing Resolution in FY 2020-21

Major Components – 2024 Projections

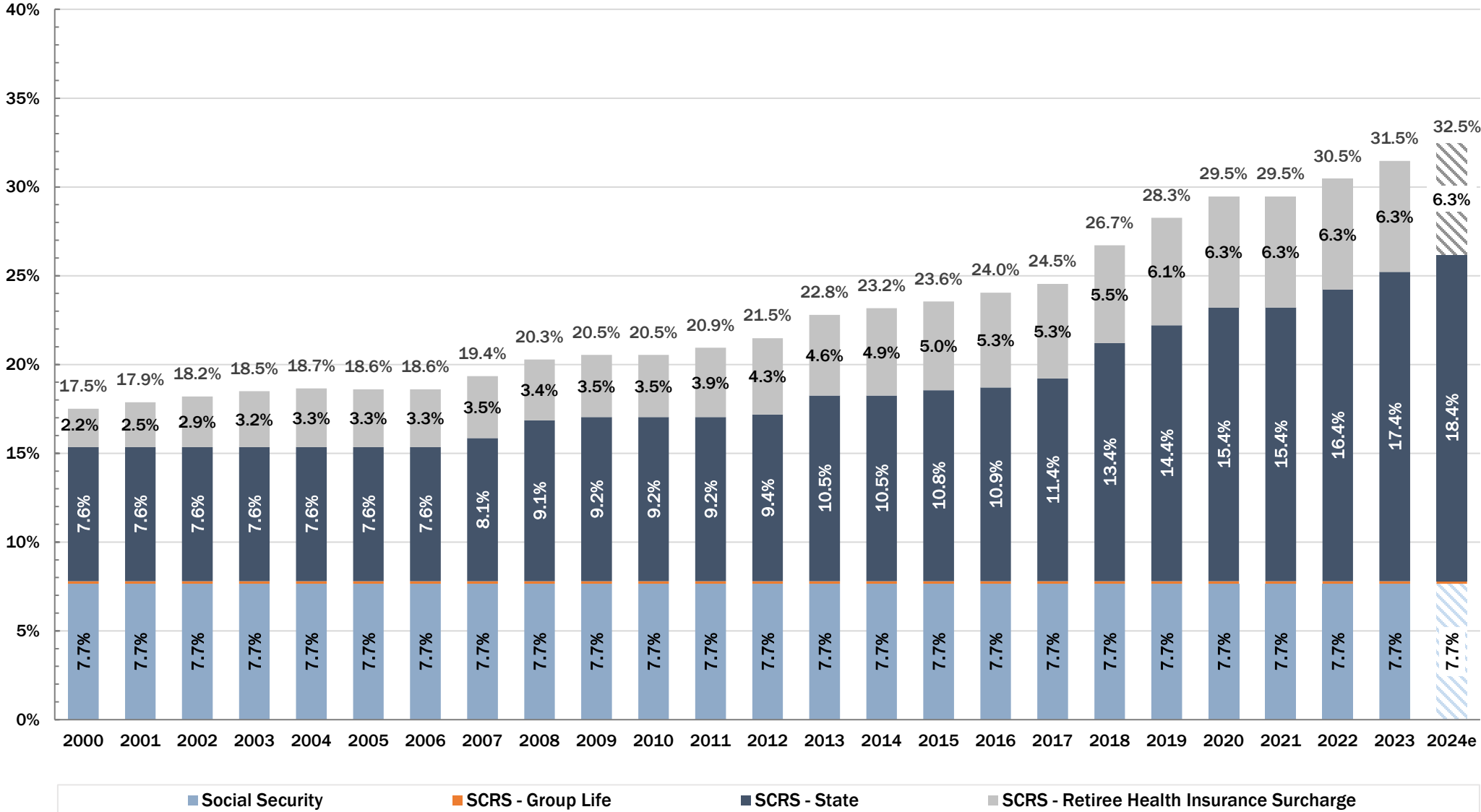
- The employer share of health and dental insurance ranges from \$5,836 to \$15,198 per employee depending upon type of healthcare coverage
 - The composite (weighted average) of all employees is \$8,549
- The employer share of retirement (South Carolina Retirement System), social security, and other items is 32.5 percent of salary
- The employer share of retirement (Police Officer Retirement System), social security, and other items is 35.1 percent of salary
- Estimates for 2024 calculated using 5-year growth

HEALTH AND DENTAL INSURANCE

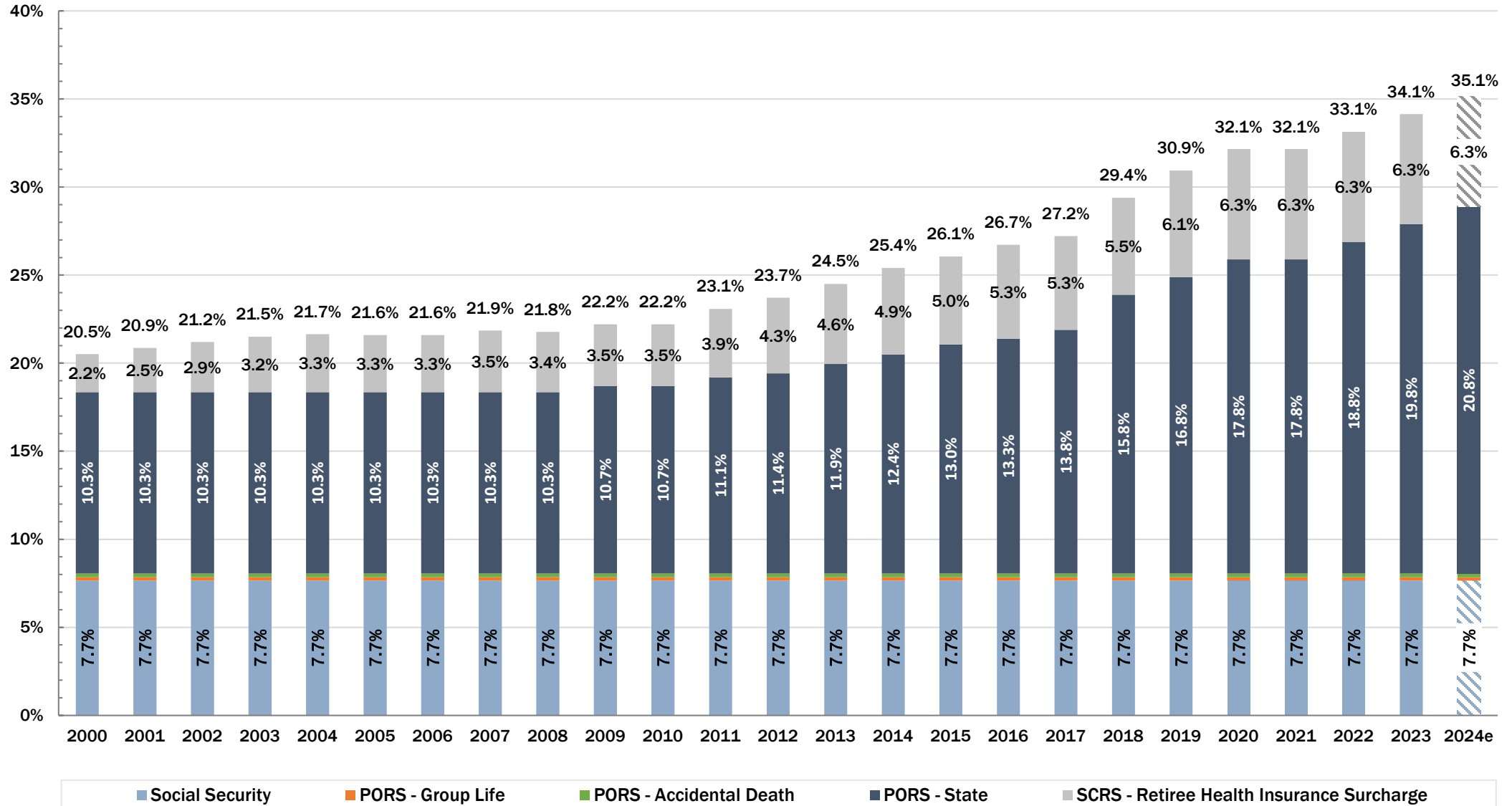
Employer Contribution per Participating Employee



RETIREMENT SYSTEM (SCRS) AND SOCIAL SECURITY Employer Contribution Rates



RETIREMENT SYSTEM (PORS) AND SOCIAL SECURITY Employer Contribution Rates

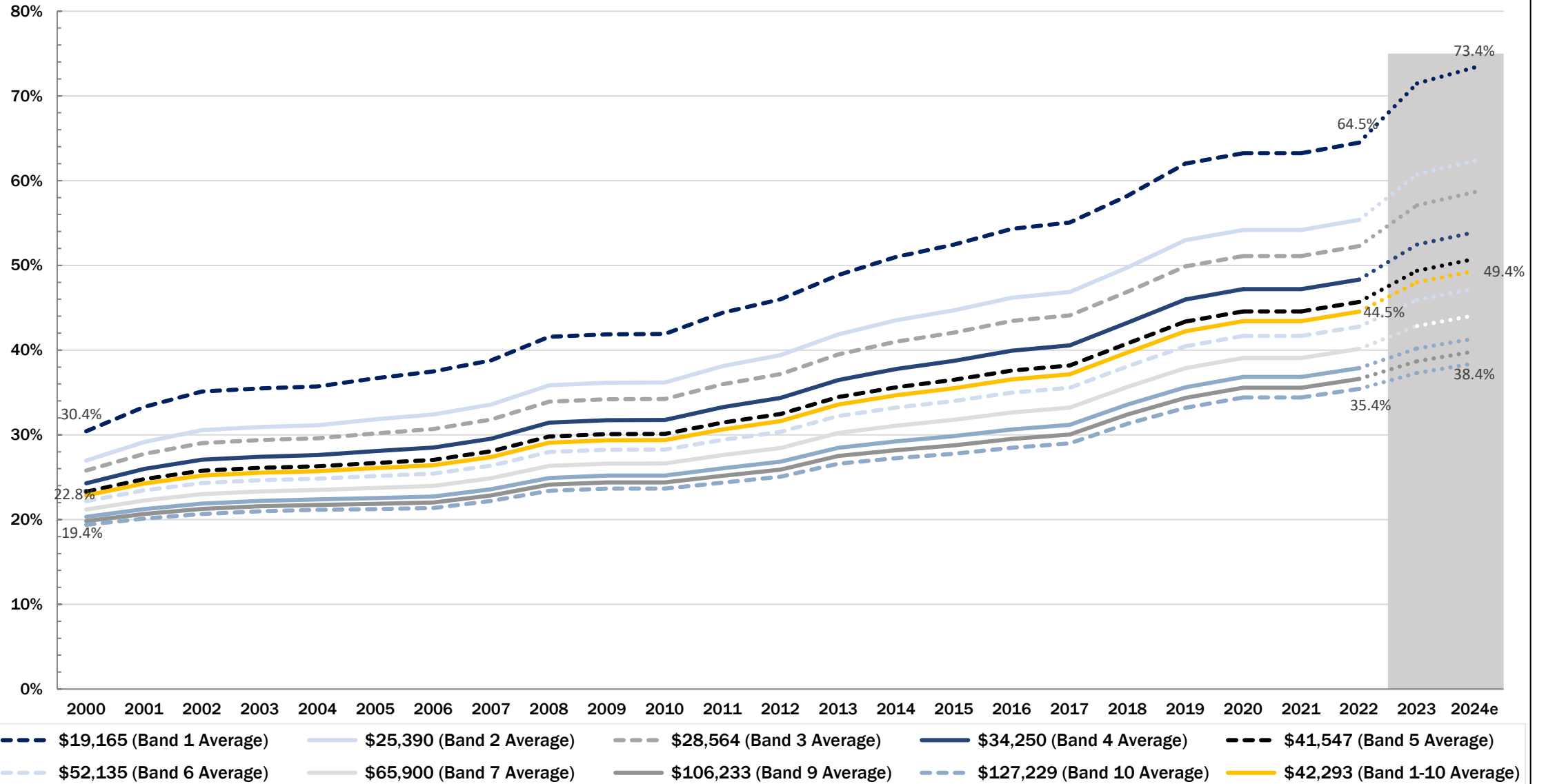


Employer Contributions by Pay Band*

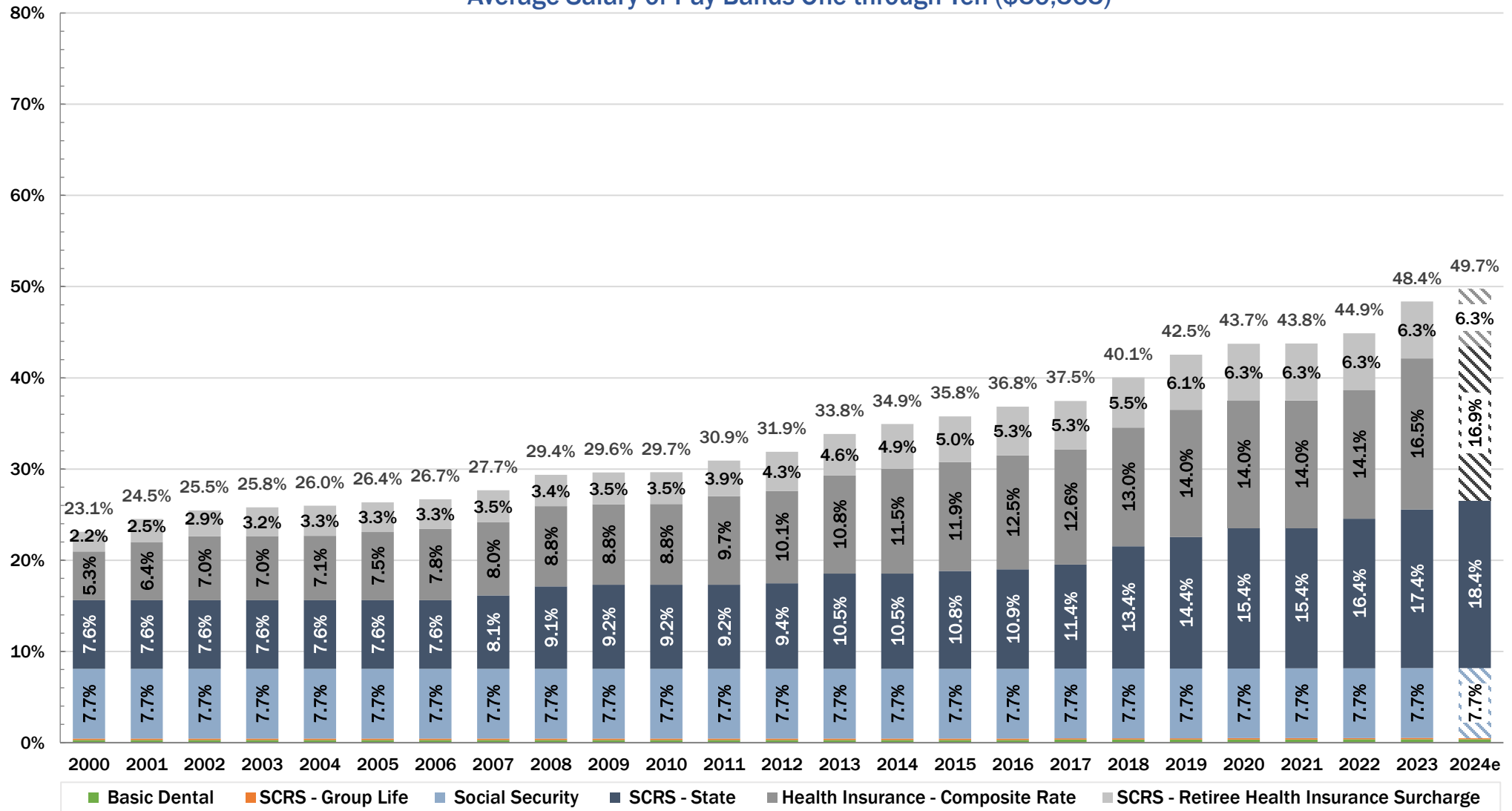
- The total average cost of employer contributions range from 38.4 to 73.4 percent of salary, depending on salary levels
- The average employer contribution cost is 49.7 percent, or \$25,144 based on an average salary of \$50,565
- The average employer contribution cost in Pay Band One is 74.1 percent, or \$15,498 at an average salary of \$20,908
- The average employer contribution cost in Pay Band Ten is 38.6 percent, or \$55,120 at an average salary of \$142,973

*Based on contribution cost projections for FY 2023-24

HEALTH AND DENTAL, RETIREMENT (SCRS), SOCIAL SECURITY Employer Contribution Rates

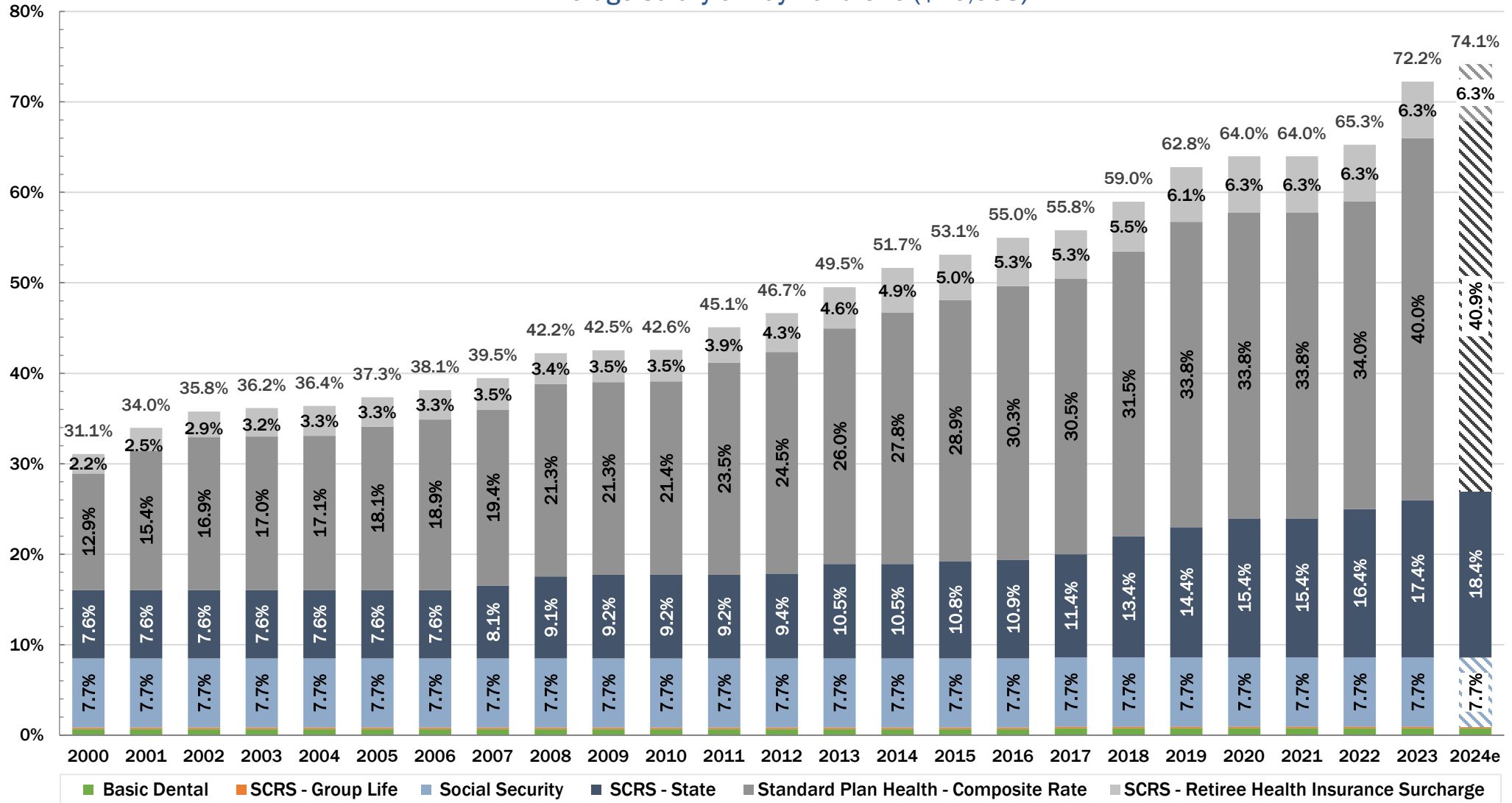


**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Bands One through Ten (\$50,565)

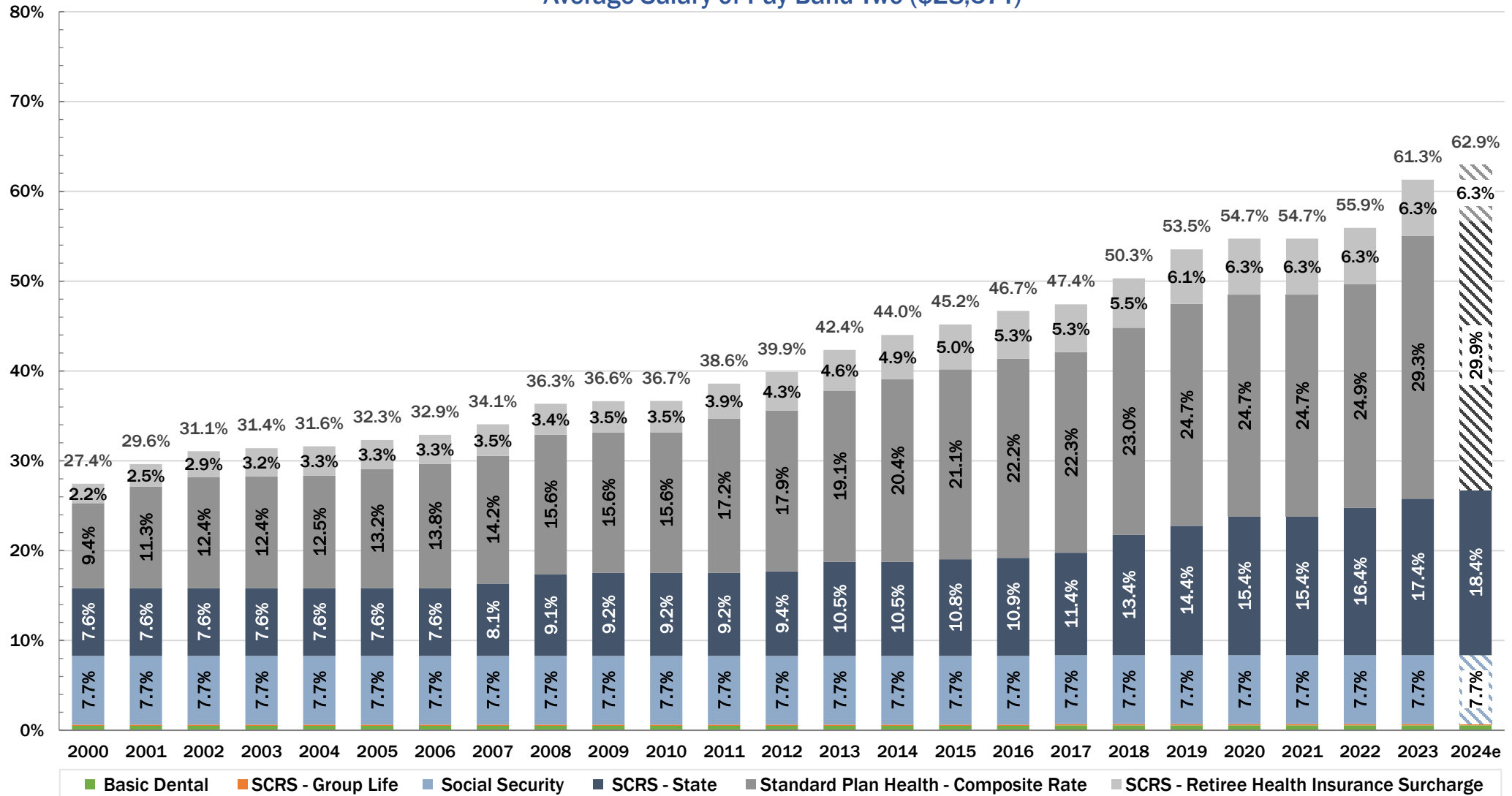


RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE EMPLOYER CONTRIBUTION RATES

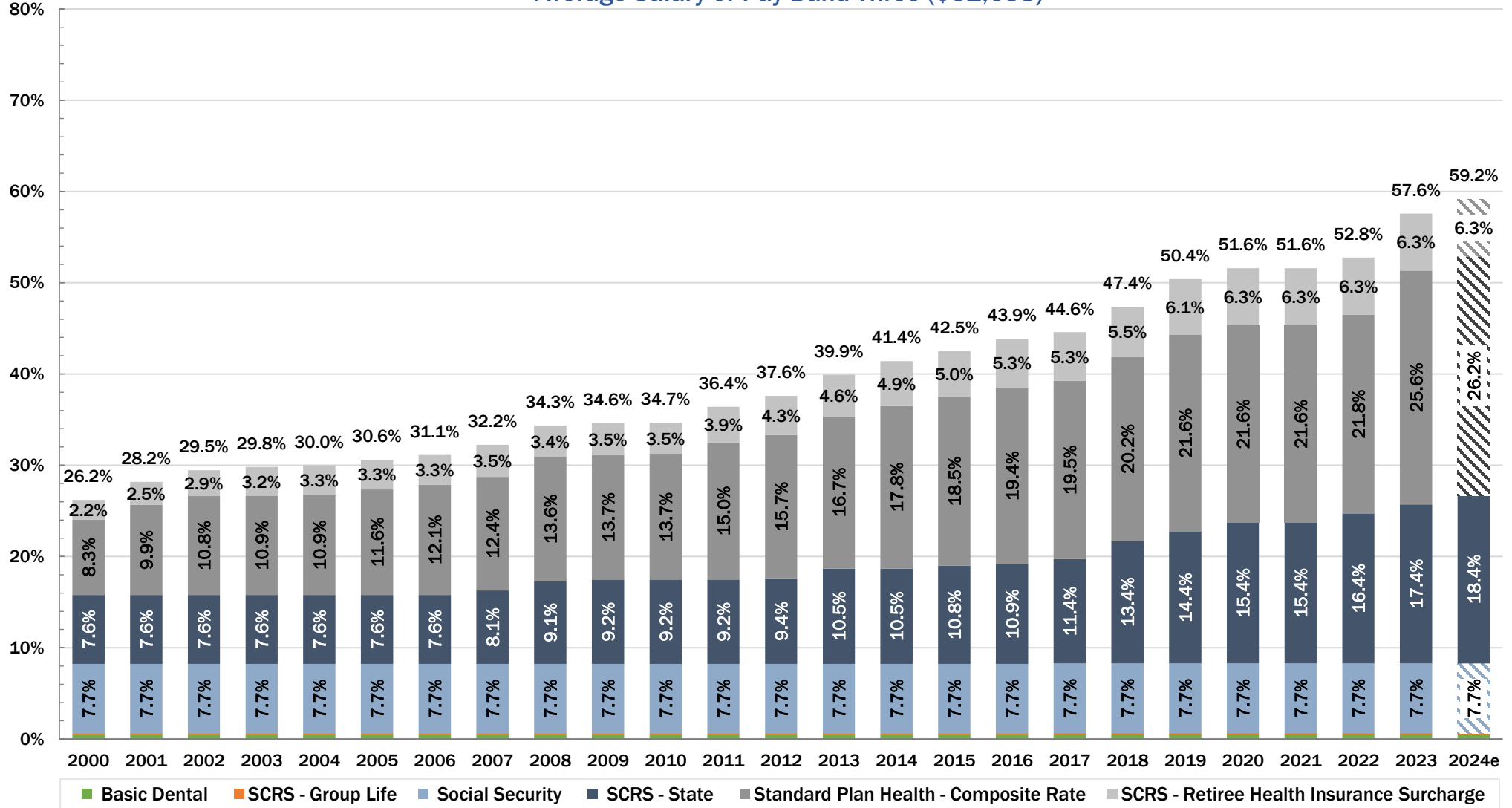
Average Salary of Pay Band One (\$20,908)



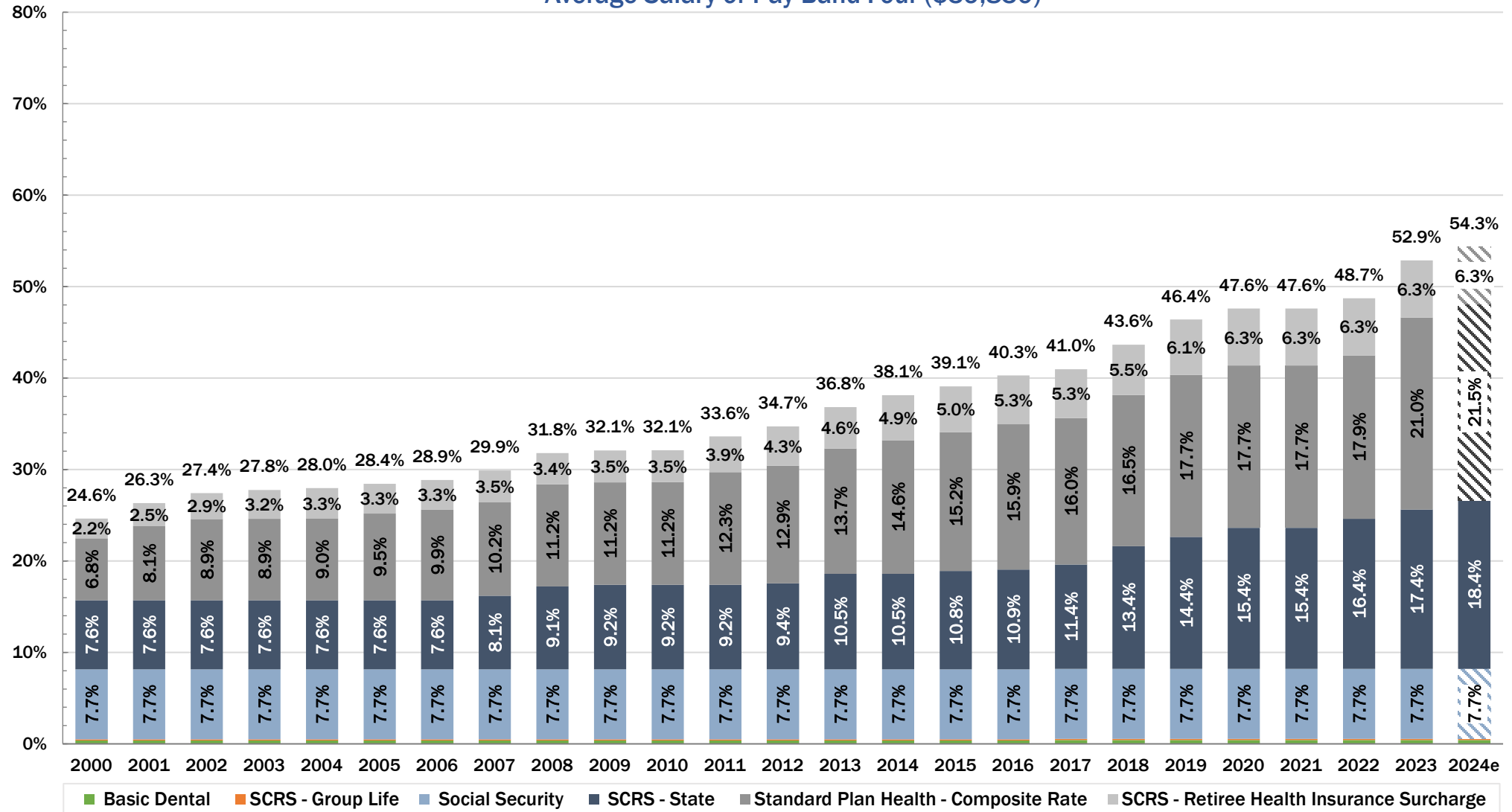
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Two (\$28,574)



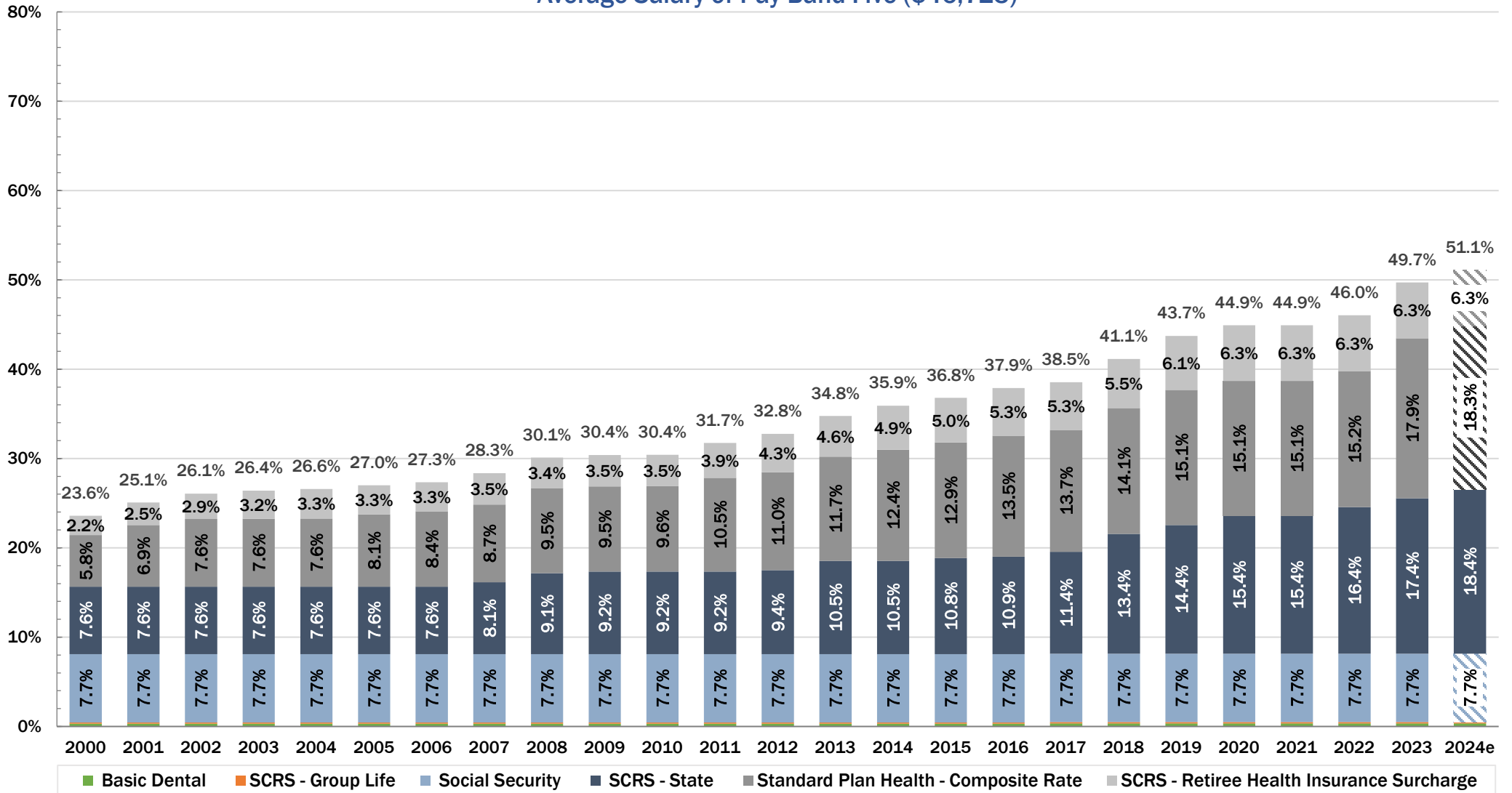
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Three (\$32,638)



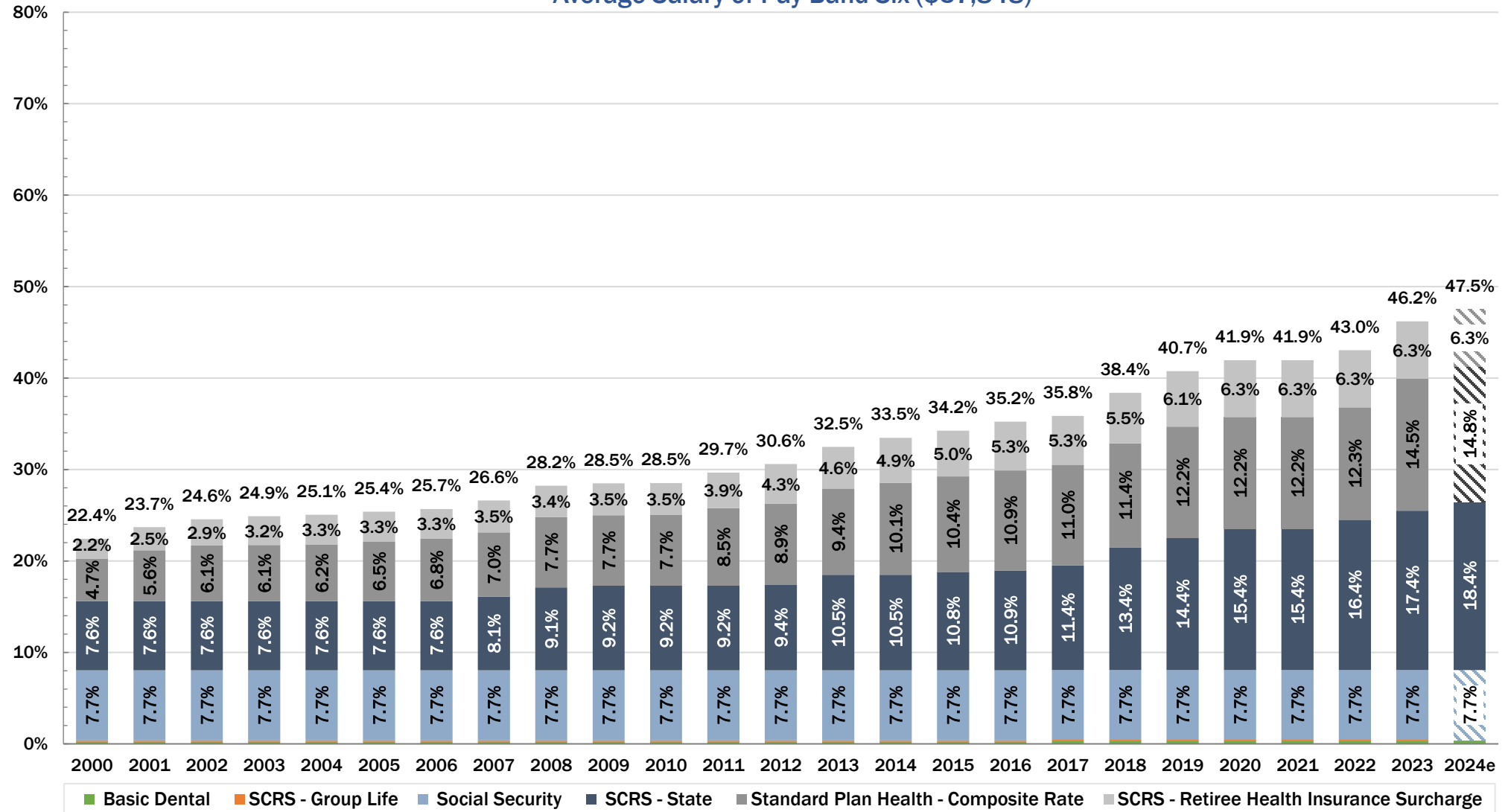
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Four (\$39,830)



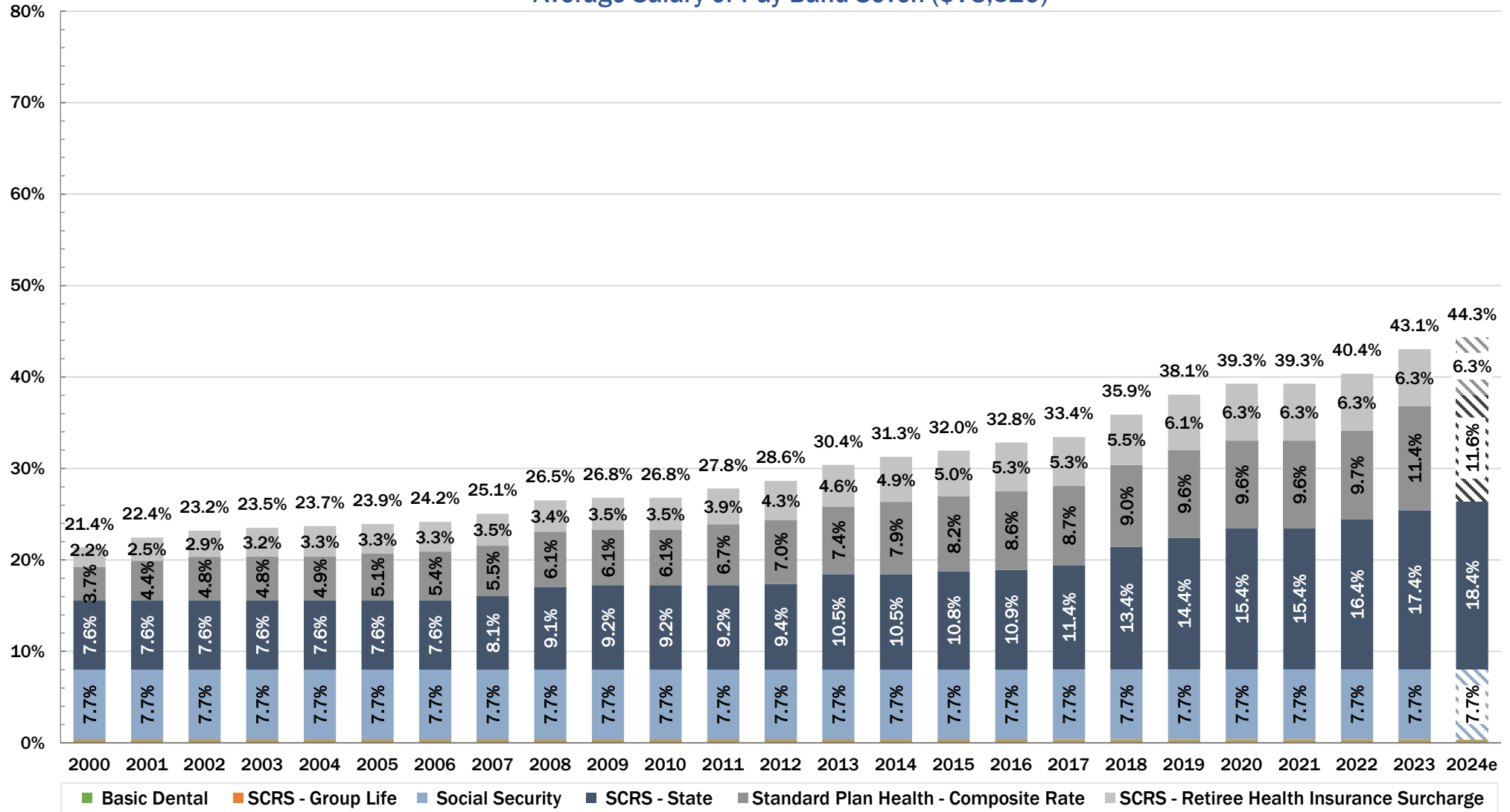
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Five (\$46,723)



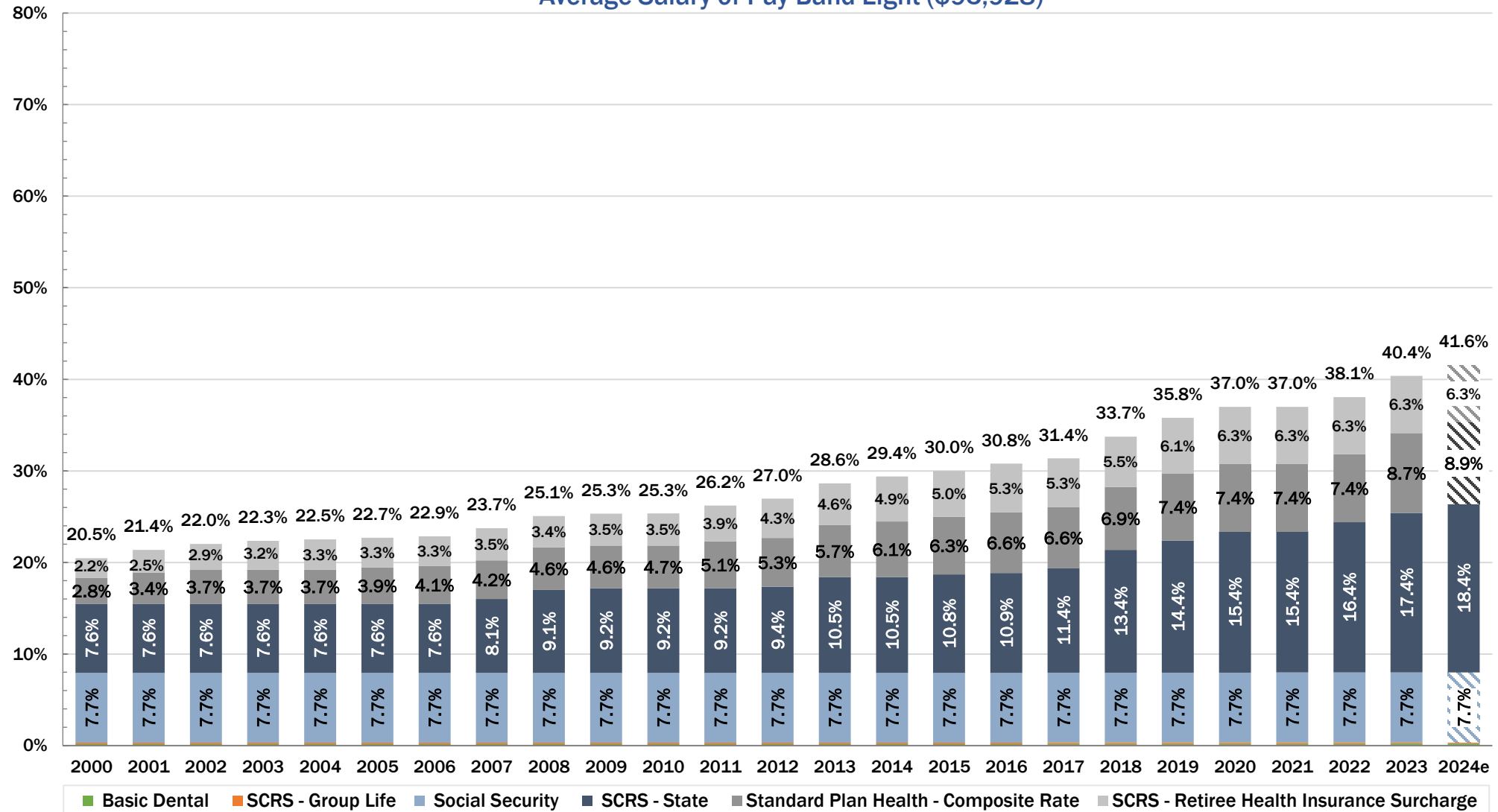
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Six (\$57,848)



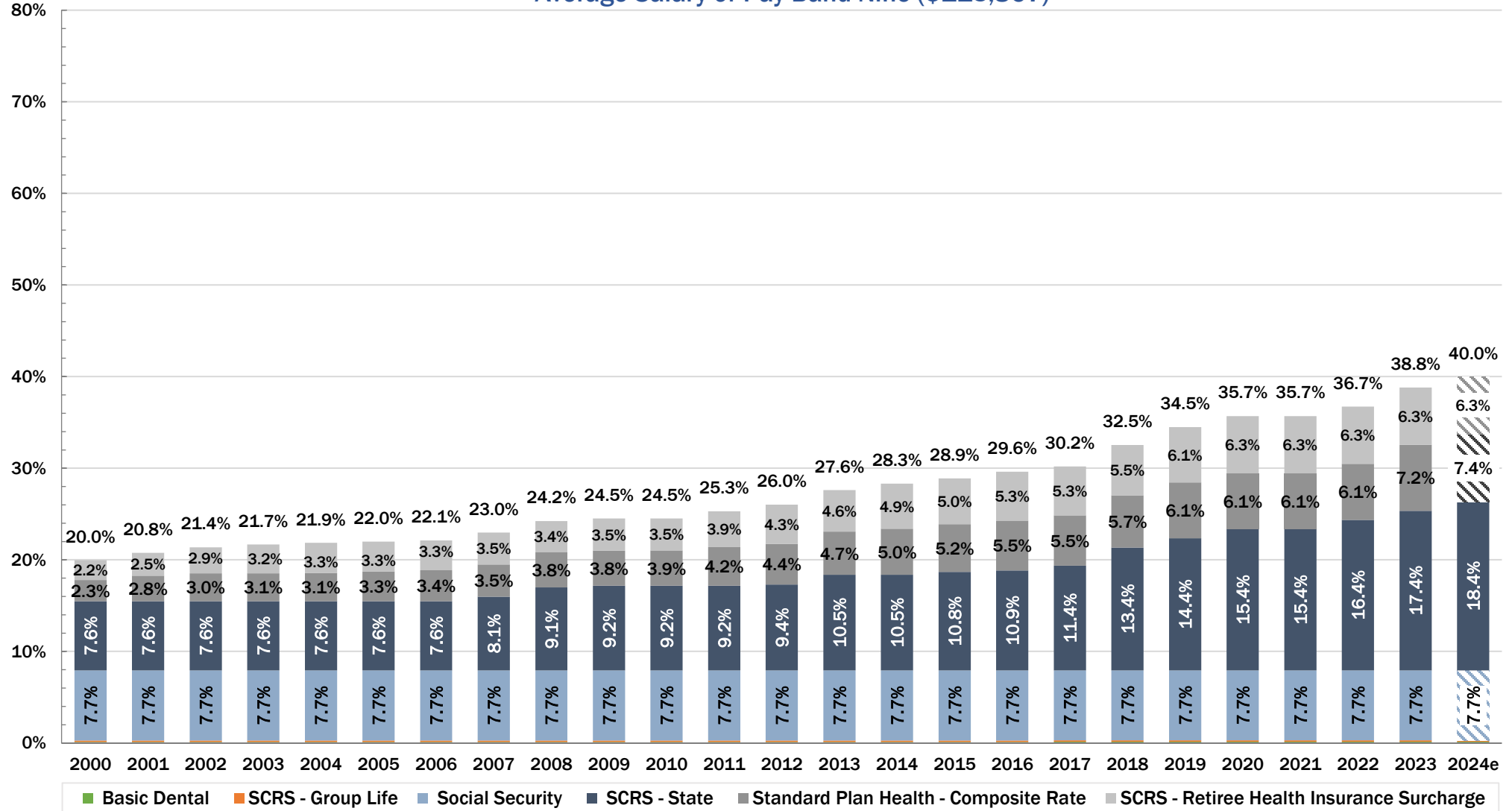
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Seven (\$73,520)



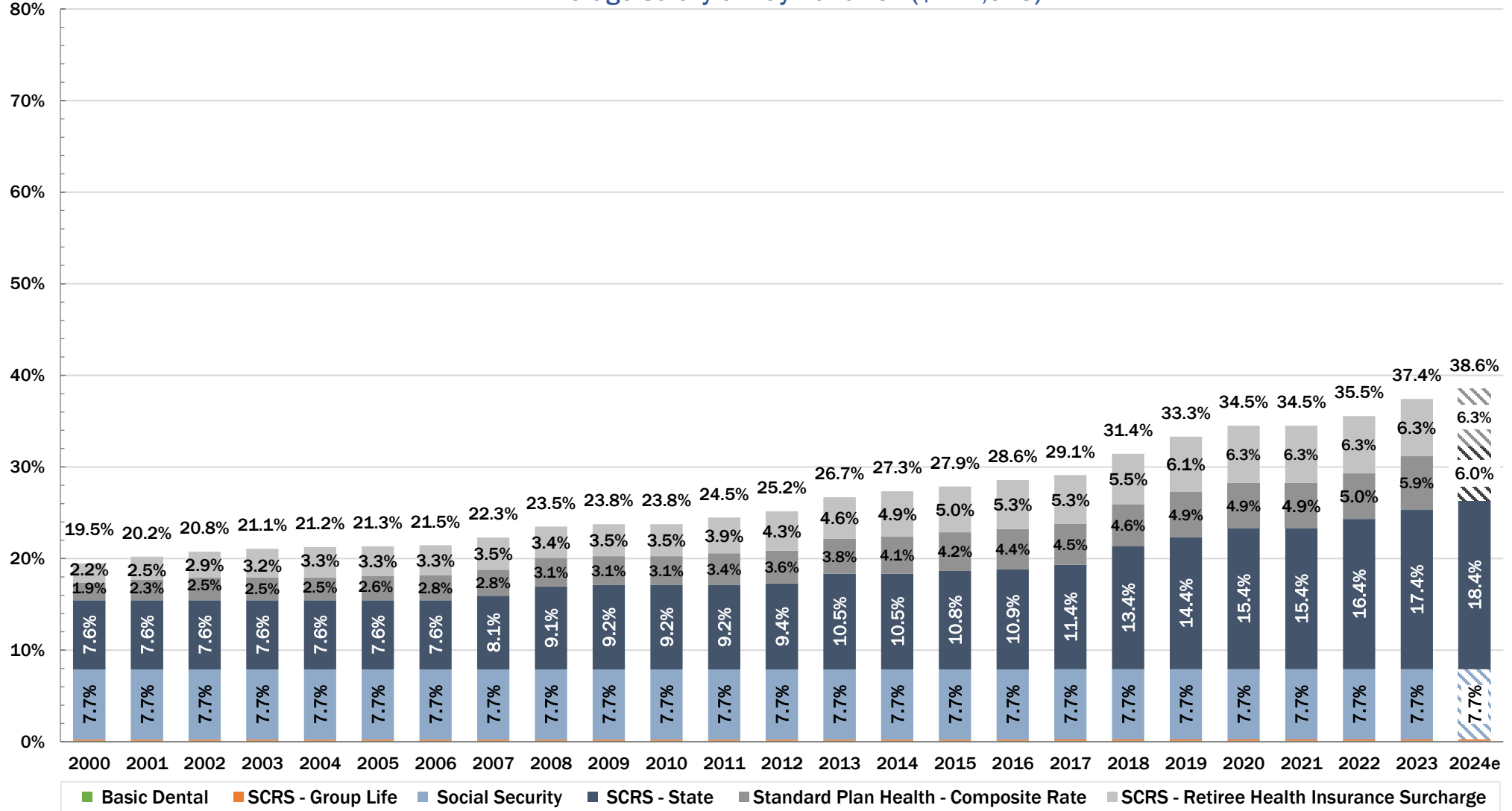
**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Eight (\$95,928)



**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Nine (\$115,867)



**RETIREMENT SYSTEM, SOCIAL SECURITY, HEALTH AND DENTAL INSURANCE
EMPLOYER CONTRIBUTION RATES**
Average Salary of Pay Band Ten (\$142,973)



QUESTIONS/COMMENTS?

THANK YOU!

*SOUTH CAROLINA
REVENUE AND FISCAL AFFAIRS OFFICE*



Our mission is to provide independent research, analysis, and resources to facilitate informed policy decisions and administration of services.

