

**Contribution Adjustments:**

Beginning in FY2023, employee contribution rates are structured in a marginal fashion and phased in over 3 years:

Base Salary Level	Year 1 Rate	Year 2 Rate	Year 3 Rate
\$0-\$40,000	6.00%	6.25%	6.25%
\$40,000.01-\$60,000	6.50%	6.75%	6.75%
\$60,000.01-\$80,000	6.75%	7.00%	7.50%
\$80,000.01-\$100,000	7.00%	7.50%	8.25%
\$100,000.01 +	7.25%	8.00%	9.00%

Effective rates would be calculated annually on July 1 based on a member's base salary, then assessed on the full amount of compensation earned.

**Effective Rate Examples – UPDATED January 13, 2021:**

Pension contributions are applied to any salary that is eligible to be counted by the Vermont State Teachers' Retirement System. This includes one's regular teacher salary, plus all additional wages received by a teacher for duties performed that provide direct educational value to students. The pension contribution effective rate shall be calculated annually on a teacher's salary as of July 1.

Annual Salary	Year 1 effective rate	Year 2 effective rate	year 3 effective rate
40000	6.00%	6.25%	6.25%
50000	6.10%	6.35%	6.35%
60000	6.17%	6.42%	6.42%
70000	6.25%	6.50%	6.57%
80000	6.31%	6.56%	6.69%
90000	6.39%	6.67%	6.86%
100000	6.45%	6.75%	7.00%