



The Blended Retirement System

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Agenda

- The Military Retirement Benefit
- Blended Retirement Basics
- Lump Sum Option
- Value of Your Retirement
- Retired Pay Matters
- How Your Money Adds Up
- Rule of 72
- Benefits
- VA Home Loan
- State Career Counselor Contacts
- Questions



The Military Retirement Benefit

• Legacy Retirement System

- Defined annuity benefit computed as $2.5\% \times \text{Years Served} \times \text{Retired Pay Base}$
- Must serve at least 20 years

Only **19%** Active and **14%** Reserve Qualify

• Blended Retirement System, *blends*:



- Defined annuity becomes $2.0\% \times \text{Years Served} \times \text{Retired Pay Base}$

85%

of all service members will get government-provided retirement benefits

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Blended Retirement System Retirement Benefits

Under the “High 3” legacy retirement system

Under the Blended Retirement System



Only **1** in **5** service members get government retirement benefits



85%

of all service members will get government retirement benefits



Blended Retirement System Basics

Defined Benefit

For non-regular retirement, at age 60 or earlier with creditable active service

- Basic qualifications for retirement do not change
- The pension is still the primary component of military retirement

$$2.0\% \times \text{Years of Service} \times \text{High-36 Month Average of Base Pay} = \text{Monthly Retired Pay}$$


Defined Contribution



Individual Contribution	Agency Automatic Contribution	Agency Matching Contribution	Total TSP Monthly Contribution
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%

NOTE: Currently serving members who opt-in will see matching contributions immediately

Continuation Pay

- Mid-career incentive designed to maintain force retention
- Payable between 8 and 12 years of service
- Minimum is 2.5 x monthly basic pay (0.5 x for RC)

Lump Sum

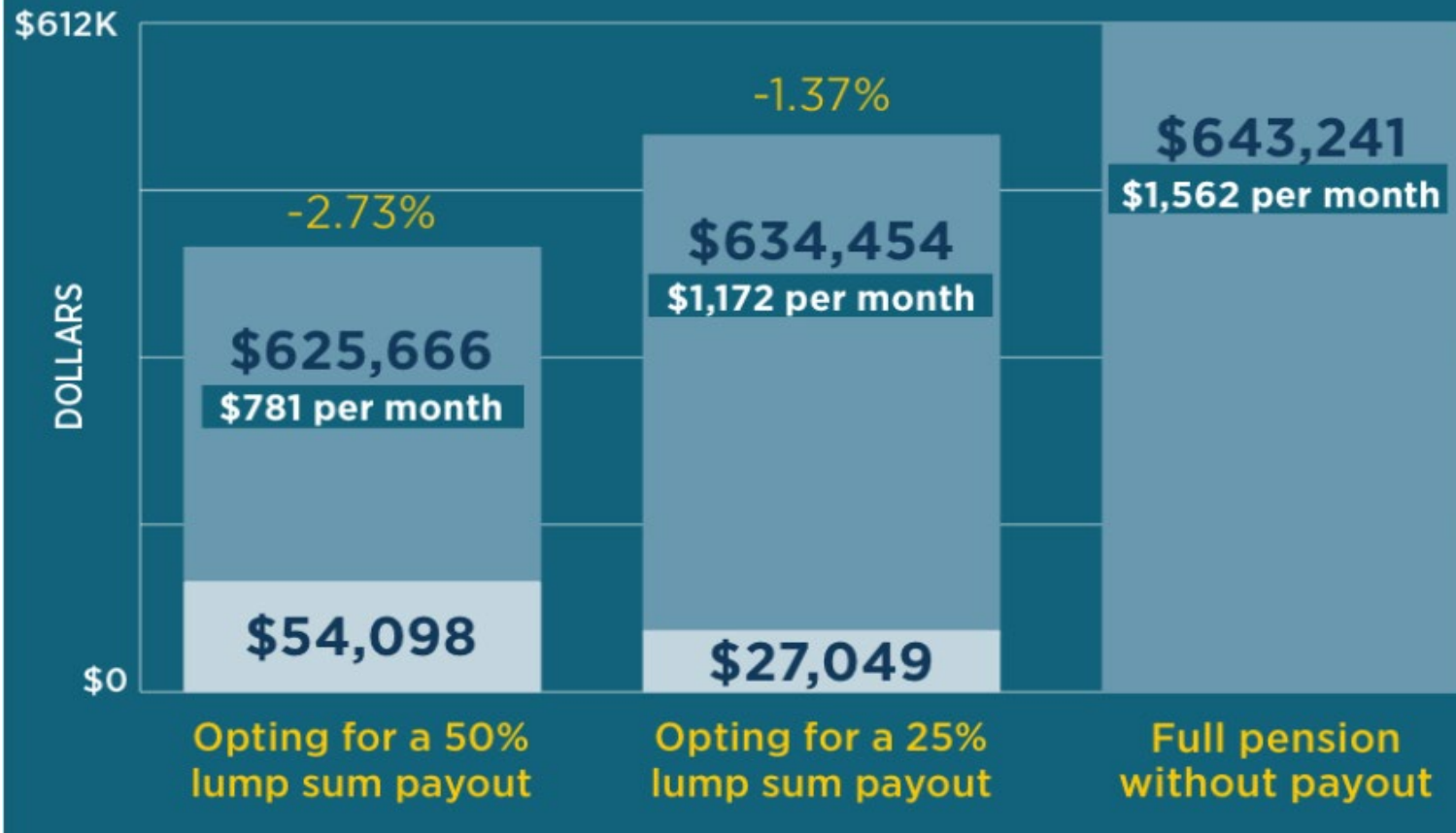
- May elect lump sum of 25% or 50% at retirement
- Discounted present value from retirement to age 67
- At age 67, reverts back to full annuity



Value of Your Retirement

Guard or Reserve cash received: retirement through life expectancy

■ Monthly pension ■ Lump sum

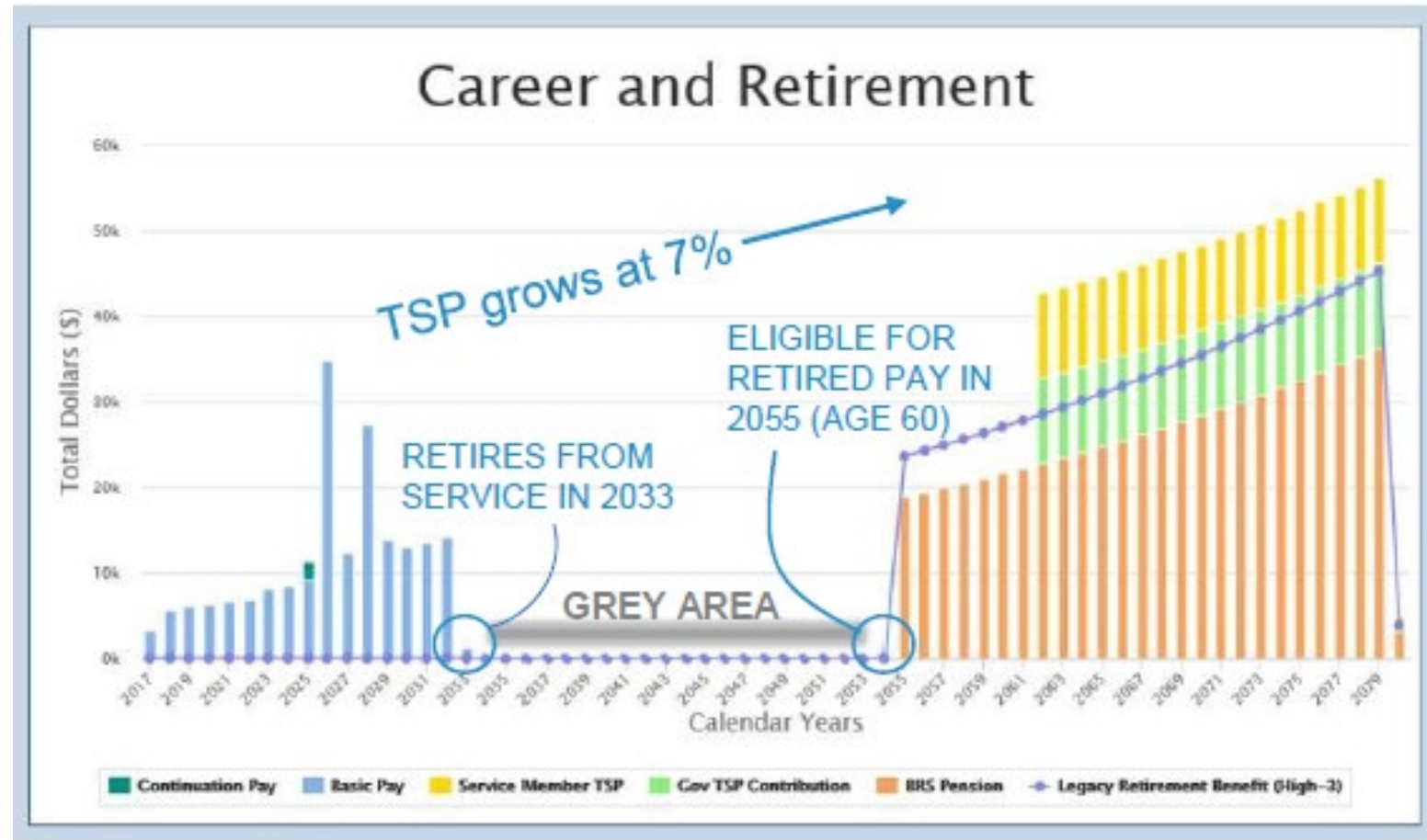




How your Money Adds Up

For non-regular retirement, at age 60 or earlier with creditable active service

- This example shows a current E-5 who retires as an E-7 in 2033.
- The member contributes 5% to her own TSP from 2018 through 2033, the government contributes 5% on top of that. Soldier makes an allotment for their bonus (or CP) to rollover into the TSP (\$7,000)
- Under the Legacy Retirement, the member will get \$837,752 in total retired pay, which is 20% higher than the \$670,202 she will get under BRS, but...
- She will also get \$180,288 from the growth of the government's contribution to her TSP, assuming 7% growth...for a total of \$850,490 in government retirement benefits
- With BRS she's also eligible to elect to Take the lump sum of retired pay....

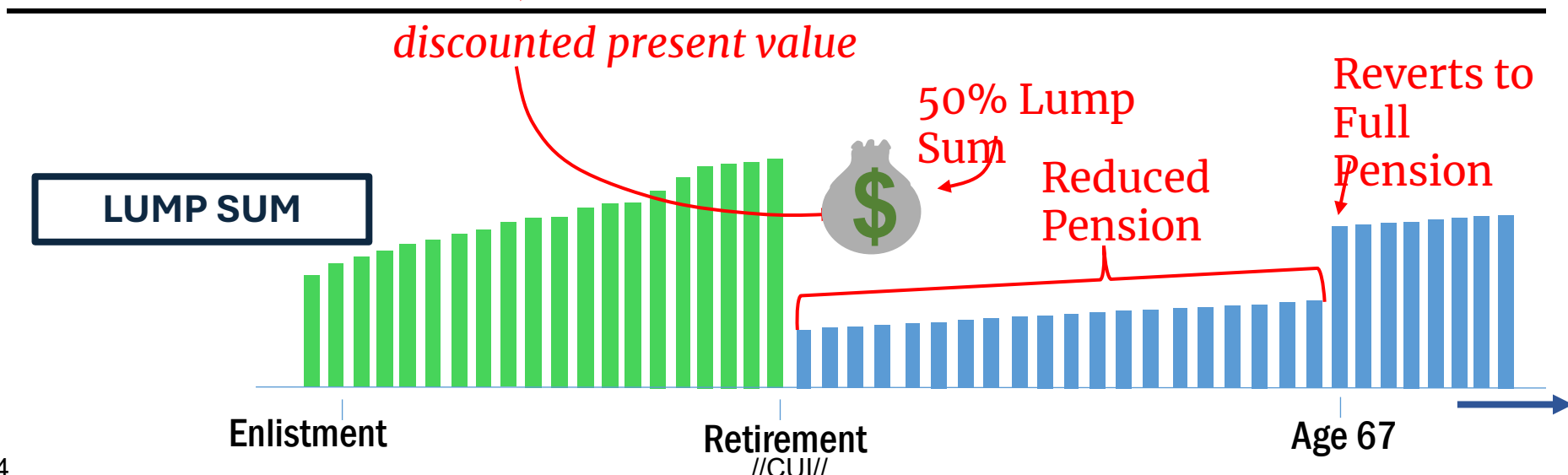
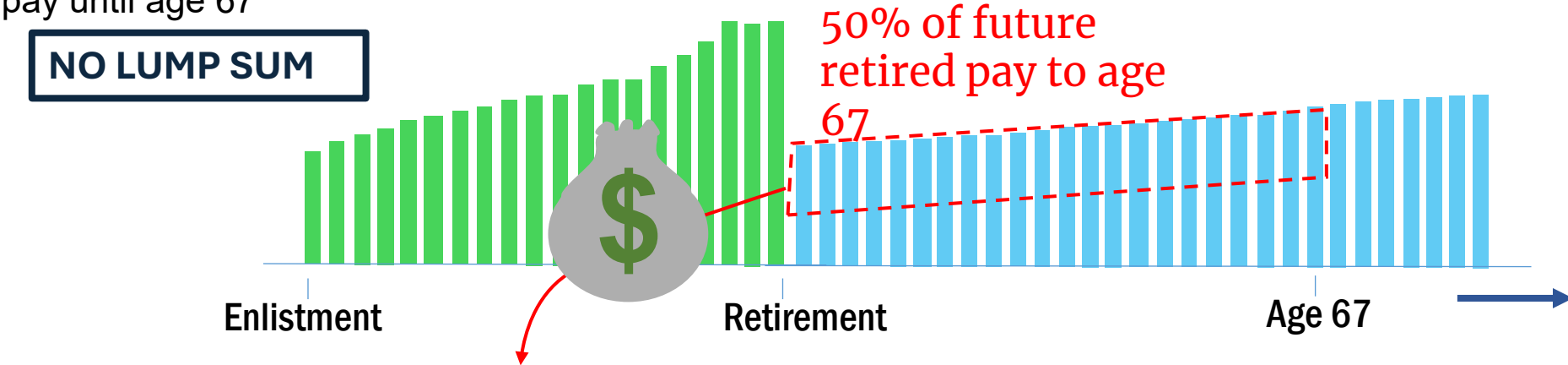




Lump Sum Option

* Under the previous example, the non-regular retiree is eligible for a \$53,361 lump sum at age 60 in exchange for reduced retired pay until age 67


Regular Retirement





Retired Pay Matters-Add It Up!

UNCLASSIFIED The Uniformed Services Blended Retirement System



Reserve Retirement Pay Example

E-7 retires after 20 years of service in the Reserve Component

1. Take Their Total Retirement Points
<https://ww3.afpc.randolph.af.mil/vmp/f/Hub/Pages/ConfirmInfo.asp>

2. Divide by 360 to get equivalent Years of Service

3. Multiply Equivalent YOS by Retirement Multiplier

4. Multiply Percentage by Retired Pay Base

Legacy Retirement

3,060 points	$\frac{3,060 \text{ points}}{\div 360}$ $= 8.5 \text{ YOS}$	$\times \frac{8.5 \text{ YOS}}{21.25\%}$ $= 21.25\%$	$\times \$4,566.80$ $= \text{\$970.45}$ <p style="text-align: right; font-size: small;"><i>monthly retired pay</i></p>
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- Plus your TSP

Blended Retirement System

3,060 points	$\frac{3,060 \text{ points}}{\div 360}$ $= 8.5 \text{ YOS}$	$\times \frac{8.5 \text{ YOS}}{17.0\%}$ $= 17.0\%$	$\times \$4,566.80$ $= \text{\$776.36}$ <p style="text-align: right; font-size: small;"><i>monthly retired pay</i></p>
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Plus yearly cost of living increases

- Plus your TSP with matching contributions
- Plus Continuation Pay (at 8-12 years of service)



UNDERSTANDING THE **RULE OF 72**

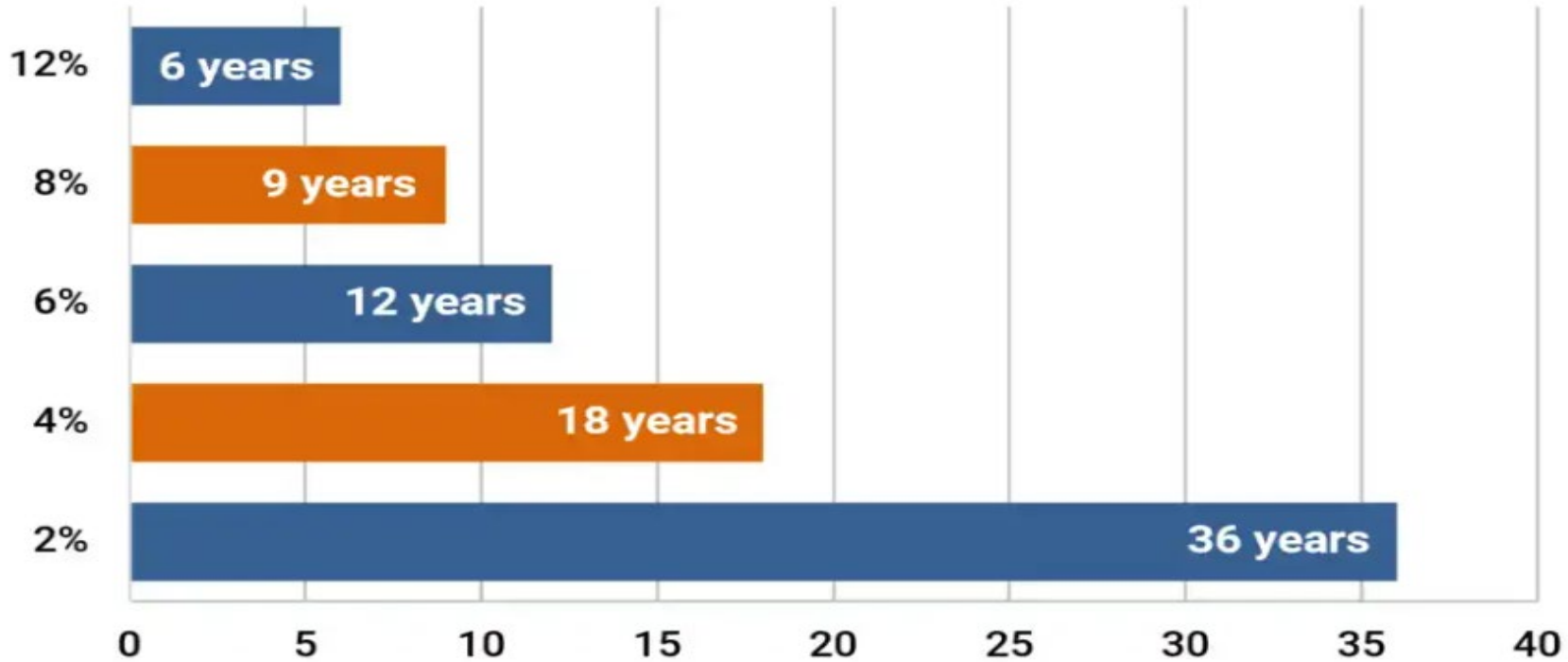


The Rule of 72 is an easy compound interest calculation to estimate how long it will take to double your money.



$$72 \div \text{Interest rate} = \text{Years to double money}$$

Using the rates shown, here is about how long it would take to double an initial investment.



SOURCE: St. Louis Fed Econ Lowdown, "It's Your Paycheck."



Take Advantage of Your Benefits!



DID YOU KNOW?

YOU HAVE THESE BENEFITS!

TRICARE RESERVE SELECT

Premium-based health plan
TRICARE Reserve Select

Member Only
\$51.95

Member and Family
\$256.87

CATASTROPHIC CAP - \$1256

A **catastrophic cap** is the most you or your family pay for covered health care services each calendar year, starting January 1. Your deductible, co-payments, and cost-shares (including pharmacy) apply to your catastrophic cap.

Once you reach your catastrophic cap, TRICARE pays your portion of the TRICARE-allowable amount for the remaining calendar year.

BLENDED RETIREMENT CONTINUATION PAY

Continuation pay is a direct cash payout, like a bonus, available to service members enrolled in the Blended Retirement System (BRS). It is targeted at the mid-career mark, payable between completion of eight years of service, but before completion of 12 years of service (calculated from a service member's Pay Entry Base Date).

\$12,254 to \$28,531.20 depending on your rank (available to all Soldiers enrolled in the Blended Retirement System-Enlisted, Warrant Officer, Officer).

10/15/2024

RE-ENLISTMENT BONUS

3 years, \$10,000 13 years Time in Service or less

SCAN
TO LEARN MORE!



EMAIL US @

ng.ok.okarng.lst.g1-retention-acl@army.mil



Oklahoma National Guard Educational Assistance Program

The program provides a tuition waiver Oklahoma National Guard free education for active Oklahoma National Guard Service members at all Oklahoma public colleges and universities. This waiver also covers all mandatory fees and academic service fees. Service members can enroll in up to 18 credit hours per semester with a maximum of 120 credit hours for an Undergraduate degree and up to 40 credit hours for a graduate program.



GI BILL (CH.1606):

Up to \$466/month (full-time student rate). Also, if eligible, GI Bill Kicker provides additional \$350/month (full-time rate). (Total \$816 aid directly to you.)

GI BILL (CH.33 "POST-9/11"):

Deployments, ADOS and AGR orders earn this upgraded GI Bill. SM with 6-16 years of service can transfer educational benefits (TEB) to dependents.

https://www.benefits.va.gov/gjbill/handouts_forms.asp



ARMY TUITION ASSISTANCE (TA):

Up to \$250/semester hour at any college or university that accepts TA. Create account and more info at: <https://www.armyignited.army.mil/student/public/welcome>

ARMY CREDENTIALING ASSISTANCE (CA) PROGRAM (ARMY COOL):

Pays for more than 1,500 industry standard credentials. Up to \$4,000 per year.



SCHOLARSHIP OPPORTUNITIES

OKNG Scholarship Foundation pays scholarships in increments from \$500 up to \$2000. AUSA offers scholarships from Full-ride to \$2000

REDUCED PRICE FOR VEHICLE TAG FORM 779 Under Registration Tab



BONUS INCENTIVES

Reenlistment/Extension Bonus (REB): (Paid Lump Sum) \$10,000/3yr extension (can be combined with SLRP & GI Bill Kicker)

Eligibility Requirements: DMOSQ, pay grades E-3 through E-7, no greater than 13 years and 1-month TIS on contract start date. Payment is processed lump sum upon contract start date.

CAREER DEVELOPMENT

****Alternatives to ETS****

- MOS Conversion & MOS Re-Classification
- Officer Candidate School (OCS)
- Reserve Officer Training Course (ROTC)
- Warrant Officer Candidate School (WOCS)
- Unit Transfer
- Mobilizations & Deployments

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FAMILY RESOURCES

- Child & Youth Services
- Military & Family Readiness Support
- Employment Coordination Program
- Yellow Ribbon Program
- Transition Assistance Advisors
- Personal Financial Counselors
- Military One Source
- ESGR
- Education Services



HEALTH INSURANCE

TRICARE Reserve Select (TRS):
Current monthly premiums:
\$51.95/month (Member only)
\$256.87/month (Member + Family)
<https://www.tricare.mil>



Choose Tricare Reserve Select Plan from Dropdown

LOW COST LIFE INSURANCE

<https://benefits.va.gov/insurance/sgli.asp>

Servicemembers' Group Life Insurance (SGLI) is a life insurance program available to all active duty and reserve members of the uniformed services of the United States. Supervised by the United States Department of Veterans Affairs, the program is administered by the Prudential Insurance Company of America.

SGLI RATES

Coverage Amount	Monthly Premium Rate	TSGLI Premium	Total Monthly Premium Deduction Amount
\$500,000	\$30.00	\$1.00	\$31.00

Veterans' Group Life Insurance (VGLI) is a similar product available to veterans. SGLI policyholders may convert their policy to VGLI upon discharge unless an exception for total disability applies. Premiums for VGLI are higher and are based on the age of the insured.

VGLI RATES

Coverage Amount	Monthly Premium Rate (Age 29 and Below)
\$500,000	\$35.00
Coverage Amount	Monthly Premium Rate (Age 35-39)
\$500,000	\$60.00

NON-REGULAR RETIREMENT (TRADITIONAL)

Enlisted personnel and Officers with 20 or more years of qualifying service are eligible for non-regular retired pay. Soldiers must request to retire and provide a desired effective date of retirement. Soldiers must elect to be transferred to the Retired Reserve or Individual Ready Reserve. Retirement benefits and pay start at age 60. (Note: pay can be received sooner if eligible under the Reduced-Age Retirement criteria.)

NON-REGULAR (GUARD) RETIREMENT

20 Good Years (non-regular retirement) monthly payments that begin at age 60. You can start drawing retirement funds early by completing overseas deployments.

An enlisted member who retired after 20 years at the pay level of E-7 could expect to receive about \$2,400 a month for retirement.

PART TIME INCOME

<https://nationalguard.com/pay/calculator>

Select your Rank and years of service to determine your drill, annual training, and active duty pay rates

Use Mypay to verify your pay entitlements!



BENEFITS CALCULATOR



PAY CALCULATOR



MYPAY

THE BLENDED RETIREMENT SYSTEM

This gives you automatic 1% and up to 5% DOD matching contributions to your Thrift Savings Plan (TSP), a defined contribution retirement savings and investment plan that offers savings and tax benefits similar to 401(k) or similar plans offered by private corporations. Continuation pay option is a direct cash payout, like a bonus, available to Service members enrolled in the Blended Retirement System (BRS). myarmybenefits.us.army.mil/

FREE MONEY!

Automatic 1% and up to 4% DOD matching contributions to your Thrift Savings Plan (TSP)

PENSION or "Defined Benefit"

- 2% x YRS x Base Pay

CONTINUATION PAY

- 8-12yrs. Service
- 0.5-6x AD Base Pay
- CAN BE combined with other incentives



FULL TIME EMPLOYMENT

You are eligible to apply for both Active Guard and Reserve (AGR) and Federal Technician (FED TECH).



YOU EARNED IT SO TAKE ADVANTAGE





Yes, The VA Home Loan Is That Good!

YOUR ROAD TO BUYING A VA HOME

You've earned it—a VA Home Loan Guaranty benefit to help you buy, build, or renovate your home with no downpayment and competitive interest rates, monthly payments, and closing costs.

The VA home loan process is quick and easy—and you can start it online today. Go to DoD/VA's website at www.eBenefits.va.gov and request your Certificate of Eligibility.

START
Contact several lenders and find one with the most favorable terms for you. Get pre-approved with a lender. They will verify your financial information and determine the best loan you can afford.

SHOP
A trusted real estate agent can help you navigate the homebuying process. When you find the home you like, you can sign a home purchase agreement.

APPRAISE
Your lender will order a property appraisal to determine the value of your home.

INSPECT
VA strongly recommends having a home inspection. It can provide you with peace of mind and serve as a useful negotiating tool before closing.

PROTECT
An appraisal combined with a home inspection can help provide a clear picture of whether a property is safe, sound, and sanitary for you and your family.

CLOSE
At closing, you will sign homeownership documents and agree to make the monthly mortgage payments.

MOVE IN
Congratulations, homeowner! You are ready to move into your new home.

If you have a VA-guaranteed home loan and are having difficulty making your mortgage payments, contact VA at 1-877-827-3702. Our VA Loan Technicians are available to help.

In 2013, more than 620,000 Veterans, Servicemembers, and eligible survivors obtained loans through the VA Home Loan Guaranty benefit.

[Eligibility For VA Home Loan Programs | Veterans Affairs](https://www.va.gov/housing-assistance/home-loans/eligibility/)

<https://www.va.gov/housing-assistance/home-loans/eligibility/>
10/15/2024

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☆☆☆ VA LOAN ☆☆☆

ELIGIBILITY REQUIREMENTS

If you meet one or more of the following requirements, you may be eligible for a VA Home Loan

YOU HAVE SERVED	YOU HAVE SERVED	YOU HAVE MORE THAN
90	181	6 YEARS
Consecutive days of service during wartime	Days of service during peace time	of service in the National Guard or Reserves.

YOU ARE THE SPOUSE

Of a service member who died in the line of duty or as a result of a service-related disability



Will I have to Pay My VA Funding Fee?

Will I have to pay the VA funding fee?

- If you're using a VA home loan to buy, build, improve, or repair a home or to refinance a mortgage, you'll need to pay the VA funding fee unless you meet certain requirements.

You won't have to pay a VA funding fee if any of these descriptions are true for you:

- You're receiving VA compensation for a service-connected disability, or
- You're eligible to receive VA compensation for a service-connected disability, but you're receiving retirement or active-duty pay instead, or
- You're receiving Dependency and Indemnity Compensation (DIC) as the surviving spouse of a Veteran, or
- You're a service member who has received a proposed or memorandum rating before the loan closing date that says you're eligible to get compensation because of a pre-discharge claim, or
- You're a service member on active duty who, before or on the loan closing date, provides evidence of having received the Purple Heart

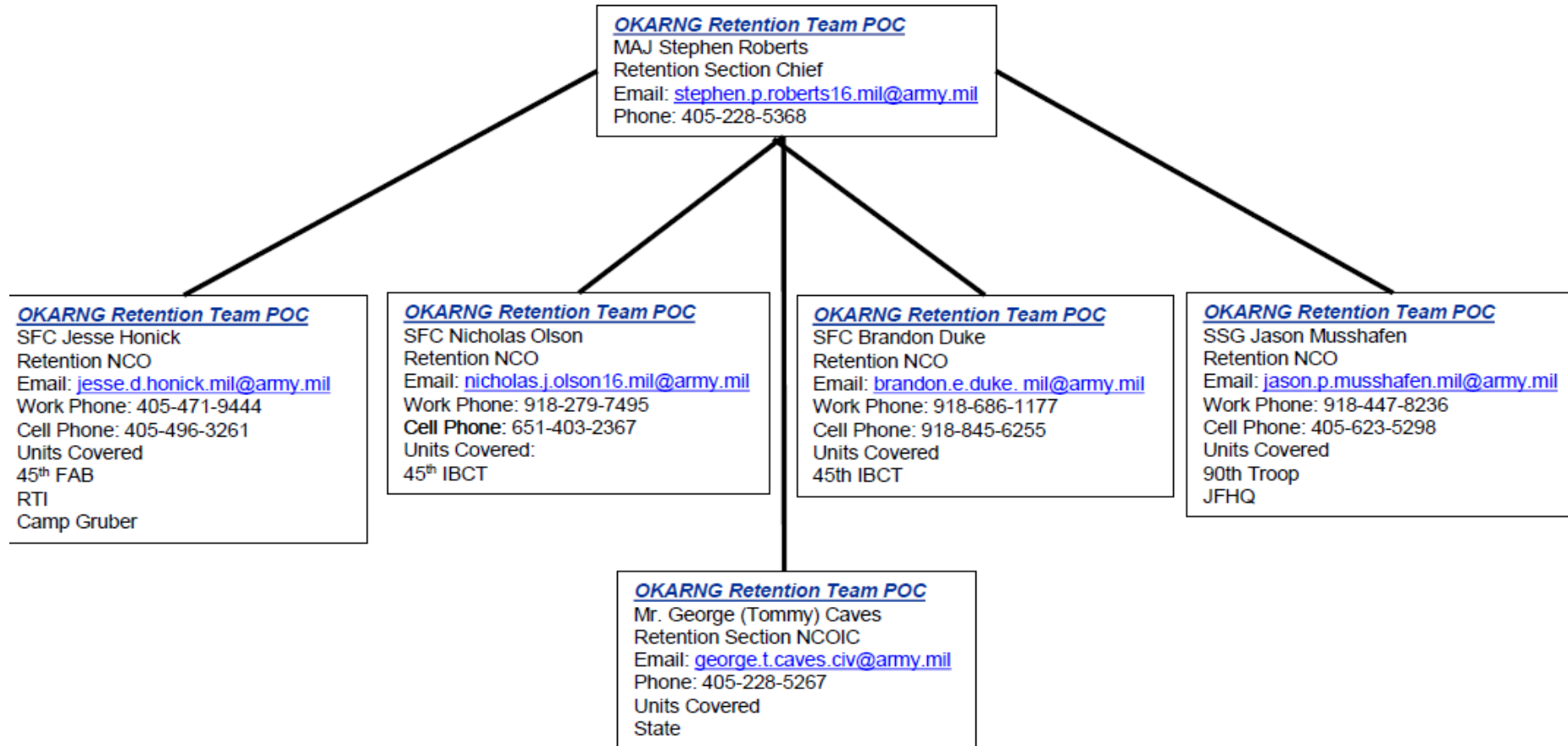


Blended Retirement System Benefits

- ✓ **Greater portability of retirement benefits**
- ✓ **Earlier savings for retirement**
- ✓ **No longer ALL or NOTHING retirement plan**
- ✓ **Covers more people**
- ✓ **Recruiting incentive**
- ✓ **Continuation Pay adds incentive to stay for full career**
- ✓ **Lump Sum option gives choices at retirement**
- ✓ **Encourages saving for retirement**



State Career Counselor Team





Blended Retirement System

Questions?

MILITARY
ON-SOURCE

Call 800-342-9647 to speak with a financial counselor today

<https://ok.ng.mil/ARNG-Retention/>
ng.ok.okarng.list.g1-retention-acl@army.mil

VISIT OUR
WEBSITE



The DoD BRS Resource Page at
<http://militarypay.defense.gov/blendedretirement>