



Blended Retirement System (BRS)



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- All service members who are currently serving this Great Nation, or who sign a contract to serve, on or before December 31, 2017 are **grandfathered** into the current retirement system. A service member who, as of December 31, 2017, who has **served less than 12 years** of (Active Duty) service or a **(Reservist) with less than 4,320 points**, will have the option to remain under the current retirement system or choose to change to the new, Blended Retirement System (BRS) between **1 Jan. 2018 – 31 Dec. 2018**.
- (Factor #1) - **Money Personality** – (1) Security (2) Entrepreneurial (3) Pleasure (4) Recognition
- (Factor #2) - **Investment** - **Rick Tolerance???**



Defined **Benefit Plan** vs. Defined Contribution Plan

- Defined Benefit Plan – Retirement/Annuity pay is calculated $2.5\% \times \text{number of years served} \times \text{high 36-months average pay}$; and no TSP matching funds; **50% at 20-years.**
- Defined Contribution Plan – Retirement/Annuity pay is calculated $2.0\% \times \text{number of years served} \times \text{high 36-months average pay}$; and TSP matching funds up to 4% and 1% automatic contribution; **40% at 20-years.**
- Continuation Pay – at 12-years of service, Service Member can receive a cash payout (bonus) of up to 13 x Basic Pay
- Lump Sum Retirement/Annuity pay option up to 50%