



VALUATION OF THE MILITARY RETIREMENT SYSTEM

SEPTEMBER 30, 2008

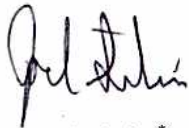
**DoD Office of the Actuary
December 2009**

ACTUARIAL CERTIFICATION

This report on the military retirement system as of September 30, 2008, has been prepared in accordance with generally accepted actuarial principles and practices. In preparing the report, we have relied upon information maintained by the Office of the Secretary of Defense regarding plan provisions, finances, and participants. The purpose of the actuarial valuation documented in this report is to develop actuarial liability and funding amounts to support the Secretary of Defense and the DoD Board of Actuaries (Board) in meeting the requirements of Chapter 74, Title 10, United States Code. Use of these results for other purposes may not be appropriate. Any rates or parameters included in this report should not be used for other purposes without complete comprehension of the underlying derivation. Please contact the DoD Office of the Actuary for further information.

We have performed the valuation using methods and assumptions approved by the Board. In general, the decrement rates used in the valuation are based on actual experience under the military retirement system. The annual economic assumptions include a 3% rate of inflation, a 3.75% across-the-board salary increase, and a 5.75% interest rate.

In our opinion, the actuarial methods and assumptions used in the preparation of this report are reasonable, and the valuation results present a fair picture of the financial condition of the military retirement system.



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SUMMARY OF CHANGES FOR THE SEPTEMBER 30, 2008, VALUATION

Changes in Actuarial Assumptions

At its August 2008 meeting, the Office of the Actuary proposed and the DoD Board of Actuaries approved the following changes for the September 30, 2008, valuation.

Interest Rate

The new interest rate of 5.75% (vs. 6%) increased the full-time DoD Normal Cost Percentage (NCP)* by 2.3 percentage points, and the part-time DoD NCP by 2.0 percentage points. The change leads to an actuarial loss of \$43.4 billion. See Appendix D.

Nondisabled Retired Death and Other (Nondeath) Loss Rates

The Board approved the division of rates into those who retired from active duty and those who retired from reserve duty. The decision was based on historical data showing that retired reservists outlive their active duty counterparts. The Board thought that this refinement would result in a better allocation of active and reserve costs. The new rates lowered the full-time DoD NCP by less than 0.1 percentage point, and increased the part-time DoD NCP by 0.9 percentage points. The new rates resulted in an actuarial loss of \$0.08 billion. See Appendix I.

Mortality Improvement Factors

The new factors are based on the Society of Actuaries' Scale AA trend, with adjustments. The new factors increased both full- and part-time DoD NCPs by 0.5 percentage points. The new factors led to an actuarial loss of \$14.1 billion. See Appendix J.

Programming Refinement

There was an enhancement to the modeling of the Survivor Benefit Plan. The refinement had no impact on the full- and part-time DoD NCPs. The refinement resulted in a \$1.0 billion actuarial loss.

* DoD pays only a portion of the total NCP. The portion attributable to concurrent receipt benefits is paid by Treasury.

Changes in Benefit Provisions

In FY 2009, Congress passed Public Law 111-31 – *The Family Smoking Prevention and Tobacco Control Act*. The effect of Section 201 on the Military Retirement Fund is discussed below.

Dependency and Indemnity Compensation (DIC) Offset

Section 201 expands the monthly allowance (originally in the 2008 National Defense Authorization Act - NDAA) for survivors subject to a DIC offset. The allowance increases annually following a schedule, with the benefit ending in 2017. Previously, the benefit ended in 2016 with lower monthly allowances. This does not impact the DoD NCPs, but leads to a \$0.3 billion loss.

SUMMARY OF ANTICIPATED CHANGES FOR THE SEPTEMBER 30, 2009, VALUATION

Changes in Actuarial Assumptions

At its August 2009 meeting, the DoD Board of Actuaries approved the following changes for the September 30, 2009, valuation, which will be documented in a future report. All actuarial gains/losses below are based on 2008 data.

Career Status Bonus (CSB)/Redux Election Proportion

The Board approved an updated CSB/Redux Election Proportion parameter (see Appendix F). This increased the full-time DoD NCP by 0.4 percentage points, and had no effect on the part-time NCP. The Office of the Actuary (OACT) estimates the new proportion leads to a \$3.5 billion actuarial loss to the Fund.

Survivor Valuation Rates and Factors

The Board approved the update of various rates and factors used for the survivor benefits valuation. The new rates and factors had no effect on the full-time DoD NCP, and decreased the part-time DoD NCP by 0.1 percentage-point. OACT estimates the new rates and factors lead to a \$3.0 billion actuarial loss to the Fund.

Permanent Disability Valuation Rates and Factors

The Board approved the update of permanent disability rates and factors (see Appendix I). The new rates and factors affect the full-time DoD NCP by less than 0.1 percentage point. OACT estimates the new rates and factors lead to an actuarial loss of \$0.7 billion.

VALUATION OF THE MILITARY RETIREMENT SYSTEM

Introduction

The military retirement system provides benefits for retirement from active duty and from the reserves, disability retirement benefits, optional survivor coverage, and special compensation programs for certain disabled retirees. A detailed description of benefits can be found in Appendix A, and a history of the system is in Appendix B.

Public Law 98-94 (currently Chapter 74 of Title 10, U.S.C.) established an aggregate entry-age normal cost funding method for the military retirement system starting Oct. 1, 1984. Under this law, DoD pays the normal cost of the system and the Treasury Department makes payments from general revenues to amortize the unfunded liability, including any gains or losses that have arisen from assumption or benefit changes, or from assumed experience differing from actual experience. Public Law 108-136 modified this process such that DoD's normal cost contribution excludes the cost due to Concurrent Receipt benefits (refer to Appendix A for more information on Concurrent Receipt provisions). Treasury's total contribution includes an additional amount to fund the normal cost for Concurrent Receipt benefits.

Public Law 98-94 also established an independent three-member DoD Retirement Board of Actuaries who were appointed by the President. The Board is required to review valuations of the military retirement system; to determine the method of amortizing unfunded liabilities; to report annually to the Secretary of Defense; and to report to the President and the Congress on the status of the Military Retirement Fund at least every four years. The DoD Office of the Actuary provides all technical and administrative support to the Board. Public Law 110-181 eliminated the Retirement and Education Benefits Boards, and created a new single DoD Board of Actuaries appointed by the Secretary of Defense. Board duties with respect to the Retirement and Education Benefits Funds are similar, and the new law expands the Board's responsibilities to include oversight of any other Fund the Secretary of Defense deems necessary.

The terms of the Board members are fifteen years and a member can be removed only for misconduct or failure to perform the duties of the office. The current Board members are Marsha Bera-Morris (Chairman), John Hartnedy, and James Verlautz. The DoD Chief Actuary is the Executive Secretary for the Board.

Military retired pay is based on "basic pay." This is the principal element of military compensation that all members receive; however, it is not analogous to private or public sector salaries for comparative purposes. Reasonable comparisons can be made to Regular Military Compensation (RMC). RMC is the sum of (1) basic pay, (2) the housing allowance, which varies by grade, location, and dependency status, (3) the subsistence allowance and, (4) the tax advantages accruing to allowances because they are not subject to federal income tax. Consequently, comparisons of military retired pay to other pension systems should recognize the relationship to RMC rather than to basic pay only. Appendix A contains a more complete description of this topic.

Valuation Data and Procedure

The valuation input data were extracted from files maintained at the Defense Manpower Data Center (DMDC). Data on individual retirees and survivors came from official files submitted by the Defense Finance and Accounting Service (DFAS). Reserve data were obtained from the Reserve Component Common Personnel Data System (RCCPDS), the official source for all reserve strengths and statistics.

Active duty data came from files provided by the four military personnel centers; these data were edited and adjusted by less than 0.1 percent to agree with official totals supplied by the DoD Comptroller. Dollar amounts include the January 1, 2009, across-the-board pay raise. These totals are summarized in Table 1.

TABLE 1

INITIAL ACCOUNTING FIGURES AS OF SEPTEMBER 30, 2008

Total Active Duty Personnel + Full-Time Reservists	1,460,720
Total Monthly Basic Pay	\$4.34 billion
Total Selected Drilling Reservists	765,910
Total Monthly Basic Pay	\$0.45 billion
Total Number of Nondisability Retirees	1,795,369
Total Monthly Retired Pay	\$3.46 billion
Total Number of Disability Retirees ***	85,502
Total Monthly Retired Pay	\$0.11 billion
Total Number of Surviving Families ***	289,943
Total Monthly Survivor Annuities	\$0.28 billion

*** Amounts do not reflect benefit increases due to the Concurrent Receipt provisions of the 2008 NDAA and the Special Survivor Indemnity Allowance of P.L. 111-31. Costs, liabilities, and outlays in this report, however, reflect these benefit increases unless otherwise stated.

Population and pay projections are generated by an actuarial projection model (GORGO¹). Due to law changes, additional adjustments to the pay projection are made outside of GORGO. For use in this model, the data on active duty personnel and drilling reservists are grouped into cells by age and number of years of service. Each cell contains the number and the average basic pay for personnel with that particular combination of age and length of service. Data on the retired population and surviving families are grouped into cells by age, and each cell contains the number and total net annualized retired pay or survivor annuity.

Separate data arrays are maintained in GORGO for each of the population categories listed in Table 2. These data arrays are displayed in Appendix C.

In GORGO, these starting populations are projected year by year into the future. Each year personnel are moved from one population category to another (e.g., from active to retired, or dropped from the system altogether) by means of decrement rates such as withdrawal, nondisability retirement, temporary disability, permanent disability, transfer, death with and without survivors, etc. Basic pay scale increases are assumed to be 3.75 percent per year. Basic pay is also increased by individual promotion and longevity increases. Generally, retired pay and survivor annuities are increased by cost-of-living adjustments (COLAs) of 3 percent per year for retirees and survivors who receive a full COLA. At the end of each year, the number of people and the amounts paid in basic pay and benefits are saved, and the population is aged. After 100 years, when an immaterial number of the current active or retired personnel are left in the system, the present values of the series of future benefit payments and future basic pay outlays are determined, using the valuation interest rate of 5.75 percent per year. Because no new entrants come into the system, the projection is said to be “closed group.”

There is also an option in GORGO for an “open group” projection in which new entrants are added each year to meet projected end-strengths. Detailed results of an open group projection of the military retirement system appear in Appendix K.

An open group projection appears later in this text (Table 9). This projection, which shows the past and projected flow of plan assets, includes the total basic payroll over the next 100 years, the normal cost contributions, the payments to amortize the unfunded liability, investment income, fund disbursements, and the fund balance. All of these items are discussed in detail throughout the text of this report.

An overview of the GORGO process is illustrated in Figure 1.

¹ GORGO is the name given to the program by a former DoD Chief Actuary. It was named after a monster featured in a 1961 British science fiction movie based on a variation of *Godzilla*.

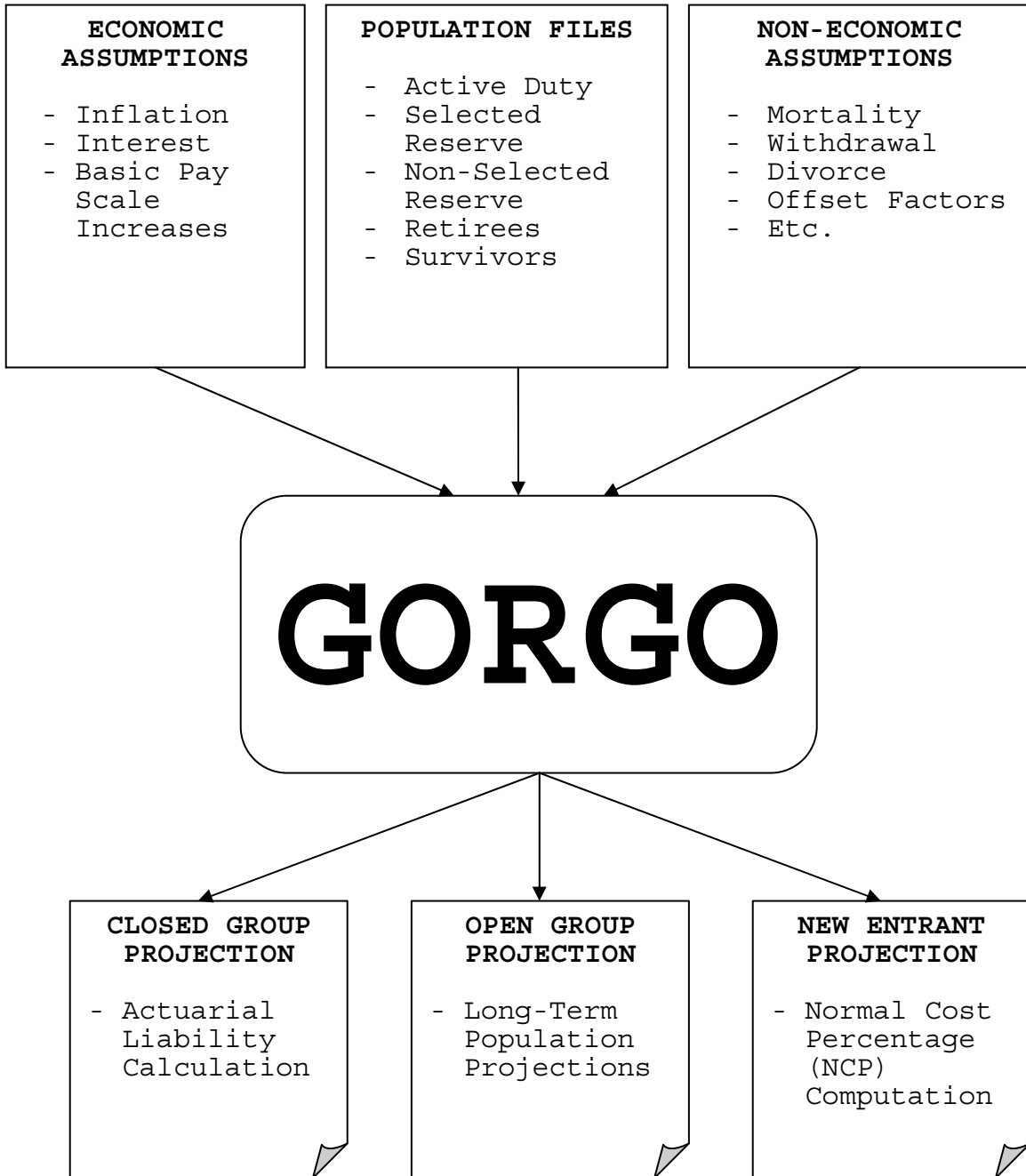
TABLE 2

GORGO POPULATION CATEGORIES

1. Active duty populations and basic pay
 - a. Officers
 - b. Enlistees
2. Selected reserve populations, basic pay, and benefit formula (FINAL PAY or HI-3)
 - a. Officers
 - b. Enlistees
3. Non-selected reserve (those who have completed 20 good years and have not reached paid retirement) populations, basic pay, and benefit formula
 - a. Officers
 - b. Enlistees
4. Retiree populations and retired pay
 - a. Nondisabled officers (no reservists)
 - b. Nondisabled enlistees (no reservists)
 - c. Reserve officers
 - d. Reserve enlistees
 - e. Disabled officers (Permanent and Temporary)
 - f. Disabled enlistees (Permanent and Temporary)
5. Surviving families in a survivor benefit plan and total annuities
 - a. Retired Serviceman's Family Protection Plan (RSFPP)
 - b. Survivor Benefit Plan (SBP)
 - c. Reserve Component Survivor Benefit Plan (RCSBP)
 - d. Death on active duty supplement to VA
 - e. Minimum income
6. Typical new-entrant cohort
 - a. Officers
 - b. Enlistees

FIGURE 1

GORGO PROCESS OVERVIEW



Economic assumptions, i.e., the annual rate of inflation, the annual basic pay scale increases, and the annual valuation interest rate, were decided upon by the DoD Board of Actuaries after extensive analysis of past trends and future expectations. A discussion of these trends and other considerations is contained in Appendix D.

The decrement rates and other non-economic assumptions can be categorized as follows:

1. Active duty decrement rates
2. Retiree and survivor decrement rates
3. Drilling and non-drilling (with 20 good years) reserve decrement rates
4. Internal computer program parameters
5. Other rates (e.g., mortality improvement)

In general, the decrement rates and GORGO parameters are based on military-specific experience. The rates and descriptions of how they were derived appear in Appendixes G through J. The internal computer program parameters, dealing with such matters as the survivor benefit elections, premium deductions, and member/beneficiary age differences, appear in Appendix F.

Assets

The assets of the Military Retirement Fund are invested in special issue Treasury obligations bearing interest at rates determined by the Secretary of the Treasury taking into consideration current market yields for outstanding marketable U.S. obligations of comparable maturities. Each security issued to the Fund “mirrors” a security that has been issued to the public, i.e., it has the same maturity date and coupon rate. The special issue security that is mirrored may have been issued recently, or at any time in the past. Under current procedures adopted by Treasury, the investment manager (DFAS Trust Fund Accounting Division) is permitted to redeem long-term special issue securities at any time before maturity for their fair market value, which is based on the bid price for the public issue with the same maturity date and coupon rate. However, Treasury policy encourages a buy-and-hold approach giving consideration to the needs of the Fund in determining the maturities of securities purchased.

The investment manager must follow the asset investment strategy approved by the DFAS Investment Board at their semiannual meetings. The current asset investment strategy is to invest future purchases in Treasury Inflation-Protected Securities (TIPS) using a long-term ladder approach. The ladder approach immunizes the investments against adverse changes in market yields while lessening the dependency on discrete, future dates. This strategy hedges almost all of the inflationary pressures while minimizing liquidity risks to the fund. “Almost all” is due to timing issues and the inconsistency between the TIPS calculation of inflation (CPI-U) and the Fund’s crediting of inflation (CPI-W) to retiree and survivor benefits.

For purposes of determining the unfunded liability, the assets of the Fund are valued using the amortized cost method. Under this method, the yield to maturity of a security valued at any point in time is equal to the yield to maturity at the time of purchase. In the valuation of the

military retirement system, the amortized cost value is referred to as the “actuarial value of assets.” The actuarial value of assets is determined by amortizing premium and discount over the life of the securities. The total investment return includes: the interest coupons received, the change in the amortized cost value during the year, and the inflation compensation accrued from the holdings of TIPS. The actuarial value of assets used in the determination of the unfunded liability includes the “accrued interest,” which is the amount of the next semiannual interest coupon payment that has accrued since the date of the last coupon payment. The amount of the “accrued interest” is determined by multiplying the coupon payment by the ratio of the time that has elapsed since the last coupon payment date to the total time between coupon payments. Table 3 presents a statement of the actuarial value of assets as of September 30, 2008; Table 4 presents a statement of changes in the actuarial value of assets.

In an open group projection of a retirement system where the total number of employees is held constant, the number of retirees and survivors on the roll at year end, as well as the number withdrawing, retiring, dying, etc., each year, eventually levels out. When this occurs, the population is said to be “stationary.” In the projection in Table 9, DoD-projected endstrengths are used through the end of FY15. After that, the force size is held constant each year. However, the assumption of future mortality improvement results in a small increase in the retired population each year, so that the retired population is nearly, but not completely, stationary.

When a population becomes stationary, the fund disbursements increase each year at the same rate as total pay, which is 3.75 percent per year. If the method of funding the system is theoretically sound, the value of the assets in the Fund will also increase at this same rate, and thus will become a level percentage of pay. Otherwise, the fund would either increase indefinitely as a percent of pay, or decrease until it was zero.

A portion of the investment income must be used to generate the 3.75 percent Fund increases and cannot be used to pay benefits. For example, in the year 2040 (on Table 9), the projected normal cost payment is \$61.1 billion, the investment income is \$205.5 billion, and Fund disbursements are \$123.6 billion. The beginning-of-year fund balance is \$3,599.6 billion. The two sources of Fund income will cover benefit payments plus 3.75 percent of the beginning-of-the-year fund balance. That is, \$61.1 billion plus \$205.5 billion exceeds \$123.6 billion plus \$135.0 billion ($\$3,599.6 \text{ billion} \times .0375$)—the amount that would be required for the fund to grow by 3.75 percent during the year. The lack of equality in the later years of the projection is due to (1) mortality improvement, which keeps the retired population from being stationary, (2) the difference between the short-term economic assumptions and the ultimate economic assumptions (see Table 9 Footnote), and the fact that the projection uses unfunded liability amortization payments determined in the September 30, 2008, valuation.

Under generally accepted accounting principles (GAAP), private sector plans must also provide a “Statement of Net Assets Available for Benefits,” where the assets are valued at fair market value. This statement is included in Appendix L and is strictly for descriptive purposes only.

TABLE 3

DEPARTMENT OF DEFENSE
MILITARY RETIREMENT FUND
STATEMENT OF ACTUARIAL VALUE OF ASSETS
(\$ in thousands)

	For the Plan Year Ended September 30, 2008
<u>Assets</u>	
1) Investments, at book value:	
U.S. Government securities ¹	\$250,298,444
2) Accounts receivable:	
a) Accrued interest ²	\$2,748,171
b) Due from military retirees or their survivors	\$24,513
c) Intragovernmental	\$0
3) Cash:	<u>\$17,515</u>
 <u>Actuarial value of assets</u>	 <u>\$253,088,643</u>

¹ Book value is determined by 1) amortizing premium and discount over the life of the securities using the effective interest method and 2) including additional inflation compensation from TIPS.

² Includes accrued interest receivable and interest purchased.

TABLE 4
DEPARTMENT OF DEFENSE
MILITARY RETIREMENT FUND
STATEMENT OF CHANGES IN ACTUARIAL VALUE OF ASSETS
(\$ in thousands)

	For the Plan Year Ended September 30, 2008
1) Actuarial value of assets at beginning of plan year:	\$218,248,487
2) Investment income:	
Interest	\$17,321,627
Net appreciation (depreciation) in book value of investments ¹	\$(1,763,894)
3) Contributions:	
a) From Services	\$16,138,795
b) Appropriation to amortize the unfunded liability	\$46,187,000
c) Appropriation for Treasury Normal Cost Contribution	\$2,776,000
4) Total additions (2 + 3):	\$65,101,795
5) Benefits paid to participants:	<u>\$45,819,372</u>
Actuarial value of assets (1 + 4 – 5):	<u>\$253,088,643</u>

¹ Investments bought, sold and held during the plan year ended September 30, 2008, appreciated (depreciated) in value by \$(1,763,894) as follows:

Amortized discount	\$108,334
Amortized premium	\$(1,872,228)
Gain (loss) on sale *	<u>\$38,831</u>
	\$(1,763,894)

* Gain (loss) on sale is only shown for informational purposes and is not included in the net appreciation (depreciation).

Normal Cost

The aggregate entry-age normal cost percentage (NCP) is the level percentage of basic pay that must be contributed over the entire active career of a typical group of new entrants to pay for all the future retirement and survivor benefits of that group. It is determined by using the new-entrant cohort as the starting population in a GORGO projection. Their basic pay and benefits are projected over the next 100 years, and then discounted back to the present to find the NCP. Mathematically, a NCP is developed by dividing the present value of future benefits for the entire cohort by the present value of future basic pay.

As described in Appendix A, there are three distinct nondisability benefit formulas (relevant to three distinct populations) within the military retirement system. Retirement benefits are based on final basic pay (FINAL PAY) for military personnel who first became members of a uniformed service before September 8, 1980, and are based on the average of the highest 36 months (HI-3) for those becoming members on or after this date. Additionally, active duty military personnel who first became members of a uniformed service on or after August 1, 1986, are HI-3 unless they elect Career Status Bonus (CSB)/Redux, which provides them with a bonus in exchange for reduced Redux benefits.

Public Law 99-661, enacted in November 1986, mandated that two separate NCPs be used for the valuation of the military retirement system. One NCP is for active-duty personnel and full-time reservists (full-time) and one is for part-time reservists (part-time). Full-time and part-time NCPs are calculated for each of the three separate benefit formulas. The FY09 NCPs are summarized below:

<u>Benefit Formula</u>	<u>Full-Time</u>	<u>Part-Time</u>
FINAL PAY	46.0%	28.9%
HI-3	41.7	27.4
CSB/REDUX ²	40.3	27.4

Public Law 108-136 required the Treasury to pay into the Fund at the beginning of each year the normal cost arising from increased benefits due to Concurrent Receipt. The NCPs shown above include both the Treasury and the DoD portion. DoD pays only a portion of the total NCP. The portion attributable to concurrent receipt benefits is paid by Treasury. Table 7 depicts the DoD and Treasury NCPs separately.

Table 5 shows the expected percentage of the total basic payroll that will be paid during the fiscal year to all active duty personnel who entered a uniformed service since the beginning of fiscal year t-k, where k can take any value from 0 to 29. For example, during FY09 (t=2009), 3 percent of the expected basic payroll will be paid to personnel entering service in that fiscal year (k = 0), and 99 percent of the expected basic payroll will be paid to persons entering service since the beginning of FY81 (k = 28). The data and methodology used to derive this table are described in Appendix E.

² This NCP represents a blend of NCPs for CSB/Redux and HI-3 benefit formulas based on the CSB/Redux Election Proportion (see Appendix F).

TABLE 5

PERCENTAGE OF TOTAL BASIC PAYROLL PAID DURING FISCAL YEAR 't' TO ALL ACTIVE DUTY PERSONNEL ENTERING SERVICE DURING OR AFTER SPECIFIC YEAR OF ENTRY

<u>Year of Entry</u>	<u>Percentage</u>
t	3%
t-1 or later	10
t-2 or later	18
t-3 or later	26
t-4 or later	32
t-5 or later	38
t-6 or later	43
t-7 or later	47
t-8 or later	52
t-9 or later	56
t-10 or later	60
t-11 or later	63
t-12 or later	67
t-13 or later	70
t-14 or later	74
t-15 or later	77
t-16 or later	80
t-17 or later	83
t-18 or later	86
t-19 or later	89
t-20 or later	92
t-21 or later	94
t-22 or later	95
t-23 or later	96
t-24 or later	97
t-25 or later	98
t-26 or later	98
t-27 or later	99
t-28 or later	99
t-29 or later	100

Based on basic payroll data for Fiscal Years 1987 to 1991, as described in Appendix E.

Thus, 99 percent of the basic payroll for FY09 is expected to be paid to personnel entering service since the beginning of FY81, while the remaining 1 percent of the expected basic payroll for FY09 will be for personnel whose retirement benefits are based on FINAL PAY.³ Of the 99 percent associated with post-FY80 new entrants, 95.2 percent is expected to be attributable to the CSB/REDUX members (entering on or after August 1, 1986) and the remaining 3.8 percent to the HI-3 members. The 95.2 percent was derived by interpolating between the factors for FY86 (k = 23) and FY87 (k = 22) years of entry. The FY09 weighted aggregate full- and part-time NCPs are obtained by weighting their respective NCPs for the CSB/REDUX formula by 95.2 percent, the normal cost percentages for the HI-3 formula by 3.8 percent, and the normal cost percentages for the FINAL PAY formula by 1.0 percent. The resulting sum of the DoD and Treasury components of the weighted aggregate full-time NCP is 40.4 percent, and the weighted aggregate part-time NCP is 27.4 percent. Due to federal budget deadlines, the two normal cost percentages used to determine the actual contributions to the Fund must be established in advance of implementation and may vary from those actually derived in a valuation.

Table 6 summarizes the components of the FY09 normal cost percentages.

<u>FULL-TIME</u>	<u>FINAL PAY</u>	<u>HI-3</u>	<u>CSB/REDUX</u>	FY09 <u>Weighted</u>
Nondisability benefits	43.7%	39.7%	38.3%	38.4%
Disability benefits	0.8	0.8	0.8	0.8
Survivor benefits	<u>1.4</u>	<u>1.3</u>	<u>1.2</u>	<u>1.2</u>
Total	46.0%	41.7%	40.3%	40.4%
 <u>PART-TIME</u>				
Nondisability benefits	27.0%	25.5%	25.5%	25.5%
Disability benefits	0.0	0.0	0.0	0.0
Survivor benefits	<u>2.0</u>	<u>1.9</u>	<u>1.9</u>	<u>1.9</u>
Total	28.9%	27.4%	27.4%	27.4%
<p>Note that columns may not add exactly due to rounding. *** Refer to Table 7 for the breakdown of the normal cost between the DoD and Treasury. ***</p>				

³ Personnel hired before September 8, 1980, have their retirement benefits based on FINAL PAY, but for purposes of determining the weights in the weighted NCP, we use personnel hired before October 1, 1980.

As can be determined from this table, about 95 percent of the full-time normal cost stems from nondisability retirement. Based on current decrement rates, 17 percent of a typical group of new entrants attains 20 years of active duty service and becomes eligible for nondisability retirement from active duty. Specifically, 47 percent of new officers and 15 percent of new enlistees attain 20 years of active duty service.⁴ It should be noted that some military personnel who begin their careers on active duty move to the reserves and retire from there.

Table 10 lists in the normal cost columns the projected weighted aggregate full-time and part-time NCPs under current law for each year in the future. The columns are separated into the DoD and Treasury NCPs due to Public Law 108-136, which requires the Department of Treasury to pay for the normal cost resulting from the increase in benefits due to Concurrent Receipt. By 2011, both the full-time and part-time sum of the DoD and Treasury components of the weighted aggregate percentages drop to the level of the REDUX normal cost percentages [full-time 40.3 percent ($40.3 = 32.3 + 8.0$); part-time 27.4 percent ($27.4 = 24.6 + 2.8$)] since by that time virtually all non-retired personnel will have entered the uniformed service after August 1, 1986, (the above figures may not add due to rounding).

Amortization of Unfunded Liability

Under Public Law 98-94, normal cost contributions began to be made by DoD on behalf of all military personnel on October 1, 1984. Since normal cost contributions had not been made for service prior to this date, there was an initial unfunded accrued liability, or “initial unfunded liability,” as of September 30, 1984, of \$528.7 billion. If this amount had been deposited in the retirement fund on September 30, 1984, then it, together with the future normal cost payments to be made on behalf of all active duty personnel and drilling reservists over the balance of their active careers, and investment earnings at the assumed rate, would have been sufficient to provide all expected retirement and survivor benefits for those in the system on that date.

The Board of Actuaries originally determined that the initial unfunded accrued liability of the system (\$528.7 billion) should be amortized with payments equal to 33 percent of the second preceding fiscal year’s basic payroll. It was originally projected that this method would amortize the initial unfunded liability over 60 years. However, economic assumption changes extended the amortization period well beyond 60 years. As a result, the Board revised the amortization

⁴ As in past valuation reports, these percentages are stated from the perspective of a member still in active service upon reaching his or her first fiscal-year boundary (i.e., September 30). If losses prior to the first fiscal-year boundary are taken into account, the percentages would be reduced by approximately 15 percent. The stated percentages also reflect the effect of reentrants, i.e., members who appear in the active duty population one year without having been there the year before, who are not new entrants. Without the effect of reentrants, the proportion of a typical group of new entrants who attain 20 years of active duty service is reduced from 17 percent to 14 percent.

method of the original unfunded liability in such a way that the amortization would have been completed in 2043. In more recent years, it was determined that the Military Retirement Fund was projected to have a negative balance for several years before becoming positive again. The Board decided to shorten the amortization period to 50 years in 1996. The Board again shortened the amortization period in 2007 to 42 years in order for the payments to cover the interest on the unfunded liability each year. The initial unfunded liability is now expected to be fully amortized in 2025.

Changes in the unfunded liability can also arise because of modifications to benefit provisions, changes in actuarial assumptions, and deviations in actual experience from expected experience (gains and losses). The Board approved a method to amortize these changes over 30 years by payments that increase in absolute value at the same rate as the annual long-term basic pay scale assumption (currently 3.75 percent). A detailed description of the methods used to calculate the payment streams for changes in unfunded liability is in Appendix M.

Unfunded Accrued Liability as of September 30, 2008

Table 7 summarizes the calculation of the unfunded accrued liability as of September 30, 2008. The present value of future benefits is obtained by projecting future benefits for the total covered population (closed group with no new entrants) as of September 30, 2008, and discounting these benefits back to the present. The GORGO projection model projects benefits for the current active and retired populations over the rest of their lifetimes. Due to recent law changes, additional adjustments to the pay projections are made outside of GORGO. The initial retirement benefits for military personnel are based on their total projected service at retirement, the applicable benefit formula, and projected basic pay increases. Subsequent retirement benefits include projected cost-of-living adjustments and the age 62 adjustment for those retiring under the CSB/REDUX formula.

The present value of future normal cost contributions is obtained by (1) using GORGO to project future yearly full-time and part-time basic pay for the September 30, 2008, covered population, (2) multiplying the pay by the total projected (DoD and Treasury) full-time and part-time weighted aggregate entry-age NCPs, and (3) discounting the resulting normal costs back to September 30, 2008. For this closed group, the relative percentages of basic pay subject to the three separate benefit formulas will change over time as fewer and fewer members are covered under the Final Pay formula. The *weighted* full- and part-time NCPs that are multiplied against the future full- or part-time pay in each year reflect expected changing percentages of pay going to members covered by the three benefit formulas. This weighted procedure is roughly equivalent in the aggregate to projecting separately the pay of each of the six groups of active duty and selected reserve members and multiplying it by the individual group's NCP.

The sum of the DoD and Treasury components of the weighted aggregate entry-age normal cost percentages for FY09 are 40.4 percent full-time and 27.4 percent part-time. Federal budget deadlines require the establishment of normal cost percentages in advance of the valuation. Consequently, the percentages actually implemented in a fiscal year may vary from those derived in the valuation. These differences, which are small unless major actuarial

assumptions are changed, are reflected in the unfunded liability by using the implemented normal cost in the first year of the projection.

Deducting the present value of future normal costs and the actuarial asset value of the Fund from the present value of future benefits leaves an unfunded liability of \$904.2 billion as of September 30, 2008. This was 10 percent more than the expected unfunded liability of \$824.5 billion. The expected unfunded liability is what the unfunded liability would have been if all actuarial assumptions had been realized and all benefit formulas had remained unchanged. The fact that the actual unfunded liability is more than expected means that there was a total FY08 loss of \$79.7 billion (\$824.5 billion minus \$904.2 billion). The components of this loss are outlined in Table 8. The total experience loss is divided into four segments: (1) the gain due to the difference between the actual interest rate earned (6.2%) by the fund and the assumed interest rate (6.0%); (2) the loss due to the actual COLA (5.8%) increase being different from that assumed (3.0%); (3) the loss due to the actual salary (3.9%) increase being different from that assumed (3.75%); and (4) the loss due to differences between all non-economic assumptions and the actual experience for the year. See the Summary of Changes for the September 30, 2008, Valuation for a more detailed discussion of the actuarial assumptions and benefit changes gains and losses outlined in Table 8.

TABLE 7
MILITARY RETIREMENT SYSTEM
ACTUARIAL STATUS INFORMATION
AS OF SEPTEMBER 30, 2008
(\$ in billions)

	For the Plan Year Ended September 30, 2008
1. Present value of future benefits	
a. Annuitants now on roll	\$750.6
b. Nonretired reservists	\$153.1
c. Active duty personnel ¹	<u>\$451.0</u>
TOTAL	\$1,354.7
2. Present value of future normal cost contributions	\$197.4
3. Actuarial accrued liability	\$1,157.3
4. Actuarial value of assets ²	\$253.1
5. Unfunded accrued liability	\$904.2
6. DoD normal cost percentage (NCP) ³ to be applied to FY2010 basic pay	
a. Full-time	32.3%
b. Part-time	24.5%
7. Treasury normal cost percentage (NCP) ⁴ to be applied to FY2010 basic pay	
a. Full-time	8.0%
b. Part-time	2.8%

Basic pay is only a portion of active duty military compensation. See The Military Retirement System: Benefits (Appendix A) for details.

¹ The future benefits of active duty personnel expected to retire as reservists are counted on line 1.b.

² The actuarial value of assets is determined using the amortized cost method from Table 4.

³ Due to the need to establish the NCPs in advance of implementation (federal budget deadlines), the percentages actually used in a fiscal year may vary from the ones derived in the valuation.

⁴ Public Law 108-136 requires the Department of Treasury to pay the normal cost resulting from the increase in benefits due to Concurrent Receipt.

TABLE 8

FY08 CHANGE IN UNFUNDED LIABILITY
(\$ in billions)

	For the Plan Year Ended September 30, 2008	
1. Actual unfunded accrued liability (9/30/08)	\$904.2	
2. Expected unfunded accrued liability (9/30/08)	\$824.5	
3. Total gain/(loss)	(\$79.7)	6.9%
a. Total experience gain/(loss)	(\$20.9)	1.8%
Interest assumption	\$0.6	0.2%
COLA assumption	(\$18.9)	1.6%
Salary assumption	(\$0.5)	0.0%
Non-economic assumptions	(\$2.1)	0.2%
b. Total benefit change gain/(loss) (DIC Supplement – Public Law 111-31)	(\$0.3)	0.0%
c. Total assumption change gain/(loss)	(\$58.5)	5.1%
Active/Reserve Death/Other Loss Separate	(\$0.1)	0.0%
New Mortality Improvement	(\$14.1)	1.2%
5.75% Interest Rate	(\$43.4)	3.7%
Retirement Death Refinements	(\$1.0)	0.1%

(Percentages shown are ratios of absolute values of each gain or loss component to the accrued liability (Table 7, line 3), except the percentage given for the experience gain/(loss) due to the interest assumption: it is the ratio of the gain or loss to the actuarial value of assets (Table 7, line 4). In this table, negative values represent actuarial losses.)

These changes in unfunded liability were used to calculate the October 1, 2009, unfunded liability payment. The total payment was determined to be \$58,619 million. This total payment includes (1) a payment of \$70,379 million to amortize the original unfunded liability, less (2) an amount of \$1,241 million to amortize changes in actuarial assumptions, plus (3) an amount of \$7,100 million to amortize benefit changes, less (4) an amount of \$17,619 million to amortize total combined experience gains and losses through FY08. The detailed calculations of these payment components are located in Appendix M. Tables 11 and 12 show the projection of the unfunded liability payments and unfunded liability balances. Tables 9 and 10 display all projected transactions to the Fund.

Starting in FY05, the total payment to be made by Treasury includes, in addition to the unfunded liability amortization amount, the amount required by Public Law 108-136 to pay for the increased normal cost due to Concurrent Receipt benefits. This amount is \$4,516 million for FY10; thus, the total Treasury payment on October 1, 2009, is \$63,135 million (= \$58,619 million + \$4,516 million). Detailed calculations of the total Treasury payment are also located in Appendix M.

Other measures of a retirement system's liabilities (required for private sector plans under GAAP) are the "Accumulated Plan Benefits" and the "Market Value of Assets." In prior years, both these items and explanatory notes were included in Appendix L. Starting in FY07, only the "Market Value of Assets" will be shown for informational purposes.

TABLE 9

MILITARY RETIREMENT SYSTEM
PAST AND PROJECTED FLOW OF PLAN ASSETS
(In Billions of Dollars and as a Proportion of Payroll)

Fiscal Year	Basic Payroll ²	Normal Cost Payments ³	Amortization of Unfunded Liability ⁴		Investment Income	Fund Disbursements ⁵		Fund Balance End of Year ⁶			
1985	\$33.5	\$17.0	(0.507)	\$9.5	(0.284)	\$1.1	(0.033)	\$15.8	(0.472)	\$11.8	(0.352)
1986	\$35.4	\$17.4	(0.492)	\$10.5	(0.297)	\$2.5	(0.071)	\$17.6	(0.497)	\$24.6	(0.695)
1987	\$36.4	\$18.3	(0.503)	\$10.5	(0.288)	\$3.6	(0.099)	\$18.1	(0.497)	\$38.9	(1.069)
1988	\$37.3	\$18.4	(0.493)	\$10.3	(0.276)	\$5.1	(0.137)	\$17.5	(0.469)	\$53.4	(1.432)
1989	\$38.6	\$18.5	(0.479)	\$9.8	(0.254)	\$6.1	(0.158)	\$20.2	(0.523)	\$67.6	(1.751)
1990	\$39.8	\$16.3	(0.410)	\$10.6	(0.266)	\$7.3	(0.183)	\$21.5	(0.540)	\$80.4	(2.020)
1991	\$42.3	\$17.2	(0.407)	\$10.8	(0.255)	\$8.5	(0.201)	\$23.1	(0.546)	\$93.7	(2.215)
1992	\$41.1	\$16.3	(0.397)	\$11.2	(0.273)	\$9.4	(0.229)	\$24.5	(0.596)	\$106.1	(2.582)
1993	\$38.9	\$13.2	(0.339)	\$12.3	(0.316)	\$10.0	(0.257)	\$25.7	(0.661)	\$115.9	(2.979)
1994	\$38.3	\$12.8	(0.334)	\$11.9	(0.311)	\$10.3	(0.269)	\$26.7	(0.697)	\$124.2	(3.243)
1995	\$37.1	\$12.2	(0.329)	\$11.5	(0.310)	\$10.9	(0.294)	\$27.8	(0.749)	\$131.0	(3.531)
1996	\$36.7	\$11.2	(0.305)	\$10.7	(0.292)	\$11.2	(0.305)	\$28.8	(0.785)	\$135.3	(3.687)
1997	\$36.8	\$11.1	(0.302)	\$15.2	(0.413)	\$11.9	(0.323)	\$30.2	(0.821)	\$143.3	(3.894)
1998	\$37.1	\$10.5	(0.283)	\$15.1	(0.407)	\$12.2	(0.329)	\$31.1	(0.838)	\$149.9	(4.040)
1999	\$37.6	\$10.5	(0.279)	\$15.3	(0.407)	\$12.3	(0.327)	\$31.9	(0.848)	\$156.0	(4.149)
2000	\$39.0	\$11.5	(0.295)	\$15.3	(0.392)	\$12.6	(0.323)	\$32.8	(0.841)	\$162.7	(4.172)
2001	\$40.9	\$11.4	(0.279)	\$16.1	(0.394)	\$13.1	(0.320)	\$34.1	(0.834)	\$169.2	(4.137)
2002	\$44.7	\$12.9	(0.289)	\$17.0	(0.380)	\$12.4	(0.277)	\$35.1	(0.785)	\$176.5	(3.949)
2003	\$52.0	\$13.7	(0.263)	\$17.9	(0.344)	\$10.0	(0.192)	\$35.6	(0.685)	\$182.6	(3.512)
2004	\$53.6	\$14.1	(0.263)	\$18.2	(0.340)	\$10.1	(0.188)	\$37.0	(0.690)	\$188.0	(3.507)
2005	\$56.3	\$16.6	(0.295)	\$21.4	(0.380)	\$10.9	(0.194)	\$39.0	(0.693)	\$197.9	(3.515)
2006	\$54.0	\$16.2	(0.300)	\$23.2	(0.430)	\$12.3	(0.228)	\$41.1	(0.761)	\$208.4	(3.859)
2007	\$56.4	\$16.9	(0.300)	\$26.0	(0.462)	\$10.3	(0.183)	\$43.5	(0.771)	\$218.2	(3.869)
2008	\$57.5	\$18.9	(0.329)	\$46.2	(0.803)	\$15.5	(0.270)	\$45.8	(0.797)	\$253.1	(4.402)

TABLE 9 (cont.)

MILITARY RETIREMENT SYSTEM
PAST AND PROJECTED FLOW OF PLAN ASSETS¹
(In Billions of Dollars and as a Proportion of Payroll)

Fiscal Year	Basic Payroll ²	Normal Cost		Amortization of		Investment		Fund		Fund Balance	
		Payments ³		Unfunded Liability ⁴		Income		Disbursements ⁵		End of Year ⁶	
2009	\$57.5	\$20.2	(0.351)	\$51.1	(0.889)	\$16.7	(0.290)	\$49.8	(0.866)	\$291.3	(5.066)
2010	\$59.2	\$23.1	(0.390)	\$58.6	(0.990)	\$19.4	(0.328)	\$50.4	(0.851)	\$342.1	(5.779)
2011	\$60.1	\$23.5	(0.391)	\$60.8	(1.012)	\$22.5	(0.374)	\$50.8	(0.845)	\$398.1	(6.624)
2012	\$61.6	\$24.1	(0.391)	\$63.1	(1.024)	\$25.9	(0.420)	\$51.1	(0.830)	\$460.0	(7.468)
2013	\$63.1	\$24.7	(0.391)	\$65.5	(1.038)	\$29.6	(0.469)	\$52.3	(0.829)	\$527.3	(8.357)
2014	\$64.8	\$25.3	(0.390)	\$67.9	(1.048)	\$33.5	(0.517)	\$53.8	(0.830)	\$600.3	(9.264)
2015	\$66.5	\$26.0	(0.391)	\$70.5	(1.060)	\$37.9	(0.570)	\$55.1	(0.829)	\$679.5	(10.218)
2016	\$68.4	\$26.7	(0.390)	\$73.1	(1.069)	\$42.6	(0.623)	\$56.5	(0.826)	\$765.3	(11.189)
2017	\$70.2	\$27.4	(0.390)	\$75.9	(1.081)	\$47.6	(0.678)	\$58.0	(0.826)	\$858.2	(12.225)
2018	\$72.1	\$28.1	(0.390)	\$78.7	(1.092)	\$53.1	(0.736)	\$59.6	(0.827)	\$958.5	(13.294)
2019	\$74.6	\$29.1	(0.390)	\$81.6	(1.094)	\$59.0	(0.791)	\$61.7	(0.827)	\$1,066.6	(14.298)
2020	\$77.1	\$30.1	(0.390)	\$84.7	(1.099)	\$65.4	(0.848)	\$63.8	(0.827)	\$1,182.9	(15.342)
2021	\$79.8	\$31.1	(0.390)	\$87.9	(1.102)	\$72.2	(0.905)	\$66.0	(0.827)	\$1,308.1	(16.392)
2022	\$82.5	\$32.2	(0.390)	\$91.2	(1.105)	\$79.6	(0.965)	\$68.3	(0.828)	\$1,442.8	(17.488)
2023	\$85.3	\$33.3	(0.390)	\$94.6	(1.109)	\$87.5	(1.026)	\$70.6	(0.828)	\$1,587.5	(18.611)
2024	\$88.2	\$34.4	(0.390)	\$98.1	(1.112)	\$96.0	(1.088)	\$73.1	(0.829)	\$1,743.0	(19.762)
2025	\$91.2	\$35.5	(0.389)	\$101.8	(1.116)	\$105.1	(1.152)	\$75.6	(0.829)	\$1,909.9	(20.942)
2026	\$94.4	\$36.8	(0.390)	\$130.9	(1.387)	\$116.4	(1.233)	\$78.0	(0.826)	\$2,116.0	(22.415)
2027	\$97.8	\$38.1	(0.390)	\$11.0	(0.112)	\$121.3	(1.240)	\$80.5	(0.823)	\$2,205.8	(22.554)
2028	\$101.3	\$39.5	(0.390)	\$11.4	(0.113)	\$126.4	(1.248)	\$83.3	(0.822)	\$2,299.8	(22.703)
2029	\$105.0	\$40.9	(0.390)	\$11.8	(0.112)	\$131.8	(1.255)	\$86.2	(0.821)	\$2,398.1	(22.839)
2030	\$108.8	\$42.4	(0.390)	\$12.2	(0.112)	\$137.5	(1.264)	\$89.1	(0.819)	\$2,501.1	(22.988)
2031	\$112.8	\$43.9	(0.389)	\$12.7	(0.113)	\$143.4	(1.271)	\$92.1	(0.816)	\$2,609.1	(23.130)
2032	\$116.9	\$45.6	(0.390)	\$13.2	(0.113)	\$149.6	(1.280)	\$95.1	(0.814)	\$2,722.3	(23.287)
2033	\$121.3	\$47.3	(0.390)	\$13.7	(0.113)	\$156.1	(1.287)	\$98.2	(0.810)	\$2,841.1	(23.422)
2034	\$125.8	\$49.0	(0.390)	\$16.8	(0.134)	\$163.1	(1.297)	\$101.5	(0.807)	\$2,968.5	(23.597)
2035	\$130.5	\$50.8	(0.389)	\$1.1	(0.008)	\$169.5	(1.299)	\$104.9	(0.804)	\$3,085.1	(23.641)
2036	\$135.4	\$52.7	(0.389)	\$0.0	0.000	\$176.1	(1.301)	\$108.3	(0.800)	\$3,205.5	(23.674)
2037	\$140.4	\$54.7	(0.390)	\$0.0	0.000	\$183.0	(1.303)	\$111.9	(0.797)	\$3,331.3	(23.727)
2038	\$145.7	\$56.8	(0.390)	\$0.0	0.000	\$190.2	(1.305)	\$115.7	(0.794)	\$3,462.6	(23.765)
2039	\$151.1	\$58.9	(0.390)	\$0.0	0.000	\$197.7	(1.308)	\$119.6	(0.792)	\$3,599.6	(23.823)
2040	\$156.8	\$61.1	(0.390)	\$0.0	0.000	\$205.5	(1.311)	\$123.6	(0.788)	\$3,742.5	(23.868)
2041	\$162.6	\$63.4	(0.390)	\$0.0	0.000	\$213.7	(1.314)	\$127.8	(0.786)	\$3,891.8	(23.935)
2042	\$168.7	\$65.7	(0.389)	\$0.0	0.000	\$222.2	(1.317)	\$132.1	(0.783)	\$4,047.6	(23.993)
2043	\$175.0	\$68.2	(0.390)	\$0.0	0.000	\$231.1	(1.321)	\$136.6	(0.781)	\$4,210.3	(24.059)
2044	\$181.6	\$70.7	(0.389)	\$0.0	0.000	\$240.4	(1.324)	\$141.3	(0.778)	\$4,380.1	(24.119)
2045	\$188.3	\$73.4	(0.390)	\$0.0	0.000	\$250.2	(1.329)	\$146.2	(0.776)	\$4,557.4	(24.203)
2046	\$195.4	\$76.1	(0.389)	\$0.0	0.000	\$260.3	(1.332)	\$151.3	(0.774)	\$4,742.6	(24.271)
2047	\$202.7	\$79.0	(0.390)	\$0.0	0.000	\$270.9	(1.336)	\$156.5	(0.772)	\$4,935.9	(24.351)
2048	\$210.3	\$81.9	(0.389)	\$0.0	0.000	\$281.9	(1.340)	\$162.0	(0.770)	\$5,137.8	(24.431)
2049	\$218.2	\$85.0	(0.390)	\$0.0	0.000	\$293.5	(1.345)	\$167.7	(0.769)	\$5,348.6	(24.512)
2050	\$226.4	\$88.2	(0.390)	\$0.0	0.000	\$305.6	(1.350)	\$173.6	(0.767)	\$5,568.8	(24.597)
2051	\$234.9	\$91.5	(0.390)	\$0.0	0.000	\$318.2	(1.355)	\$179.7	(0.765)	\$5,798.8	(24.686)
2052	\$243.7	\$94.9	(0.389)	\$0.0	0.000	\$331.3	(1.359)	\$186.1	(0.764)	\$6,038.9	(24.780)
2053	\$252.8	\$98.5	(0.390)	\$0.0	0.000	\$345.1	(1.365)	\$192.8	(0.763)	\$6,289.7	(24.880)
2054	\$262.3	\$102.2	(0.390)	\$0.0	0.000	\$359.4	(1.370)	\$199.7	(0.761)	\$6,551.6	(24.978)
2055	\$272.2	\$106.0	(0.389)	\$0.0	0.000	\$374.4	(1.375)	\$207.0	(0.760)	\$6,825.0	(25.073)
2056	\$282.4	\$110.0	(0.390)	\$0.0	0.000	\$390.0	(1.381)	\$214.5	(0.760)	\$7,110.5	(25.179)
2057	\$293.0	\$114.1	(0.389)	\$0.0	0.000	\$406.3	(1.387)	\$222.4	(0.759)	\$7,408.6	(25.285)
2058	\$304.0	\$118.4	(0.389)	\$0.0	0.000	\$423.4	(1.393)	\$230.7	(0.759)	\$7,719.7	(25.394)

TABLE 9 (cont.)

MILITARY RETIREMENT SYSTEM
PAST AND PROJECTED FLOW OF PLAN ASSETS¹
(In Billions of Dollars and as a Proportion of Payroll)

Fiscal Year	Basic Payroll ²	Normal Cost		Amortization of		Investment		Fund		Fund Balance	
		Payments ³		Unfunded Liability ⁴		Income		Disbursements ⁵		End of Year ⁶	
2059	\$315.4	\$122.9	(0.390)	\$0.0	0.000	\$441.2	(1.399)	\$239.3	(0.759)	\$8,044.5	(25.506)
2060	\$327.2	\$127.5	(0.390)	\$0.0	0.000	\$459.8	(1.405)	\$248.3	(0.759)	\$8,383.5	(25.622)
2061	\$339.5	\$132.3	(0.390)	\$0.0	0.000	\$479.2	(1.411)	\$257.7	(0.759)	\$8,737.3	(25.736)
2062	\$352.3	\$137.2	(0.389)	\$0.0	0.000	\$499.4	(1.418)	\$267.5	(0.759)	\$9,106.4	(25.848)
2063	\$365.5	\$142.4	(0.390)	\$0.0	0.000	\$520.5	(1.424)	\$277.7	(0.760)	\$9,491.6	(25.969)
2064	\$379.2	\$147.7	(0.390)	\$0.0	0.000	\$542.5	(1.431)	\$288.4	(0.761)	\$9,893.4	(26.090)
2065	\$393.4	\$153.3	(0.390)	\$0.0	0.000	\$565.5	(1.437)	\$299.6	(0.762)	\$10,312.5	(26.214)
2066	\$408.1	\$159.0	(0.390)	\$0.0	0.000	\$589.4	(1.444)	\$311.3	(0.763)	\$10,749.7	(26.341)
2067	\$423.4	\$165.0	(0.390)	\$0.0	0.000	\$614.4	(1.451)	\$323.4	(0.764)	\$11,205.7	(26.466)
2068	\$439.3	\$171.2	(0.390)	\$0.0	0.000	\$640.5	(1.458)	\$336.1	(0.765)	\$11,681.3	(26.591)
2069	\$455.8	\$177.6	(0.390)	\$0.0	0.000	\$667.7	(1.465)	\$349.3	(0.766)	\$12,177.3	(26.716)
2070	\$472.9	\$184.2	(0.390)	\$0.0	0.000	\$696.0	(1.472)	\$363.0	(0.768)	\$12,694.5	(26.844)
2071	\$490.6	\$191.1	(0.390)	\$0.0	0.000	\$725.6	(1.479)	\$377.3	(0.769)	\$13,233.9	(26.975)
2072	\$509.0	\$198.3	(0.390)	\$0.0	0.000	\$756.4	(1.486)	\$392.2	(0.771)	\$13,796.4	(27.105)
2073	\$528.1	\$205.7	(0.390)	\$0.0	0.000	\$788.6	(1.493)	\$407.7	(0.772)	\$14,383.1	(27.236)
2074	\$547.9	\$213.4	(0.389)	\$0.0	0.000	\$822.1	(1.500)	\$423.7	(0.773)	\$14,994.9	(27.368)
2075	\$568.4	\$221.5	(0.390)	\$0.0	0.000	\$857.1	(1.508)	\$440.4	(0.775)	\$15,633.0	(27.504)
2076	\$589.7	\$229.8	(0.390)	\$0.0	0.000	\$893.6	(1.515)	\$457.8	(0.776)	\$16,298.5	(27.639)
2077	\$611.9	\$238.4	(0.390)	\$0.0	0.000	\$931.6	(1.522)	\$475.8	(0.778)	\$16,992.6	(27.770)
2078	\$634.8	\$247.3	(0.390)	\$0.0	0.000	\$971.3	(1.530)	\$494.6	(0.779)	\$17,716.7	(27.909)
2079	\$658.6	\$256.6	(0.390)	\$0.0	0.000	\$1,012.7	(1.538)	\$514.0	(0.780)	\$18,471.9	(28.047)
2080	\$683.3	\$266.2	(0.390)	\$0.0	0.000	\$1,055.8	(1.545)	\$534.3	(0.782)	\$19,259.7	(28.186)
2081	\$709.0	\$276.2	(0.390)	\$0.0	0.000	\$1,100.9	(1.553)	\$555.3	(0.783)	\$20,081.5	(28.324)
2082	\$735.6	\$286.6	(0.390)	\$0.0	0.000	\$1,147.9	(1.560)	\$577.1	(0.785)	\$20,938.8	(28.465)
2083	\$763.2	\$297.3	(0.390)	\$0.0	0.000	\$1,196.9	(1.568)	\$599.7	(0.786)	\$21,833.3	(28.608)
2084	\$791.8	\$308.5	(0.390)	\$0.0	0.000	\$1,248.0	(1.576)	\$623.3	(0.787)	\$22,766.5	(28.753)
2085	\$821.5	\$320.0	(0.390)	\$0.0	0.000	\$1,301.4	(1.584)	\$647.7	(0.788)	\$23,740.2	(28.899)
2086	\$852.3	\$332.1	(0.390)	\$0.0	0.000	\$1,357.0	(1.592)	\$673.0	(0.790)	\$24,756.2	(29.046)
2087	\$884.3	\$344.5	(0.390)	\$0.0	0.000	\$1,415.1	(1.600)	\$699.4	(0.791)	\$25,816.5	(29.194)
2088	\$917.4	\$357.4	(0.390)	\$0.0	0.000	\$1,475.7	(1.609)	\$726.7	(0.792)	\$26,922.9	(29.347)
2089	\$951.8	\$370.8	(0.390)	\$0.0	0.000	\$1,539.0	(1.617)	\$755.1	(0.793)	\$28,077.6	(29.499)
2090	\$987.5	\$384.7	(0.390)	\$0.0	0.000	\$1,605.0	(1.625)	\$784.7	(0.795)	\$29,282.7	(29.653)
2091	\$1,024.6	\$399.2	(0.390)	\$0.0	0.000	\$1,673.9	(1.634)	\$815.3	(0.796)	\$30,540.4	(29.807)
2092	\$1,063.0	\$414.1	(0.390)	\$0.0	0.000	\$1,745.8	(1.642)	\$847.2	(0.797)	\$31,853.2	(29.965)
2093	\$1,102.9	\$429.7	(0.390)	\$0.0	0.000	\$1,820.9	(1.651)	\$880.3	(0.798)	\$33,223.5	(30.124)
2094	\$1,144.2	\$445.8	(0.390)	\$0.0	0.000	\$1,899.2	(1.660)	\$914.6	(0.799)	\$34,653.9	(30.287)
2095	\$1,187.1	\$462.5	(0.390)	\$0.0	0.000	\$1,981.0	(1.669)	\$950.3	(0.801)	\$36,147.1	(30.450)
2096	\$1,231.6	\$479.8	(0.390)	\$0.0	0.000	\$2,066.4	(1.678)	\$987.4	(0.802)	\$37,706.0	(30.615)
2097	\$1,277.8	\$497.8	(0.390)	\$0.0	0.000	\$2,155.6	(1.687)	\$1,025.9	(0.803)	\$39,333.4	(30.782)
2098	\$1,325.8	\$516.5	(0.390)	\$0.0	0.000	\$2,248.6	(1.696)	\$1,065.9	(0.804)	\$41,032.6	(30.949)
2099	\$1,375.5	\$535.9	(0.390)	\$0.0	0.000	\$2,345.8	(1.705)	\$1,107.5	(0.805)	\$42,806.8	(31.121)
2100	\$1,427.1	\$556.0	(0.390)	\$0.0	0.000	\$2,447.2	(1.715)	\$1,150.7	(0.806)	\$44,659.3	(31.294)
2101	\$1,480.6	\$576.8	(0.390)	\$0.0	0.000	\$2,553.2	(1.724)	\$1,195.5	(0.807)	\$46,593.9	(31.470)
2102	\$1,536.1	\$598.5	(0.390)	\$0.0	0.000	\$2,663.8	(1.734)	\$1,242.1	(0.809)	\$48,614.1	(31.648)
2103	\$1,593.7	\$620.9	(0.390)	\$0.0	0.000	\$2,779.4	(1.744)	\$1,290.4	(0.810)	\$50,723.9	(31.828)
2104	\$1,653.5	\$644.2	(0.390)	\$0.0	0.000	\$2,900.0	(1.754)	\$1,340.7	(0.811)	\$52,927.5	(32.009)
2105	\$1,715.5	\$668.3	(0.390)	\$0.0	0.000	\$3,026.1	(1.764)	\$1,392.8	(0.812)	\$55,229.0	(32.194)
2106	\$1,779.8	\$693.4	(0.390)	\$0.0	0.000	\$3,157.7	(1.774)	\$1,447.0	(0.813)	\$57,633.2	(32.382)
2107	\$1,846.6	\$719.4	(0.390)	\$0.0	0.000	\$3,295.2	(1.784)	\$1,503.2	(0.814)	\$60,144.5	(32.570)

FOOTNOTES FOR TABLE 9

- ¹ Public Law 98-94 established the military retirement fund. Under the law, DoD is responsible for the normal cost payment and Treasury is responsible for the payments on the unfunded liability. Public Law 108-136 assigned Treasury the responsibility of funding the normal cost resulting from increased benefits due to Concurrent Receipt, starting in FY05. There are no employee contributions to the fund.
- ² DoD-projected endstrengths are used through FY15 and constant force strengths thereafter. Basic pay is only a portion of military compensation. See The Military Retirement System: Benefits in Appendix A for details.
- ³ Due to federal budget deadlines, normal cost percentages are established in advance of implementation. The percentage actually used and displayed here may vary from the one derived in the valuation as of the end of the previous year. Starting in FY87, NCPs have been developed separately for the full-time and part-time basic payrolls. Beginning in FY05, Normal Cost Payments combine DoD and Treasury amounts. See Table 10 for the DoD/Treasury breakdown.
- ⁴ Reflects amortization payments for FY10 and thereafter determined in the September 30, 2008, valuation.
- ⁵ Disbursements are on a cash basis. Beginning in December 1984, entitlements obligated for a month have been paid at the beginning of the following month. Prior to this date, entitlements were paid at the end of the month of obligation. Consequently, FY85 disbursements include only 11 months of payments.
- ⁶ This fund balance (on a book value basis) reflects cash disbursements during the year. On September 30, 2008, assets in the fund totaled \$253.1 billion.

NOTE: Mortality rates that are applied in the valuation to active duty members, nondisabled retirees, and survivors, are subject to improvement over time. See Appendix J for details.

ANNUAL ECONOMIC ASSUMPTIONS USED IN PROJECTIONS OF PLAN ASSETS

<u>Fiscal Year</u>	<u>Full COLA</u>	<u>Basic Pay</u>	<u>Interest</u>
2009	5.8	3.9	5.75
2010	0.0	3.4	5.75
2011	0.0	2.1	5.75
2012	0.0	3.0	5.75
2013	1.9	3.0	5.75
2014-16	2.0	3.0	5.75
2017	2.1	3.0	5.75
2018	3.0	3.0	5.75
2019+	3.0	3.75	5.75

Full COLA is equal to full cost-of-living increases to retiree and survivor annuities. Basic Pay is equal to the non-promotion-and-merit increases to basic pay. They are applied on an across-the-board basis and typically occur each January 1st. Interest assumptions pertain to interest income for the entire portfolio in a fiscal year. The above COLA and Basic Pay assumptions are from the Office of Management and Budget (OMB); the interest (fund yield) is the Board of Actuaries long-term interest assumption. Long-term annual economic assumptions (used throughout the projection in the normal cost and unfunded liability calculations) are 3.0% COLA, 3.75% basic pay and 5.75% interest.

TABLE 10

MILITARY RETIREMENT SYSTEM
 PROJECTED PAYROLL AND NORMAL COST PAYMENTS
 (In Billions of Dollars and as a Proportion of Payroll)

Fiscal Year	Payroll			DoD Normal Cost Payments				Treasury Normal Cost Payments				Normal Cost Payments
	Full-Time	Part-Time	Total	Full-Time	Part-Time		Full-Time	Part-Time		Total		
2009	\$52.0	\$5.5	\$57.5	\$15.3	(0.294)	\$1.2	(0.211)	\$3.6	(0.070)	\$0.1	(0.023)	\$20.2
2010	\$53.5	\$5.7	\$59.2	\$17.3	(0.323)	\$1.4	(0.245)	\$4.3	(0.080)	\$0.2	(0.028)	\$23.1
2011	\$54.2	\$5.8	\$60.1	\$17.5	(0.323)	\$1.4	(0.246)	\$4.4	(0.080)	\$0.2	(0.028)	\$23.5
2012	\$55.5	\$6.0	\$61.6	\$17.9	(0.323)	\$1.5	(0.246)	\$4.5	(0.080)	\$0.2	(0.028)	\$24.1
2013	\$56.9	\$6.2	\$63.1	\$18.4	(0.323)	\$1.5	(0.246)	\$4.6	(0.080)	\$0.2	(0.028)	\$24.7
2014	\$58.4	\$6.4	\$64.8	\$18.9	(0.323)	\$1.6	(0.246)	\$4.7	(0.080)	\$0.2	(0.028)	\$25.3
2015	\$59.9	\$6.6	\$66.5	\$19.4	(0.323)	\$1.6	(0.246)	\$4.8	(0.080)	\$0.2	(0.028)	\$26.0
2016	\$61.5	\$6.8	\$68.4	\$19.9	(0.323)	\$1.7	(0.246)	\$4.9	(0.080)	\$0.2	(0.028)	\$26.7
2017	\$63.2	\$7.0	\$70.2	\$20.4	(0.323)	\$1.7	(0.246)	\$5.1	(0.080)	\$0.2	(0.028)	\$27.4
2018	\$64.8	\$7.3	\$72.1	\$20.9	(0.323)	\$1.8	(0.246)	\$5.2	(0.080)	\$0.2	(0.028)	\$28.1
2019	\$67.0	\$7.5	\$74.6	\$21.6	(0.323)	\$1.8	(0.246)	\$5.4	(0.080)	\$0.2	(0.028)	\$29.1
2020	\$69.3	\$7.8	\$77.1	\$22.4	(0.323)	\$1.9	(0.246)	\$5.6	(0.080)	\$0.2	(0.028)	\$30.1
2021	\$71.7	\$8.1	\$79.8	\$23.1	(0.323)	\$2.0	(0.246)	\$5.8	(0.080)	\$0.2	(0.028)	\$31.1
2022	\$74.1	\$8.4	\$82.5	\$23.9	(0.323)	\$2.1	(0.246)	\$5.9	(0.080)	\$0.2	(0.028)	\$32.2
2023	\$76.6	\$8.7	\$85.3	\$24.7	(0.323)	\$2.1	(0.246)	\$6.1	(0.080)	\$0.2	(0.028)	\$33.3
2024	\$79.1	\$9.1	\$88.2	\$25.6	(0.323)	\$2.2	(0.246)	\$6.4	(0.080)	\$0.3	(0.028)	\$34.4
2025	\$81.8	\$9.4	\$91.2	\$26.4	(0.323)	\$2.3	(0.246)	\$6.6	(0.080)	\$0.3	(0.028)	\$35.5
2026	\$84.6	\$9.8	\$94.4	\$27.3	(0.323)	\$2.4	(0.246)	\$6.8	(0.080)	\$0.3	(0.028)	\$36.8
2027	\$87.6	\$10.1	\$97.8	\$28.3	(0.323)	\$2.5	(0.246)	\$7.0	(0.080)	\$0.3	(0.028)	\$38.1
2028	\$90.8	\$10.5	\$101.3	\$29.3	(0.323)	\$2.6	(0.246)	\$7.3	(0.080)	\$0.3	(0.028)	\$39.5
2029	\$94.1	\$10.9	\$105.0	\$30.4	(0.323)	\$2.7	(0.246)	\$7.5	(0.080)	\$0.3	(0.028)	\$40.9
2030	\$97.4	\$11.3	\$108.8	\$31.5	(0.323)	\$2.8	(0.246)	\$7.8	(0.080)	\$0.3	(0.028)	\$42.4
2031	\$101.0	\$11.8	\$112.8	\$32.6	(0.323)	\$2.9	(0.246)	\$8.1	(0.080)	\$0.3	(0.028)	\$43.9
2032	\$104.7	\$12.2	\$116.9	\$33.8	(0.323)	\$3.0	(0.246)	\$8.4	(0.080)	\$0.3	(0.028)	\$45.6
2033	\$108.6	\$12.7	\$121.3	\$35.1	(0.323)	\$3.1	(0.246)	\$8.7	(0.080)	\$0.4	(0.028)	\$47.3
2034	\$112.6	\$13.2	\$125.8	\$36.4	(0.323)	\$3.2	(0.246)	\$9.0	(0.080)	\$0.4	(0.028)	\$49.0
2035	\$116.8	\$13.6	\$130.5	\$37.7	(0.323)	\$3.4	(0.246)	\$9.4	(0.080)	\$0.4	(0.028)	\$50.8
2036	\$121.2	\$14.2	\$135.4	\$39.1	(0.323)	\$3.5	(0.246)	\$9.7	(0.080)	\$0.4	(0.028)	\$52.7
2037	\$125.7	\$14.7	\$140.4	\$40.6	(0.323)	\$3.6	(0.246)	\$10.1	(0.080)	\$0.4	(0.028)	\$54.7
2038	\$130.5	\$15.2	\$145.7	\$42.1	(0.323)	\$3.7	(0.246)	\$10.5	(0.080)	\$0.4	(0.028)	\$56.8
2039	\$135.3	\$15.8	\$151.1	\$43.7	(0.323)	\$3.9	(0.246)	\$10.9	(0.080)	\$0.4	(0.028)	\$58.9
2040	\$140.4	\$16.4	\$156.8	\$45.3	(0.323)	\$4.0	(0.246)	\$11.3	(0.080)	\$0.5	(0.028)	\$61.1
2041	\$145.6	\$17.0	\$162.6	\$47.0	(0.323)	\$4.2	(0.246)	\$11.7	(0.080)	\$0.5	(0.028)	\$63.4
2042	\$151.1	\$17.7	\$168.7	\$48.8	(0.323)	\$4.3	(0.246)	\$12.1	(0.080)	\$0.5	(0.028)	\$65.7
2043	\$156.7	\$18.3	\$175.0	\$50.6	(0.323)	\$4.5	(0.246)	\$12.6	(0.080)	\$0.5	(0.028)	\$68.2
2044	\$162.5	\$19.0	\$181.6	\$52.5	(0.323)	\$4.7	(0.246)	\$13.0	(0.080)	\$0.5	(0.028)	\$70.7
2045	\$168.6	\$19.7	\$188.3	\$54.4	(0.323)	\$4.8	(0.246)	\$13.5	(0.080)	\$0.6	(0.028)	\$73.4
2046	\$174.9	\$20.5	\$195.4	\$56.5	(0.323)	\$5.0	(0.246)	\$14.0	(0.080)	\$0.6	(0.028)	\$76.1
2047	\$181.5	\$21.2	\$202.7	\$58.6	(0.323)	\$5.2	(0.246)	\$14.6	(0.080)	\$0.6	(0.028)	\$79.0
2048	\$188.3	\$22.0	\$210.3	\$60.8	(0.323)	\$5.4	(0.246)	\$15.1	(0.080)	\$0.6	(0.028)	\$81.9
2049	\$195.3	\$22.9	\$218.2	\$63.1	(0.323)	\$5.6	(0.246)	\$15.7	(0.080)	\$0.6	(0.028)	\$85.0
2050	\$202.6	\$23.7	\$226.4	\$65.4	(0.323)	\$5.8	(0.246)	\$16.3	(0.080)	\$0.7	(0.028)	\$88.2
2051	\$210.2	\$24.6	\$234.9	\$67.9	(0.323)	\$6.0	(0.246)	\$16.9	(0.080)	\$0.7	(0.028)	\$91.5
2052	\$218.1	\$25.5	\$243.7	\$70.4	(0.323)	\$6.3	(0.246)	\$17.5	(0.080)	\$0.7	(0.028)	\$94.9
2053	\$226.3	\$26.5	\$252.8	\$73.1	(0.323)	\$6.5	(0.246)	\$18.2	(0.080)	\$0.7	(0.028)	\$98.5
2054	\$234.8	\$27.5	\$262.3	\$75.8	(0.323)	\$6.8	(0.246)	\$18.8	(0.080)	\$0.8	(0.028)	\$102.2
2055	\$243.6	\$28.5	\$272.2	\$78.7	(0.323)	\$7.0	(0.246)	\$19.5	(0.080)	\$0.8	(0.028)	\$106.0
2056	\$252.8	\$29.6	\$282.4	\$81.6	(0.323)	\$7.3	(0.246)	\$20.3	(0.080)	\$0.8	(0.028)	\$110.0
2057	\$262.3	\$30.7	\$293.0	\$84.7	(0.323)	\$7.5	(0.246)	\$21.0	(0.080)	\$0.9	(0.028)	\$114.1
2058	\$272.1	\$31.9	\$304.0	\$87.9	(0.323)	\$7.8	(0.246)	\$21.8	(0.080)	\$0.9	(0.028)	\$118.4

TABLE 10 (cont.)

MILITARY RETIREMENT SYSTEM
PROJECTED PAYROLL AND NORMAL COST PAYMENTS
(In Billions of Dollars and as a Proportion of Payroll)

Fiscal Year	Payroll			DoD Normal Cost Payments				Treasury Normal Cost Payments				Normal Cost Payments
	Full-Time	Part-Time	Total	Full-Time	Part-Time		Full-Time	Part-Time		Total		
2059	\$282.4	\$33.0	\$315.4	\$91.2	(0.323)	\$8.1	(0.246)	\$22.7	(0.080)	\$0.9	(0.028)	\$122.9
2060	\$293.0	\$34.3	\$327.2	\$94.6	(0.323)	\$8.4	(0.246)	\$23.5	(0.080)	\$1.0	(0.028)	\$127.5
2061	\$304.0	\$35.6	\$339.5	\$98.2	(0.323)	\$8.7	(0.246)	\$24.4	(0.080)	\$1.0	(0.028)	\$132.3
2062	\$315.4	\$36.9	\$352.3	\$101.8	(0.323)	\$9.1	(0.246)	\$25.3	(0.080)	\$1.0	(0.028)	\$137.2
2063	\$327.2	\$38.3	\$365.5	\$105.7	(0.323)	\$9.4	(0.246)	\$26.3	(0.080)	\$1.1	(0.028)	\$142.4
2064	\$339.5	\$39.7	\$379.2	\$109.6	(0.323)	\$9.8	(0.246)	\$27.2	(0.080)	\$1.1	(0.028)	\$147.7
2065	\$352.2	\$41.2	\$393.4	\$113.7	(0.323)	\$10.1	(0.246)	\$28.3	(0.080)	\$1.2	(0.028)	\$153.3
2066	\$365.4	\$42.8	\$408.1	\$118.0	(0.323)	\$10.5	(0.246)	\$29.3	(0.080)	\$1.2	(0.028)	\$159.0
2067	\$379.1	\$44.4	\$423.4	\$122.4	(0.323)	\$10.9	(0.246)	\$30.4	(0.080)	\$1.2	(0.028)	\$165.0
2068	\$393.3	\$46.0	\$439.3	\$127.0	(0.323)	\$11.3	(0.246)	\$31.6	(0.080)	\$1.3	(0.028)	\$171.2
2069	\$408.0	\$47.8	\$455.8	\$131.8	(0.323)	\$11.7	(0.246)	\$32.7	(0.080)	\$1.3	(0.028)	\$177.6
2070	\$423.3	\$49.5	\$472.9	\$136.7	(0.323)	\$12.2	(0.246)	\$34.0	(0.080)	\$1.4	(0.028)	\$184.2
2071	\$439.2	\$51.4	\$490.6	\$141.8	(0.323)	\$12.6	(0.246)	\$35.2	(0.080)	\$1.4	(0.028)	\$191.1
2072	\$455.7	\$53.3	\$509.0	\$147.1	(0.323)	\$13.1	(0.246)	\$36.6	(0.080)	\$1.5	(0.028)	\$198.3
2073	\$472.7	\$55.3	\$528.1	\$152.7	(0.323)	\$13.6	(0.246)	\$37.9	(0.080)	\$1.5	(0.028)	\$205.7
2074	\$490.5	\$57.4	\$547.9	\$158.4	(0.323)	\$14.1	(0.246)	\$39.4	(0.080)	\$1.6	(0.028)	\$213.4
2075	\$508.9	\$59.6	\$568.4	\$164.3	(0.323)	\$14.6	(0.246)	\$40.8	(0.080)	\$1.7	(0.028)	\$221.5
2076	\$527.9	\$61.8	\$589.7	\$170.5	(0.323)	\$15.2	(0.246)	\$42.4	(0.080)	\$1.7	(0.028)	\$229.8
2077	\$547.8	\$64.1	\$611.9	\$176.9	(0.323)	\$15.7	(0.246)	\$44.0	(0.080)	\$1.8	(0.028)	\$238.4
2078	\$568.3	\$66.5	\$634.8	\$183.5	(0.323)	\$16.3	(0.246)	\$45.6	(0.080)	\$1.9	(0.028)	\$247.3
2079	\$589.6	\$69.0	\$658.6	\$190.4	(0.323)	\$17.0	(0.246)	\$47.3	(0.080)	\$1.9	(0.028)	\$256.6
2080	\$611.7	\$71.6	\$683.3	\$197.5	(0.323)	\$17.6	(0.246)	\$49.1	(0.080)	\$2.0	(0.028)	\$266.2
2081	\$634.7	\$74.3	\$709.0	\$205.0	(0.323)	\$18.2	(0.246)	\$50.9	(0.080)	\$2.1	(0.028)	\$276.2
2082	\$658.5	\$77.1	\$735.6	\$212.6	(0.323)	\$18.9	(0.246)	\$52.8	(0.080)	\$2.2	(0.028)	\$286.6
2083	\$683.2	\$80.0	\$763.2	\$220.6	(0.323)	\$19.6	(0.246)	\$54.8	(0.080)	\$2.2	(0.028)	\$297.3
2084	\$708.8	\$83.0	\$791.8	\$228.9	(0.323)	\$20.4	(0.246)	\$56.9	(0.080)	\$2.3	(0.028)	\$308.5
2085	\$735.4	\$86.1	\$821.5	\$237.5	(0.323)	\$21.1	(0.246)	\$59.0	(0.080)	\$2.4	(0.028)	\$320.0
2086	\$763.0	\$89.3	\$852.3	\$246.4	(0.323)	\$21.9	(0.246)	\$61.2	(0.080)	\$2.5	(0.028)	\$332.1
2087	\$791.6	\$92.6	\$884.3	\$255.6	(0.323)	\$22.8	(0.246)	\$63.5	(0.080)	\$2.6	(0.028)	\$344.5
2088	\$821.3	\$96.1	\$917.4	\$265.2	(0.323)	\$23.6	(0.246)	\$65.9	(0.080)	\$2.7	(0.028)	\$357.4
2089	\$852.1	\$99.7	\$951.8	\$275.2	(0.323)	\$24.5	(0.246)	\$68.4	(0.080)	\$2.8	(0.028)	\$370.8
2090	\$884.1	\$103.5	\$987.5	\$285.5	(0.323)	\$25.4	(0.246)	\$70.9	(0.080)	\$2.9	(0.028)	\$384.7
2091	\$917.2	\$107.3	\$1,024.6	\$296.2	(0.323)	\$26.4	(0.246)	\$73.6	(0.080)	\$3.0	(0.028)	\$399.2
2092	\$951.6	\$111.4	\$1,063.0	\$307.3	(0.323)	\$27.4	(0.246)	\$76.4	(0.080)	\$3.1	(0.028)	\$414.1
2093	\$987.3	\$115.5	\$1,102.9	\$318.8	(0.323)	\$28.4	(0.246)	\$79.2	(0.080)	\$3.2	(0.028)	\$429.7
2094	\$1,024.3	\$119.9	\$1,144.2	\$330.8	(0.323)	\$29.4	(0.246)	\$82.2	(0.080)	\$3.3	(0.028)	\$445.8
2095	\$1,062.8	\$124.4	\$1,187.1	\$343.2	(0.323)	\$30.5	(0.246)	\$85.3	(0.080)	\$3.5	(0.028)	\$462.5
2096	\$1,102.6	\$129.0	\$1,231.6	\$356.1	(0.323)	\$31.7	(0.246)	\$88.5	(0.080)	\$3.6	(0.028)	\$479.8
2097	\$1,144.0	\$133.9	\$1,277.8	\$369.4	(0.323)	\$32.9	(0.246)	\$91.8	(0.080)	\$3.7	(0.028)	\$497.8
2098	\$1,186.9	\$138.9	\$1,325.8	\$383.3	(0.323)	\$34.1	(0.246)	\$95.2	(0.080)	\$3.9	(0.028)	\$516.5
2099	\$1,231.4	\$144.1	\$1,375.5	\$397.6	(0.323)	\$35.4	(0.246)	\$98.8	(0.080)	\$4.0	(0.028)	\$535.9
2100	\$1,277.6	\$149.5	\$1,427.1	\$412.6	(0.323)	\$36.7	(0.246)	\$102.5	(0.080)	\$4.2	(0.028)	\$556.0
2101	\$1,325.5	\$155.1	\$1,480.6	\$428.0	(0.323)	\$38.1	(0.246)	\$106.4	(0.080)	\$4.3	(0.028)	\$576.8
2102	\$1,375.2	\$160.9	\$1,536.1	\$444.1	(0.323)	\$39.5	(0.246)	\$110.3	(0.080)	\$4.5	(0.028)	\$598.5
2103	\$1,426.8	\$167.0	\$1,593.7	\$460.7	(0.323)	\$41.0	(0.246)	\$114.5	(0.080)	\$4.7	(0.028)	\$620.9
2104	\$1,480.3	\$173.2	\$1,653.5	\$478.0	(0.323)	\$42.5	(0.246)	\$118.8	(0.080)	\$4.8	(0.028)	\$644.2
2105	\$1,535.8	\$179.7	\$1,715.5	\$496.0	(0.323)	\$44.1	(0.246)	\$123.2	(0.080)	\$5.0	(0.028)	\$668.3
2106	\$1,593.4	\$186.4	\$1,779.8	\$514.6	(0.323)	\$45.8	(0.246)	\$127.9	(0.080)	\$5.2	(0.028)	\$693.4
2107	\$1,653.1	\$193.4	\$1,846.6	\$533.9	(0.323)	\$47.5	(0.246)	\$132.6	(0.080)	\$5.4	(0.028)	\$719.4

TABLE 11
PAST AND PROJECTED UNFUNDED LIABILITY PAYMENTS ON OCTOBER 1
(\$ in billions)

<u>Calendar Year</u>	<u>Original UFL</u>	<u>Assumption Changes</u>	<u>Benefit Changes</u>	<u>Actuarial Experience</u>	<u>Total</u>
1984*	\$9.500	\$.000	\$.000	\$.000	\$9.500
1985*	\$10.500	\$.000	\$.000	\$.000	\$10.500
1986*	\$11.042	\$.000	\$.000	(\$.518)	\$10.524
1987*	\$11.679	\$.000	(\$.113)	(\$1.281)	\$10.285
1988*	\$12.003	\$.135	(\$.112)	(\$2.244)	\$9.782
1989*	\$16.300	(\$2.116)	(\$.132)	(\$3.456)	\$10.596
1990*	\$17.237	(\$2.237)	(\$.140)	(\$4.078)	\$10.782
1991*	\$18.228	(\$2.366)	(\$.148)	(\$4.508)	\$11.206
1992*	\$22.621	(\$4.625)	(\$.171)	(\$5.552)	\$12.273
1993*	\$23.865	(\$4.880)	(\$.180)	(\$6.897)	\$11.908
1994*	\$25.177	(\$5.148)	(\$.189)	(\$8.370)	\$11.470
1995*	\$27.746	(\$6.619)	(\$.079)	(\$10.349)	\$10.699
1996*	\$33.456	(\$6.917)	(\$.042)	(\$11.346)	\$15.151
1997*	\$36.227	(\$8.529)	\$.048	(\$12.627)	\$15.119
1998*	\$37.676	(\$8.870)	\$.050	(\$13.606)	\$15.250
1999*	\$39.183	(\$9.201)	\$.052	(\$14.732)	\$15.302
2000*	\$42.098	(\$9.984)	\$.335	(\$16.360)	\$16.089
2001*	\$43.571	(\$9.862)	\$.472	(\$17.134)	\$17.047
2002*	\$45.096	(\$10.059)	\$.661	(\$17.770)	\$17.928
2003*	\$46.674	(\$10.741)	\$.977	(\$18.721)	\$18.189
2004*	\$46.857	(\$10.959)	\$4.627	(\$19.167)	\$21.358
2005*	\$48.614	(\$11.337)	\$6.081	(\$20.178)	\$23.180
2006*	\$50.437	(\$11.238)	\$6.313	(\$19.464)	\$26.048
2007*	\$66.711	(\$7.642)	\$6.430	(\$19.312)	\$46.187
2008*	\$69.213	(\$5.076)	\$7.026	(\$20.038)	\$51.125
2009	\$70.379	(\$1.241)	\$7.100	(\$17.619)	\$58.619
2010	\$73.018	(\$1.288)	\$7.367	(\$18.279)	\$60.818
2011	\$75.757	(\$1.336)	\$7.643	(\$18.965)	\$63.099
2012	\$78.598	(\$1.386)	\$7.930	(\$19.676)	\$65.466
2013	\$81.545	(\$1.438)	\$8.227	(\$20.414)	\$67.920
2014	\$84.603	(\$1.492)	\$8.535	(\$21.179)	\$70.467
2015	\$87.775	(\$1.548)	\$8.855	(\$21.974)	\$73.108
2016	\$91.067	(\$1.606)	\$9.188	(\$22.798)	\$75.851
2017	\$94.482	(\$1.666)	\$9.532	(\$23.653)	\$78.695
2018	\$98.025	(\$1.729)	\$9.890	(\$24.539)	\$81.647
2019	\$101.701	(\$1.794)	\$10.260	(\$25.460)	\$84.707
2020	\$105.515	(\$1.861)	\$10.645	(\$26.414)	\$87.885
2021	\$109.472	(\$1.931)	\$11.044	(\$27.405)	\$91.180
2022	\$113.577	(\$2.003)	\$11.459	(\$28.433)	\$94.600
2023	\$117.836	(\$2.078)	\$11.888	(\$29.499)	\$98.147
2024	\$122.254	(\$2.156)	\$12.334	(\$30.605)	\$101.827
2025	\$126.839	(\$2.237)	\$12.796	(\$6.473)	\$130.925
2026	\$.000	(\$2.321)	\$13.276	\$.000	\$10.955
2027	\$.000	(\$2.408)	\$13.774	\$.000	\$11.366
2028	\$.000	(\$2.498)	\$14.291	\$.000	\$11.793
2029	\$.000	(\$2.592)	\$14.827	\$.000	\$12.235
2030	\$.000	(\$2.689)	\$15.383	\$.000	\$12.694
2031	\$.000	(\$2.790)	\$15.960	\$.000	\$13.170
2032	\$.000	(\$2.894)	\$16.558	\$.000	\$13.664
2033	\$.000	(\$.406)	\$17.179	\$.000	\$16.773
2034	\$.000	\$.000	\$1.141	\$.000	\$1.141

*Actual data

TABLE 12
PAST AND PROJECTED UNFUNDED LIABILITY BALANCE ON SEPTEMBER 30 (Before Payment)
(\$ in billions)

<u>Calendar Year</u>	<u>Original UFL</u>	<u>Assumption Changes</u>	<u>Benefit Changes</u>	<u>Actuarial Experience</u>	<u>Total</u>
1984*	\$528.700	\$.000	\$.000	\$.000	\$528.700
1985*	\$553.500	\$.000	\$.000	(\$13.800)	\$539.700
1986*	\$578.800	\$.000	(\$3.000)	(\$34.200)	\$541.600
1987*	\$605.200	\$3.600	(\$2.998)	(\$59.500)	\$546.302
1988*	\$632.700	(\$50.062)	(\$3.076)	(\$81.180)	\$498.382
1989*	\$664.173	(\$53.711)	(\$3.172)	(\$94.562)	\$512.728
1990*	\$693.224	(\$55.207)	(\$3.253)	(\$102.283)	\$532.481
1991*	\$723.306	(\$97.578)	(\$3.331)	(\$111.879)	\$510.518
1992*	\$757.959	(\$102.353)	(\$3.421)	(\$139.327)	\$512.858
1993*	\$790.488	(\$105.057)	(\$3.494)	(\$167.942)	\$513.995
1994*	\$824.120	(\$130.691)	(\$.968)	(\$201.052)	\$491.409
1995*	\$852.872	(\$134.017)	(\$.832)	(\$217.255)	\$500.768
1996*	\$880.822	(\$159.859)	\$.897	(\$231.424)	\$490.436
1997*	\$902.444	(\$162.883)	\$1.000	(\$244.673)	\$495.888
1998*	\$922.521	(\$164.057)	\$1.014	(\$259.976)	\$499.503
1999*	\$942.360	(\$169.827)	\$6.583	(\$277.940)	\$501.176
2000*	\$959.626	(\$164.942)	\$9.414	(\$284.168)	\$519.931
2001*	\$974.873	(\$162.970)	\$13.075	(\$285.393)	\$539.585
2002*	\$989.509	(\$170.593)	\$19.216	(\$293.105)	\$545.027
2003*	\$1003.439	(\$172.248)	\$94.231	(\$297.115)	\$628.308
2004*	\$1016.562	(\$171.288)	\$125.272	(\$304.415)	\$666.132
2005*	\$1030.312	(\$165.769)	\$128.261	(\$290.020)	\$702.784
2006*	\$1043.054	(\$126.439)	\$131.332	(\$282.660)	\$765.287
2007*	\$1052.174	(\$89.221)	\$140.140	(\$279.068)	\$824.025
2008*	\$1044.591	(\$86.474)	\$141.732	(\$275.341)	\$824.509
2009	\$1031.462	(\$24.232)	\$142.785	(\$247.881)	\$902.134
2010	\$1016.346	(\$24.313)	\$143.487	(\$243.503)	\$892.017
2011	\$997.569	(\$24.349)	\$143.947	(\$238.174)	\$878.993
2012	\$974.816	(\$24.336)	\$144.141	(\$231.813)	\$862.808
2013	\$947.751	(\$24.270)	\$144.043	(\$224.335)	\$843.189
2014	\$916.012	(\$24.145)	\$143.626	(\$215.647)	\$819.847
2015	\$879.215	(\$23.955)	\$142.858	(\$205.650)	\$792.469
2016	\$836.948	(\$23.696)	\$141.709	(\$194.237)	\$760.724
2017	\$788.769	(\$23.360)	\$140.141	(\$181.297)	\$724.254
2018	\$734.209	(\$22.941)	\$138.119	(\$166.708)	\$682.678
2019	\$672.765	(\$22.432)	\$135.602	(\$150.344)	\$635.591
2020	\$603.900	(\$21.824)	\$132.549	(\$132.065)	\$582.559
2021	\$527.042	(\$21.111)	\$128.913	(\$111.726)	\$523.118
2022	\$441.580	(\$20.283)	\$124.647	(\$89.169)	\$456.775
2023	\$346.863	(\$19.331)	\$119.696	(\$64.229)	\$383.000
2024	\$242.196	(\$18.245)	\$114.007	(\$36.726)	\$301.232
2025	\$126.839	(\$17.014)	\$107.519	(\$6.473)	\$210.871
2026	\$.000	(\$15.627)	\$100.170	\$.000	\$84.543
2027	\$.000	(\$14.071)	\$91.890	\$.000	\$77.819
2028	\$.000	(\$12.334)	\$82.608	\$.000	\$70.274
2029	\$.000	(\$10.402)	\$72.245	\$.000	\$61.844
2030	\$.000	(\$8.259)	\$60.720	\$.000	\$52.461
2031	\$.000	(\$5.890)	\$47.944	\$.000	\$42.054
2032	\$.000	(\$3.278)	\$33.823	\$.000	\$30.545
2033	\$.000	(\$.406)	\$18.258	\$.000	\$17.851
2034	\$.000	\$.000	\$1.141	\$.000	\$1.141

*Actual data

The Military Retirement Fund Transaction Process

The description of deficit, debt, and funding impact contained in this section are applicable under the current practices of the federal government regarding budget accounting and tax policy. These practices do not provide for increases in taxes to fund the military retirement system beyond what is required to pay benefits to retirees and survivors each year, but do result in increases in the national debt. If current practices change, then this description would need to be revised.

A trust fund was created inside the Unified Budget of the federal government for the monies of the military retirement system. This fund has three sources of income: (1) normal cost payments made by DoD, (2) unfunded liability and Concurrent Receipt normal cost payments made by Treasury, and (3) interest earnings on investments in government securities made by Treasury and the payment of the par values of these securities at maturity. All three of these items are intragovernmental transfers consisting of debits from one government account and credits to another.

The fund has two types of payouts: (1) payments to retirees and survivors of retirees and (2) purchases of U.S. Treasury securities. The purchase of a Treasury security is also an intragovernmental transfer, while a payment to a retiree or a survivor is not.

Figure 2 on the following page depicts this process. The only transactions in a particular year that directly affect the deficit of the Unified Budget are those that pass in or out of the government, such as tax collections (“in”) and retiree or survivor payments (“out”). The intragovernmental transfers are debits and credits within the federal budget, with no direct effect on the deficit. The following examples illustrate the process:

- If DoD debits \$20 billion in normal cost payments and the fund credits the \$20 billion, the net direct federal budget deficit effect is zero.
- If the fund purchases \$25 billion in securities (debit) and the Treasury sells \$25 billion in securities (credit), the net direct federal budget deficit effect is zero.
- If the Treasury pays \$17 billion interest (debit) and the fund earns \$17 billion interest (credit), the net direct federal budget deficit effect is zero.
- Disregarding all other government programs, if the government collects \$45 billion in tax revenues (credit) and pays \$50 billion to retirees (debit), the net direct federal budget deficit effect is \$5 billion.

UNIFIED BUDGET

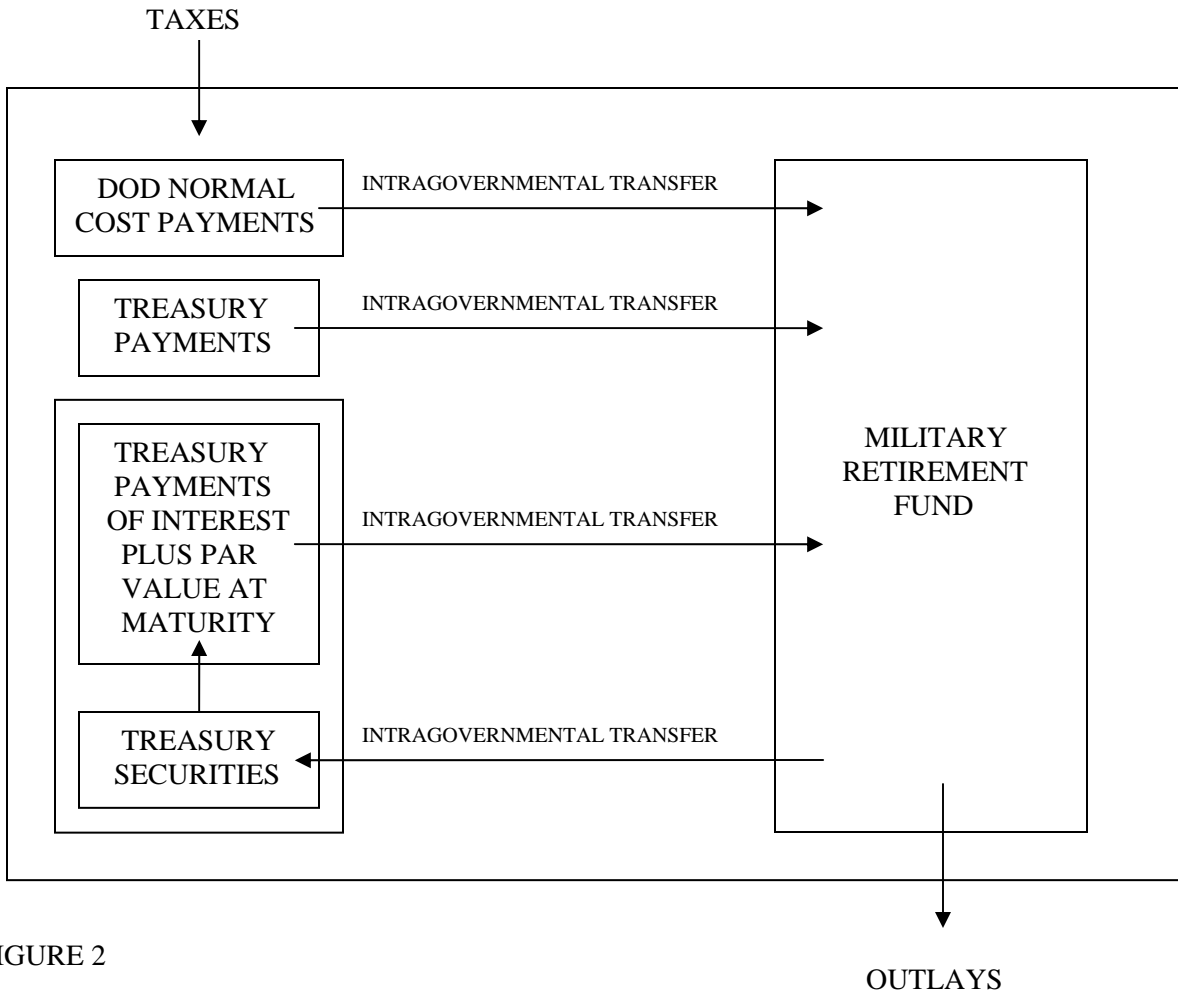


FIGURE 2

All of the intragovernmental transfers in Figure 2 will always generate both a credit and an associated equal debit within the Unified Budget. Consequently, under current federal budget accounting practices, contributions to the fund beyond what are required to pay benefits to retirees and survivors that year have no impact on the total federal deficit. Just as in the pay-as-you-go method, the only transactions that directly affect the deficit in the retirement system accounting process are payments to retirees and survivors (i.e. outlays).

On the other hand, the purchase of securities by the fund does increase the national debt, specifically the portion of the debt held by the government. The portion held by the public will not change. However, the total debt will increase and this requires an increase in the statutory borrowing authority (debt ceiling).

Suppose that in the year 2008 the amount needed to pay retirees was \$46 billion and the military retirement fund had grown to \$253 billion. The following transactions would take place:

- Fund cashes in \$46 billion in securities (credit).
- Treasury pays \$46 billion to Fund (debit).
- Net federal surplus zero.

Since no budget surplus can be derived from using fund money, the government still has a need for \$46 billion to pay retirees—the same need it would have under the pay-as-you-go system. Accordingly, the fund cannot transfer liabilities from one tax year to another.

However, funding does have an effect on the DoD budget. With the normal cost payments (except for Concurrent Receipt) in the DoD budget, policymakers now consider the impact on future retirement costs when they make manpower decisions, and this could have a significant impact on future federal budgets. For example, if a decision were made today to double the size of the active duty and reserve forces, the DoD budget would automatically have an immediate increase in retirement obligations. Under the pay-as-you-go method, the retirement expenses would not necessarily be considered in the initial decision since they would not show up for 20 years.

The fact that costs are fully recognized in advance provides greater benefit security over the long term. Also, when there is a fund, the system is not as dependent on obtaining the necessary appropriation from Congress each year in order to pay benefits for that year. This can provide additional benefit security in the short run.

APPENDIX A

THE MILITARY RETIREMENT SYSTEM: BENEFITS

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THE MILITARY RETIREMENT SYSTEM: BENEFITS

As of September 30, 2008

Summary

The military retirement system applies to members of the Army, Navy, Marine Corps, and Air Force. However, most of the provisions also apply to retirement systems for members of the Coast Guard (administered by the Department of Homeland Security), officers of the Public Health Service (administered by the Department of Health and Human Services), and officers of the National Oceanic and Atmospheric Administration (administered by the Department of Commerce). Only those members in plans administered by the Department of Defense (DoD) are included in this report.

The system is a funded, noncontributory defined benefit plan that includes nondisability retired pay, disability retired pay, retired pay for reserve service, survivor annuity programs, and special compensation programs for certain disabled retirees. The Service Secretaries may approve immediate nondisability retired pay at any age with credit of at least 20 years of active duty service. Reserve retirees generally must be at least 60 years old and have at least 20 qualified years of service before retired pay commences (Public Law 110-181 allows retirement prior to age 60 if certain types of active service are performed). There is no vesting before retirement.

There are three distinct non-disability benefit formulas related to three populations within the military retirement system. (1) *Final Pay*: Military personnel who first became members of a uniformed service before September 8, 1980, have retired pay equal to final basic pay times a multiplier. The multiplier is equal to 2.5 percent times years of service. (2) *High-3 (HI-3)*: If the retiree first became a member of a uniformed service on or after September 8, 1980, the average of the highest 36 months of basic pay is used instead of final basic pay. (3) *Career Status Bonus (CSB)/Redux*: Members who first became a member of a uniformed service on or after August 1, 1986, may choose between a High-3 and CSB/Redux retirement. Those who elect CSB/Redux receive the Career Status Bonus outlined below, also have retired pay computed on a base of the average of their highest 36 months of basic pay, but are subject to a multiplier penalty if they retire with less than 30 years of service; however, at age 62, their retired pay is recomputed without the penalty. Members make their election during the fifteenth year of service and may receive the Career Status Bonus of \$30,000 in either a lump-sum or installments. Those who elect CSB/Redux generally must remain continuously on active duty until they complete 20 years of active duty service or forfeit a portion of the \$30,000.

Retired pay and survivor annuity benefits are automatically adjusted annually to protect the purchasing power of initial retired pay. The benefits associated with members first entering the armed services before August 1, 1986, or those entering on or after that date who do not take the CSB, have their benefits adjusted annually by the percentage increase in the average Consumer Price Index (CPI). Refer to the section "Cost-of-Living Increases" in this appendix for more information on the CPI. This is commonly referred to as full CPI protection. Benefits

associated with members entering on or after August 1, 1986, who elect the \$30,000 CSB bonus payment are annually increased by the percentage change in the CPI minus 1 percent (except when the change in the CPI is less than or equal to 1%), but at the military member's age 62, or when the member would have been age 62 for a survivor annuity, the benefits are restored to the amount that would have been payable had full CPI protection been in effect. This restoral is in combination with that described in the previous paragraph. However, after this restoral, partial indexing (CPI minus 1 percent) continues for future retired pay and survivor annuity payments.

Nondisability Retirement From Active Service

The current system allows voluntary retirement upon completion of at least 20 years of service at any age, subject to Service Secretary approval. The military retiree receives immediate retired pay calculated as (base pay) times (a multiplier). Base pay is equal to terminal basic pay if the retiree first became a member of a uniformed service before September 8, 1980. It is equal to the average of the highest 36 months of basic pay for all other members. The multiplier is equal to (2.5 percent) times (years of service, rounded down to the nearest month). Members first entering a uniformed service on or after August 1, 1986, who elect CSB/Redux and who retire with less than 30 years of service receive a temporary penalty until age 62. The penalty reduces the multiplier by one percentage point for each full year of service under 30. For example, the multiplier for a 20-year retiree would be 40 percent (50 percent minus 10 percent). At age 62, the retired pay is recomputed with the penalty removed.

As of September 30, 2008, there were 1.47 million nondisability retirees from active duty receiving retired pay. In FY 2008, nondisability retirees from active duty were paid \$36.90 billion. Included in this number are a reported 8,579 nondisabled retirees who elected CSB/Redux.

Disability Retirement

A disabled military member is entitled to disability retired pay if the disability is not the result of the member's intentional misconduct or willful neglect, was not incurred during a period of unauthorized absence, and either: (1) the member has at least 20 years of service; or (2) at the time of determination, the disability is at least 30 percent (under a standard schedule of rating disabilities by the Veterans Administration) and *one* of three additional conditions are met:

- *1st additional condition.* If the disability was incurred:

(a) prior to January 28, 2008, it must have been incurred after the member had eight years of active service; or

(b) between January 28, 2008, and October 13, 2008, it must have been incurred after the member had six months or more of active military service and the disability must not have been noted at the time of the member's entrance on active duty (unless compelling

evidence or medical judgment is such to warrant a finding that the disability existed before the member's entrance on active duty); or

(c) effective October 14, 2008, it must have been incurred after the member's entrance on active duty and the disability must not have been noted at the time of the member's entrance on active duty (unless clear and unmistakable evidence demonstrates that the disability existed before the member's entrance on active duty and was not aggravated by active military service).

- *2nd additional condition.* The disability results from active duty.

- *3rd additional condition.* The disability occurred in the line of duty during a time of war or national emergency or after September 14, 1978.

In disability retirement, the member may elect to receive retired pay equal to either (1) the accrued non-disability retirement benefit regardless of eligibility to retire or (2) base pay multiplied by the rated percent of disability. The benefit cannot be more than 75 percent of base pay. Only the excess of (1) over (2) is subject to federal income taxes if the member had service on or before September 24, 1975. If not a member of a uniformed service on Sep. 24, 1975, disability retired pay is tax-exempt only for those disabilities that are combat or hazardous duty related. Base pay is equal to final basic pay if the retiree first became a member of a uniformed service before September 8, 1980; otherwise, base pay is equal to the average of the highest 36 months of basic pay.

Members whose disabilities may not be permanent are placed on a temporary-disability retired list and receive disability retirement pay just as if they were permanently disabled. However, they must be physically examined every 18 months for any change in disability. A final determination must be made within five years. The temporary disability pay is calculated like the permanent disability retired pay, except that it can be no less than 50 percent of base pay.

Members who elected the CSB/Redux retirement option, but who retired for disability, are not subject to the reduced CSB/Redux retired pay multiplier and are awarded retired pay based on the disability retired rules outlined above. However, such members continue to be subject to the reduced CPI as Career Status Bonus recipients.

As of September 30, 2008, there were 86,000 disability retirees receiving retired pay. In FY 2008, disability retirees were paid \$1.29 billion. Included in this number are a reported 193 disability retirees who elected CSB/Redux.

Reserve Retirement

Members of the reserves may retire after 20 qualifying years of creditable service. However, reserve retired pay is not payable until age 60 unless the member performs certain types of active duty or active service subsequent to the enactment of P.L. 110-181. Retirement age is reduced below 60 by three months for every 90 days of active service with a limit of 10

years. (Eligibility for retiree health benefits remains at age 60 even if the eligibility age for retired pay is reduced.) Retired pay is computed as base pay times 2.5 percent times years of service. If the reservist was first a member of a uniformed service before September 8, 1980, base pay is defined as the active duty basic pay in effect for the retiree's grade and years of service at the time that retired pay begins. If the reservist first became a member of the armed services on or after September 8, 1980, base pay is the average basic pay for the member's grade in the highest 36 months computed as if he/she was on active duty for the entire period preceding age 60. The years of service are determined by using a point system, where 360 points convert to a year of service. Typically, one point is awarded for one day of active duty service (e.g. active duty training) or one inactive duty training (IDT) drill attendance. Reservists may perform two IDT periods in one day thereby receiving two retirement points per day. In addition, 15 points are awarded for completion of one year's membership in a reserve component. A creditable year of service is one in which the member earned at least 50 points. A member generally cannot retire with less than 20 creditable years, although points earned in non-creditable years are used in the retirement calculation. Beginning with years of service that include October 30, 2007, non-active duty points are limited in any year to no more than 130. Lesser limitations have applied in the past.

As of September 30, 2008, there were 329,000 reserve retirees receiving retired pay. In FY 2008, reserve retirees were paid \$4.20 billion.

Survivor Benefits

Legislation originating in 1953 provided optional survivor benefits. It was later referred to as the Retired Servicemen's Family Protection Plan (RSFPP). The plan proved to be expensive to the participants and inadequate since the survivor annuities were never adjusted for inflation and could not be more than 50 percent of retired pay. RSFPP was designed to be self-supporting in the sense that the present value of the reductions to retired pay equaled the present value of the survivor annuities.

On September 21, 1972, RSFPP was replaced by the Survivor Benefit Plan (SBP) for new retirees. RSFPP still covers those servicemen retired before 1972 who did not convert to the new plan or who retained RSFPP in conjunction with SBP. RSFPP continues to pay survivor annuities.

Retired pay is reduced, before taxes, for the member's cost of SBP. Total SBP costs are shared by the government and the retiree, so the reductions in retired pay are only a portion of the total cost of the SBP program.

The SBP survivor annuity is 55 percent of the member's base amount. The base amount is elected by the member, but cannot be less than \$300 or more than the member's full retired pay. If the member elects CSB/Redux and is subject to a penalty for service under 30 years in the calculation of retired pay, the maximum base amount is equal to the full retired pay without the penalty. However, the annuity for a survivor of a CSB/Redux retiree is subject to the reduced CPI.

When the plan started in 1972, benefits for those 62 and older were reduced by the constructed amount of Social Security for which the survivor would be eligible based on the member's military pay. In 1985, that reduction formula was changed so all annuitants 62 and over received a reduced flat rate of 35 percent of the member's base. Beginning Oct. 1, 2005, the age 62 reduced rate was phased out in 5 percent increments. On April 1, 2008, the survivor benefit reduction at age 62 was fully eliminated and the rate of 55 percent of the member's elected base became standard for all survivors, regardless of age.

During FY 1987, the SBP program's treatment of survivor remarriages changed. Prior to the change, a surviving spouse remarrying before age 60 had the survivor annuity suspended. The change lowered the age to 55. If the remarriage ends in divorce or death, the annuity is reinstated.

Members who die on active duty are assumed to have retired with full disability on the day they died and to have elected full SBP coverage for spouses, former spouses, and/or children. Insurable interest elections may be applicable in some cases. These benefits have been improved and expanded over the history of the program.

The surviving spouse (or dependent children if there is no surviving spouse or the spouse subsequently dies) of a reservist with fewer than 20 qualifying years of service who dies while performing inactive duty is entitled to a survivor annuity under the Reserve Component Survivor Benefit Program (RCSBP).

SBP annuities are generally reduced by any VA survivor benefits (Dependency and Indemnity Compensation (DIC)) and all premiums relating to the reductions are returned to the survivor. The 2008 National Defense Authorization Act enacted, and the Family Smoking Prevention and Tobacco Control Act of 2009 (P.L. 111-31) revised, a temporary Special Survivor Indemnity Allowance (SSIA) that pays a monthly amount (\$50 in FY 2009 grading up to \$310 in FY 2017) to survivors with a DIC offset. The authority for the allowance ends in 2017. As with retired pay, SBP annuities and premiums are annually increased with cost-of-living adjustments (COLAs). These COLAs are either full or partial CPI increases, depending on the benefit formula covering the member. If a member who elected the Career Status Bonus dies before age 62, the survivor is subject to partial COLAs and his/her annuity is increased on what would have been the member's 62nd birthday to the amount that would have been payable had full COLAs been in effect. Partial COLAs continue annually thereafter.

For reserve retirees, the same set of retired pay reductions applies for survivor coverage after a reservist turns 60 and begins to receive retired pay. RCSBP provides annuities to survivors of reservists who die before age 60 (or earlier if they have certain active service), provided they attained 20 years of qualified service. The added cost of this coverage is borne completely by reservists through deductions from future retired pay and/or survivor annuities.

A paid-up provision eliminating the reduction in retired pay for premiums for SBP and RSFPP coverage is effective October 1, 2008, for participants age 70 or older whose retired pay has been reduced for 30 years or more.

As of September 30, 2008, there were 291,000 survivors of military members receiving annuity payments. In FY 2008, survivors were paid \$3.27 billion.

Temporary Early Retirement Authority (TERA)

Public Law 102-484 granted temporary authority for the military services to offer early retirements to members with more than 15 but less than 20 years of service. The retired pay was calculated in the usual way except that there was a reduction of 1 percent for every year below 20 years of service. Part or all of this reduction can be restored at age 62 if the retired member works in a qualified public service job during the period from the date of retirement to the date on which the retiree would have completed 20 years of service. Unlike members who leave military service before 20 years with voluntary separation incentives or special separation benefits, these early retirees are generally treated like regular military retirees for the purposes of other retirement benefits. This authority expired on September 1, 2002.

In FY 2008, 56,000 TERA retirees were paid \$834 million.

Cost-of-Living Increases

All nondisability retirement, disability retirement, and most survivor annuities are adjusted annually for inflation. Cost-of-living adjustments (COLAs) are automatically scheduled to occur every 12 months, on December 1st, to be reflected in checks issued at the beginning of January.

The “full” COLA effective December 1 is computed by calculating the percentage increase in the average CPI of the third quarter of the prior calendar year to the third quarter of the current calendar year. The increase is based on the Urban Wage Earner and Clerical Worker Consumer Price Index (CPI-W) and is rounded to the nearest tenth of one percent.

The benefits of retirees (and most survivors) are increased annually with the full COLA, except for those first entering a uniformed service on or after August 1, 1986, who elect CSB/Redux. Their benefits are increased annually with a partial COLA equal to the full COLA minus 1 percent (except if the full COLA is less than or equal to 1%). A one-time restoral is given to a partial COLA recipient on the first day of the month after the retiree’s 62nd birthday. At this time, retired pay (or the survivor benefit if the retiree is deceased) is increased to the amount that would have been payable had full COLAs been in effect. Annual partial COLAs continue after this restoral.

Relationship with Veterans Administration Benefits

The Department of Veterans Affairs (VA) provides compensation for Service-connected and certain non-Service-connected disabilities. These VA benefits can be in place of or in combination with DoD retired pay, but through December 31, 2003, were not fully additive. Since VA benefits are exempt from federal income taxes, it is often to the advantage of a member to elect them. Through 2003, retired pay earned from DoD for military service was offset by any payment received from VA for a VA-rated disability. Beginning with the National Defense Authorization Act for FY 2004 (P.L. 108-136), a series of legislation has been enacted that increasingly reduces or eliminates the offset to military retired pay due to receipt of VA disability compensation. Members with a combined VA disability rating of 50% or greater who have at least 20 years of service will have their offset eliminated under the Concurrent Retirement and Disability Pay (CRDP) program. The CRDP program has a ten-year phase-in schedule that began in 2004; however, the offset is already fully eliminated for members whose disabilities are rated total or make the individual unemployable. Members whose disability meets certain combat-related criteria can elect to receive payments against the offset under the Combat Related Special Compensation (CRSC) program. Under CRSC, members are not subject to a phase-in schedule, are not required to have at least 20 years of service (per P.L. 110-181), and are not required to have at least a 50% VA disability rating. Although CRSC amounts are calculated based on retired pay lost due to offset and are paid from the Military Retirement Fund, CRSC is not technically considered retired pay. CRSC payments are tax exempt. A member may not participate in both the CRDP and CRSC programs simultaneously, but may change from one to the other during an annual "open season."

VA benefits also overlap survivor benefits through the Dependency and Indemnity Compensation (DIC) program. DIC is payable to survivors of veterans who die from Service-connected causes. Although SBP annuities are generally reduced by the amount of any DIC benefit, all SBP premiums relating to the reduction in benefits are returned to the survivor. The 2008 National Defense Authorization Act enacted, and the Family Smoking Prevention and Tobacco Control Act of 2009 (P.L. 111-31) revised, a temporary Special Survivor Indemnity Allowance (SSIA) that pays a monthly amount (\$50 in FY 2009 grading up to \$310 in FY 2017) to survivors with a DIC offset; the authority for the allowance ends in 2017.

The offset relationship between DIC and SBP has been the subject of recent litigation in the U.S. Court of Appeals. The rulings are being monitored for their potential impacts.

Interrelationship with Other Federal Service

For retirement purposes, no credit is given for other federal service, except where cross-service transferability is allowed. Military service is generally creditable toward the federal civilian retirement systems if military retired pay is waived. However, a deposit (equal to a percentage of post-1956 basic pay) must be made to the Civil Service Retirement Fund in order to receive credit. Military service is not generally creditable under both systems (but is for reservists and certain disability retirees).

Relationship of Retired Pay to Military Compensation

Basic pay is the only element of military compensation upon which nondisability retired pay is based and entitlement is determined. Basic pay is the principal element of military compensation that all members receive, but it is not representative, for comparative purposes, of salary levels in the public and private sectors. Reasonable comparisons can be made to regular military compensation (RMC). RMC is the sum of (1) basic pay, (2) the housing allowance, which varies by grade, location, and dependency status, (3) the subsistence allowance and, (4) the tax advantages accruing to allowances because they are not subject to federal income tax. Basic pay represents approximately 68 percent of RMC for all retirement eligible members. For the 20-year retiree, basic pay is approximately 66 percent of RMC. Consequently, a member retired with 20-years of service and entitled to 50 percent of basic pay, would only receive 33 percent of RMC. For a 30-year retiree, basic pay is approximately 73 percent of RMC and such member would be entitled to 75% of basic pay or 55 percent of RMC. Public Law 109-364 allows certain members, retired since January 1, 2007, with greater than 30 years of service, to retire with entitlements exceeding 75 percent of basic pay. These relationships should be considered when military retired pay is compared to compensation under other retirement systems.

Social Security Benefits

Many military members and their families receive monthly benefits indexed to the CPI from Social Security. As full participants in the Social Security system, military personnel are in general entitled to the same benefits and are subject to the same eligibility criteria and rules as other employees. Details concerning the benefits are covered in other publications.

Beginning in 1946, Congress enacted a series of amendments to the Social Security Act that extended some benefits to military personnel and their survivors. These “gratuitous” benefits were reimbursed out of the general fund of the U.S. Treasury. The Servicemen’s and Veterans’ Survivor Benefits Act brought members of the military into the contributory Social Security system effective January 1, 1957.

For the Old Age, Survivors, and Disability Insurance (OASDI) program, military members must contribute the employee portion of the OASDI payroll tax, with the federal government contributing the matching employer contribution. Only the basic pay of a military member constitutes wages for Social Security purposes. One feature of OASDI unique to military personnel grants a noncontributory wage credit of (i) \$300 for each quarter between 1956 and 1978 in which such personnel received military wages and (ii) up to \$1,200 per year after 1977 (\$100 of credit for each \$300 of wages up to a maximum credit of \$1,200). The purpose of this credit is to take into account elements of compensation such as quarters and subsistence not included in wages for Social Security benefit calculation purposes. Under the 1983 Social Security amendments, the cost of the additional benefits resulting from the noncontributory wage credits for past service was met by a lump sum payment from general revenues, while the cost for future service will be met by payment of combined employer-

employee tax on such credits as the service occurs. Payments for these wage credits ended in 2002.

Members of the military are also required to pay the Hospital Insurance (HI) payroll tax, with the federal government contributing the matching employer contribution. Medicare eligibility occurs at age 65, or earlier if the employee is disabled.

Performance Measures

During FY 2008, the Fund made monthly disbursements to approximately 2.2 million retirees and survivors.

While there are many ways to measure the funding progress of a pension plan, the ratio of assets in the fund to the present value of future benefits for annuitants on the roll is commonly used. (These values can be found in Table 7 of the main text). Here is what this ratio has been for the last twenty-three years:

- a. September 30, 2008 = .337
- b. September 30, 2007 = .322
- c. September 30, 2006 = .328
- d. September 30, 2005 = .334
- e. September 30, 2004 = .338
- f. September 30, 2003 = .351
- g. September 30, 2002 = .378
- h. September 30, 2001 = .347
- i. September 30, 2000 = .354
- j. September 30, 1999 = .352
- k. September 30, 1998 = .331
- l. September 30, 1997 = .322
- m. September 30, 1996 = .313
- n. September 30, 1995 = .304
- o. September 30, 1994 = .303
- p. September 30, 1993 = .283
- q. September 30, 1992 = .270
- r. September 30, 1991 = .251
- s. September 30, 1990 = .219
- t. September 30, 1989 = .195
- u. September 30, 1988 = .162
- v. September 30, 1987 = .114
- w. September 30, 1986 = .072

The effective yield of the Fund during FY 2008 was 6.23%.

APPENDIX B

THE MILITARY RETIREMENT SYSTEM: HISTORY

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THE MILITARY RETIREMENT SYSTEM: HISTORY¹

The principal motivations guiding the evolution of the military retirement system have been to ensure that (1) continued service in the armed forces is competitive with the alternatives; (2) promotion opportunities are kept open for young and able members; (3) some measure of economic security is made available to members after retirement from a military career; (4) a pool of experienced personnel is available for recall in times of war or national emergency; and (5) the costs of the system are reasonable. The history of the retirement system shows an interplay of these considerations.

History of Retired Pay and Disability

Provisions for the maintenance of disabled military members date to colonial days. The pilgrims at Plymouth provided in 1636 that any man sent forth as a soldier and returned maimed should be maintained by the colony during his life. In order to obtain enlistments in military expeditions against the Indians the colonies promised to care for those who were disabled and had no means of earning a livelihood as well as providing aid for the indigent families of those fallen in conflict. Some of these precedents were continued in the first national pension law of August 26, 1776, which promised half pay for life, or during disability, to the disabled. After the Revolutionary War, a full disability pension for a noncommissioned officer or private soldier was fixed at five dollars per month, with commissioned officers being paid at one-half of their monthly pay. Initially, the States administered disability pensions. However, in 1790, the Secretary of War became the principal pension administrator. In 1805, disability pensions were extended to those who received wounds in military service who subsequently became disabled.

Pensions based on service by itself were more controversial. Payments of half pay for life had been promised in 1780 by Congress for officers who served to the end of the War. However, the resulting claims were initially settled for less than full value and with a considerable amount of controversy. With the number of veterans declining and the treasury increasing, Congress became more generous. In 1818, an act was passed providing relief to Revolutionary War veterans in need. By 1832, it became full pay for life, regardless of need. In 1836, widows were included. This same pattern was followed for Service pensions for subsequent wars. However, each war was treated separately.

¹ Sections of this are excerpted from (1) *Defense Manpower Commission Staff Studies*, Volume V, U.S. Government Printing Office, 1976 and (2) *Military Compensation Background Papers*, Third Quadrennial Review of Military Compensation, U.S. Government Printing Office, 1976. For a fuller discussion of the early history of military pensions, see *History of Military Pension Legislation in the United States*, William H. Glasson, AMS Press, New York, N.Y. 1968.

In 1849, the Bureau of Pensions was transferred to the newly established Department of the Interior, where it was to remain until the Veterans Administration was created in 1930. In 1855, authorization was given for involuntary separation with partial pay of Navy officers adjudged incapable, but not necessarily disabled. The outbreak of the Civil War brought further changes when it became necessary to retire older officers no longer fit for field duty. The vehicle was the act of August 3, 1861, the first major nondisability retirement act, which provided for the voluntary retirement of regular officers of all branches of Service after 40 years of duty, at the discretion of the President. Subsequent acts in 1861 and 1862 provided for involuntary retirements for age or years of service.

The 1861 act also established a military disability retirement system that covered the regular officers of all branches of Service. Army and Marine Corps officers were to be paid an amount equal to their “pay proper” plus four rations. Navy officers were paid slightly more. The act of March 2, 1867, authorized disability retirement for enlisted personnel of the Navy and Marine Corps.

Congress established two enduring retirement principles while reducing forces to a peacetime basis in 1870. The first permitted voluntary retirement of officers after 30 years of service upon approval by the President, and the second fixed retired pay at 75 percent of the officer’s pay. The 75 percent applied to Army and Marine Corps officers, both disabled and nondisabled, and was extended to the Navy in 1873.

In 1885, the first nondisability retirement law for Army and Marine Corps enlistees was enacted. Paralleling the officer retirement laws, it provided for voluntary retirement at 30 years of service with 75 percent of pay of the grade in which retired, plus an allowance in lieu of quarters, fuel, and light. The law was extended to the Navy in 1899.

By the middle of World War I, the limit on the number of officers who could be placed on the retired list was causing stagnating promotion in the Navy. To alleviate the problem, Congress established selection boards for promotion to Rear Admiral, Captain, and Commanders on the basis of age-in-grade in 1916. Service-in-grade replaced age-in-grade in 1926. Those officers not selected for promotion were retired at 2 ½ percent of pay per year of service, not to exceed 75 percent of pay. This was the first recognition of length of service as well as grade in the computation of retired pay.

The act of 1916 also created the Fleet Naval Reserve, to provide a pool of experienced personnel who could be recalled to active duty in an emergency. While technically different than retirement, the practical effect was that it was possible for enlistees of the Navy and Marine Corps to “retire” with as little as 16 years of service (raised to 20 in 1925) and become entitled to “retainer pay.”

By 1938, the Navy was again experiencing stagnating promotion caused by the large influx of officers throughout World War I. Almost all of these officers were in the same age and years of service groups. To remedy the situation, Congress extended the selection board process to all grades above Lieutenant (junior grade); set limits on years of service for Lieutenant

Commanders through Captains; and provided for voluntary retirement at 20 years of service at the discretion of the President.

Following World War II, allegations of unfairness, inequity, and inefficiency in the existing disability retirement system became extensive. A new system for disability retirement was created by the Career Compensation Act of 1949. Under this system, all disabilities had to be rated under the standard schedule of rating disabilities in use by the Veterans Administration, and the resultant ratings became a factor in disability retired pay entitlement and taxability. The new system covered officer and enlisted personnel of both the regular and reserve components, and it authorized temporary as well as permanent disability retirements. The disability retirement system remains basically unchanged from the way it was enacted in 1949. Much legislation has been passed recently in an attempt to modernize the disability system.

Meanwhile, the Officer Personnel Act of 1947 brought the Army and Air Force under a selection process similar to the Navy system. It also provided that those officers who failed promotion and were not eligible to retire would receive severance pay of two months per year of service, but not exceeding two years' pay.

Standardized nondisability retirement laws for all Services were brought about by the Army and Air Force Vitalization Act of 1948. The act established 20 years as the minimum requirement for voluntary retirement, thereby placing the Army and Air Force on a par with the Navy. It also provided for the removal of substandard officers with severance pay equal to one month's pay per year of service, but not exceeding one year's pay.

Public Law 96-513 changed the retired pay formula for persons who first became a service member after September 7, 1980. For this group, the 2 ½ percent times years of service is multiplied by the average of the highest 36 months of pay, rather than by final pay. This is sometimes referred to as the High-3 (HI-3) formula.

Public Law 99-348, enacted July 1, 1986, made extensive changes in retired pay formula for persons entering service after July 31, 1986. These persons are credited with 2 percent for each of the first twenty years of service, 3 ½ percent for each of the next 10 years, and 2 ½ percent thereafter. At the member's age 62, the annuity is recomputed to equal the annuity that would have been in effect if a level 2 ½ percent had been used for each year of service. In addition, the cost-of-living adjustment for this group no longer keeps up with inflation, as described later. This is referred to as the Redux benefit formula.

Public Law 106-65, enacted October 1, 1999, enhanced benefits for military members previously covered by the Redux benefit formula (those who entered service on or after August 1, 1986) by converting these members to the HI-3 formula. At the 15 year-of-service mark, these (full-time) members now have the choice of: (1) remaining in HI-3, or (2) electing the Career Status Bonus, which is not paid out of the Military Retirement Fund, and converting to the Redux benefit formula. Those who elect the bonus must commit to remaining continuously in service until completing 20 years or forfeit a portion of the \$30,000. Part-time reservists previously covered by Redux do not have the option of electing the bonus, and so

remain under the HI-3 benefit formula. This is referred to as the Career Status Bonus (CSB)/Redux benefit formula.

Public Law 108-136, enacted November 23, 2003, provides a phase-out of the offset to military retired pay due to receipt of Veterans Affairs (VA) disability compensation for members whose combined disability rating is 50% or greater, effective January 1, 2004. Members retired under disability provisions must have at least 20 years of service. Public Law 108-136 also expands eligibility under the Combat Related Special Compensation program to include qualified retirees at any combined percentage rating for certain combat-related disabilities compensated by the VA. Through 2003, retired pay earned from DoD for military service was offset by any payment received from Veterans Affairs for a VA-rated disability. These VA benefits were in place of or in combination with DoD retired pay but were not fully additive. Thus the law is commonly referred to as Concurrent Receipt.

Since Public Law 108-136, a series of legislation has been enacted that increasingly reduces or eliminates the offset to military retired pay due to receipt of VA disability compensation. This is described further in Appendix A.

Public Law 109-364, enacted October 17, 2006, eliminated the 75 percent multiplier cap for retirements exceeding 30 years of service for members retiring on nondisability after January 1, 2007. A member can now retire with a retired pay multiplier greater than 100% if their years of service exceeds 40 years.

Public Law 110-181, enacted January 28, 2008, reduces the retirement age for a reserve retirement below age 60 by three months for every 90 days of certain active service with a limit of 10 years. Eligibility for retiree health benefits remains at age 60 even if the eligibility age for retired pay is reduced.

Cost-of-Living Adjustments

Prior to 1958, retired pay was generally increased in direct proportion to changes in active duty pay. The practice was discontinued with the act of May 1958 (Public Law 85-422), when it was realized that a single 6 percent cost-of-living increase would cost only \$35 million, as opposed to \$65 million for linking the retired pay to active duty pay. The 6 percent approximated the increase in the cost of living since 1955 when retired pay was last increased. In 1963, a permanent system of increasing retired pay (Public Law 88-132), based on a formula geared to increases in the cost-of-living, was adopted. In 1965, the adjustment mechanism was modified slightly (Public Law 89-132). This system granted cost-of-living increases whenever the Consumer Price Index (CPI) went up at least 3 percent and remained up for three months. The benefit increase was equal to the percentage rise in the CPI. In 1969 (Public Law 91-179), an additional 1 percent was added to compensate for the fact that five months elapsed between the time that the index increased 3 percent and the time that benefits increased.

Effective March 1977, cost-of-living adjustments (COLAs) were scheduled to occur every six months, on March 1 and September 1. This would be reflected in checks issued those months and the additional 1 percent was eliminated (Public Law 94-440). The cost-of-living increase, effective March 1, was computed by calculating the percentage increase (adjusted to the nearest tenth of a percent) in the CPI from the previous June to the previous December. Similarly, the cost-of-living increase effective September 1 was obtained by calculating the percentage increase in the June CPI over the CPI from the previous December.

In August 1981 (Public Law 97-35), once-a-year cost-of-living increases were implemented by eliminating the September increase. Full annual cost-of-living increases were given in March of each year based on the percentage increase in the CPI between the two previous Decembers.

In August 1982, Public Law 97-253 created a temporary deviation to the calculation and timing of the cost-of-living increase. Consequently, in Fiscal Year (FY) 1983, the increase was delayed until April and the full increase of 3.9 percent was given only to survivors, disabled persons and nondisabled persons over age 61. Nondisabled retirees under age 62 received 3.3 percent instead of 3.9 percent.

Public Law 98-270, enacted in April 1984, eliminated the FY 1984 increase and modified the permanent law. Under the modified system, the COLA equals the percentage increase in the average of the CPIs for July, August, and September over the averaged indexes for the same three months of the prior year. These increases become effective for entitlements earned in December. Public Law 98-369 directed that entitlements for a particular month should be paid at the beginning of the subsequent month rather than at the end of the month of entitlement and became effective with the December 1984 adjustment.

Public Law 99-348, enacted July 1, 1986, changed the cost-of-living increase for members entering the service after July 31, 1986. Their retiree and survivor benefits are increased annually by the full cost-of-living adjustment minus 1 percent (except if the full adjustment is less than or equal to 1%). A one-time catch-up is given on the first day of the month after the *retiree's* 62nd birthday. At this time, the retiree benefit (or survivor benefit if the retiree is deceased) is increased to the amount that would have been payable had full adjustments been made. Annual partial increases continue after this catch-up. For persons entering the service prior to August 1, 1986, full COLAs are still applied to the retiree and survivor benefits. Public Law 106-65 called for full COLAs to be applied to the retiree and survivor benefits of post-July 31, 1986, entrants who decline the CSB/Redux and retire under the HI-3 benefit formula. Retired pay cost-of-living increases from 1958 to the present time are shown in Table B-1 and basic pay scale increases are shown in Table B-2.

Basic pay scale increases are analogous to retired pay cost-of-living increases for the current active duty and drilling reserve population. These increases are typically credited and paid at the beginning of the calendar year. Throughout most of the 1970's and early 1980's, the increases were credited and paid at the beginning of the fiscal year. The annual basic pay scale increases are designed to establish a crude comparability with the private sector. Beginning in

2000, additional targeted basic pay scale increases were granted for specific pay grades and ranks in order to meet the necessary retention and recruitment needs. Additional discussion regarding cost-of-living and basic pay scale increases can be found in Appendix D.

Funding of Retirement Benefits

Prior to 1935, the Navy had a pension fund which provided for payments to persons retired for disability whenever there was a sufficient amount in the fund. The income to the fund consisted of the government's share of the proceeds from the sale of enemy or pirate ships captured by the Navy, and from interest received on fund investments. This fund was abolished in 1935, and the military retirement system moved to an unfunded or "pay-as-you-go" basis. Public Law 98-94 (currently Chapter 74 of Title 10, U.S.C.), signed in September 1983, established a Military Retirement Fund starting October 1, 1984.

This funding law stated that DoD will make normal cost payments into the Fund and the Treasury Department will make payments from general revenues to amortize the unfunded liability. Public Law 99-661, enacted in November 1986, mandated that two separate normal cost percentages (NCPs) be used to compute the normal cost payment of the military retirement system. One NCP is for active-duty personnel and reservists (full-time) and the second NCP is for drilling reservists (part-time). These normal cost payments are designed to be sufficient to pay for the future retirement benefits for a cohort of new entrants. The unfunded liability exists primarily because such payments were not made in the past.

Public Law 108-136, enacted November 2003, required the Department of Treasury to pay the normal cost arising from the increased benefits due to Concurrent Receipt at the beginning of each fiscal year. Beginning with FY 2005, Treasury includes the annual normal cost payment along with the unfunded liability payment in the October 1st contribution.

The original funding law also established an independent three-member DoD Retirement Board of Actuaries, appointed by the President (changed to the Secretary of Defense as part of the 2008 National Defense Authorization Act (P.L. 110-181)). The Board is required to approve methods and assumptions for determining the normal cost and unfunded liability; to review valuations of the military retirement system; to determine the method of amortizing unfunded liabilities; to annually report to the Secretary of Defense; and to report to the President and Congress on the status of the Fund not less than every four years. P.L. 110-181 renamed the Board the "DoD Board of Actuaries," and added oversight of other funds to be deemed necessary by the Secretary of Defense.

TABLE B-1

MILITARY RETIRED PAY COST-OF-LIVING INCREASES
(JUNE 1958 TO PRESENT)

<u>Date of Increase</u>		<u>Percentage Increase</u>	<u>Cumulative % From Date of Increase</u>
6/1/58		6.0%	717.0%
10/1/63		5.0%	670.8%
9/1/65		4.4%	634.1%
12/1/66		3.7%	603.2%
4/1/68		3.9%	578.1%
2/1/69		4.0%	552.6%
11/1/69		5.3%	527.5%
8/1/70		5.6%	495.9%
6/1/71		4.5%	464.3%
7/1/72	one percent over	4.8%	440.0%
7/1/73	inflation was	6.1%	415.3%
1/1/74	added during	5.5%	385.7%
7/1/74	these years	6.3%	360.3%
1/1/75		7.3%	333.1%
8/1/75		5.1%	303.6%
3/1/76		5.4%	284.0%
3/1/77		4.8%	264.3%
9/1/77		4.3%	247.7%
3/1/78		2.4%	233.3%
9/1/78	twice-a-year	4.9%	225.5%
3/1/79	increases	3.9%	210.3%
9/1/79		6.9%	198.7%
3/1/80		6.0%	179.4%
9/1/80		7.7%	163.6%
3/1/81	once-a-year	4.4%	144.7%
3/1/82	increases	8.7%	134.4%
4/1/83	(Dec to Dec)	3.9% (1)	115.6%
12/1/84		3.5% (2)	107.6%
12/1/85		0.0% (3)	100.5%
12/1/86	once-a-year	1.3%	100.5%
12/1/87	increases (3rd	4.2%	98.0%
12/1/88	qtr to 3rd qtr)	4.0%	90.0%
12/1/89		4.7%	82.7%
12/1/90		5.4%	74.5%
12/1/91		3.7%	65.5%
12/1/92		3.0%	59.6%
3/1/94		2.6% (4)	55.0%
3/1/95		2.8% (5)	51.1%
3/1/96		2.6% (6)	46.9%
12/1/96		2.9%	43.2%
12/1/97		2.1%	39.2%
12/1/98		1.3%	36.3%
12/1/99		2.4%	34.6%
12/1/00		3.5%	31.4%
12/1/01		2.6%	27.0%
12/1/02		1.4%	23.8%
12/1/03		2.1%	22.0%
12/1/04		2.7%	19.5%
12/1/05		4.1%	16.4%
12/1/06		3.3%	11.8%
12/1/07		2.3%	8.2%
12/1/08		5.8%	5.8%

(1) Nondisabled retirees under age 62 received 3.3%.

(2) Starting December 1984, entitlements earned in a particular month are paid at the beginning of the next month.

(3) A cost-of-living adjustment of 3.1%, scheduled for 12/1/85, was suspended as a consequence of P.L. 99-177.

(4) Disabled retirees and survivors received 2.6% on 12/1/93.

(5) Disabled retirees and survivors received 2.8% on 12/1/94.

(6) Disabled retirees and survivors received 2.6% on 12/1/95.

TABLE B-2
MILITARY BASIC PAY SCALE INCREASES
(JUNE 1958 TO PRESENT)

<u>Date of Increase</u>	<u>Percentage Increase</u>	<u>Cumulative % From Date of Increase</u>
6/1/58	8.3%	1173.9%
10/1/63	14.2%	1076.3%
9/1/64	2.3%	930.0%
9/1/65	10.4%	906.8%
7/1/66	3.2%	812.0%
10/1/67	5.6%	783.7%
7/1/68	6.9%	736.9%
7/1/69	12.6%	682.8%
1/1/70	8.1%	595.2%
1/1/71	7.9%	543.1%
11/14/71	11.6%	496.1%
1/1/72	7.2%	434.1%
10/1/72	6.7%	398.2%
10/1/73	6.2%	366.9%
10/1/74	5.5%	339.7%
10/1/75	5.0%	316.8%
10/1/76	3.6%	296.9%
10/1/77	6.2%	283.1%
10/1/78	5.5%	260.8%
10/1/79	7.0%	241.9%
10/1/80	11.7%	219.6%
10/1/81	14.3% (1)	186.1%
10/1/82	4.0% (2)	150.3%
1/1/84	4.0% (2)	140.7%
1/1/85	4.0%	131.4%
10/1/85	3.0%	122.5%
1/1/87	3.0%	116.0%
1/1/88	2.0%	109.8%
1/1/89	4.1%	105.6%
1/1/90	3.6%	97.5%
1/1/91	4.1%	90.7%
1/1/92	4.2%	83.2%
1/1/93	3.7%	75.8%
1/1/94	2.2%	69.5%
1/1/95	2.6%	65.9%
1/1/96	2.4%	61.7%
1/1/97	3.0%	57.9%
1/1/98	2.8%	53.3%
1/1/99	3.6%	49.1%
1/1/00	4.8% (3)	43.9%
1/1/01	3.7% (3)	37.3%
1/1/02	4.6% (3)	32.4%
1/1/03	4.1% (3)	26.6%
1/1/04	3.7% (3)	21.6%
1/1/05	3.5%	17.3%
1/1/06	3.1%	13.3%
1/1/07	2.2% (3)	9.9%
1/1/08	3.5%	7.5%
1/1/09	3.9%	3.9%

(1) Basic pay increases for enlisted personnel ranged from 10% for E-1; 10.7% for E-2, E-3; 13% for E-4; 16.5% for E-5, E-6; and 17% for E-7, E-8, E-9. For officers, the increase was 14.3%.

(2) Except for E-1 with less than 4 months service.

(3) The increases do not include additional targeted pay increases.

APPENDIX C

VALUATION POPULATION DATA

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All DoD Average Monthly Active Duty Basic Pay by Active Years of Service and Age for FY2008 Valuation

Age	Years of Active Service																														Avg										
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		30+									
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0							
17	1380	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0						
18	1418	1611	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0					
19	1453	1628	1835	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
20	1304	1641	1825	2019	3341	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
21	1519	1657	2003	2127	2218	2218	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
22	1660	1670	2015	2183	2419	2655	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
23	1839	1841	1877	2032	2192	2254	2564	2655	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	1755	2026	2143	2055	2208	2456	2493	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	1729	1965	2425	2461	2237	2458	2514	2752	2218	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
26	1811	1892	2294	2863	2716	2478	2519	2755	2813	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	1926	1951	2173	2669	3138	2825	2525	2541	2749	2827	2859	2950	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	1918	2102	2285	2466	2904	3264	3101	2598	2768	2815	3014	3128	2881	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	1944	2082	2408	2600	2773	3085	3483	3143	2836	2839	3011	3089	3177	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	2010	2081	2395	2670	2812	3203	3329	3608	3426	2888	3002	3078	3313	3158	2671	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	2040	2101	2440	2704	2884	2977	3176	3486	3583	3497	3049	3089	3289	3386	3588	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
32	2116	2190	2518	2684	2859	3072	3271	3365	3766	3354	3783	3161	3259	3371	3532	3101	2655	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
33	2105	2196	2500	2753	2885	3064	3382	3379	3567	3876	4286	3880	3353	3381	3523	3645	3837	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
34	2070	2238	2514	2816	2930	3124	3385	3565	3697	3670	4185	4331	4083	3456	3611	3611	3779	4407	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
35	2153	2287	2541	2845	2986	3097	3435	3494	3624	3861	3994	4240	4020	3408	3649	3620	3747	3848	3902	3895	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
36	2305	2227	2586	2875	3043	3162	3449	3527	3753	3899	4094	4184	4368	4752	4493	4374	3771	3846	4063	4158	3817	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
37	2305	2396	2587	2925	3048	3184	3515	3575	3750	3768	4143	4174	4358	4660	5055	4510	3847	3858	3990	4132	3920	3577	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
38	2357	2396	2871	2899	3127	3294	3549	3729	3838	3958	3986	4274	4422	4535	4921	5161	4669	3975	3987	4051	4440	4357	4241	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
39	2379	2421	2930	3430	3196	3308	3521	3703	3841	3949	4059	4075	4537	4626	4784	5161	4669	4006	4091	4053	4391	4545	5566	3986	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
40	2478	2489	2817	3443	3612	3384	3666	3915	3942	4003	4268	4193	4372	4717	4776	4927	5172	5477	5078	4137	4336	4480	4756	5248	4142	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
41	2881	2524	2907	3718	3883	3629	3676	3834	3989	3984	4142	4249	4378	4616	4862	4970	4855	5466	5654	5132	4493	4480	4723	4921	4921	6136	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
42	2425	2612	2995	3860	3688	4124	4100	3907	3984	4068	4194	4174	4374	4621	4777	4865	5089	5117	5478	5851	5548	4550	4697	4922	5207	5827	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
43	3392	2431	3428	3684	4011	4300	4160	4059	3981	3971	4168	4405	4364	4739	4743	4770	5195	5071	5162	5704	6227	5584	4762	4897	5246	5501	5539	5602	0	0	0	0	0	0	0	0	0	0	0		
44	3888	3183	3349	3813	4063	4359	4378	4486	4433	4212	4302	4561	4577	4762	4843	4752	5073	5094	5284	5301	6104	6285	6088	4956	5206	5571	5889	6102	0	0	0	0	0	0	0	0	0	0	0		
45	4212	4323	3863	4065	4089	4430	4559	4645	4504	4348	4111	4463	4433	4761	4868	4983	5090	5149	5436	5439	5709	6098	6887	6472	5331	5443	5913	6062	5190	0	0	0	0	0	0	0	0	0	0		
46	4260	4408	4271	4322	4131	4154	4302	4652	4739	4877	4664	4288	4906	4645	4986	5082	5115	5163	5169	5379	5828	5909	6467	6961	6969	6969	6906	6003	6018	6189	5458	0	0	0	0	0	0	0	0		
47	4618	4292	4317	4577	4174	4464	4530	4634	4974	5048	4774	4830	4393	4926	4988	4985	5110	5363	5332	5110	5363	5833	6313	6961	7407	7274	6259	6138	6124	6390	6088	6000	0	0	0	0	0	0	0		
48	4416	4291	4782	4553	4889	4603	4598	4195	4889	4820	4837	5003	4711	4939	5124	4980	5283	5299	5175	5331	5731	6157	6405	6578	7099	7892	8455	8314	8302	7022	6172	0	0	0	0	0	0	0			
49	4062	4538	4852	4566	4849	4728	4927	4369	4504	4625	4831	4869	5190	5249	4844	4844	4844	5282	5108	5187	5448	5813	5785	6316	6658	6949	7534	8585	8384	6726	6531	7188	6316	0	0	0	0	0	0		
50	4619	4590	4571	5160	4767	5415	5567	4763	4378	5136	4726	4941	5283	5419	5544	4795	5271	5385	5168	5325	5850	6171	6501	7067	7299	7162	8052	8651	9116	6798	7558	6622	0	0	0	0	0	0			
51	5552	6285	5257	5313	4663	5047	6138	5259	5384	5205	5163	5370	5115	5695	5715	5539	4995	5180	5376	5107	6001	6213	6899	6558	7300	7385	8285	8686	8975	9202	7682	6831	0	0	0	0	0	0			
52	6028	5362	5480	5365	5692	4732	5108	4676	5439	5014	4579	5113	5132	6003	5653	5612	5897	5448	5591	5598	6229	6059	6728	6969	7151	7115	8191	8278	8567	9429	9297	6927	0	0	0	0	0	0			
53	5867	5015	5459	6331	6680	6549	6011	5516	5255	6032	5551	5220	5283	5601	5589	5564	5841	5789	5761	5768	5840	6349	6628	6382	7494	7712	8569	8398	7888	8746	9394	7014	0	0	0	0	0	0			
54	6011	5934	5174	4326	5449	6465	6351	5070	5139	5172	5425	5284	4793	6026	6001	5937	6597	6283	5916	5926	5879	6066	7135	6734	7574	8253	8462	8951	8034	8514	10191	7160	0	0	0	0	0	0			
55	6363	6407	3757	3752	6797	5658	6232	6062	5163	5970	6317	5908	6446	6446	5502	5377	6569	6278	6393	5971	6137	6																			

DoD Officers Active Duty Personnel by Years of Service and Age for FY2008 Valuation

Age	Years of Active Service																														Total							
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		30+						
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0				
17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0			
19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
20	4	5	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
21	30	11	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
22	1,871	77	20	11	19	23	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	3,633	2,464	100	33	35	40	13	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	1,663	4,456	2,407	94	52	45	37	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	730	1,996	4,195	2,264	119	97	65	42	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
26	621	811	1,863	4,147	2,018	1,166	134	85	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
27	632	629	745	1,868	3,513	1,771	1,877	1,324	1,324	276	372	463	230	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
28	423	709	700	773	1,673	3,064	1,674	218	191	255	183	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	311	464	663	732	876	1,625	2,579	1,426	282	271	430	219	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
30	248	314	441	584	676	825	1,421	2,284	1,358	245	288	423	212	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	192	213	329	439	577	702	774	1,337	2,152	1,324	276	372	463	230	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32	165	178	282	299	393	598	637	697	1,273	1,967	1,266	366	448	458	204	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
33	128	138	168	232	303	430	577	570	666	1,244	1,867	1,278	396	413	535	259	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
34	91	111	137	186	244	336	424	554	555	642	1,192	1,746	1,190	398	479	562	283	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
35	94	124	141	187	232	359	374	487	585	694	1,126	1,696	1,250	448	567	649	266	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
36	72	75	99	116	163	182	255	283	353	482	589	702	1,076	1,717	1,319	483	595	616	366	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
37	62	78	74	115	123	157	227	218	281	312	466	618	755	1,150	1,860	1,316	529	571	714	443	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
38	67	74	72	90	133	155	180	192	237	305	318	622	719	1,272	1,958	1,441	558	588	822	411	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
39	55	52	61	80	117	122	146	163	191	221	258	321	482	567	774	1,297	1,891	1,304	467	606	668	334	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40	45	45	45	69	85	129	138	169	145	166	219	240	295	422	508	712	1,255	1,706	1,273	469	499	550	276	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
41	54	44	34	45	70	81	103	114	123	117	158	200	230	281	391	534	686	1,241	1,698	1,355	370	425	468	232	5	0	0	0	0	0	0	0	0	0	0	0	0	0
42	38	41	61	47	63	73	97	102	105	102	130	136	166	226	280	381	529	673	1,147	2,054	983	301	328	386	159	4	0	0	0	0	0	0	0	0	0	0	0	0
43	26	26	33	37	66	63	58	70	107	84	112	133	159	186	201	274	455	486	651	1,450	1,400	819	239	313	352	134	2	0	0	0	0	0	0	0	0	0	0	0
44	19	26	30	27	53	68	67	71	66	89	95	129	123	154	177	201	289	360	516	770	968	1,119	766	206	271	304	104	6	0	0	0	0	0	0	0	0	0	0
45	21	19	21	30	34	63	59	59	47	69	71	92	86	122	135	170	226	306	400	613	547	682	942	697	177	186	197	117	1	0	0	0	0	0	0	0	0	0
46	31	20	19	27	35	31	41	56	54	54	66	67	103	80	115	143	166	210	257	379	392	420	549	823	554	161	153	146	93	2	0	0	0	0	0	0	0	0
47	22	12	20	17	19	30	30	47	45	50	49	54	73	87	88	95	123	184	181	271	276	301	369	501	649	514	123	117	92	76	1	4,516	1	4,516	1	4,516		
48	21	11	20	15	21	17	29	22	37	48	40	48	36	76	69	90	111	128	130	188	179	216	258	281	353	529	423	73	79	118	54	3,730	118	54	3,730	118	54	
49	10	10	16	7	16	15	18	14	21	31	26	30	40	56	54	59	88	93	96	162	120	126	170	243	193	333	402	297	70	85	110	3,011	85	110	3,011	85	110	
50	10	12	8	15	13	12	19	10	13	33	23	27	41	38	48	48	66	69	78	108	90	108	127	182	169	143	212	325	291	48	136	2,523	48	136	2,523	48	136	
51	9	8	15	10	11	13	16	15	18	21	14	25	19	35	39	44	40	62	74	55	77	82	84	105	123	128	142	172	264	233	118	2,071	118	2,071	118	2,071		
52	19	8	5	5	11	10	13	8	17	11	14	16	24	32	25	28	55	68	65	82	71	46	70	74	82	96	94	105	120	187	188	1,649	187	188	1,649	187	188	
53	12	2	5	9	5	7	11	10	9	17	12	12	15	18	22	42	39	66	75	42	51	54	43	64	65	81	87	67	80	216	1,250	80	216	1,250	80	216		
54	9	4	2	1	7	6	8	7	10	7	10	9	7	14	16	21	33	38	44	50	38	43	40	57	39	43	58	70	41	43	190	985	58	41	43	190	985	
55	9	8	0	1	9	8	7	5	3	7	8	12	7	10	11	14	36	26	31	40	29	30	35	30	37	29	48	43	51	41	174	799	41	174	799	41	174	
56	6	6	5	1	4	5	5	8	5	2	4	8	9	8	16	27	24	33	37	23	14	29	28	30	26	31	26	31	43	27	36	140	645	36	140	645	36	140
57	7	7	3	7	0	4	1	2	4	8	8	4	6	5	13	11	17	27	26	18	15	19	31	16	24	23	23	23	25	22	112	490	23	112	490	23	112	
58	7	2	4	6	2	6	9	6	0	5	4	1	5	4	4	8	12	17	18	18	17	12	8	12	20	15	16	14	10	15	88	365	15	88	365	15	88	
59	9	4	1	1	4	4	7	3	7	2	8	6	7	3	5	10	13	15	15	15	12	10	12	16	18	17	9	11	8	58	310	8	58	310	8	58		
60+	26	11	6	2	9	4	7	6	2	9	6	3	8	13	11	12	17	25	31	44	23	10	24	18	19	24	29	27	26	23	144	619	23	144	619	23	144	
Total	11,493	13,275	12,820	12,597	11,743	11,243																																

All DoD Active Duty Personnel by Years of Service and Age for FY2008 Valuation

Age	Years of Active Service																														Total			
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29		30+		
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	262	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	262
18	16,014	241	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	16,255	
19	38,268	13,908	173	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52,349	
20	30,537	33,232	12,883	131	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	76,854	
21	20,338	26,767	31,810	10,966	64	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	89,946	
22	16,377	18,201	26,249	27,662	8,653	57	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	97,203	
23	14,279	15,219	17,971	22,888	21,519	7,211	38	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	99,140	
24	9,456	13,762	14,523	13,484	17,763	16,991	6,199	59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	92,246	
25	6,227	8,594	12,722	11,429	11,533	13,334	13,526	6,104	48	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	83,518
26	4,630	5,908	8,125	10,802	10,802	9,035	10,062	12,635	5,059	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	76,428
27	3,615	4,032	5,116	6,781	9,699	7,996	6,809	8,935	10,929	4,545	28	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	68,369
28	2,629	3,082	3,826	4,267	6,176	7,695	6,459	5,933	7,837	9,710	4,005	34	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	61,655	
29	2,048	2,370	2,898	3,234	4,156	5,136	6,236	5,551	5,300	7,231	8,762	3,373	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	58,381	
30	1,444	1,632	2,065	2,408	3,146	4,174	5,173	4,772	4,688	6,687	7,420	2,745	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49,838	
31	1,183	1,229	1,576	1,751	2,372	2,697	2,818	3,482	4,608	4,448	6,243	6,409	2,286	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45,584	
32	936	983	1,207	1,329	1,808	2,024	2,163	2,330	3,117	4,242	4,191	4,323	5,686	5,353	2,110	4	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,817	
33	742	783	865	1,007	1,368	1,517	1,784	1,857	2,099	2,919	4,030	4,012	3,926	4,824	5,411	2,195	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39,348	
34	656	661	731	814	1,079	1,175	1,361	1,528	1,637	1,988	2,790	3,827	3,715	3,547	4,864	5,401	2,271	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38,054	
35	520	549	598	667	834	922	1,108	1,143	1,283	1,549	1,906	2,699	3,526	3,338	3,267	5,328	5,566	2,101	13	2	0	0	0	0	0	0	0	0	0	0	0	0	36,919	
36	420	532	551	574	718	714	831	1,032	1,274	1,511	1,803	2,489	3,366	3,375	3,649	5,244	5,133	2,627	23	11	0	0	0	0	0	0	0	0	0	0	0	0	36,889	
37	383	419	483	541	648	665	752	712	896	1,012	1,222	1,583	1,888	2,419	3,276	3,539	3,777	4,820	6,368	3,080	39	1	0	0	0	0	0	0	0	0	0	0	0	36,633
38	373	410	341	506	617	658	652	622	715	909	1,030	1,304	1,554	1,687	2,502	3,588	3,812	3,585	5,303	6,937	2,137	14	2	0	0	0	0	0	0	0	0	0	39,268	
39	324	282	261	266	562	527	569	548	641	686	775	861	1,134	1,283	1,670	2,403	3,539	3,261	3,337	5,566	4,116	1,754	8	1	0	0	0	0	0	0	0	0	34,494	
40	264	248	234	221	313	509	464	476	498	558	625	659	816	940	1,157	1,567	2,525	3,102	3,216	3,469	3,175	3,353	1,495	15	1	0	0	0	0	0	0	0	29,840	
41	205	262	172	151	214	286	355	397	430	434	485	545	694	677	879	1,134	1,601	2,228	3,110	3,395	1,981	2,722	2,689	1,093	7	0	0	0	0	0	0	0	26,246	
42	224	201	193	164	164	205	257	342	366	421	418	468	540	554	644	865	1,188	1,334	2,302	3,527	2,203	1,801	2,191	2,072	684	18	0	0	0	0	0	0	23,486	
43	86	188	130	123	179	141	175	218	376	365	382	386	441	444	529	729	853	1,197	1,586	2,732	2,262	1,942	1,551	1,140	1,491	515	4	1	0	0	0	20,866		
44	59	103	103	102	168	158	158	180	193	329	283	370	375	391	458	565	703	921	1,289	1,665	1,705	1,526	1,706	1,187	1,340	1,163	418	25	0	0	0	0	16,200	
45	55	41	64	90	106	147	127	145	145	247	262	310	289	323	376	449	600	741	908	1,393	1,177	1,310	1,633	1,353	845	900	727	416	14	0	0	0	15,203	
46	67	50	54	69	87	99	108	140	121	155	166	258	255	235	310	345	429	551	711	920	837	893	1,044	1,353	1,029	657	550	609	290	5	0	0	12,397	
47	48	22	42	47	66	68	74	104	91	118	123	144	246	217	244	259	325	427	460	675	575	702	734	815	1,000	847	338	440	384	259	2	0	9,896	
48	55	27	38	39	47	41	67	72	85	119	110	114	117	189	187	234	267	334	379	520	404	435	508	544	586	791	543	242	249	339	97	0	7,779	
49	38	28	30	29	33	29	51	56	70	90	77	78	96	113	156	167	217	275	291	395	268	317	360	452	338	507	500	409	183	222	181	0	6,056	
50	27	20	21	23	34	16	39	33	38	63	61	71	93	75	104	133	154	174	237	292	222	211	236	302	272	252	296	417	341	133	196	0	4,596	
51	23	11	26	18	24	26	30	36	35	50	34	60	52	66	72	89	110	182	177	201	158	171	156	204	199	230	186	217	319	286	166	0	3,614	
52	25	18	9	10	21	18	37	22	33	33	39	40	44	47	52	67	94	151	153	183	135	109	121	132	139	157	132	147	154	209	224	0	2,755	
53	21	8	11	10	19	9	17	20	22	28	26	38	29	31	41	50	71	91	139	163	100	105	113	91	95	104	98	108	102	100	246	0	2,106	
54	15	7	4	6	12	7	12	17	18	16	19	24	30	19	33	49	50	59	89	108	78	97	73	97	55	55	74	82	66	60	210	0	1,541	
55	13	10	3	8	12	11	10	14	11	12	14	20	17	17	20	36	52	41	49	80	59	61	66	48	55	47	58	50	67	53	185	0	1,199	
56	9	7	1	7	9	13	16	14	10	12	18	15	18	15	18	36	33	40	58	53	48	33	49	55	58	44	32	50	41	42	150	0	990	
57	10	7	4	7	2	5	8	4	7	9	12	7	11	11	21	23	38	46	42	28	30	38	51	31	35	28	27	27	28	120	722	0	722	
58	8	3	6	6	3	7	11	10	3	8	6	7	10	9	16	17	31	30	35	27	24	28	29	36	21	20	20	15	24	92	568	0	688	
59	10	5	4	1	5	5	8	7	9	2	11	13	10	5	6	14	20	25	23	28	21	25	22	26	24	20	20	10	14	12	62	467	0	567
60+	38	11	7	3	12	5	7	8	2	9	8	5	9	14	14	17	20	30	42	49	31	21	33	24	25	25	32	33	29	25	155	743	0	743
Total	172,961	153,764	146,154	122,655	104,116	83,636	67,660	59,849	52,987	48,366	44,592	41,319	37,288	32,529	31,908	32,949	33,651	31,181	32,893	35,733	21,797	18,057	14,756	11,684	8,310	6,388	4,056	3,303	2,295	1,797	2,086	1,460,720	0	1,460,720

DoD Officers Selected Reserve Personnel by Years of Service and Age for FY2008 Valuation

Age	Completed Years Of Active Duty Service																				Total		
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		20+	
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27	
21	102	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	102	
22	328	17	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	347	
23	656	46	21	8	2	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	738	
24	837	101	46	16	4	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,006	
25	985	331	104	44	3	8	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,479	
26	950	389	239	86	61	17	3	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1,746	
27	1,038	459	246	209	171	56	14	15	0	1	0	0	0	0	0	0	0	0	0	0	0	2,209	
28	894	371	347	224	306	208	70	29	21	11	2	0	0	0	0	0	0	0	0	0	0	2,483	
29	754	358	322	257	350	274	132	64	45	35	2	0	0	0	0	0	0	0	0	0	0	2,593	
30	662	294	317	256	353	249	225	112	74	40	14	4	0	0	0	0	0	0	0	0	0	2,600	
31	629	288	267	216	305	291	263	136	121	41	24	9	8	2	0	0	0	0	0	0	0	2,600	
32	567	282	236	227	327	249	236	215	139	120	34	15	12	2	0	0	0	0	0	0	0	2,663	
33	655	286	272	234	302	242	243	186	140	188	87	27	28	8	0	1	0	0	0	0	0	2,879	
34	710	316	278	250	336	281	224	197	177	205	142	92	33	13	8	1	0	0	0	0	0	3,263	
35	636	334	306	268	316	211	249	213	163	182	184	112	53	30	7	3	0	0	0	0	0	3,277	
36	725	358	328	265	315	244	266	237	179	183	152	155	82	34	19	9	1	2	0	0	0	3,554	
37	834	389	381	321	310	258	314	262	202	220	198	181	133	72	33	11	7	1	0	0	0	4,127	
38	877	491	513	385	376	346	286	297	229	213	215	192	128	84	53	23	7	5	1	0	0	4,732	
39	878	512	525	397	414	323	274	256	221	262	232	198	160	130	67	42	12	8	3	0	0	4,914	
40	777	503	472	406	405	296	270	253	216	210	248	202	197	145	85	47	25	2	7	1	2	4,769	
41	772	456	441	413	425	359	277	218	192	266	264	253	193	150	98	60	28	3	6	1	3	4,878	
42	705	424	454	407	423	358	294	230	258	230	300	252	247	189	139	66	40	13	8	2	6	5,044	
43	621	446	411	390	407	367	309	251	224	230	211	225	155	140	71	60	16	7	3	4	3	4,811	
44	555	400	426	415	365	344	328	273	254	208	231	236	184	167	129	83	62	34	21	10	14	4,739	
45	499	440	353	375	386	304	331	292	232	238	192	197	215	179	135	99	75	40	26	10	12	4,630	
46	448	351	307	328	304	309	258	217	250	203	197	199	199	159	113	82	50	34	22	13	16	4,059	
47	440	323	235	307	286	273	254	224	200	193	191	218	217	169	124	79	58	35	10	14	14	3,864	
48	359	283	202	225	209	182	240	182	171	190	170	163	154	92	85	57	33	21	9	14	3	3,337	
49	256	259	160	198	223	197	220	223	172	133	132	144	141	141	115	68	47	47	25	7	15	2,923	
50	284	211	152	161	182	154	184	170	151	146	119	145	118	120	106	66	51	26	14	6	15	2,581	
51	241	211	149	166	150	181	200	134	132	101	132	110	110	88	81	61	40	35	11	5	7	2,345	
52	207	179	152	133	161	165	155	121	120	97	82	87	67	78	72	60	33	26	9	3	7	2,014	
53	193	211	146	126	122	137	105	112	104	76	77	58	49	67	58	34	42	22	22	8	7	1,776	
54	161	191	127	106	129	109	104	79	74	70	58	55	48	41	47	53	28	16	11	4	9	1,520	
55	168	171	149	102	93	108	90	99	72	54	47	48	39	34	32	23	22	16	7	3	7	1,384	
56	128	155	117	96	103	91	108	57	66	38	50	30	31	31	20	21	14	12	8	1	4	1,181	
57	115	145	121	96	84	85	72	55	40	38	29	31	29	17	14	20	8	8	5	2	1	1,015	
58	109	120	134	107	88	71	58	58	42	25	25	31	23	11	15	8	15	3	3	1	2	936	
59	81	104	107	119	69	69	67	42	47	28	33	18	13	19	11	10	10	6	4	2	3	862	
60	105	82	82	65	53	64	46	39	32	17	13	11	6	6	7	7	2	3	0	1	3	623	
61	33	59	40	23	24	22	17	17	11	8	3	2	6	2	4	1	1	2	1	0	0	0	276
62	18	27	31	13	13	12	9	6	2	0	4	1	3	2	2	1	0	0	0	0	1	0	145
63+	18	46	20	11	8	12	4	5	1	4	3	4	1	0	1	1	0	0	0	0	0	1	140
Total	20,995	11,442	9,738	8,448	8,963	7,582	6,809	5,635	4,786	4,475	4,117	3,738	3,161	2,489	1,827	1,197	795	448	261	112	112	165	107,193

Note: Numbers have been adjusted to budget.
Age is age nearest birthday as of the end of the fiscal year.

Average Age 40.7

Average Years of Active Service 4.8

DoD Enlisted Selected Reserve Personnel by Years of Service and Age for FY2008 Valuation

Age	Completed Years Of Active Duty Service																				Total	
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		20+
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	1,926	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	16,596	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	28,386	234	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	32,804	1,420	47	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	31,635	3,528	292	69	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	27,534	5,378	1,112	524	281	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	23,430	7,077	2,184	1,468	1,575	164	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	19,257	7,930	2,930	2,234	3,261	790	104	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	16,019	7,132	3,527	3,001	4,063	1,513	577	71	3	0	0	0	0	0	0	0	0	0	0	0	0	0
26	13,386	6,284	3,681	2,965	4,214	1,571	1,002	230	58	15	0	0	0	0	0	0	0	0	0	0	0	0
27	10,560	4,844	3,133	2,728	3,876	1,598	1,163	511	210	19	15	0	0	0	0	0	0	0	0	0	0	0
28	8,661	3,834	2,601	2,343	3,215	1,441	1,110	636	509	146	30	17	0	0	0	0	0	0	0	0	0	0
29	7,153	3,086	2,247	1,988	2,889	1,301	1,073	603	661	277	114	20	6	0	0	0	0	0	0	0	0	0
30	6,046	2,402	1,863	1,710	2,422	1,200	863	564	572	436	224	63	13	13	0	0	0	0	0	0	0	0
31	5,165	2,102	1,627	1,561	2,081	1,048	813	506	539	392	256	97	36	18	4	0	0	0	0	0	0	0
32	4,653	1,879	1,478	1,313	1,853	948	758	522	479	386	275	128	55	37	10	9	0	0	0	0	0	0
33	4,129	1,624	1,431	1,200	1,689	875	758	509	485	370	240	168	89	67	22	9	1	0	0	0	0	0
34	3,991	1,604	1,279	1,171	1,472	849	734	473	479	390	268	185	149	83	41	20	6	5	0	0	0	0
35	3,728	1,545	1,359	1,050	1,465	860	685	470	431	366	310	193	153	122	64	29	13	8	6	0	0	0
36	3,892	1,666	1,423	1,231	1,368	834	737	549	467	433	332	221	166	105	78	49	28	10	1	2	0	0
37	3,911	1,708	1,559	1,329	1,624	939	803	619	543	441	410	305	196	120	100	52	39	15	5	7	2	0
38	3,996	1,795	1,607	1,442	1,822	1,082	869	672	604	507	477	372	226	151	112	84	50	24	3	9	7	0
39	3,620	1,723	1,377	1,488	1,689	1,106	924	666	588	525	476	346	262	164	112	85	54	19	11	6	10	0
40	3,337	1,527	1,273	1,315	1,592	1,058	866	737	603	450	478	333	233	176	126	98	40	28	14	5	15	0
41	2,938	1,361	1,186	1,175	1,418	972	838	634	574	432	463	333	262	161	118	77	56	40	20	11	18	0
42	2,729	1,315	1,102	1,139	1,271	955	776	666	548	444	389	341	226	170	146	104	56	45	33	11	16	0
43	2,479	1,178	1,102	1,124	1,149	859	753	642	576	391	423	306	227	190	122	120	74	37	28	10	21	0
44	2,132	1,044	1,049	1,100	1,089	819	751	574	548	400	449	374	286	201	147	149	86	48	35	14	34	0
45	1,859	1,037	894	1,020	1,024	872	692	571	518	415	463	336	277	212	166	117	94	79	22	19	24	0
46	1,689	940	842	924	975	737	663	572	450	364	406	336	289	208	172	143	94	79	22	19	24	0
47	1,480	861	683	901	867	651	562	450	370	363	333	277	247	238	176	134	83	52	34	11	35	0
48	1,215	732	609	771	818	606	551	461	348	289	301	254	231	216	182	161	161	75	55	39	7	0
49	921	557	538	642	590	526	453	391	301	253	230	244	168	168	148	148	97	85	64	31	14	0
50	797	543	448	539	579	497	422	337	250	240	212	154	146	125	116	89	82	52	21	18	29	0
51	668	481	406	521	515	442	404	310	236	168	165	138	146	85	88	101	50	48	17	7	11	0
52	562	418	396	459	451	400	328	319	215	149	143	132	103	86	64	54	51	33	15	5	22	0
53	433	371	343	414	410	366	326	232	207	138	167	118	86	75	70	52	41	32	20	9	10	0
54	376	318	291	353	340	293	275	219	152	145	101	88	89	63	40	37	23	25	11	9	12	0
55	322	289	318	342	312	248	226	149	145	105	97	78	62	55	44	30	18	25	10	1	9	0
56	346	300	301	302	229	224	186	129	118	92	62	54	47	38	23	25	24	19	4	1	9	0
57	224	241	302	284	251	197	152	137	99	82	49	50	46	30	31	10	9	14	10	1	10	0
58	235	247	292	269	236	179	151	90	90	58	29	30	33	29	14	19	13	6	6	1	7	0
59	181	233	275	266	236	182	153	74	64	34	27	38	29	21	11	13	11	8	6	1	5	0
60	81	121	157	169	137	102	80	49	30	21	19	23	10	7	11	7	5	1	1	2	7	0
61	7	11	19	17	10	9	6	5	4	2	1	1	0	1	0	1	0	0	0	0	0	0
62	7	5	13	6	5	5	2	1	0	2	1	0	0	0	0	0	1	0	0	0	0	0
63+	0	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	305,475	82,910	49,601	44,946	55,368	29,335	22,600	15,364	13,075	9,738	8,436	6,154	4,594	3,435	2,588	1,975	1,262	849	432	200	400	658,717

Note: Numbers have been adjusted to budget.
Age is age nearest birthday as of the end of the fiscal year.

Average Age 30.8

Average Years of Active Service 2.3

All DoD Selected Reserve Personnel by Years of Service and Age for FY2008 Valuation

Age	Completed Years Of Active Duty Service																				Total	
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		20+
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	1,926	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	16,595	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	28,388	234	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	32,831	1,420	47	9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	31,737	3,528	292	69	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	27,862	5,395	1,114	524	281	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	24,086	7,123	2,205	1,476	1,577	169	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	20,094	8,031	2,976	2,310	3,265	792	104	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	17,004	7,463	3,631	3,045	4,066	1,521	580	71	4	0	0	0	0	0	0	0	0	0	0	0	0	0
26	14,336	6,673	3,920	3,051	4,275	1,588	1,005	231	58	15	0	0	0	0	0	0	0	0	0	0	0	0
27	11,598	5,303	3,379	2,937	4,047	1,654	1,177	526	210	20	15	0	0	0	0	0	0	0	0	0	0	0
28	9,555	4,205	2,948	2,587	3,521	1,649	1,180	665	530	157	32	17	0	0	0	0	0	0	0	0	0	0
29	7,907	3,444	2,569	2,245	3,239	1,575	1,205	667	706	312	116	20	6	0	0	0	0	0	0	0	0	0
30	6,708	2,696	2,180	1,966	2,775	1,449	1,088	676	646	476	238	67	13	13	0	0	0	0	0	0	0	0
31	5,794	2,390	1,894	1,777	2,386	1,339	1,076	642	660	433	280	106	44	20	4	0	0	0	0	0	0	0
32	5,220	2,161	1,714	1,540	2,180	1,197	994	737	618	506	309	143	67	39	10	11	0	0	0	0	0	0
33	4,784	1,910	1,703	1,434	1,991	1,117	1,001	695	625	538	327	195	117	75	22	10	1	0	0	0	0	0
34	4,701	1,920	1,557	1,421	1,808	1,130	958	670	656	595	410	277	182	96	49	32	6	5	0	0	0	0
35	4,364	1,879	1,665	1,318	1,781	1,071	934	683	594	578	494	305	206	152	71	21	13	6	0	0	0	0
36	4,617	2,024	1,751	1,486	1,683	1,078	1,003	786	646	616	484	376	248	139	97	58	29	12	1	2	0	0
37	4,745	2,097	1,940	1,650	1,934	1,197	1,117	881	745	661	608	486	329	192	133	63	46	16	5	7	2	0
38	4,873	2,286	2,120	1,837	2,198	1,428	1,155	969	833	720	692	564	354	235	165	107	57	29	4	10	7	0
39	4,498	2,235	1,902	1,885	2,103	1,429	1,198	922	809	787	708	544	422	294	179	127	66	27	14	17	6	0
40	4,114	2,030	1,745	1,721	1,997	1,354	1,136	990	819	660	726	535	430	321	211	145	65	30	21	6	17	0
41	3,710	1,817	1,627	1,588	1,843	1,331	1,115	882	766	698	727	586	455	311	216	137	84	43	26	12	21	0
42	3,434	1,739	1,556	1,546	1,694	1,313	1,070	896	806	674	689	593	473	359	285	169	96	58	41	13	22	0
43	3,100	1,624	1,513	1,514	1,556	1,226	1,062	893	800	621	634	557	452	345	262	191	134	53	44	17	24	0
44	2,687	1,444	1,475	1,515	1,454	1,163	1,079	847	802	608	680	610	470	368	276	232	148	82	56	24	48	0
45	2,358	1,477	1,247	1,395	1,410	1,176	1,023	863	750	653	655	533	492	391	301	216	169	119	48	29	36	0
46	2,137	1,291	1,149	1,252	1,279	1,046	921	789	700	567	603	535	488	367	285	225	144	91	52	32	49	0
47	1,900	1,184	918	1,208	1,153	924	816	674	570	556	524	495	464	370	300	213	141	87	44	25	49	0
48	1,574	1,015	811	986	1,027	837	798	701	531	440	491	424	394	304	274	246	132	88	60	16	42	0
49	1,177	816	698	840	813	723	673	614	473	386	362	388	309	309	263	165	132	111	56	21	40	0
50	1,081	754	600	700	761	651	606	507	401	386	331	299	264	245	222	155	133	78	35	24	44	0
51	909	692	555	687	665	623	604	444	368	269	297	248	256	173	169	162	90	83	28	12	18	0
52	769	597	548	592	612	565	483	440	335	246	225	219	170	164	136	114	84	59	24	8	29	0
53	626	582	489	540	532	503	431	311	214	244	244	176	135	142	128	86	83	54	42	17	17	0
54	537	509	418	459	469	402	379	298	226	215	159	143	137	104	87	90	51	41	22	13	21	0
55	490	440	467	444	405	356	316	248	217	159	144	126	101	89	76	53	40	41	17	4	16	0
56	474	455	418	398	332	315	294	186	184	130	112	84	78	69	43	46	38	31	12	2	2	0
57	339	386	423	380	335	282	224	192	139	120	78	81	75	47	45	30	17	22	15	3	11	0
58	344	367	426	363	324	250	209	148	132	83	54	61	56	40	29	27	28	9	9	2	9	0
59	262	337	382	385	305	251	220	116	111	62	60	56	42	40	32	21	14	10	3	8	2,970	0
60	142	226	239	234	190	166	126	88	62	38	32	34	16	13	18	14	7	4	0	3	10	0
61	40	70	59	40	34	31	23	22	15	10	4	3	6	3	4	2	1	2	1	0	0	0
62	25	32	44	19	18	17	11	7	2	0	6	2	3	2	2	1	1	0	0	0	1	0
63+	18	46	23	11	8	12	4	5	1	4	3	4	1	0	1	1	0	0	0	0	0	0
Total	326,470	94,352	59,339	53,394	64,331	36,917	29,409	20,999	17,861	14,213	12,553	9,892	7,755	5,934	4,395	3,172	2,057	1,297	693	312	585	765,910

Note: Numbers have been adjusted to budget.
Age is age nearest birthday as of the end of the fiscal year.

Average Age 32.2 Average Years of Active Service 2.6

DoD Officers Non-Selected Reserve Personnel With 20 Good Years for FY2008 Valuation

Age	Completed Years Of Active Duty Service																				Total		
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		20+	
36	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	
37	0	0	1	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	3	
38	1	4	4	4	0	1	1	0	0	0	0	1	0	1	1	0	1	0	0	0	0	20	
39	1	15	18	3	3	4	9	1	1	3	3	1	0	0	0	1	4	0	0	0	0	68	
40	3	25	26	33	13	12	3	7	7	6	3	1	7	4	6	0	3	6	1	0	0	166	
41	7	33	38	30	25	21	18	8	12	8	11	12	7	5	5	4	3	1	0	1	0	249	
42	7	32	71	33	39	36	23	19	21	19	23	35	23	17	11	3	8	1	0	3	0	424	
43	3	52	73	54	69	40	53	32	34	40	29	40	41	23	27	7	5	4	3	5	3	637	
44	15	101	85	65	92	73	57	52	51	68	65	72	67	52	40	24	12	5	5	3	4	1,008	
45	17	103	105	105	103	110	117	89	96	79	79	77	67	56	53	45	11	11	6	3	4	1,336	
46	25	88	99	71	123	126	140	131	151	106	99	96	82	63	74	32	22	20	7	4	7	1,566	
47	30	129	86	69	113	148	133	149	188	148	112	109	129	73	72	39	26	19	4	7	7	1,790	
48	33	119	77	82	128	224	196	193	224	156	127	153	133	106	56	30	29	12	11	5	11	2,105	
49	54	103	90	80	158	206	219	226	242	190	172	171	120	90	51	52	33	20	12	3	4	2,296	
50	46	125	72	87	200	246	226	262	288	193	169	158	165	106	72	71	32	30	14	10	19	2,591	
51	51	133	79	105	226	284	267	313	272	172	162	210	197	124	92	70	64	32	19	12	7	2,891	
52	34	135	112	159	264	327	298	373	295	228	218	254	201	130	133	85	55	20	10	4	8	3,343	
53	61	168	112	154	277	328	297	342	315	225	233	283	219	196	141	99	78	37	11	4	4	3,584	
54	78	175	146	152	288	371	329	310	334	263	223	240	207	152	139	97	50	23	13	7	7	3,604	
55	68	188	152	208	300	384	374	369	296	226	265	249	253	168	133	82	51	28	16	3	1	3,814	
56	88	311	216	242	409	458	466	374	314	247	210	214	228	163	123	101	45	32	22	9	3	4,275	
57	100	402	274	295	441	471	419	350	272	221	221	221	217	143	99	70	54	27	15	4	3	4,319	
58	95	559	320	373	569	491	459	392	323	256	245	182	150	142	92	94	58	27	11	8	2	4,848	
59	113	799	469	541	639	580	474	446	341	260	227	199	181	121	98	98	44	38	17	6	6	5,687	
60	75	502	342	343	407	312	282	265	220	147	135	118	102	79	40	40	27	16	12	1	6	3,471	
61	4	3	10	16	15	7	11	5	7	5	4	5	0	1	3	3	1	1	0	1	0	0	102
62	3	1	13	6	20	14	6	6	4	3	3	3	0	0	1	0	0	0	0	0	0	0	83
63+	9	12	17	40	55	26	19	10	9	9	2	7	3	0	0	3	5	7	2	0	0	0	235
Total	1,023	4,317	3,107	3,351	4,977	5,299	4,896	4,725	4,317	3,276	3,040	3,113	2,801	2,015	1,562	1,150	721	417	211	103	106	54,527	

Note: Data taken from the actuarial valuation file created by the DoD Office of the Actuary.
 Age is age nearest birthday as of the end of the fiscal year.

Average Age 53.6

Average Years of Active Service 7.0

DoD Enlisted Non-Selected Reserve Personnel With 20 Good Years for FY2008 Valuation

Age	Completed Years Of Active Duty Service																				Total		
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		20+	
36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4	6
37	0	0	4	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	13
38	6	8	22	14	14	8	8	4	6	4	4	4	2	4	4	0	0	0	0	0	0	0	116
39	2	46	73	68	44	38	19	20	17	17	10	10	19	17	10	3	0	2	3	0	0	0	418
40	9	152	165	112	95	95	57	53	28	61	44	30	32	23	17	25	2	2	4	4	0	1,010	
41	39	195	221	184	165	154	96	74	66	83	62	55	40	48	35	20	18	4	7	0	4	1,570	
42	38	274	254	266	249	212	185	157	133	101	110	86	58	59	32	32	22	14	7	4	6	2,298	
43	38	314	332	311	371	290	219	117	142	142	161	98	85	79	57	45	57	24	5	0	2	2,889	
44	42	458	310	304	515	420	326	180	165	200	225	154	130	114	73	77	70	29	7	2	4	3,805	
45	37	503	368	355	576	422	325	256	308	256	260	215	160	154	82	100	65	15	9	4	4	4,474	
46	36	613	394	424	633	573	442	310	302	265	275	235	221	153	129	107	90	24	10	8	5	5,249	
47	66	607	369	451	760	642	509	305	366	296	317	274	226	245	173	115	78	31	4	4	5	5,843	
48	68	635	360	476	900	673	464	371	440	330	313	231	243	282	205	135	93	42	19	2	8	6,290	
49	79	696	336	597	1,056	680	550	421	358	321	351	229	190	216	216	153	87	37	28	4	8	6,613	
50	97	756	295	633	1,079	672	605	407	373	342	297	258	181	194	185	174	84	69	15	11	10	6,737	
51	134	816	350	616	1,349	794	517	350	389	359	343	255	194	216	235	166	123	77	15	2	10	7,300	
52	149	1,065	427	772	1,370	761	584	442	323	304	270	201	209	196	168	106	116	65	17	13	3	7,561	
53	190	965	480	894	1,332	806	573	409	323	315	308	226	215	162	106	78	69	60	28	4	3	7,546	
54	204	1,034	485	917	1,337	737	505	452	417	312	250	211	208	94	112	79	68	29	15	11	18	7,495	
55	218	1,106	531	936	1,335	725	518	455	533	392	304	153	216	155	104	90	68	41	16	11	3	7,910	
56	278	1,970	979	1,289	1,517	633	591	423	586	409	320	196	185	154	91	70	70	49	16	21	6	9,853	
57	296	2,179	1,099	1,365	1,553	642	557	431	563	406	388	213	156	149	101	32	30	18	14	11	11	10,234	
58	266	2,329	1,823	1,607	1,749	726	450	325	430	360	322	233	204	81	81	81	36	36	22	4	16	11,210	
59	271	2,310	2,339	2,088	2,183	748	486	363	430	419	347	213	161	150	78	54	29	11	9	0	11	12,700	
60	188	1,096	1,410	1,168	1,343	428	255	175	203	182	173	132	121	52	54	24	19	9	9	11	5	7,027	
61	11	19	72	34	79	19	8	4	6	15	6	6	4	8	0	2	0	2	0	0	0	0	295
62	4	13	51	24	50	22	11	9	2	0	4	4	0	2	2	0	0	0	0	0	0	0	198
63+	24	37	109	109	101	56	24	13	19	16	19	13	5	0	5	3	3	8	0	0	0	0	564
Total	2,760	20,196	13,658	16,018	21,755	11,976	8,884	6,530	6,946	5,909	5,483	3,935	3,465	3,036	2,355	1,761	1,297	700	279	131	151	137,225	

Note: Data taken from the actuarial valuation file created by the DoD Office of the Actuary.
 Age is age nearest birthday as of the end of the fiscal year.

Average Age 52.6 Average Years of Active Service 5.3

All DoD Non-Selected Reserve Personnel With 20 Good Years for FY2008 Valuation

Age	Completed Years Of Active Duty Service																				Total	
	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19		20+
36	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	4	
37	0	5	5	5	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	5	
38	7	12	26	18	15	8	9	4	6	4	5	5	2	5	5	0	1	0	0	0	136	
39	3	61	91	71	47	42	28	21	18	13	13	20	17	10	4	4	2	3	0	0	486	
40	12	177	191	145	108	107	60	60	35	67	47	31	39	27	23	25	5	8	5	4	1,176	
41	46	228	259	214	190	175	114	82	78	91	73	67	47	53	40	24	21	5	7	1	1,819	
42	45	306	325	299	288	248	208	176	154	120	133	121	81	76	43	35	30	15	7	7	2,723	
43	41	366	405	365	440	330	272	149	176	182	190	138	126	102	84	52	62	28	8	5	3,526	
44	57	559	395	369	607	493	383	232	216	268	290	226	197	166	113	101	82	34	12	5	4,813	
45	54	606	473	460	679	532	442	345	404	335	339	292	227	210	135	145	76	26	15	7	5,810	
46	61	701	493	495	756	699	582	441	453	371	374	331	303	216	203	139	112	44	17	12	6,815	
47	96	736	455	520	873	790	642	454	554	444	429	383	355	318	245	154	104	50	8	11	7,633	
48	101	754	437	558	1,028	897	660	564	664	486	440	384	376	388	261	165	122	54	30	7	8,395	
49	133	799	426	677	1,214	886	769	647	600	511	523	400	310	306	267	205	120	57	40	7	8,909	
50	143	881	367	720	1,279	918	831	669	661	535	466	416	346	300	257	245	116	99	29	21	9,328	
51	185	949	429	721	1,575	1,078	784	663	661	531	505	465	391	340	327	226	187	109	34	14	10,191	
52	183	1,200	539	931	1,634	1,088	882	815	618	532	488	455	410	326	301	191	171	85	27	17	10,904	
53	251	1,133	592	1,048	1,609	1,134	870	751	638	540	541	509	434	358	247	177	147	97	39	8	11,130	
54	282	1,209	631	1,069	1,625	1,108	834	762	751	575	473	451	415	246	251	176	118	52	28	18	11,099	
55	286	1,294	683	1,144	1,635	1,109	892	824	829	618	569	402	469	323	237	172	119	69	32	14	11,724	
56	366	2,281	1,195	1,531	1,926	1,091	1,057	797	900	656	530	410	413	317	214	171	115	81	38	30	14,128	
57	396	2,581	1,373	1,660	1,994	1,113	976	781	855	627	609	434	373	292	200	102	84	45	29	15	14,553	
58	361	2,888	2,143	1,980	2,318	1,217	909	717	753	616	567	415	354	252	173	175	94	63	33	12	16,058	
59	384	3,109	2,808	2,629	2,822	1,328	960	809	771	679	574	412	342	271	176	152	73	49	26	6	18,397	
60	233	1,598	1,752	1,511	1,750	740	537	440	423	329	308	250	223	131	94	64	46	25	21	12	11,498	
61	15	22	82	50	94	26	19	9	13	20	10	11	4	9	3	5	1	3	0	1	0	397
62	7	14	64	30	70	36	17	15	6	3	7	7	0	2	3	0	0	0	0	0	0	281
63+	33	49	126	149	156	82	43	23	28	25	21	20	8	0	5	6	8	15	2	0	0	799
Total	3,763	24,513	16,765	19,369	26,732	17,275	13,780	11,255	11,263	9,185	8,523	7,048	6,266	5,051	3,917	2,911	2,018	1,117	490	234	257	191,752

Note: Data taken from the actuarial valuation file created by the DoD Office of the Actuary.
 Age is age nearest birthday as of the end of the fiscal year.

Average Years of Active Service 5.8

Average Age 52.9

DoD Retired Military Valuation Data as of Year-End FY2008

All Officers

Age	Strength				Average Annual Net Retired Pay				CSB							
	Non Disabled	Perm Disabled	Temp Disabled	Reserve Retired	TERRA Non-Dis	TERRA Res Ret	CSB Non-Dis	CSB Dis	TERRA Non-Dis	TERRA Res Ret	CSB Non-Dis	CSB Dis	TERRA Non-Dis	TERRA Res Ret	CSB Non-Dis	CSB Dis
16	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	0	0	1	0	0	0	0	0	\$0	\$5,052	\$0	\$0	\$0	\$0	\$0	\$0
23	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	0	0	6	0	0	0	0	0	\$0	\$14,966	\$0	\$0	\$0	\$0	\$0	\$0
25	0	1	7	0	0	0	0	0	\$0	\$14,028	\$0	\$0	\$0	\$0	\$0	\$0
26	0	8	0	0	0	0	0	0	\$0	\$13,659	\$0	\$0	\$0	\$0	\$0	\$0
27	0	16	0	0	0	0	0	0	\$0	\$12,859	\$0	\$0	\$0	\$0	\$0	\$0
28	0	24	0	0	0	0	0	0	\$0	\$12,933	\$0	\$0	\$0	\$0	\$0	\$0
29	0	24	0	0	0	0	0	0	\$0	\$13,834	\$0	\$0	\$0	\$0	\$0	\$0
30	0	24	0	0	0	0	0	0	\$0	\$14,862	\$0	\$0	\$0	\$0	\$0	\$0
31	0	31	0	0	0	0	0	0	\$0	\$16,717	\$0	\$0	\$0	\$0	\$0	\$0
32	0	32	0	0	0	0	0	0	\$0	\$12,038	\$0	\$0	\$0	\$0	\$0	\$0
33	0	16	0	0	0	0	0	0	\$0	\$15,341	\$0	\$0	\$0	\$0	\$0	\$0
34	0	18	0	0	0	0	0	0	\$0	\$11,093	\$0	\$0	\$0	\$0	\$0	\$0
35	0	22	0	0	0	0	0	0	\$0	\$12,843	\$0	\$0	\$0	\$0	\$0	\$0
36	0	31	0	0	0	0	0	0	\$0	\$13,291	\$0	\$0	\$0	\$0	\$0	\$0
37	0	31	0	0	0	0	0	0	\$0	\$16,407	\$0	\$0	\$0	\$0	\$0	\$0
38	0	31	0	0	0	0	0	0	\$0	\$13,829	\$0	\$0	\$0	\$0	\$0	\$0
39	0	37	0	0	0	0	0	0	\$0	\$18,211	\$0	\$0	\$0	\$0	\$0	\$0
40	0	37	0	0	0	0	0	0	\$0	\$9,264	\$0	\$0	\$0	\$0	\$0	\$0
41	0	38	0	0	0	0	0	0	\$0	\$10,637	\$0	\$0	\$0	\$0	\$0	\$0
42	0	38	0	0	0	0	0	0	\$0	\$17,826	\$0	\$0	\$0	\$0	\$0	\$0
43	0	54	0	0	0	0	0	0	\$0	\$12,366	\$0	\$0	\$0	\$0	\$0	\$0
44	18	62	30	0	0	0	0	1	\$28,442	\$16,244	\$0	\$0	\$0	\$0	\$204	\$0
45	145	62	30	0	3	0	0	3	\$27,496	\$20,553	\$0	\$0	\$0	\$0	\$24,068	\$14,196
46	341	79	19	0	27	0	0	2	\$28,108	\$20,825	\$0	\$0	\$0	\$0	\$21,583	\$14,592
47	509	84	25	0	31	0	0	4	\$28,869	\$21,056	\$0	\$0	\$0	\$0	\$21,569	\$14,592
48	985	91	25	0	26	0	0	3	\$30,942	\$22,236	\$0	\$0	\$10,080	\$0	\$21,990	\$31,644
49	1,860	122	23	0	24	0	0	2	\$30,942	\$23,063	\$0	\$0	\$13,824	\$0	\$23,758	\$0
50	2,934	139	22	0	19	0	0	0	\$32,986	\$24,729	\$0	\$0	\$10,064	\$0	\$22,423	\$0
51	3,852	137	18	0	12	0	0	0	\$34,208	\$14,876	\$0	\$0	\$16,950	\$0	\$24,500	\$0
52	4,402	177	23	0	10	0	0	4	\$34,486	\$15,100	\$0	\$0	\$19,283	\$0	\$22,948	\$22,434
53	4,989	182	10	0	10	0	0	0	\$36,135	\$16,453	\$0	\$0	\$18,433	\$0	\$24,281	\$0
54	5,625	166	15	0	10	0	0	0	\$37,231	\$16,599	\$0	\$0	\$21,168	\$0	\$26,161	\$0
55	6,357	191	15	0	8	0	0	2	\$38,131	\$18,554	\$0	\$0	\$21,150	\$0	\$26,521	\$0
56	7,125	220	16	0	5	0	0	0	\$39,033	\$18,583	\$0	\$0	\$22,913	\$0	\$32,918	\$18,678
57	7,983	225	11	0	7	0	0	1	\$39,316	\$19,397	\$0	\$0	\$23,376	\$0	\$32,972	\$0
58	8,575	231	14	0	1,102	0	0	0	\$39,936	\$19,265	\$0	\$0	\$24,084	\$0	\$0	\$0
59	9,311	222	13	0	8,820	0	0	0	\$40,588	\$21,552	\$0	\$0	\$24,949	\$0	\$25,916	\$28,636
60	9,648	255	11	0	1,318	0	0	3	\$40,783	\$23,004	\$0	\$0	\$25,572	\$0	\$29,640	\$0
61	10,070	300	10	0	1,457	0	0	1	\$41,603	\$21,548	\$0	\$0	\$26,609	\$0	\$0	\$0
62	10,198	294	7	0	1,439	0	0	0	\$41,851	\$24,034	\$0	\$0	\$27,170	\$0	\$26,028	\$0
63	10,550	321	5	0	1,255	0	0	2	\$41,974	\$23,904	\$0	\$0	\$28,841	\$0	\$0	\$0
64	11,266	373	6	0	955	0	0	0	\$41,895	\$24,251	\$0	\$0	\$28,073	\$0	\$28,608	\$0
65	12,133	396	3	0	704	0	0	0	\$42,345	\$27,140	\$0	\$0	\$28,006	\$0	\$28,636	\$0
66	13,100	528	4	0	454	0	0	0	\$42,426	\$26,909	\$0	\$0	\$29,020	\$0	\$0	\$0
67	14,015	636	4	0	268	0	0	0	\$42,134	\$26,445	\$20,929	\$15,444	\$33,367	\$15,444	\$0	\$0
68	9,794	482	2	0	154	0	0	0	\$42,505	\$14,220	\$20,909	\$33,802	\$29,587	\$15,113	\$0	\$0
69	9,937	486	1	0	245	0	0	0	\$43,278	\$26,154	\$20,705	\$33,996	\$30,574	\$14,398	\$0	\$0
70	10,196	470	0	0	210	0	0	0	\$43,725	\$26,482	\$21,209	\$34,285	\$32,580	\$13,987	\$0	\$0
71	10,558	483	0	0	129	0	0	0	\$43,889	\$26,127	\$21,246	\$34,430	\$31,572	\$15,555	\$0	\$0
72	8,838	373	0	0	86	0	0	0	\$43,876	\$27,135	\$0	\$0	\$32,938	\$15,175	\$0	\$0
73	8,980	382	0	0	39	0	0	0	\$43,587	\$27,865	\$20,390	\$34,337	\$33,585	\$12,647	\$0	\$0
74	9,028	317	0	0	65	0	0	0	\$43,189	\$28,449	\$19,723	\$34,444	\$34,444	\$11,268	\$0	\$0
75	8,715	317	0	0	42	0	0	0	\$43,175	\$29,793	\$0	\$19,744	\$34,939	\$13,426	\$0	\$0
76	8,715	317	0	0	36	0	0	0	\$43,501	\$33,460	\$0	\$19,553	\$35,554	\$13,199	\$0	\$0
77	8,715	317	0	0	13	0	0	0	\$43,338	\$32,765	\$0	\$18,940	\$40,206	\$13,200	\$0	\$0
78	8,715	317	0	0	9	0	0	0	\$43,338	\$32,765	\$0	\$18,940	\$40,206	\$13,200	\$0	\$0
79	8,715	317	0	0	42	0	0	0	\$43,338	\$32,765	\$0	\$18,940	\$40,206	\$13,200	\$0	\$0
80	8,715	317	0	0	13,515	0	0	0	\$43,338	\$32,765	\$0	\$18,940	\$40,206	\$13,200	\$0	\$0

DoD Retired Military Valuation Data as of Year-End FY2008

All Officers

Age	Strength				Average Annual Net Retired Pay				CSB				
	Non Disabled	Perm Disabled	Temp Disabled	Reserve Retired	Total	TERA Non-Dis	TERA Res Ret	CSB Non-Dis	CSB Dis	TERA Non-Dis	TERA Res Ret	CSB Non-Dis	CSB Dis
71	8,289	289	0	4,356	12,934	11	35	0	0	\$18,273	\$39,076	\$13,090	\$0
72	7,932	282	0	4,167	12,381	10	18	0	0	\$18,167	\$35,998	\$11,961	\$0
73	7,845	286	0	3,980	12,111	8	18	0	0	\$17,786	\$35,299	\$12,471	\$0
74	8,230	277	0	4,101	12,608	7	17	0	0	\$17,733	\$35,103	\$10,588	\$0
75	7,937	253	0	3,782	11,972	6	10	0	0	\$18,041	\$42,730	\$11,243	\$0
76	8,033	294	0	3,888	12,215	8	7	0	0	\$17,644	\$39,000	\$15,283	\$0
77	7,659	347	0	4,067	12,073	6	6	0	0	\$16,642	\$36,946	\$14,620	\$0
78	7,606	326	0	4,358	12,290	1	1	0	0	\$16,447	\$36,704	\$22,632	\$0
79	6,863	348	0	4,127	11,338	1	5	0	0	\$16,131	\$36,559	\$14,530	\$0
80	5,616	316	0	3,630	9,562	1	4	0	0	\$16,055	\$32,244	\$16,626	\$0
81	4,037	236	0	2,543	6,816	1	1	0	0	\$16,682	\$23,484	\$17,184	\$0
82	3,286	226	0	2,382	5,894	2	1	0	0	\$16,331	\$37,493	\$22,596	\$0
83	3,534	243	0	2,769	6,546	0	0	0	0	\$15,693	\$37,143	\$0	\$0
84	3,910	374	0	3,374	7,668	0	1	0	0	\$15,617	\$35,972	\$10,740	\$0
85	3,959	507	0	3,464	7,930	0	0	0	0	\$14,853	\$34,996	\$0	\$0
86	3,925	578	0	3,592	8,095	0	0	0	0	\$14,745	\$33,909	\$0	\$0
87	4,322	669	0	3,581	8,572	0	1	0	0	\$14,915	\$34,534	\$9,420	\$0
88	3,854	717	0	3,384	7,955	0	0	0	0	\$15,585	\$33,481	\$0	\$0
89	3,311	649	0	2,786	6,746	0	0	0	0	\$16,484	\$34,290	\$0	\$0
90	2,653	522	0	2,368	5,543	0	0	0	0	\$17,034	\$33,649	\$0	\$0
91	1,888	441	0	1,800	4,129	0	0	0	0	\$17,270	\$32,788	\$0	\$0
92	1,301	288	0	1,291	2,880	0	0	0	0	\$17,844	\$33,050	\$0	\$0
93	1,000	214	0	900	2,114	0	0	0	0	\$18,595	\$32,946	\$0	\$0
94	572	121	0	628	1,321	0	0	0	0	\$19,658	\$32,582	\$0	\$0
95	361	94	0	377	832	0	0	0	0	\$19,989	\$32,777	\$0	\$0
96	196	63	0	233	492	0	0	0	0	\$19,230	\$31,978	\$0	\$0
97	145	32	0	150	327	0	0	0	0	\$19,518	\$31,628	\$0	\$0
98	84	25	0	118	227	0	0	0	0	\$17,922	\$30,273	\$0	\$0
99	40	13	0	74	127	0	0	0	0	\$18,153	\$25,907	\$0	\$0
100	28	6	0	37	71	0	0	0	0	\$14,927	\$27,174	\$0	\$0
101	21	4	0	20	46	0	0	0	0	\$14,723	\$32,821	\$0	\$0
102	7	5	0	8	20	0	0	0	0	\$16,808	\$33,873	\$0	\$0
103	5	1	0	6	12	0	0	0	0	\$14,096	\$23,067	\$0	\$0
104	4	0	0	1	5	0	0	0	0	\$43,500	\$48,732	\$0	\$0
105	4	1	0	2	7	0	0	0	0	\$11,892	\$36,165	\$0	\$0
106	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0
107	1	0	0	1	2	0	0	0	0	\$11,400	\$20,670	\$0	\$0
108	1	0	0	0	2	0	0	0	0	\$9,984	\$25,320	\$0	\$0
109	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0
110	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0
Total	360,129	18,441	739	142,648	521,957	11,835	661	196	17	\$18,474	\$36,307	\$13,875	\$19,861
60+	233,223	13,917	14	142,648	389,802	1,221	661	0	0	\$18,474	\$35,288	\$13,875	\$0
62+	207,990	12,993	7	131,193	352,183	708	546	0	0	\$18,261	\$32,648	\$13,593	\$0
65+	174,244	11,389	0	108,176	293,809	283	351	0	0	\$17,675	\$34,546	\$13,070	\$0

Note: Age is retiree's current age nearest birthday at end of fiscal year.

60+ is total for ages 60 and over.

62+ is total for ages 62 and over.

65+ is total for ages 65 and over.

Includes only retirees receiving payment from DoD.

Temporary Early Retirement Act (TERA) retirees and payments are shown for informational purposes only.

Career Status Bonus (CSB) retirees and payments are shown for informational purposes only.

TERA and CSB numbers and payments are included in the appropriate categories.

Pay amounts do not include the 12/1/08 cost of living increase of 5.8%.

DoD Retired Military Valuation Data as of Year-End FY2008

All Enlisted

Age	Strength				Average Annual Net Retired Pay				TERA				CSB				
	Non Disabled	Perm Disabled	Temp Disabled	Reserve Retired	Total	TERA Non-Dis	TERA Res Ret	TERA Non-Dis	TERA Res Ret	Total	Reserve Retired	Temp Disabled	Perm Disabled	Non Disabled	Dis	Non-Dis	Dis
16	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	0	0	19	0	19	0	0	0	0	\$7,664	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	0	0	2	96	98	0	0	0	0	\$6,864	\$7,467	\$0	\$0	\$0	\$0	\$0	\$0
21	0	10	176	0	186	0	0	0	0	\$5,411	\$7,549	\$0	\$0	\$0	\$0	\$0	\$0
22	0	38	305	0	343	0	0	0	0	\$6,277	\$7,624	\$0	\$0	\$0	\$0	\$0	\$0
23	0	59	438	0	497	0	0	0	0	\$6,536	\$7,575	\$0	\$0	\$0	\$0	\$0	\$0
24	0	83	487	0	570	0	0	0	0	\$6,033	\$7,512	\$0	\$0	\$0	\$0	\$0	\$0
25	0	124	493	0	617	0	0	0	0	\$5,377	\$7,939	\$0	\$0	\$0	\$0	\$0	\$0
26	0	163	492	0	655	0	0	0	0	\$5,828	\$7,580	\$0	\$0	\$0	\$0	\$0	\$0
27	0	144	444	0	632	0	0	0	0	\$5,520	\$8,238	\$0	\$0	\$0	\$0	\$0	\$0
28	0	211	444	0	655	0	0	0	0	\$5,451	\$8,317	\$0	\$0	\$0	\$0	\$0	\$0
29	0	193	403	0	596	0	0	0	0	\$5,076	\$8,897	\$0	\$0	\$0	\$0	\$0	\$0
30	0	248	342	0	590	0	0	0	0	\$4,512	\$8,864	\$0	\$0	\$0	\$0	\$0	\$0
31	0	248	291	0	539	0	0	0	0	\$4,392	\$8,810	\$0	\$0	\$0	\$0	\$0	\$0
32	0	253	284	0	537	0	0	0	0	\$4,943	\$8,878	\$0	\$0	\$0	\$0	\$0	\$0
33	0	240	228	0	468	0	0	0	0	\$4,966	\$9,489	\$0	\$0	\$0	\$0	\$0	\$0
34	0	310	218	0	528	0	0	0	0	\$4,380	\$9,755	\$0	\$0	\$0	\$0	\$0	\$0
35	0	319	176	0	495	0	0	0	0	\$4,943	\$10,227	\$0	\$0	\$0	\$0	\$0	\$0
36	1	349	181	0	531	0	0	0	0	\$15,888	\$9,486	\$0	\$0	\$0	\$0	\$0	\$0
37	5	402	160	0	567	0	0	0	0	\$16,691	\$10,745	\$0	\$0	\$0	\$0	\$0	\$0
38	635	489	179	0	1,303	0	0	0	0	\$16,739	\$4,961	\$0	\$0	\$0	\$0	\$14,225	\$11,932
39	3,276	497	126	0	3,899	0	0	260	0	\$15,671	\$5,123	\$0	\$0	\$0	\$0	\$13,183	\$12,235
40	6,982	537	142	0	7,661	2	0	1,425	0	\$16,310	\$5,352	\$0	\$0	\$0	\$0	\$13,018	\$10,815
41	10,895	574	125	0	11,594	15	0	1,741	0	\$16,780	\$6,314	\$0	\$0	\$0	\$0	\$12,725	\$14,968
42	15,008	709	105	0	15,822	35	0	1,402	0	\$17,303	\$12,689	\$0	\$0	\$0	\$0	\$12,816	\$14,880
43	18,707	834	86	0	19,627	154	0	891	0	\$17,636	\$6,726	\$0	\$0	\$0	\$0	\$12,816	\$14,880
44	23,038	950	79	0	24,067	375	0	679	0	\$17,456	\$7,050	\$0	\$0	\$0	\$0	\$12,649	\$10,680
45	26,756	1,037	72	0	27,865	848	0	505	0	\$17,883	\$7,456	\$0	\$0	\$0	\$0	\$12,774	\$16,098
46	30,064	1,111	78	0	31,253	1,641	0	383	0	\$18,006	\$7,963	\$0	\$0	\$0	\$0	\$12,597	\$15,201
47	32,940	1,144	74	0	34,158	2,927	0	302	0	\$18,209	\$8,334	\$0	\$0	\$0	\$0	\$12,529	\$14,313
48	34,909	1,214	67	0	36,190	4,016	0	236	0	\$18,210	\$15,532	\$0	\$0	\$0	\$0	\$12,444	\$8,412
49	35,314	1,239	58	0	36,611	4,671	0	150	0	\$18,364	\$15,253	\$0	\$0	\$0	\$0	\$12,536	\$0
50	35,017	1,229	51	0	36,297	5,002	0	100	0	\$18,421	\$17,188	\$0	\$0	\$0	\$0	\$12,322	\$18,768
51	34,699	1,340	45	0	36,084	4,884	0	77	0	\$18,421	\$16,504	\$0	\$0	\$0	\$0	\$12,314	\$17,424
52	33,574	1,373	34	0	34,981	4,161	0	63	0	\$18,385	\$8,846	\$0	\$0	\$0	\$0	\$12,434	\$13,416
53	32,882	1,459	38	0	34,379	3,126	0	46	0	\$18,521	\$9,369	\$0	\$0	\$0	\$0	\$12,852	\$10,574
54	32,762	1,547	30	0	34,339	2,298	0	29	0	\$18,636	\$9,628	\$0	\$0	\$0	\$0	\$12,833	\$0
55	31,893	1,633	24	0	33,550	1,607	0	50	0	\$18,692	\$9,541	\$0	\$0	\$0	\$0	\$12,801	\$0
56	31,906	1,726	16	0	33,648	1,164	0	21	0	\$18,946	\$10,447	\$0	\$0	\$0	\$0	\$12,759	\$0
57	29,364	1,671	21	0	31,056	929	0	0	0	\$19,055	\$18,176	\$0	\$0	\$0	\$0	\$12,605	\$0
58	28,266	1,833	13	0	30,112	719	0	3	0	\$19,380	\$16,525	\$0	\$0	\$0	\$0	\$12,811	\$0
59	28,836	2,057	15	0	30,908	554	0	0	0	\$19,734	\$13,877	\$0	\$0	\$0	\$0	\$13,208	\$0
60	29,225	2,243	10	6,358	37,836	459	137	0	0	\$20,044	\$19,057	\$0	\$0	\$0	\$0	\$13,587	\$0
61	29,468	2,378	5	17,652	49,503	392	410	0	0	\$20,399	\$18,991	\$0	\$0	\$0	\$0	\$13,777	\$6,502
62	29,322	2,139	8	17,821	49,290	329	397	0	0	\$20,641	\$18,991	\$0	\$0	\$0	\$0	\$13,986	\$6,315
63	20,569	1,475	3	12,658	34,705	198	278	0	0	\$20,671	\$21,660	\$0	\$0	\$0	\$0	\$14,484	\$5,957
64	21,170	1,352	2	11,791	34,315	145	239	0	0	\$20,690	\$16,130	\$0	\$0	\$0	\$0	\$15,151	\$6,168
65	23,023	1,234	0	11,362	35,619	121	209	0	0	\$20,548	\$18,744	\$0	\$0	\$0	\$0	\$15,511	\$6,974
66	23,417	1,226	0	10,844	37,152	84	182	0	0	\$20,441	\$18,991	\$0	\$0	\$0	\$0	\$16,448	\$6,338
67	25,072	1,076	0	8,699	33,192	57	158	0	0	\$20,254	\$13,697	\$0	\$0	\$0	\$0	\$16,209	\$5,703
68	22,769	994	0	7,583	31,346	40	109	0	0	\$20,146	\$14,877	\$0	\$0	\$0	\$0	\$17,549	\$6,069
69	22,712	846	0	7,496	31,054	20	116	0	0	\$19,973	\$14,568	\$0	\$0	\$0	\$0	\$17,921	\$5,241
70	23,926	892	0	7,426	32,244	33	135	0	0	\$20,077	\$14,652	\$0	\$0	\$0	\$0	\$18,066	\$5,347

DoD Retired Military Valuation Data as of Year-End FY2008

All Enlisted

Age	Strength				Average Annual Net Retired Pay				CSB				
	Non Disabled	Perm Disabled	Temp Disabled	Reserve Retired	Total	TERA Non-Dis	TERA Res Ret	TERA Non-Dis	TERA Res Ret	CSB Non-Dis	CSB Res Ret	CSB Non-Dis	CSB Dis
71	25,699	898	0	7,380	33,977	15	149	0	\$0	\$14,752	\$16,881	\$0	\$0
72	25,373	825	0	7,022	33,220	10	124	0	\$0	\$14,936	\$17,821	\$0	\$0
73	25,028	815	0	6,733	32,576	3	140	0	\$0	\$15,683	\$18,020	\$0	\$0
74	23,446	888	0	5,953	30,287	0	77	0	\$0	\$15,061	\$19,596	\$0	\$0
75	21,569	912	0	4,951	27,432	2	71	0	\$0	\$14,846	\$11,856	\$0	\$0
76	21,290	1,056	0	4,826	27,172	0	18	0	\$0	\$14,974	\$0	\$0	\$0
77	20,434	1,162	0	4,805	26,401	0	3	0	\$0	\$14,295	\$0	\$0	\$0
78	20,871	1,222	0	4,606	26,699	0	1	0	\$0	\$14,754	\$0	\$0	\$0
79	18,876	1,204	0	3,722	23,802	0	0	0	\$0	\$15,106	\$0	\$0	\$0
80	14,856	958	0	2,973	18,787	0	0	0	\$0	\$15,544	\$0	\$0	\$0
81	11,793	759	0	2,120	14,662	0	1	0	\$0	\$16,076	\$0	\$0	\$0
82	8,859	538	0	1,837	11,214	0	0	0	\$0	\$16,689	\$0	\$0	\$0
83	7,377	451	0	1,636	9,463	0	0	0	\$0	\$16,614	\$0	\$0	\$0
84	6,667	398	0	1,595	8,660	0	0	0	\$0	\$19,759	\$0	\$0	\$0
85	5,675	355	0	1,289	7,319	0	0	0	\$0	\$17,475	\$0	\$0	\$0
86	4,747	295	0	1,079	6,121	0	0	0	\$0	\$19,568	\$0	\$0	\$0
87	4,200	242	0	1,041	5,483	0	0	0	\$0	\$19,424	\$0	\$0	\$0
88	3,320	180	0	766	4,266	0	0	0	\$0	\$19,623	\$0	\$0	\$0
89	2,769	143	0	613	3,525	0	0	0	\$0	\$19,510	\$0	\$0	\$0
90	1,872	127	0	439	2,438	0	0	0	\$0	\$19,269	\$0	\$0	\$0
91	1,300	74	0	351	1,725	0	0	0	\$0	\$19,396	\$0	\$0	\$0
92	819	51	0	192	1,062	0	0	0	\$0	\$18,738	\$0	\$0	\$0
93	518	36	0	143	697	0	0	0	\$0	\$21,813	\$0	\$0	\$0
94	351	23	0	101	475	0	0	0	\$0	\$18,668	\$0	\$0	\$0
95	198	7	0	61	266	0	0	0	\$0	\$18,939	\$0	\$0	\$0
96	110	8	0	44	162	0	0	0	\$0	\$17,458	\$0	\$0	\$0
97	65	2	0	17	84	0	0	0	\$0	\$24,252	\$0	\$0	\$0
98	39	5	0	10	54	0	0	0	\$0	\$21,813	\$0	\$0	\$0
99	26	4	0	12	42	0	0	0	\$0	\$18,998	\$0	\$0	\$0
100	16	1	0	4	21	0	0	0	\$0	\$20,398	\$0	\$0	\$0
101	11	1	0	3	15	0	0	0	\$0	\$17,078	\$0	\$0	\$0
102	6	0	0	1	7	0	0	0	\$0	\$18,804	\$0	\$0	\$0
103	8	0	0	8	0	0	0	0	\$0	\$16,821	\$0	\$0	\$0
104	3	0	0	1	4	0	0	0	\$0	\$25,338	\$0	\$0	\$0
105	3	0	0	1	4	0	0	0	\$0	\$16,023	\$0	\$0	\$0
106	0	1	0	0	1	0	0	0	\$0	\$21,108	\$0	\$0	\$0
107	0	0	0	0	0	0	0	0	\$0	\$15,655	\$0	\$0	\$0
108	0	0	0	0	0	0	0	0	\$0	\$13,932	\$0	\$0	\$0
109	0	0	0	0	0	0	0	0	\$0	\$4,836	\$0	\$0	\$0
110	0	0	0	0	0	0	0	0	\$0	\$6,216	\$0	\$0	\$0
Total	1,106,576	59,095	7,227	186,016	1,358,914	41,038	2,954	176	\$19,393	\$11,102	\$17,557	\$9,001	\$12,636
60+	548,847	29,496	28	186,016	764,387	1,910	2,954	0	\$20,403	\$13,768	\$17,672	\$5,887	\$0
62+	490,154	24,875	13	162,006	677,048	1,059	2,407	0	\$20,424	\$14,417	\$17,443	\$5,779	\$0
65+	419,093	19,909	0	119,736	558,738	387	1,493	0	\$20,384	\$15,189	\$17,704	\$5,627	\$0

Note: Age is retiree's current age nearest birthday at end of fiscal year.

60+ is total for ages 60 and over.

62+ is total for ages 62 and over.

65+ is total for ages 65 and over.

Includes only retirees receiving payment from DoD.

Temporary Early Retirement Act (TERA) retirees and payments are shown for informational purposes only.

Career Status Bonus (CSB) retirees and payments are shown for informational purposes only.

TERA and CSB numbers and payments are included in the appropriate categories.

Pay amounts do not include the 12/1/08 cost of living increase of 5.8%.

DoD Retired Military Valuation Data as of Year-End FY2008

All DoD

Age	Strength				Average Annual Net Retired Pay				Tera				CSB		
	Non Disabled	Perm Disabled	Temp Disabled	Reserve Retired	Total	Non-Dis	Res Ret	Non-Dis	Res Ret	Total	Non-Dis	Res Ret	Non-Dis	Res Ret	Dis
16	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0
17	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0
18	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0	\$0
19	0	0	19	0	19	0	0	0	0	\$7,664	\$0	\$0	\$0	\$0	\$0
20	0	0	98	0	98	0	0	0	0	\$7,467	\$0	\$0	\$0	\$0	\$0
21	0	10	176	0	186	0	0	0	0	\$7,543	\$0	\$0	\$0	\$0	\$0
22	0	38	306	0	344	0	0	0	0	\$7,468	\$0	\$0	\$0	\$0	\$0
23	0	59	438	0	497	0	0	0	0	\$7,452	\$0	\$0	\$0	\$0	\$0
24	0	83	493	0	576	0	0	0	0	\$7,377	\$0	\$0	\$0	\$0	\$0
25	0	125	500	0	625	0	0	0	0	\$7,504	\$0	\$0	\$0	\$0	\$0
26	0	171	508	0	679	0	0	0	0	\$7,346	\$0	\$0	\$0	\$0	\$0
27	0	150	512	0	662	0	0	0	0	\$7,831	\$0	\$0	\$0	\$0	\$0
28	0	224	468	0	692	0	0	0	0	\$7,725	\$0	\$0	\$0	\$0	\$0
29	0	202	435	0	637	0	0	0	0	\$8,152	\$0	\$0	\$0	\$0	\$0
30	0	264	374	0	638	0	0	0	0	\$7,577	\$0	\$0	\$0	\$0	\$0
31	0	266	320	0	586	0	0	0	0	\$7,210	\$0	\$0	\$0	\$0	\$0
32	0	275	315	0	590	0	0	0	0	\$7,751	\$0	\$0	\$0	\$0	\$0
33	0	271	257	0	528	0	0	1	0	\$7,926	\$0	\$0	\$0	\$0	\$16,164
34	0	347	248	0	595	0	0	0	0	\$7,351	\$0	\$0	\$0	\$0	\$0
35	0	357	207	0	564	0	0	3	0	\$7,761	\$0	\$0	\$0	\$0	\$11,028
36	1	397	215	0	613	0	0	0	0	\$7,418	\$0	\$0	\$0	\$0	\$10,955
37	5	456	198	0	659	0	0	18	0	\$7,522	\$0	\$0	\$0	\$0	\$9,417
38	653	551	209	0	1,413	0	0	0	0	\$11,932	\$0	\$0	\$14,338	\$0	\$11,932
39	3,421	576	145	0	4,142	0	0	263	0	\$14,558	\$0	\$0	\$13,339	\$0	\$14,558
40	7,323	604	170	0	8,097	0	0	1,772	0	\$15,962	\$7,488	\$0	\$13,188	\$0	\$15,962
41	11,404	658	150	0	12,212	0	0	1,428	0	\$16,740	\$8,387	\$0	\$12,894	\$0	\$16,740
42	15,993	800	130	0	16,923	0	0	915	0	\$17,610	\$8,126	\$0	\$13,103	\$0	\$17,610
43	20,567	956	109	0	21,632	0	0	698	0	\$18,523	\$9,348	\$0	\$12,915	\$0	\$18,523
44	25,972	1,089	101	0	27,162	0	0	517	0	\$19,231	\$9,919	\$0	\$13,046	\$0	\$19,231
45	30,508	1,174	90	0	31,872	0	0	393	0	\$19,555	\$10,318	\$0	\$12,858	\$0	\$19,555
46	34,466	1,288	101	0	35,855	0	0	312	0	\$19,921	\$10,860	\$0	\$12,906	\$0	\$19,921
47	37,929	1,326	84	0	39,339	0	0	246	0	\$20,326	\$11,180	\$0	\$13,002	\$0	\$20,326
48	40,534	1,380	82	0	41,996	0	0	158	0	\$20,595	\$11,768	\$0	\$13,193	\$0	\$20,595
49	41,671	1,430	73	0	43,174	0	0	105	0	\$21,125	\$12,634	\$0	\$13,303	\$0	\$21,125
50	42,142	1,449	67	0	43,658	0	0	78	0	\$21,562	\$13,673	\$0	\$12,515	\$0	\$21,562
51	42,982	1,565	56	0	44,303	0	0	63	0	\$21,987	\$14,752	\$0	\$12,434	\$0	\$21,987
52	42,149	1,604	46	0	43,801	0	0	49	0	\$22,501	\$15,762	\$0	\$12,403	\$0	\$22,501
53	42,193	1,681	51	0	43,925	0	0	30	0	\$22,967	\$16,883	\$0	\$12,688	\$0	\$22,967
54	42,410	1,802	41	0	44,253	0	0	50	0	\$23,348	\$18,118	\$0	\$11,612	\$0	\$23,348
55	41,963	1,933	34	0	43,930	0	0	22	0	\$23,722	\$19,078	\$0	\$13,435	\$0	\$23,722
56	42,104	2,020	23	0	44,147	0	0	22	0	\$24,524	\$19,472	\$0	\$11,772	\$0	\$24,524
57	39,527	1,956	36	0	41,519	0	0	5	0	\$24,341	\$19,300	\$0	\$18,118	\$0	\$24,341
58	38,616	2,154	18	0	40,988	0	0	1	0	\$24,951	\$18,935	\$0	\$28,836	\$0	\$24,951
59	40,102	2,430	21	0	42,553	0	0	905	0	\$25,346	\$19,185	\$0	\$0	\$0	\$25,346
60	41,358	2,639	13	0	53,301	0	0	727	172	\$23,549	\$19,524	\$8,322	\$0	\$0	\$23,549
61	42,568	2,906	9	0	26,174	0	0	490	0	\$13,364	\$19,987	\$7,752	\$0	\$0	\$13,364
62	43,337	2,775	12	0	27,234	0	0	489	0	\$13,236	\$20,753	\$7,545	\$0	\$0	\$13,236
63	30,363	1,957	5	0	19,439	0	0	337	0	\$13,448	\$22,027	\$7,537	\$0	\$0	\$13,448
64	31,107	1,838	3	0	18,614	0	0	283	0	\$13,682	\$22,463	\$7,464	\$0	\$0	\$13,682
65	33,179	1,704	0	0	17,838	0	0	248	0	\$13,422	\$22,178	\$7,945	\$0	\$0	\$13,422
66	35,140	1,709	0	0	54,140	0	0	224	0	\$13,341	\$23,478	\$7,521	\$0	\$0	\$13,341
67	32,255	1,449	0	0	13,938	0	0	191	0	\$12,862	\$22,260	\$6,664	\$0	\$0	\$12,862
68	31,759	1,376	0	0	12,326	0	0	143	0	\$12,876	\$22,695	\$7,818	\$0	\$0	\$12,876
69	31,740	1,163	0	0	11,938	0	0	152	0	\$12,605	\$22,741	\$7,126	\$0	\$0	\$12,605
70	32,641	1,209	0	0	11,909	0	0	177	0	\$12,304	\$22,457	\$7,211	\$0	\$0	\$12,304

DoD Retired Military Valuation Data as of Year-End FY2008

All DoD

Age	Strength				Average Annual Net Retired Pay				CSB					
	Non Disabled	Perm Disabled	Temp Disabled	Reserve Retired	Total	TERA Non-Dis	TERA Res Ret	TERA Non-Dis	TERA Res Ret	CSB Non-Dis	CSB Dis	CSB Non-Dis	CSB Dis	
71	33,988	1,187	0	11,736	46,911	26	184	0	0	\$26,119	\$19,831	\$22,419	\$6,317	\$0
72	33,305	1,107	0	11,189	45,601	20	142	0	0	\$26,229	\$20,006	\$22,593	\$5,596	\$0
73	32,873	1,101	0	10,713	44,687	11	158	0	0	\$26,344	\$19,917	\$23,101	\$6,315	\$0
74	31,676	1,165	0	10,054	42,895	7	94	0	0	\$27,147	\$20,016	\$23,485	\$6,402	\$0
75	29,506	1,165	0	8,733	39,404	8	81	0	0	\$27,626	\$20,037	\$24,135	\$6,029	\$0
76	29,923	1,350	0	8,714	39,387	8	25	0	0	\$28,026	\$20,144	\$24,379	\$7,808	\$0
77	28,093	1,509	0	8,872	38,474	6	9	0	0	\$28,212	\$19,911	\$24,244	\$40,650	\$0
78	28,477	1,548	0	8,964	38,989	1	2	0	0	\$28,127	\$19,644	\$24,178	\$25,032	\$0
79	25,739	1,552	0	7,849	35,140	1	5	0	0	\$28,170	\$20,228	\$24,347	\$14,530	\$0
80	20,472	1,274	0	6,603	28,349	1	4	0	0	\$28,761	\$21,593	\$24,715	\$16,626	\$0
81	15,920	995	0	4,663	21,478	1	2	0	0	\$28,289	\$22,218	\$24,736	\$11,298	\$0
82	12,125	764	0	4,219	17,108	2	1	0	0	\$28,817	\$24,057	\$24,737	\$22,586	\$0
83	10,911	694	0	4,404	16,009	0	0	0	0	\$30,651	\$25,328	\$25,626	\$0	\$0
84	10,577	772	0	4,969	16,318	0	1	0	0	\$32,227	\$27,067	\$26,270	\$10,740	\$0
85	9,634	862	0	4,753	15,249	0	0	0	0	\$33,265	\$27,163	\$26,690	\$0	\$0
86	8,672	873	0	4,671	14,216	0	0	0	0	\$34,082	\$28,388	\$26,931	\$0	\$0
87	8,522	911	0	4,622	14,055	0	1	0	0	\$35,471	\$29,317	\$27,873	\$9,420	\$0
88	7,174	897	0	4,150	12,221	0	0	0	0	\$35,688	\$29,351	\$28,002	\$0	\$0
89	6,080	792	0	3,399	10,271	0	0	0	0	\$35,698	\$32,290	\$28,663	\$0	\$0
90	4,525	649	0	2,807	7,981	0	0	0	0	\$36,514	\$30,770	\$28,799	\$0	\$0
91	3,188	515	0	2,151	5,854	0	0	0	0	\$35,839	\$33,107	\$28,321	\$0	\$0
92	2,120	339	0	1,483	3,942	0	0	0	0	\$36,741	\$31,610	\$28,805	\$0	\$0
93	1,518	250	0	1,043	2,811	0	0	0	0	\$36,372	\$32,215	\$28,972	\$0	\$0
94	923	144	0	729	1,796	0	0	0	0	\$36,125	\$31,039	\$28,526	\$0	\$0
95	559	101	0	438	1,098	0	0	0	0	\$36,063	\$31,028	\$28,709	\$0	\$0
96	306	71	0	277	654	0	0	0	0	\$35,758	\$35,430	\$28,145	\$0	\$0
97	210	34	0	167	411	0	0	0	0	\$36,030	\$29,191	\$28,320	\$0	\$0
98	123	30	0	128	281	0	0	0	0	\$36,568	\$32,369	\$27,257	\$0	\$0
99	66	17	0	86	169	0	0	0	0	\$31,618	\$21,614	\$23,078	\$0	\$0
100	44	7	0	41	92	0	0	0	0	\$33,678	\$22,807	\$24,303	\$0	\$0
101	32	5	0	23	60	0	0	0	0	\$37,184	\$40,039	\$28,092	\$0	\$0
102	13	5	0	10	27	0	0	0	0	\$37,145	\$34,493	\$29,482	\$0	\$0
103	13	1	0	6	20	0	0	0	0	\$24,856	\$5,292	\$20,650	\$0	\$0
104	7	0	0	2	9	0	0	0	0	\$35,057	\$0	\$33,403	\$0	\$0
105	7	1	0	3	11	0	0	0	0	\$34,167	\$36,948	\$28,179	\$0	\$0
106	0	1	0	0	0	0	0	0	0	\$0	\$6,216	\$6,216	\$0	\$0
107	1	0	0	1	2	0	0	0	0	\$29,940	\$0	\$20,670	\$0	\$0
108	1	0	0	1	2	0	0	0	0	\$40,656	\$0	\$25,320	\$0	\$0
109	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0
110	0	0	0	0	0	0	0	0	0	\$0	\$0	\$0	\$0	\$0
Total	1,466,705	77,536	7,966	328,664	1,880,871	52,873	3,615	8,579	183	\$25,371	\$15,504	\$22,760	\$7,347	\$13,273
60+	782,070	43,413	42	328,664	1,154,189	3,131	3,615	0	0	\$27,953	\$19,854	\$23,423	\$7,347	\$0
62+	698,144	37,868	20	293,199	1,029,231	1,767	2,953	0	0	\$28,084	\$20,868	\$23,545	\$7,224	\$0
65+	593,337	31,298	0	227,912	852,547	670	1,844	0	0	\$28,091	\$22,107	\$23,832	\$7,044	\$0

Note: Age is retiree's current age nearest birthday at end of fiscal year.
60+ is total for ages 60 and over.
62+ is total for ages 62 and over.
65+ is total for ages 65 and over.
Includes only retirees receiving payment from DoD.
Temporary Early Retirement Act (TERA) retirees and payments are shown for informational purposes only.
Career Status Bonus (CSB) retirees and payments are shown for informational purposes only.
TERA and CSB numbers and payments are included in the appropriate categories.
Pay amounts do not include the 12/1/08 cost of living increase of 5.6%.

DoD Survivor Valuation Data as of Year-End FY2008

Age	Strength			Average Annual Net Survivor Pay			Total		
	SBP	RCSBP	Minimum Income	Death on Active Duty	RSFPP	Minimum Income		Death on Active Duty	RSFPP
0	0	0	0	0	0	\$0	\$0	\$0	\$5,569
1	0	0	0	0	0	\$0	\$0	\$0	\$6,570
2	1	0	0	0	0	\$2,923	\$0	\$0	\$6,927
3	3	0	0	0	0	\$3,632	\$0	\$0	\$6,882
4	4	2	0	0	0	\$4,344	\$3,760	\$0	\$6,517
5	12	1	0	0	0	\$8,273	\$5,700	\$0	\$6,446
6	25	0	0	0	0	\$9,248	\$0	\$0	\$6,791
7	31	0	0	0	0	\$5,663	\$0	\$0	\$5,883
8	50	1	0	0	0	\$7,414	\$3,784	\$0	\$6,613
9	50	1	0	0	0	\$6,168	\$18,888	\$0	\$6,134
10	55	1	0	0	0	\$6,284	\$0	\$0	\$6,497
11	87	3	0	0	0	\$6,512	\$3,912	\$0	\$6,474
12	73	3	0	0	0	\$6,829	\$3,119	\$0	\$6,163
13	102	11	0	0	0	\$6,450	\$5,584	\$0	\$6,455
14	123	7	0	0	0	\$6,754	\$1,474	\$0	\$6,393
15	150	22	0	0	0	\$6,936	\$3,767	\$0	\$6,783
16	152	14	0	0	0	\$6,436	\$3,650	\$0	\$7,566
17	153	21	0	0	0	\$3,395	\$3,995	\$1,389	\$8,145
18	154	13	0	0	0	\$8,486	\$3,775	\$0	\$8,087
19	110	14	0	0	1	\$9,738	\$5,320	\$3,122	\$8,846
20	101	7	0	0	0	\$10,986	\$9,507	\$0	\$10,889
21	112	6	0	0	0	\$11,712	\$4,703	\$0	\$11,133
22	72	1	0	0	0	\$10,591	\$3,456	\$0	\$10,465
23	16	4	0	0	0	\$11,654	\$4,260	\$0	\$10,077
24	22	5	0	0	0	\$12,073	\$4,447	\$0	\$9,741
25	26	4	0	0	0	\$11,624	\$3,447	\$0	\$10,305
26	23	2	0	0	0	\$11,120	\$1,764	\$0	\$8,763
27	31	3	1	0	0	\$10,623	\$9,932	\$1,596	\$9,986
28	23	11	0	0	0	\$9,709	\$4,177	\$0	\$7,461
29	23	3	0	0	0	\$11,607	\$6,420	\$0	\$7,864
30	31	4	0	0	0	\$10,222	\$3,240	\$10,068	\$8,106
31	22	5	0	0	0	\$12,255	\$2,911	\$0	\$8,232
32	26	6	0	0	0	\$9,307	\$4,328	\$1,643	\$6,606
33	27	1	0	0	0	\$9,637	\$3,300	\$6,405	\$7,784
34	44	9	0	0	0	\$9,984	\$7,201	\$5,678	\$7,269
35	42	3	0	0	0	\$10,329	\$10,108	\$5,389	\$7,590
36	41	12	0	0	0	\$11,041	\$6,969	\$6,760	\$7,897
37	56	15	0	0	0	\$10,011	\$5,295	\$3,137	\$7,006
38	70	11	0	0	0	\$11,393	\$4,598	\$1,432	\$9,101
39	73	23	0	0	0	\$11,031	\$3,617	\$8,650	\$8,979
40	79	24	0	0	0	\$10,669	\$5,176	\$2,863	\$7,869
41	101	25	0	0	0	\$12,153	\$5,432	\$7,448	\$9,230
42	121	25	0	0	0	\$10,620	\$4,998	\$8,412	\$8,957
43	175	43	0	0	0	\$10,231	\$5,905	\$7,121	\$8,476
44	191	47	0	0	0	\$10,732	\$5,924	\$7,041	\$8,966
45	214	74	0	0	0	\$10,252	\$5,805	\$8,667	\$8,782
46	256	75	0	0	0	\$9,873	\$6,305	\$10,877	\$9,201
47	328	97	0	0	0	\$10,303	\$5,822	\$10,133	\$9,146
48	411	130	0	0	0	\$11,183	\$6,022	\$11,779	\$9,776
49	424	129	0	0	0	\$10,577	\$5,140	\$10,364	\$9,289
50	463	147	0	0	0	\$10,084	\$6,136	\$11,809	\$9,177
51	568	200	0	0	0	\$10,523	\$5,871	\$10,200	\$9,183
52	607	270	0	0	0	\$10,825	\$6,557	\$12,200	\$9,462
53	707	259	0	0	0	\$11,134	\$6,151	\$12,486	\$9,764
54	843	313	0	0	0	\$10,885	\$6,285	\$11,792	\$9,705
55	935	329	0	0	0	\$10,912	\$6,434	\$13,589	\$9,792
56	1,028	433	0	0	0	\$10,878	\$6,017	\$12,562	\$9,490
57	1,110	513	0	0	0	\$10,866	\$5,804	\$9,559	\$9,239
58	1,287	604	1	0	0	\$11,100	\$6,293	\$11,302	\$9,583
59	1,481	664	0	0	0	\$11,402	\$6,059	\$12,888	\$9,777
60	1,721	886	1	0	0	\$11,254	\$6,269	\$10,458	\$9,558

DoD Survivor Valuation Data as of Year-End FY2008

Age	Strength			Average Annual Net Survivor Pay								
	SBP	RCSBP	Minimum Income	Death on Active Duty	RSFPP	Total	SBP	RCSBP	Minimum Income	Death on Active Duty	RSFPP	Total
61	2,014	1,039	0	55	9	3,117	\$11,395	\$6,457	\$0	\$11,629	\$2,263	\$9,727
62	2,400	1,182	2	45	8	3,637	\$11,477	\$6,497	\$5,074	\$11,125	\$2,549	\$9,831
63	2,063	938	0	33	7	3,041	\$11,568	\$6,478	\$0	\$8,357	\$4,833	\$9,948
64	2,531	1,105	1	39	11	3,687	\$11,677	\$6,579	\$5,324	\$9,916	\$1,631	\$10,099
65	3,010	1,256	0	40	13	4,319	\$11,673	\$6,495	\$0	\$7,826	\$1,773	\$10,102
66	3,449	1,440	0	54	19	4,962	\$11,472	\$6,610	\$0	\$9,734	\$2,053	\$10,006
67	3,715	1,461	0	46	15	5,237	\$11,547	\$6,569	\$0	\$7,170	\$2,305	\$10,094
68	3,909	1,535	0	50	34	5,529	\$11,602	\$6,573	\$7,498	\$7,275	\$2,136	\$10,107
69	4,518	1,646	1	51	38	6,254	\$11,872	\$6,509	\$7,498	\$7,715	\$1,522	\$10,363
70	4,958	1,781	4	47	42	6,832	\$12,094	\$6,580	\$7,317	\$8,039	\$1,755	\$10,562
71	5,532	1,842	3	51	60	7,488	\$12,122	\$6,542	\$7,023	\$11,064	\$2,334	\$10,662
72	5,800	1,951	4	75	122	7,952	\$12,445	\$6,630	\$6,866	\$9,463	\$2,177	\$10,684
73	6,512	2,206	6	54	133	8,911	\$12,429	\$6,648	\$6,361	\$9,838	\$1,962	\$10,822
74	6,909	2,272	3	70	206	9,460	\$12,400	\$6,710	\$7,062	\$10,342	\$2,235	\$10,795
75	6,778	2,220	3	83	251	9,335	\$12,813	\$6,837	\$6,286	\$10,878	\$2,109	\$11,084
76	7,249	2,431	2	78	343	10,103	\$13,108	\$6,866	\$5,953	\$10,701	\$1,990	\$11,209
77	7,347	2,614	2	72	337	10,372	\$13,580	\$7,065	\$5,495	\$11,120	\$2,420	\$11,564
78	7,381	2,587	1	69	443	10,481	\$13,716	\$7,121	\$7,498	\$11,315	\$2,554	\$11,637
79	7,302	2,699	3	50	418	10,472	\$13,747	\$7,132	\$6,498	\$11,458	\$2,142	\$11,566
80	7,388	2,850	7	47	494	10,786	\$14,116	\$7,286	\$6,688	\$14,607	\$2,604	\$11,781
81	7,456	2,973	9	45	543	11,026	\$14,403	\$7,580	\$6,500	\$11,462	\$2,488	\$11,958
82	7,701	3,273	5	44	580	11,603	\$15,035	\$7,737	\$7,975	\$12,550	\$2,689	\$12,347
83	7,961	3,358	9	55	613	11,996	\$15,663	\$7,904	\$6,769	\$13,986	\$2,925	\$12,825
84	8,103	3,608	6	51	689	12,457	\$15,965	\$8,159	\$8,433	\$12,924	\$3,085	\$12,974
85	8,126	3,711	10	46	734	12,627	\$16,551	\$8,195	\$6,676	\$13,273	\$3,218	\$13,301
86	7,438	3,581	4	33	730	11,786	\$16,910	\$8,443	\$4,646	\$10,112	\$2,933	\$13,449
87	6,904	3,574	12	34	676	11,200	\$17,148	\$8,726	\$6,521	\$13,414	\$3,221	\$13,597
88	5,641	3,063	5	31	641	9,381	\$17,643	\$9,026	\$6,600	\$14,061	\$3,401	\$13,839
89	4,489	2,566	11	13	510	7,589	\$17,732	\$9,107	\$6,674	\$11,085	\$3,377	\$13,824
90	3,326	2,014	9	15	374	5,738	\$17,475	\$9,427	\$6,047	\$15,080	\$3,096	\$13,750
91	2,514	1,614	10	9	290	4,437	\$17,525	\$9,546	\$6,890	\$11,640	\$2,861	\$13,628
92	1,889	1,177	2	6	243	3,317	\$18,185	\$9,766	\$6,658	\$16,714	\$3,118	\$14,084
93	1,358	912	6	3	204	2,483	\$17,965	\$9,691	\$6,457	\$9,212	\$3,409	\$13,692
94	1,032	679	4	5	152	1,872	\$17,475	\$9,853	\$6,474	\$15,893	\$2,760	\$13,488
95	779	477	4	4	117	1,381	\$17,316	\$9,782	\$7,219	\$15,261	\$2,638	\$13,435
96	518	353	6	4	97	978	\$18,736	\$9,856	\$7,444	\$9,426	\$3,333	\$13,896
97	356	241	4	0	64	665	\$16,688	\$9,918	\$6,359	\$0	\$2,698	\$12,826
98	215	165	2	1	53	436	\$18,108	\$9,244	\$6,398	\$6,276	\$3,118	\$12,850
99	140	120	4	2	54	320	\$16,784	\$9,833	\$8,290	\$9,180	\$3,254	\$11,741
100	102	72	1	0	35	210	\$16,840	\$9,450	\$6,881	\$0	\$2,949	\$11,944
101	46	48	2	0	16	112	\$19,817	\$9,418	\$7,498	\$0	\$2,560	\$12,678
102	31	22	0	0	12	65	\$20,186	\$8,707	\$0	\$0	\$3,129	\$13,152
103	18	17	1	0	3	39	\$12,814	\$8,422	\$7,498	\$0	\$8,572	\$10,437
104	11	10	0	0	3	24	\$16,162	\$9,167	\$0	\$0	\$2,672	\$11,561
105	5	3	0	0	3	11	\$21,132	\$10,936	\$0	\$0	\$3,268	\$13,479
106	4	4	0	0	1	9	\$13,161	\$8,514	\$0	\$0	\$4,992	\$10,188
107	2	2	1	0	1	6	\$17,268	\$5,802	\$7,498	\$0	\$375	\$9,002
108	2	0	1	0	0	3	\$12,060	\$0	\$7,498	\$0	\$0	\$10,539
109	1	0	0	0	1	2	\$31,104	\$0	\$0	\$0	\$5,412	\$18,258
Total	192,199	80,208	174	6,575	10,787	289,943	\$13,990	\$7,579	\$6,631	\$8,154	\$2,842	\$11,665
60+	178,654	75,568	172	1,542	10,458	266,384	\$14,250	\$7,676	\$6,621	\$10,822	\$2,828	\$11,912
62+	174,919	73,653	171	1,455	10,433	260,631	\$14,312	\$7,710	\$6,620	\$10,800	\$2,827	\$11,962
65+	167,925	70,428	168	1,338	10,407	250,266	\$14,426	\$7,764	\$6,646	\$10,875	\$2,827	\$12,045

Note: Age is survivor's current age nearest birthday at end of fiscal year.
60+ is total for ages 60 and over.
62+ is total for ages 62 and over.
65+ is total for ages 65 and over.
Includes only survivors receiving payment from DoD.
Survivors receiving payment under SBP and RSFPP are counted twice.
Two-life survivors are given by the age of the adult survivor.
Children of the same deceased member receiving separate benefit payments are counted individually.
RCSBP includes all reserve survivors, whether or not the reserve retiree elected RCSBP.
Amounts do not include increased survivor benefits as part of Special Survivor Indemnity Allowance (NDA 2008 and Public Law 111-31).
Pay amounts do not include the 12/1/08 cost of living increase of 5.8%.
The liability calculated in this valuation, however, reflects the increased benefits.

APPENDIX D

ECONOMIC ASSUMPTIONS

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ECONOMIC ASSUMPTIONS

In August, 2008, the DoD Board of Actuaries adopted the following economic assumptions for use in the valuation as of September 30, 2008: the rate of inflation (CPI) is assumed to be 3.00 percent per year; the investment return is 5.75 percent per year; and the basic pay scale increases are 3.75 percent per year. As background for determining the economic assumptions, the Board receives a number of presentations by economists and actuaries and is provided with extensive historical data on inflation, interest rates, and wage growth. The Board also considers what other federal retirement systems are assuming.

The comparisons to Civil Service and Social Security in this appendix are not meant to imply an expectation that all three systems should use exactly the same assumptions. They are different in terms of the trust funds themselves and in terms of the programs financed by the trust funds.

Inflation

The CPI-W, one of the consumer price indexes published by the Bureau of Labor Statistics, was emphasized as an inflation measure since it is used in calculating military retired pay cost-of-living increases. The CPI-W measures the average price change for Urban Wage Earners and Clerical Workers and covers approximately 32 percent of the U.S population. (The CPI-W is a subset of the broader CPI-U measure which computes the average price change for All Urban Consumers and covers approximately 87 percent of the U.S. population). The CPI-W is the common index used to make cost-of-living adjustments for labor contracts.

Table D-1 shows the average annual CPI-W changes over various periods of time since 1930. Different periods experienced different rates of change. The average annual CPI change during successive 30-year periods since World War II has risen from 3.79 percent for the period ending in 1975 to 5.20 percent for the period ending in 1995. This reflects the high inflation during the 1970s. The average annual CPI change during the current 33-year period ending in 2008 is 4.10 percent.

The DoD assumption for CPI is reasonably consistent with what is used in other parts of the government. In its 2008 report, the Civil Service Retirement System (CSRS) assumes a 3.50 percent CPI increase. The Trustees of the Social Security Administration (SSA) in their 2008 Annual Report made projections under three alternative sets of assumptions. Their intermediate assumption for CPI was 2.8 percent (other assumptions: low cost – 1.8 percent; high cost – 3.8 percent). The Board has noted that in certain respects, the effect of the CPI on the valuation is relatively minor in a system where retirement benefits are fully indexed and expressed as a percentage of payroll.

Interest Rate

The Board analyzes Tables D-2 and D-3, as well as other material presented at the DoD Board of Actuaries annual meeting, when setting the interest assumption. The Board focuses on real interest rates. To simplify discussion, the real interest rate is defined as the difference between the nominal interest rate and the CPI. Other things being equal, a lower element of risk in an investment will give a lower real interest rate. Because the Military Retirement Fund must be invested in obligations of the U.S. Government, a highly secure investment, the real interest rates are expected to be relatively low.

The Board examines past real interest rates that would have been earned by the types of public debt securities in which the Fund is invested. The Board recognizes the importance of selecting a real interest rate that would prevail on average over a long period of time and that would not unduly weight recent experience or expected results during the near-term future.

Table D-2 depicts the average real yield rates on new purchases of the Fund. Because the Fund was established in 1984, the DoD Office of the Actuary compiled a Composite Series to simulate what new purchases would have yielded in the past. Particular emphasis is given to the rates since 1950.

Table D-3 shows the average real Military Retirement Fund effective yield. The effective yield calculation uses a “dollar-weighted yield,” which is computed by dividing the investment income by the average amount of principal invested throughout the year. Since the Fund’s inception, the average annual real yield is 5.35 percent.

Tables D-2 and D-3 show slight negative and very low real rates, respectively, for 2008. This is due to a relatively high CPI-W of 5.8 percent for 2008 (depicted in the Table D-1).

After analyzing past trends of government trust fund earnings, 2.75 percent was adopted as the rate of real interest. Since 3.00 percent had been adopted as the inflation rate, the nominal rate of interest is 5.75 percent.

It is relevant to note the real interest rates being assumed by the other two major public benefit systems. The Trustees of the Social Security Administration used an intermediate ultimate real interest rate assumption of 2.9 percent in its 2008 report (other assumptions: low cost – 3.6 percent; high cost – 2.1 percent). The Board of Actuaries of the CSRS used a 2.75 percent real interest rate assumption in its 2008 valuation.

Wage Growth

For the salary increase assumption, recent historical data is used as well as forecasts for the population at large. The Career Compensation Act of 1949 revamped the military compensation structure to provide an equitable pay and allowance system. Associated with this change was a large basic pay increase designed to establish rough comparability with the private

sector. Additionally, the Army and Air Force Vitalization and Retirement Equalization Act of 1948 established for the first time a uniform voluntary retirement system authority among all branches of Service. The reserve retirement program was also established at this time. These two Acts provided the start of the modern-day compensation structure designed to attract and retain the number of Service members needed. In the analysis of basic pay scale increases, the Board looked at all data from this point forward.

The Military Pay Comparability Act of 2003 ensures that military pay increases are comparable to private sector pay growth, as measured by the Employment Cost Index (ECI) – Wages and Salaries index on a 15 month lag. Covenants are embedded within the act which gives the President the authority to propose an alternate basic pay adjustment. This Act specifically referenced fiscal years through 2006. Though, Congress has continued to use the basic framework of the Act in the subsequent fiscal years.

Table D-4 displays real military basic pay increases over various periods of time during the post-World War II era. From the early 1950s to the early 1970s, the average annual real military pay increase was approximately 1.79 percent. From the early 1950s to the present, the increase has averaged approximately 0.96 percent a year. Since the Vietnam War (~1970), annual real pay increases have averaged only 0.53 percent. (There was negative real pay growth in the late 1970s and late 1980s as well as numerous years since 2005.)

In making its recommendation for the real rate of the annual basic pay scale increase, the Board assumed that future general pay increases in the military would not deviate much from pay increases in the private sector. In this light, the Board adopted a real basic pay growth assumption of 0.75 percent, leading to a nominal growth of 3.75 percent. The Board of Actuaries of the CSRS assumed 0.75 percent real wage growth for its 2008 valuation. The Social Security Trustees' 2008 report had an intermediate ultimate assumption for real wage growth of 1.1 percent (other assumptions: low cost – 1.6 percent; high cost – 0.6 percent). (For the Military Retirement System and CSRS, wage increase relates to “across-the-board salary increase,” whereas for Social Security, wage increase generally relates to “total wage increase.”)

TABLE D-1

AVERAGE CONSUMER PRICE INDEX (CPI-W) INCREASES

	1930	1935	1940	1945	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	
FROM PERIOD CORRESPONDING TO END OF:																							
TO END OF:																							
1935	-3.04																						
1940	-1.34	0.38																					
1945	0.81	2.79	5.25																				
1950	2.22	4.03	5.91	6.57																			
1955	2.06	3.37	4.39	3.96	1.43																		
1960	2.07	3.12	3.82	3.35	1.77	2.12																	
1965	1.96	2.82	3.32	2.84	1.63	1.73	1.33																
1970	2.28	3.07	3.52	3.18	2.35	2.65	2.92	4.54															
1975	2.79	3.54	4.00	3.79	3.24	3.70	4.23	5.71	6.90														
1980	3.41	4.16	4.64	4.55	4.22	4.79	5.46	6.88	8.07	9.24													
1985	3.45	4.12	4.55	4.46	4.16	4.62	5.13	6.10	6.63	6.50	3.82												
1990	3.49	4.10	4.48	4.40	4.13	4.52	4.93	5.66	5.95	5.63	3.87	3.91											
1995	3.45	4.01	4.34	4.25	4.00	4.32	4.64	5.20	5.34	4.95	3.56	3.42	2.94										
2000	3.37	3.88	4.18	4.08	3.84	4.11	4.36	4.80	4.85	4.44	3.28	3.09	2.69	2.44									
2001	3.36	3.86	4.16	4.06	3.82	4.08	4.32	4.74	4.77	4.37	3.24	3.06	2.68	2.46	2.60								
2002	3.34	3.83	4.11	4.01	3.77	4.02	4.25	4.65	4.67	4.26	3.16	2.96	2.57	2.31	2.00	1.40							
2003	3.32	3.80	4.08	3.98	3.74	3.98	4.20	4.58	4.59	4.18	3.11	2.92	2.54	2.29	2.03	1.75	2.10						
2004	3.31	3.79	4.06	3.96	3.72	3.95	4.16	4.53	4.53	4.13	3.10	2.90	2.55	2.33	2.20	2.07	2.40	2.70					
2005	3.32	3.79	4.06	3.96	3.72	3.96	4.16	4.52	4.52	4.13	3.14	2.96	2.65	2.51	2.58	2.57	2.96	3.40	4.10				
2006	3.32	3.78	4.05	3.95	3.72	3.94	4.14	4.49	4.49	4.10	3.14	2.98	2.69	2.58	2.70	2.72	3.05	3.37	3.70	3.30			
2007	3.31	3.76	4.02	3.92	3.69	3.91	4.10	4.44	4.43	4.04	3.11	2.95	2.67	2.56	2.64	2.65	2.90	3.10	3.23	2.80	2.30		
2008	3.34	3.79	4.05	3.95	3.73	3.95	4.14	4.47	4.46	4.10	3.20	3.07	2.84	2.80	3.03	3.09	3.38	3.63	3.87	3.79	4.04	5.80	

All figures are average annual percentage increases.

Source of CPI-W indices: Bureau of Labor Statistics.

*** CPI-W SERIES: DECEMBER TO DECEMBER INCREASES FROM 1930 TO 1984;
 ACTUAL COST-OF-LIVING ADJUSTMENTS GIVEN TO MILITARY RETIREES BEGINNING FISCAL YEAR 1985.
 -MRF COLAS ARE CALCULATED AS THE INCREASE FROM 3RD QUARTER TO 3RD QUARTER.

TABLE D-2

AVERAGE REAL YIELD RATES ON NEW PURCHASES****

	1930	1935	1940	1945	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	
FROM DECEMBER 31 OF:																							
1930																							
1935	6.51																						
1940	4.31	2.17																					
1945	1.72	-0.59	-3.28																				
1950	0.15	-1.88	-3.85	-4.41																			
1955	0.32	-1.17	-2.25	-1.73	1.02																		
1960	0.52	-0.64	-1.33	-0.67	1.25	1.48																	
1965	0.82	-0.10	-0.55	0.15	1.71	2.06	2.64																
1970	0.88	0.10	-0.24	0.38	1.62	1.82	1.99	1.34															
1975	0.77	0.08	-0.22	0.30	1.27	1.34	1.29	0.62	-0.10														
1980	0.64	0.01	-0.25	0.19	0.97	0.96	0.83	0.24	-0.30	2.49	3.81	5.06											
1985	1.32	0.81	0.66	1.17	1.99	2.15	2.29	2.20	2.49	3.81	8.31	3.99	2.93										
1990	1.62	1.19	1.09	1.59	2.37	2.56	2.74	2.77	3.13	4.22	3.12	3.76	3.12	3.31									
1995	1.72	1.33	1.26	1.73	2.43	2.61	2.77	2.79	3.09	3.90	5.41	3.99	2.85	2.67	1.08	1.61							
2000	1.84	1.49	1.43	1.87	2.52	2.69	2.84	2.87	3.12	3.78	4.88	3.76	3.12	2.85	0.55								
2001	1.82	1.47	1.41	1.84	2.48	2.64	2.78	2.80	3.04	3.65	4.67	3.56	2.88	2.67	1.08	1.61							
2002	1.82	1.47	1.42	1.84	2.46	2.62	2.75	2.77	2.99	3.58	4.53	3.44	2.78	2.67	1.08	1.61							
2003	1.81	1.47	1.42	1.83	2.45	2.59	2.72	2.74	2.95	3.50	4.40	3.33	2.68	2.52	1.22	1.55	1.50						
2004	1.81	1.47	1.42	1.83	2.43	2.57	2.69	2.70	2.90	3.43	4.27	3.23	2.59	2.40	1.26	1.50	1.45	1.39					
2005	1.79	1.46	1.41	1.81	2.39	2.53	2.65	2.65	2.84	3.34	4.12	3.10	2.46	2.22	1.15	1.30	1.19	1.04	0.69				
2006	1.79	1.47	1.42	1.81	2.39	2.52	2.63	2.63	2.81	3.29	4.04	3.04	2.42	2.20	1.27	1.42	1.37	1.33	1.30	1.92			
2007	1.81	1.49	1.44	1.83	2.39	2.53	2.64	2.64	2.81	3.28	3.99	3.04	2.45	2.25	1.50	1.65	1.66	1.70	1.81	2.37	2.83		
2008	1.78	1.46	1.41	1.79	2.34	2.47	2.57	2.56	2.72	3.16	3.83	2.88	2.28	2.03	1.24	1.34	1.29	1.25	1.22	1.39	1.13	-0.54	

All figures are average annual percentages.

Source: Office of the Actuary, Office of Personnel Management; Office of the Actuary, Department of Defense

** The annual averages are different from the prior valuation report due to a refinement in the Treasury Inflation Protected Securities (TIPS) yield calculation.

*** Real yields for non-TIPS securities are computed as the nominal yield at purchase offset by inflation in the year of purchase.
For TIPS securities, the real yield is known and constant throughout the life of the security.

*** COMPOSITE SERIES: TREASURY LONG TERM SECURITIES WITH REMAINING MATURITIES OF 10 OR MORE YEARS FROM 1931 TO 1941;
AVERAGE OF TREASURY LONG TERM AND TREASURY 3-5 YEARS REMAINING MATURITY FROM 1941 TO 1961;
SPECIAL TREASURY CERTIFICATES (CSRS) FROM 1962 TO 1984;
MILITARY RETIREMENT SYSTEM TRUST FUND NEW INVESTMENT'S BEGINNING WITH 1985

TABLE D-3

AVERAGE REAL MILITARY RETIREMENT FUND EFFECTIVE YIELD ***

FROM PERIOD CORRESPONDING TO END OF FISCAL YEAR: TO END OF FISCAL YEAR:	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	
1985	14.27																								
1986	12.32	10.41																							
1987	10.35	8.45	6.52																						
1988	9.31	7.71	6.38	6.24																					
1989	8.47	7.06	5.97	5.70	5.15																				
1990	7.76	6.50	5.55	5.22	4.72	4.29																			
1991	7.49	6.40	5.62	5.39	5.11	5.09	5.90																		
1992	7.34	6.38	5.73	5.57	5.40	5.48	6.08	6.27																	
1993	7.22	6.37	5.81	5.69	5.58	5.69	6.16	6.29	6.32																
1994	7.07	6.30	5.80	5.70	5.61	5.70	6.05	6.10	6.02	5.72															
1995	6.86	6.26	5.81	5.72	5.64	5.73	6.02	6.05	5.87	5.80	5.87														
1996	6.84	6.19	5.78	5.70	5.63	5.70	5.94	5.94	5.86	5.71	5.71	5.54													
1997	6.80	6.20	5.83	5.76	5.70	5.77	5.99	6.00	5.95	5.85	5.90	5.91	6.29												
1998	6.81	6.26	5.92	5.87	5.83	5.90	6.11	6.14	6.12	6.08	6.17	6.26	6.63	6.97											
1999	6.73	6.21	5.89	5.84	5.80	5.87	6.05	6.07	6.04	5.99	6.04	6.09	6.27	6.26	5.56										
2000	6.58	6.09	5.78	5.73	5.68	5.73	5.88	5.88	5.83	5.76	5.76	5.74	5.79	5.63	4.96	4.37									
2001	6.50	6.03	5.75	5.69	5.65	5.69	5.82	5.81	5.76	5.69	5.69	5.66	5.68	5.53	5.05	4.80	5.23								
2002	6.46	6.01	5.74	5.69	5.65	5.69	5.81	5.80	5.75	5.69	5.69	5.66	5.68	5.56	5.21	5.09	5.45	5.68							
2003	6.29	5.86	5.60	5.54	5.50	5.52	5.62	5.59	5.53	5.45	5.42	5.37	5.34	5.19	4.83	4.65	4.74	4.50	3.34						
2004	6.10	5.69	5.43	5.37	5.31	5.33	5.40	5.36	5.29	5.19	5.14	5.06	5.00	4.82	4.46	4.25	4.21	3.88	2.99	2.64					
2005	5.87	5.47	5.22	5.14	5.08	5.07	5.13	5.07	4.98	4.87	4.79	4.69	4.59	4.38	4.02	3.76	3.64	3.25	2.45	2.01					
2006	5.72	5.33	5.08	5.01	4.94	4.92	4.96	4.90	4.81	4.69	4.60	4.49	4.39	4.18	3.83	3.59	3.46	3.11	2.48	2.19	1.97				
2007	5.57	5.19	4.95	4.87	4.80	4.78	4.81	4.74	4.64	4.52	4.43	4.31	4.20	3.99	3.67	3.43	3.30	2.98	2.45	2.23	2.09	2.45			
2008	5.35	4.98	4.74	4.65	4.57	4.54	4.56	4.48	4.37	4.24	4.14	4.00	3.88	3.66	3.34	3.09	2.93	2.61	2.11	1.86	1.67	1.76	2.34	0.40	

All figures are average annual percentages.

Source: Office of the Actuary, Department of Defense

*** THE EFFECTIVE YIELD CALCULATION USES A "DOLLAR-WEIGHTED YIELD". "DOLLAR-WEIGHTED YIELDS" ARE COMPUTED BY TAKING THE INVESTMENT INCOME OVER THE AVERAGE AMOUNT OF PRINCIPAL INVESTED THROUGHOUT THE YEAR.

TABLE D-4

AVERAGE REAL MILITARY PERSONNEL BASIC PAY INCREASES

	1930	1935	1940	1945	1950	1955	1960	1965	1970	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004	2005	2006	2007	
FROM DECEMBER 31 OF:																							
1930	N/A																						
1935	N/A	N/A																					
1940	N/A	N/A	N/A																				
1945	N/A	N/A	N/A	N/A																			
1950	N/A	N/A	N/A	N/A	N/A																		
1955	N/A	N/A	N/A	N/A	N/A	N/A																	
1960	N/A	N/A	N/A	N/A	N/A	N/A	N/A																
1965	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A															
1970	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A														
1975	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A													
1980	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A												
1985	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A											
1990	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A										
1995	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A									
2000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A								
2001	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.95							
2002	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.31							
2003	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.66							
2004	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	2.11	1.57						
2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.67	1.17	0.78					
2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1.00	0.46	-0.09	-0.96				
2007	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.59	0.07	-0.42	-1.01	-1.07			
2008	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.68	0.29	-0.02	-0.29	0.05	1.17		
																0.33	-0.06	-0.38	-0.67	-0.57	-0.32	-1.80	

All figures are average annual percentage increases.
Excludes annual targeted increases.

Source: House Armed Services Committee publication, Title 37, United States Code (Pay and Allowances of the Uniformed Services.)

APPENDIX E

NORMAL COST WEIGHTING FACTORS

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NORMAL COST WEIGHTING FACTORS

There are three different retirement benefit formulas that apply to three populations within the military retirement system. (See Appendix A for a discussion of *Final Pay*, *High-3*, and *CSB/Redux* benefit formulas.) A single normal cost percentage (NCP) for the entire population is obtained by weighting the NCP for each retirement group by its expected percentage of payroll in the relevant year.

In order to continue to budget for NCPs well in advance of the valuation date, the DoD Board of Actuaries decided to create a set of projected weighting factors. The relative stability of past experience indicates that this method gives reasonably accurate results.

Since the composite NCP developed at year-end is implemented each month during the next fiscal year, the weighting factors reflect mid-year experience. For example, when determining the percentage of the payroll during year t allocated to people who entered in year $t-1$ or later, we interpolated between 6 percent and 14 percent to obtain 10 percent at mid-year (see the far right column of Table E-1). These mid-year interpolated percentages of payroll are shown in Table 5 of the main text.

Current rates were created using 1987 through 1991 data. Table E-1 displays the active duty basic payroll percentage distribution by completed years of service at the end of each of these fiscal years, as well as average distributions for the two periods, 1982-1987 and 1987-1991.

TABLE E-1

**ACTIVE DUTY BASIC PAYROLL PERCENTAGE DISTRIBUTION
BY COMPLETED YEARS OF SERVICE**

Completed Years of Service	Percentage of Payroll on:					Average Percent 1982-1987	Average Percent 1987-1991
	9/30/87	9/30/88	9/30/89	9/30/90	9/30/91		
0	7%	7%	7%	6%	5%	8%	6%
1 or less	15	15	14	13	11	17	14
2 or less	24	23	22	21	19	25	22
3 or less	32	31	30	28	27	33	29
4 or less	37	36	35	34	32	39	35
5 or less	43	42	41	39	37	44	40
6 or less	47	46	45	44	42	49	45
7 or less	52	51	50	48	47	53	50
8 or less	56	55	54	53	51	57	54
9 or less	60	59	58	57	55	61	58
10 or less	64	63	62	60	59	64	62
11 or less	67	66	66	64	63	67	65
12 or less	70	70	69	68	66	72	69
13 or less	73	73	72	72	70	73	72
14 or less	76	76	75	75	74	76	75
15 or less	79	79	78	78	77	79	78
16 or less	82	82	82	81	81	82	81
17 or less	85	85	85	84	84	85	85
18 or less	88	88	88	88	87	88	88
19 or less	91	91	91	91	90	91	91
20 or less	93	93	93	93	93	93	93
21 or less	94	94	94	94	94	94	94
22 or less	96	96	96	96	95	95	96
23 or less	96	96	97	97	97	96	97
24 or less	97	97	97	98	98	97	97
25 or less	98	98	98	98	98	98	98
26 or less	99	99	99	99	99	99	99
27 or less	99	99	99	99	99	99	99
28 or less	99	99	99	99	99	99	99
29 or less	100	100	100	100	100	100	100
TOTAL FORCE	100	100	100	100	100	100	100

APPENDIX F

VALUATION PROGRAM PARAMETERS DESCRIPTION

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VALUATION PROGRAM PARAMETERS

GORGO is the computer program used to compute the aggregate entry-age normal cost percentage and the unfunded liability. In addition to being affected by the external rates, GORGO has a number of internal parameters which affect its results. These parameters are simply summaries of recent experience. Examples include the rates of election of the Survivor Benefit Plan and member-spouse age differences.

Public Law 108-136 requires additional breakouts of some parameters in order to calculate the DoD and Treasury normal cost components.

A description of the various valuation program parameters by population is given in Table F-1. Numerical values are also shown for selected items.

TABLE F-1

DESCRIPTION OF THE MAJOR VALUATION PROGRAM PARAMETERS

Economic Factors

<u>Item</u>	<u>Description/Value</u>
1) Salary Increase	A parameter for each of the next ten fiscal years specifies the annual percentage increase in basic pay for the active duty and reserve members. An 11th parameter specifies the percentage increase for all subsequent years. The value for the current valuation is 3.75%.
2) CPI	A parameter for each of the next nine fiscal years specifies the annual inflation (Consumer Price Index - CPI) rate for that year. A tenth parameter specifies the inflation rate for all subsequent years. The value for the current valuation is 3%.
3) Interest Rate	A parameter for each of the next nine fiscal years specifies the annual interest rate for that year. A tenth parameter specifies the interest rate for all subsequent years. The value for the current valuation is 5.75%.

Active Duty

<u>Item</u>	<u>Description/Value</u>
1) Member Election of Spouse or Spouse/Child SBP Coverage	This gives the percentage of members by age and officer/enlisted status who have elected spouse or spouse/child coverage under the Survivor Benefit Plan (SBP).

TABLE F-1 (continued)

<u>Item</u>	<u>Description/Value</u>
2) Full Offsets	<p>A member who is disabled may waive all or part of his or her retired pay to receive benefits from the Veterans Administration. Furthermore, a member who decides to convert his or her military service to receive a federal civilian retirement also waives his or her right to a military pension. These amounts are not included when computing normal costs or unfunded liabilities. The percent of retired pay of new retirees that is fully offset is given by officer/enlisted status, and type of retirement (disability/nondisability). Disability status is given further by those with over and under 20 years of service.</p>
3) Partial VA Offsets	<p>It is possible to have part of DoD retired pay offset by VA compensation. The percent of retired pay of paid new retirees that is partially offset is the parameter. They are given by officer/enlisted and disability/nondisability status. Disability status is given further by those with over and under 20 years of service.</p>
4) Disability Factor	<p>When an active duty member is disabled and receives DoD disability retirement, his retired pay is based on a minimum (30%), a maximum, and a disability rating. The maximum is given by the conditions discussed in Appendix A regarding Disability Retirement. These are combined into one factor, expressed as a percentage of basic pay, or High-3, and given by length of service and type of retirement (temporary disability/permanent disability).</p>

TABLE F-1 (continued)

<u>Item</u>	<u>Description/Value</u>
5) Percent Active Duty Married	When a member dies from a Service-connected disability or on active duty, any surviving spouse is eligible for Dependency and Indemnity Compensation (DIC) from the Veterans Administration. In addition, if the member dies in the line of duty or after completing 20 years of service, the surviving spouse is eligible for an SBP annuity from DoD which would bring the total amount of the benefit up to 55% of the member's retired pay. The excess of the SBP annuity over DIC comes from the Military Retirement Fund. Thus, it is necessary to estimate the percent of active duty members who are married.
6) Reduction Factors for SBP	Premium amounts, as a percent of retired pay, by age and officer/enlisted status.
7) Rounding Assumptions for Partially Completed Years of Service	When retired pay is computed, years of service are rounded down to the nearest completed month. An assumption must be made for the computation. The value for the current valuation is 0.017.
8) CSB/Redux election proportion	The proportion of members who elect CSB/Redux. The value for the current valuation is 25%.
9) Initial Annual Pay of 16-year-old Active Duty Officer	This value is used to allocate a portion of part-time benefits to full-time in normal cost valuations, thus linking the radixes and pay of full- and part-time members. The value for the current valuation is \$33,026.
10) Accumulated Value of Partial Pay And Disability Retirements in the First Year of Service	This amount is used to properly align the decrement rates with the assumption, in a normal cost run, of a new entrant cohort starting with zero years of service.

TABLE F-1 (continued)

Reserve

<u>Item</u>	<u>Description/Value</u>
1) Blow-Up Factors for the Selected Reserve Transferring to Inactive Duty With 20 Good Years	Ratio of Individual Ready Reserve (IRR), Inactive National Guard (ING), and Standby Reserve to every Selected Reserve transferring to inactive duty with 20 good years. This is given by officer/enlisted status, age, and years of active service.
2) Blow-Up Factors for Reserves Transferring to Retired Pay Status	Ratio of IRR, ING, Standby Reserve, and other Reserve to every known Reserve transferring to retired pay status. This is given by officer/enlisted status, age, and years of active service.
3) Adjustment to Blow-Up Factors For Reserves	An additional adjustment to Item 2 (above) is made to the person blow-up factors to better align the total number of retirees due to the modeling changes necessitated by NDAA 2008. This is given by officer/enlisted.
4) Ratio of Net to Gross Retired Pay For Reserves	This is the ratio of reserve net retired pay to gross retired pay. This is given by officer/enlisted status, age, and years of active service.
5) Proportion of Points Based on Active Service	This amount is used to prorate that part of the reserve normal cost that should be paid for as a part of the active duty normal cost. This is given by officer/enlisted status, and years of active service.
6) Mean Age of Reservists Age 63 And Older	This is needed because a small portion of eligible reservists don't retire by age 63. It is given by officer/enlisted status. The values for the current valuation are (Officer: 65.8; Enlisted: 64.4).
7) Reserve New Entrants	Reserve new entrants per 100,000 active duty new entrants. This includes only the reservists who show up on the file for the first time with less than a full year of active duty service. The value for the current valuation is 20,912.

TABLE F-1 (continued)

<u>Item</u>	<u>Description/Value</u>
8) Reserve Points Earned	<p><u>Selected Reserve</u>: Average annual points earned for pay are given by officer/enlisted, age, and years of active service.</p> <p><u>Non-Selected Reserve with 20 or more Good Years</u>: Average career total points for retirement are given by officer/enlisted, age, and years of active service.</p>
9) Reserve Points Adjustment	<p>A small adjustment is made to Reserve Points Earned to reflect the increase in the Inactive Duty Training (IDT) points from 90 to 130 as enacted in NDAA 2008. The adjustment used in the valuation is 1.00225.</p>
10) Initial Annual Pay of 25-year-old Selected Reserve member	<p>This value is used to set an initial pay for a part-time member in a normal cost run. The value for the current valuation is \$41,093.</p>
11) Reserve Retirement Age FYs	<p>An assumption is made to reflect the number of years, on average, reservists retire early due to performing certain active service, per NDAA 2008. An average reduction of two years (age 58) was assumed. Fiscal years are needed to phase into this earlier retirement over time. The transition to an average retirement age of 59 is assumed to occur in 2013, and the transition to age 58 is assumed to occur in 2028. See also page K-11.</p>

Retiree

<u>Item</u>	<u>Description/Value</u>
1) Retired Pay Adjustment Factors	<p>Retired pay of current retirees is adjusted for VA compensation, SBP offset changes, and other effects during the year. They are given by officer/enlisted, disability/nondisability, and whether or not the member has elected SBP spouse or spouse/child coverage.</p>

TABLE F-1 (continued)

Survivor

<u>Item</u>	<u>Description/Value</u>
1) Member-Survivor Age Difference	When a member dies, a survivor is assumed to be a certain number of years younger (or older) than the member. This is given by active/reserve, officer/enlisted status, type of retirement (i.e., nondisability, temporary disability, permanent disability), and type of survivor (i.e., spouse, child, insurable interest).
2) SBP Base-over-Net	Under SBP the retiree may elect an amount less than his or her gross retired pay as a base in computing the survivor annuity. Base amounts can also exceed net retired pay because of factors that reduce gross retired pay to net. This is expressed as a percentage of net retired pay and is given by age and officer/enlisted status.
3) RSFPP Benefit-over-Net	For RSFPP (Retired Servicemen’s Family Protection Plan), this gives the ratio of the survivor payment to the net amount of retired pay.
4) Reservists’ Election of RCSBP	Proportion of reservists who have elected the Reserve Component Survivor Benefit Plan (RCSBP) by immediate and deferred annuity, age, and officer/enlisted status.
5) Partial DIC Offsets	The percent of survivor pay of new survivors whose pay is partially offset by DIC. They are given by the member’s active/reserve status.

TABLE F-1 (continued)

<u>Item</u>	<u>Description/Value</u>
6) Full DIC Offsets	The percent of survivor pay of new survivors whose pay is fully offset by DIC. They are given by the member's active/reserve status.
7) Rates for Electing SBP Options	Given that a member elects SBP, there is still a choice of options: spouse only, child only, spouse and child, or insurable interest (some other designated beneficiary in the absence of a spouse or child). These are expressed as ratios to those electing spouse only or spouse/child coverage, and are given by age and officer/enlisted status.
8) Rates for Election of RSFPP Options	Given that a member elected an RSFPP option, there was a choice of options: spouse only, child only, or spouse and child. These are expressed as ratios to those electing spouse only or spouse/child coverage, and are given by age and officer/enlisted status.
9) Survivor Pay Adjustment Factors	Survivor pay of current survivors is adjusted for changes in DIC and other effects during the year.
10) DIC Base Amount	Monthly amount by which DoD annuitant pay is offset by DIC. Future values are indexed to CPI. The first-year value for the current valuation is \$1,154.

APPENDIX G

ACTIVE DUTY RATES

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ACTIVE DUTY RATES

The active duty rates consist principally of decrement rates related to the probabilities of a member leaving a category of Military Service for a specific cause. In addition, they include a new entrant distribution, a set of reentrant ratios, and ratios for promotion and merit pay increases.

The active duty decrement rates are used to project active duty deaths, temporary and permanent disability retirements, nondisability retirements, and withdrawals (i.e., other active duty losses). In addition, the active duty decrements include rates of transfer between officer and enlisted status. The death rates are given by age nearest birthday for officers and enlistees separately. The remaining decrement rates are given by completed years of active service for officers and enlistees separately. The formulas used to create the active duty rates are given on page G-3. The fiscal years on which various rates are based are given on page G-4. The experience period was selected such that the sum of the active force size changes for the included periods was near zero. Because of the large number of cases available and the need to avoid smoothing through real discontinuities, the nondisability retirement and withdrawal rates were not graduated (smoothed). The remaining rates were separated into ranges where assumptions of continuity were reasonable. Except for a few of these ranges where means or ungraduated rates were used, the remaining rates were smoothed using Whittaker-Henderson graduations.

A reentrant is defined as someone who is on active duty at year end, who was not on active duty a year earlier, and who is not a new entrant. The reentrant ratios give the expected number of reentrants per year, per active member, in each cell. The cells are defined by length of service and by officer/enlisted status.

The new entrant distribution gives the percentages of new entrants to the military by age and by officer/enlisted status.

The promotion and merit increase scales (PAMS) give the expected annual percentage increase in pay regardless of whether or not there are across-the-board increases in the active duty pay table. The PAMS do not include adjustments for inflation or productivity increases. They are defined by length of service, by entry age, and by officer/enlisted status. The PAMS were created by first arraying the average pay for each entry along a dimension of increasing years of service. The PAMS were then computed by dividing the average pay at the next year of service by the average pay at the current year of service.

ACTIVE DUTY RATE FORMULAS

ACTIVE DEATH (by age nearest birthday)

$$\frac{\text{Deaths during year}}{[\text{Number at beginning of year} - \frac{1}{2} (\text{withdrawals} + \text{nondisability retirements during year})]}$$

NONDISABILITY RETIREMENT (by completed years of service)

$$\frac{\text{New retirees during year}}{\text{Number at beginning of year}}$$

TEMPORARY DISABILITY RETIREMENT (by completed years of service)

$$\frac{\text{New temporary disabilities during year}}{[\text{Number at beginning of year} - \frac{1}{2} (\text{withdrawals} + \text{nondisability retirements during year})]}$$

PERMANENT DISABILITY RETIREMENT (by completed years of service)

$$\frac{\text{New permanent disabilities during year}}{[\text{Number at beginning of year} - \frac{1}{2} (\text{withdrawals} + \text{nondisability retirements during year})]}$$

WITHDRAWAL (by completed years of service)

$$\frac{\text{Withdrawals during year}}{\text{Number at beginning of year}}$$

REENTRANT RATIOS (by completed years of service)

$$\frac{\text{Number reentering during year}}{\text{Number at beginning of year}}$$

PERCENTAGE DISTRIBUTION OF NEW ENTRANTS (by age nearest birthday)

$$\frac{\text{New entrants during year}}{\text{Total new entrants}}$$

TRANSFER (by completed years of service)

$$\frac{\text{Transfers to category during year}}{[\text{Number at beginning of year} - \frac{1}{2} (\text{withdrawals} + \text{nondisability retirements during year})]}$$

PROMOTION AND MERIT SCALES (by entry age and completed years of service)

$$\frac{\text{Average basic pay at next year of service}}{\text{Average basic pay at current year of service}}$$

SUMMARY OF YEARS ON WHICH ACTIVE DUTY RATES ARE BASED

By Fiscal Year

<u>RATE</u>	<u>1982-1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
Death		X	X	X	X	X	X	X	X	X	X
Nondisability Retirement	X								X	X	X
Temporary Disability Retirement	X								X	X	X
Permanent Disability Retirement	X								X	X	X
Withdrawal	X								X	X	X
Reentrant Ratios	X								X	X	X
New Entrant Distribution	X								X	X	X
Transfer	X								X	X	X
Promotion and Merit Scales	X								X	X	X

DEATH RATES FOR NONRETIRED MILITARY

(Age Nearest Birthday)

<u>Age</u>	<u>Officer</u>	<u>Enlisted</u>	<u>Age</u>	<u>Officer</u>	<u>Enlisted</u>
16	0.00027	0.00059	39	0.00037	0.00057
17	0.00029	0.00065	40	0.00037	0.00060
18	0.00031	0.00069	41	0.00037	0.00064
19	0.00033	0.00070	42	0.00037	0.00068
20	0.00034	0.00067	43	0.00039	0.00071
21	0.00036	0.00066	44	0.00043	0.00075
22	0.00038	0.00063	45	0.00047	0.00080
23	0.00046	0.00059	46	0.00051	0.00085
24	0.00053	0.00055	47	0.00056	0.00092
25	0.00059	0.00052	48	0.00061	0.00100
26	0.00065	0.00051	49	0.00066	0.00111
27	0.00066	0.00049	50	0.00071	0.00123
28	0.00063	0.00048	51	0.00076	0.00137
29	0.00060	0.00048	52	0.00082	0.00155
30	0.00056	0.00048	53	0.00088	0.00173
31	0.00052	0.00048	54	0.00095	0.00192
32	0.00048	0.00048	55	0.00107	0.00220
33	0.00045	0.00048	56	0.00122	0.00250
34	0.00043	0.00048	57	0.00140	0.00287
35	0.00042	0.00048	58	0.00160	0.00329
36	0.00040	0.00049	59	0.00180	0.00370
37	0.00040	0.00051	60	0.00203	0.00416
38	0.00039	0.00054			

Note: These death rates should not be compared to other published rates or used for other purposes without examining the exposure formula used in the derivation.

**NONDISABILITY, TEMPORARY DISABILITY &
PERMANENT DISABILITY RETIREMENT RATES**

OFFICERS (BY COMPLETED YEARS OF SERVICE)

<u>Service</u>	<u>Non- disability</u>	<u>Temporary Disability ***</u>	<u>Permanent Disability ***</u>
0	0.00000	0.00051	0.00012
1	0.00000	0.00087	0.00009
2	0.00000	0.00099	0.00011
3	0.00000	0.00115	0.00016
4	0.00000	0.00130	0.00017
5	0.00000	0.00129	0.00018
6	0.00000	0.00128	0.00033
7	0.00000	0.00126	0.00032
8	0.00000	0.00124	0.00032
9	0.00000	0.00121	0.00033
10	0.00000	0.00118	0.00032
11	0.00000	0.00115	0.00031
12	0.00000	0.00111	0.00031
13	0.00000	0.00107	0.00031
14	0.00000	0.00103	0.00033
15	0.00000	0.00098	0.00038
16	0.00000	0.00094	0.00046
17	0.00000	0.00089	0.00056
18	0.00000	0.00084	0.00065
19	0.24055	0.00275	0.00145
20	0.21309	0.00306	0.00186
21	0.16279	0.00226	0.00170
22	0.14225	0.00266	0.00161
23	0.14163	0.00313	0.00190
24	0.13776	0.00272	0.00182
25	0.17677	0.00319	0.00158
26	0.18520	0.00541	0.00261
27	0.21555	0.00462	0.00194
28	0.20353	0.00501	0.00339
29	0.47452	0.00795	0.00459
30	0.38848	0.01134	0.00630
31	0.29656	0.00848	0.00446
32	0.26316	0.00848	0.00446
33	0.26941	0.00848	0.00446
34	1.00000	0.00848	0.00446

*** The increase in disability rates shown between 18 and 19 years of service may be due to the removal of the 30% disability rating minimum for members with 20 years of service. The tax advantages accorded disability retired pay described in Appendix A may result in members choosing disability over nondisability retirements.

Example: Nine completed years of service could include anything from 9.0 to 9.999 years of service. The associated rate applied to the number of people at the beginning of the year in the category will produce the expected number of occurrences during the following year.

**NONDISABILITY, TEMPORARY DISABILITY &
PERMANENT DISABILITY RETIREMENT RATES**

ENLISTED (BY COMPLETED YEARS OF SERVICE)

<u>Service</u>	<u>Non- disability</u>	<u>Temporary Disability ***</u>	<u>Permanent Disability ***</u>
0	0.00000	0.00124	0.00008
1	0.00000	0.00184	0.00018
2	0.00000	0.00219	0.00025
3	0.00000	0.00262	0.00031
4	0.00000	0.00233	0.00038
5	0.00000	0.00236	0.00044
6	0.00000	0.00239	0.00051
7	0.00000	0.00240	0.00058
8	0.00000	0.00241	0.00064
9	0.00000	0.00242	0.00071
10	0.00000	0.00241	0.00078
11	0.00000	0.00240	0.00089
12	0.00000	0.00238	0.00090
13	0.00000	0.00234	0.00093
14	0.00000	0.00230	0.00090
15	0.00000	0.00225	0.00113
16	0.00000	0.00218	0.00127
17	0.00000	0.00211	0.00135
18	0.00000	0.00202	0.00141
19	0.41610	0.00737	0.00423
20	0.30413	0.00699	0.00486
21	0.26512	0.00548	0.00375
22	0.23263	0.00589	0.00381
23	0.26045	0.00507	0.00361
24	0.16114	0.00504	0.00328
25	0.29534	0.00578	0.00320
26	0.24573	0.00644	0.00357
27	0.25008	0.00730	0.00401
28	0.20681	0.00752	0.00562
29	0.73967	0.01515	0.00751
30	0.58234	0.02688	0.01132
31	0.42527	0.02243	0.00303
32	0.52915	0.02243	0.00303
33	0.36341	0.02243	0.00303
34	1.00000	0.02243	0.00303

*** The increase in disability rates shown between 18 and 19 years of service may be due to the removal of the 30% disability rating minimum for members with 20 years of service. The tax advantages accorded disability retired pay described in Appendix A may result in members choosing disability over nondisability retirements.

Example: Nine completed years of service could include anything from 9.0 to 9.999 years of service. The associated rate applied to the number of people at the beginning of the year in the category will produce the expected number of occurrences during the following year.

**WITHDRAWAL, REENTRANT, AND NET LOSS RATES
FOR ACTIVE DUTY PERSONNEL**

OFFICERS (BY COMPLETED YEARS OF SERVICE)

<u>Service</u>	<u>Withdrawal</u>	<u>Reentrant ***</u>	<u>Net Loss</u>
0	0.02174	0.11396	-0.09222
1	0.02292	0.02737	-0.00445
2	0.08449	0.02111	0.06338
3	0.11869	0.02417	0.09452
4	0.10029	0.01435	0.08594
5	0.09043	0.01306	0.07737
6	0.09615	0.01156	0.08459
7	0.08380	0.00997	0.07383
8	0.07228	0.00839	0.06389
9	0.05860	0.00694	0.05166
10	0.06714	0.00568	0.06146
11	0.05605	0.00469	0.05136
12	0.03763	0.00400	0.03363
13	0.02325	0.00366	0.01959
14	0.01663	0.00252	0.01411
15	0.01056	0.00221	0.00835
16	0.00783	0.00205	0.00578
17	0.00547	0.00193	0.00354
18	0.00242	0.00174	0.00068
19	0.00000	0.00139	-0.00139
20	0.00000	0.00151	-0.00151
21	0.00000	0.00157	-0.00157
22	0.00000	0.00161	-0.00161
23	0.00000	0.00164	-0.00164
24	0.00000	0.00169	-0.00169
25	0.00000	0.00180	-0.00180
26	0.00000	0.00199	-0.00199
27	0.00000	0.00231	-0.00231
28	0.00000	0.00278	-0.00278
29	0.00000	0.00344	-0.00344
30	0.00000	0.00658	-0.00658
31	0.00000	0.00455	-0.00455
32	0.00000	0.00779	-0.00779
33	0.00000	0.00737	-0.00737
34	0.00000	0.00000	0.00000

*** The reentrant (and all other) rates are developed for valuation purposes to be consistent with the data sources used in the valuation. For example, high reentrant rates for members with zero completed years of service at the beginning of the year reflect members showing up on the valuation data files with one completed year of service at year end, who were not on the data files at the beginning of the year, and who were not new entrants. To the extent the valuation data files exclude these members from the zero-completed-years-of-service cell, use of this reentrant rate is appropriate for the valuation projection. However, this "valuation focus" of the rates should be considered if using them for other purposes, e.g., to estimate the probability a given individual will remain on active duty from zero to one or more completed years of service.

Example: Nine completed years of service could include anything from 9.0 to 9.999 years of service. The associated rate applied to the number of people at the beginning of the year in the category will produce the expected number of occurrences during the following year.

**WITHDRAWAL, REENTRANT, AND NET LOSS RATES
FOR ACTIVE DUTY PERSONNEL**

ENLISTED (BY COMPLETED YEARS OF SERVICE)

<u>Service</u>	<u>Withdrawal</u>	<u>Reentrant ***</u>	<u>Net Loss</u>
0	0.10365	0.02826	0.07539
1	0.11686	0.00610	0.11076
2	0.23581	0.01688	0.21893
3	0.38351	0.03133	0.35218
4	0.14331	0.01289	0.13042
5	0.16240	0.01066	0.15174
6	0.12406	0.00886	0.11520
7	0.12101	0.00797	0.11304
8	0.09350	0.00682	0.08668
9	0.09044	0.00544	0.08500
10	0.05784	0.00412	0.05372
11	0.05054	0.00320	0.04734
12	0.04103	0.00246	0.03857
13	0.02841	0.00191	0.02650
14	0.02716	0.00155	0.02561
15	0.01682	0.00141	0.01541
16	0.01168	0.00115	0.01053
17	0.00825	0.00106	0.00719
18	0.00410	0.00116	0.00294
19	0.00000	0.00129	-0.00129
20	0.00000	0.00155	-0.00155
21	0.00000	0.00141	-0.00141
22	0.00000	0.00129	-0.00129
23	0.00000	0.00117	-0.00117
24	0.00000	0.00112	-0.00112
25	0.00000	0.00108	-0.00108
26	0.00000	0.00104	-0.00104
27	0.00000	0.00087	-0.00087
28	0.00000	0.00066	-0.00066
29	0.00000	0.00043	-0.00043
30	0.00000	0.00165	-0.00165
31	0.00000	0.00289	-0.00289
32	0.00000	0.00438	-0.00438
33	0.00000	0.00484	-0.00484
34	0.00000	0.00000	0.00000

*** The reentrant (and all other) rates are developed for valuation purposes to be consistent with the data sources used in the valuation. For example, high reentrant rates for members with zero completed years of service at the beginning of the year reflect members showing up on the valuation data files with one completed year of service at year end, who were not on the data files at the beginning of the year, and who were not new entrants. To the extent the valuation data files exclude these members from the zero-completed-years-of-service cell, use of this reentrant rate is appropriate for the valuation projection. However, this "valuation focus" of the rates should be considered if using them for other purposes, e.g., to estimate the probability a given individual will remain on active duty from zero to one or more completed years of service.

Example: Nine completed years of service could include anything from 9.0 to 9.999 years of service. The associated rate applied to the number of people at the beginning of the year in the category will produce the expected number of occurrences during the following year.

PERCENTAGE DISTRIBUTION OF NEW ENTRANTS

(Age Nearest Birthday)

<u>Age</u>	<u>Officers</u>	<u>Enlisted</u>	<u>Total</u>
16	0.00000	0.00000	0.00000
17	0.00000	0.00137	0.00137
18	0.00000	0.13096	0.13096
19	0.00000	0.26062	0.26062
20	0.00002	0.19630	0.19632
21	0.00025	0.11244	0.11268
22	0.01331	0.07001	0.08333
23	0.01974	0.04755	0.06729
24	0.01169	0.03352	0.04520
25	0.00581	0.02349	0.02930
26	0.00466	0.01621	0.02087
27	0.00363	0.01124	0.01487
28	0.00238	0.00823	0.01060
29	0.00174	0.00556	0.00731
30	0.00142	0.00379	0.00521
31	0.00107	0.00283	0.00390
32	0.00081	0.00210	0.00291
33	0.00063	0.00167	0.00230
34	0.00052	0.00132	0.00185
35	0.00043	0.00116	0.00159
36	0.00028	0.00031	0.00059
37	0.00018	0.00003	0.00021
38	0.00015	0.00000	0.00015
39	0.00012	0.00000	0.00012
40	0.00010	0.00000	0.00010
41	0.00007	0.00000	0.00007
42	0.00005	0.00000	0.00005
43	0.00004	0.00000	0.00004
44	0.00004	0.00000	0.00004
45	0.00002	0.00000	0.00002
46	0.00003	0.00000	0.00003
47	0.00001	0.00000	0.00001
48	0.00001	0.00000	0.00001
49	0.00002	0.00000	0.00002
50	0.00001	0.00000	0.00001
51	0.00001	0.00000	0.00001
52	0.00001	0.00000	0.00001
53	0.00001	0.00000	0.00001
54	0.00001	0.00000	0.00001
55	0.00001	0.00000	0.00001
Total	0.06928	0.93072	1.00000

TRANSFER RATES (BY COMPLETED YEARS OF SERVICE)

<u>Service</u>	<u>Officer to Enlisted</u>	<u>Enlisted to Officer</u>
0	0.00065	0.00286
1	0.00015	0.00095
2	0.00007	0.00092
3	0.00021	0.00119
4	0.00021	0.00189
5	0.00013	0.00223
6	0.00021	0.00298
7	0.00020	0.00383
8	0.00020	0.00522
9	0.00019	0.00613
10	0.00019	0.00646
11	0.00066	0.00645
12	0.00101	0.00646
13	0.00084	0.00609
14	0.00133	0.00483
15	0.00163	0.00366
16	0.00184	0.00256
17	0.00088	0.00164
18	0.00021	0.00104
19	0.00011	0.00089
20	0.00009	0.00109
21	0.00004	0.00103
22	0.00002	0.00085
23	0.00000	0.00107
24	0.00000	0.00056
25	0.00000	0.00009
26	0.00000	0.00004
27	0.00000	0.00005
28	0.00000	0.00000
29	0.00000	0.00000
30	0.00000	0.00000
31	0.00000	0.00000
32	0.00000	0.00000
33	0.00000	0.00000
34	0.00000	0.00000

Example: Nine completed years of service could include anything from 9.0 to 9.999 years of service. The associated rate applied to the number of people at the beginning of the year in the category will produce the expected number of occurrences during the following year.

OFFICER PROMOTION AND MERIT BASIC PAY INCREASE RATIOS

YOS	ENTRY AGE										
	16	17	18	19	20	21	22	23	24	25	26
1	1.03656	1.05729	1.03212	1.04051	1.07881	1.01973	1.01632	1.05119	1.08460	1.08186	1.04890
2	1.03402	1.04832	1.03935	0.96974	1.07870	1.12459	1.26496	1.26033	1.24352	1.21682	1.13529
3	1.02791	1.03945	1.05405	1.09507	1.13306	1.20597	1.16529	1.14780	1.13233	1.12196	1.08016
4	1.01870	1.03310	1.04832	1.01865	1.07210	1.08776	1.13644	1.12337	1.10273	1.08816	1.06222
5	1.00652	1.03070	1.02039	1.04591	1.04430	1.02778	1.02407	1.03071	1.03715	1.03840	1.03463
6	1.00531	1.03233	1.07014	1.04859	1.04473	1.04517	1.04732	1.04019	1.03569	1.04211	1.05273
7	1.01681	1.03603	1.01641	1.02092	1.01127	1.00924	1.00477	1.01492	1.02382	1.02651	1.02292
8	1.04039	1.03938	1.06356	1.05894	1.04260	1.03777	1.04668	1.03939	1.03479	1.03941	1.04042
9	1.05710	1.04123	1.01924	1.01942	1.01754	1.01307	1.00883	1.01524	1.02001	1.01999	1.01914
10	1.06990	1.03747	1.05330	1.04675	1.03808	1.03596	1.04793	1.04082	1.03558	1.03668	1.03431
11	1.07035	1.05379	1.02005	1.02406	1.02610	1.02217	1.03079	1.05043	1.05894	1.04667	1.03007
12	1.06003	1.05924	1.05883	1.05400	1.04952	1.04560	1.08627	1.07250	1.05872	1.05135	1.03951
13	1.03719	1.02168	1.02404	1.02786	1.02387	1.02226	1.00978	1.01624	1.01992	1.02128	1.01878
14	1.01606	1.03718	1.05825	1.05429	1.04503	1.03684	1.03261	1.02839	1.02542	1.02614	1.02671
15	0.99086	1.02867	1.02601	1.02525	1.02457	1.02288	1.01205	1.01422	1.01865	1.02084	1.02163
16	0.98367	1.04994	1.04202	1.03797	1.03712	1.03554	1.03902	1.03957	1.03749	1.03391	1.03256
17	0.98885	1.02400	1.02242	1.02627	1.02376	1.02328	1.02846	1.02863	1.02640	1.02721	1.02267
18	1.00578	1.04194	1.05046	1.04617	1.04277	1.03690	1.03372	1.02825	1.02466	1.02499	1.02696
19	1.01503	1.02256	1.02481	1.02469	1.02026	1.01532	1.00719	1.00965	1.01111	1.01355	1.01537
20	1.02430	1.04826	1.04012	1.03386	1.03114	1.03662	1.04083	1.03839	1.03982	1.04255	1.04404
21	1.04144	1.01905	1.02177	1.02039	1.01899	1.01842	1.03662	1.04326	1.04294	1.03930	1.03172
22	1.06035	1.03169	1.02830	1.02744	1.02804	1.03886	1.05863	1.05586	1.05158	1.04696	1.03382
23	1.08278	1.02651	1.01825	1.02002	1.02043	1.02198	1.03042	1.02856	1.02746	1.02959	1.02231
24	1.08200	1.03249	1.02749	1.02507	1.03111	1.02990	1.03055	1.02610	1.02432	1.02284	1.01899
25	1.06956	1.02669	1.01847	1.02305	1.02069	1.02266	1.01399	1.02021	1.02401	1.02127	1.01131
26	1.04973	1.03237	1.03505	1.03740	1.03242	1.03299	1.04794	1.03840	1.03261	1.02557	1.02222
27	1.04291	1.02463	1.02249	1.02125	1.01976	1.01506	1.01608	1.01371	1.01014	1.01150	1.00833
28	1.04386	1.02604	1.02339	1.02146	1.02148	1.01764	1.02344	1.02634	1.02950	1.02909	1.02052
29	1.04615	1.02415	1.02334	1.02445	1.01572	1.02514	1.02014	1.02277	1.01701	1.01546	1.00632
30	1.05028	1.04989	1.05199	1.05865	1.05962	1.05889	1.06842	1.06720	1.05689	1.05411	1.03009
31	1.05150	1.03493	1.04864	1.03840	1.01722	1.02477	1.06766	1.07356	1.04909	1.07934	1.01814
32	1.04821	1.03707	1.04082	1.01656	1.00942	1.01971	1.05436	1.04647	1.02833	1.05565	1.02998
33	1.04498	1.03718	1.02946	1.02088	1.00419	1.02683	1.02587	1.03480	1.03211	1.02991	1.02400
34	1.04533	1.03724	1.01437	1.01567	1.02744	0.96309	0.92090	0.93946	0.98040	0.98519	1.03209

Note: The number that appears, for example, in the column marked '20' and the row marked '2' is the ratio of basic pay at two years of service to basic pay at one year of service for a member who entered at age 20.

ENLISTED PROMOTION AND MERIT BASIC PAY INCREASE RATIOS

YOS	ENTRY AGE										
	16	17	18	19	20	21	22	23	24	25	26
1	1.12956	1.13723	1.15470	1.13372	1.11242	1.10706	1.10275	1.09678	1.09254	1.09085	1.09448
2	1.08928	1.10939	1.11241	1.10788	1.10531	1.10544	1.10661	1.10776	1.10803	1.10807	1.10800
3	1.06307	1.10374	1.10092	1.09931	1.09777	1.09743	1.09551	1.09254	1.09111	1.09045	1.08758
4	1.05206	1.09977	1.08223	1.07117	1.06612	1.06548	1.06470	1.06464	1.06410	1.06387	1.06608
5	1.04302	1.03505	1.03299	1.04023	1.04197	1.04105	1.04118	1.04146	1.04319	1.04344	1.04612
6	1.05951	1.08642	1.07884	1.06827	1.06512	1.06591	1.06696	1.06667	1.06642	1.06654	1.06458
7	1.02633	1.02840	1.03003	1.03843	1.04084	1.03997	1.03928	1.03912	1.03757	1.03679	1.03711
8	1.04314	1.09798	1.08616	1.07539	1.07034	1.07003	1.06976	1.06912	1.06896	1.06963	1.06408
9	1.02614	1.02033	1.02143	1.02738	1.03006	1.02982	1.02905	1.02853	1.02871	1.02804	1.02811
10	1.02079	1.05706	1.05762	1.05337	1.05112	1.05035	1.05009	1.04964	1.04824	1.04815	1.04583
11	1.02251	1.01916	1.01776	1.02172	1.02386	1.02412	1.02283	1.02319	1.02255	1.02387	1.02321
12	1.02971	1.06938	1.06065	1.05275	1.04925	1.04670	1.04484	1.04409	1.04289	1.04265	1.04071
13	1.03347	1.01937	1.01960	1.02284	1.02366	1.02358	1.02344	1.02280	1.02269	1.02297	1.02134
14	1.03365	1.04581	1.04139	1.03726	1.03633	1.03442	1.03366	1.03191	1.03209	1.03079	1.02885
15	1.03386	1.01407	1.02029	1.02291	1.02315	1.02385	1.02292	1.02375	1.02296	1.02303	1.02275
16	1.03990	1.03895	1.03746	1.03527	1.03438	1.03249	1.03201	1.03146	1.02943	1.02876	1.02533
17	1.04955	1.01382	1.01991	1.02226	1.02252	1.02387	1.02261	1.02204	1.02157	1.02093	1.01904
18	1.05587	1.04723	1.04426	1.04096	1.03946	1.03585	1.03398	1.03303	1.03108	1.02970	1.02684
19	1.05598	1.01590	1.01691	1.01773	1.01717	1.01735	1.01780	1.01856	1.01801	1.01914	1.01759
20	1.05247	1.05240	1.05664	1.05868	1.06148	1.06542	1.06978	1.06935	1.07336	1.07435	1.08112
21	1.05033	1.04450	1.03818	1.03820	1.03754	1.03682	1.03966	1.04163	1.04026	1.04468	1.04425
22	1.05009	1.06337	1.06441	1.05930	1.05721	1.05627	1.05658	1.05584	1.05803	1.05221	1.05264
23	1.04897	1.02824	1.02847	1.03218	1.03409	1.03569	1.03568	1.03426	1.03527	1.03790	1.03253
24	1.04593	1.05261	1.05720	1.05640	1.05796	1.06008	1.05676	1.05598	1.05851	1.05768	1.05450
25	1.04217	1.02409	1.02578	1.03011	1.03072	1.02676	1.02683	1.02382	1.02654	1.03177	1.03018
26	1.03739	1.08931	1.08580	1.08422	1.08223	1.07719	1.07653	1.07674	1.06942	1.05638	1.05093
27	1.03330	1.01970	1.02171	1.02171	1.02120	1.02444	1.02822	1.02530	1.02687	1.03616	1.02585
28	1.03115	1.01512	1.02270	1.02432	1.02492	1.02495	1.02681	1.02550	1.02064	1.02170	1.03343
29	1.02918	1.01785	1.01133	1.01454	1.01610	1.01612	1.01482	1.01384	1.01045	1.01360	1.01353
30	1.02739	1.04582	1.05735	1.04444	1.03769	1.03887	1.03468	1.03082	1.03605	1.02841	1.02329
31	1.02431	1.01148	1.00957	1.00450	1.00388	1.01366	0.99826	1.01036	1.00781	1.01808	1.04089
32	1.02054	1.01520	1.00748	1.00614	1.00568	1.00079	1.02942	1.01675	1.01729	1.01785	1.01901
33	1.01673	1.01787	1.00401	0.99493	1.01491	1.02591	1.01305	1.01510	1.01675	1.01902	1.01846
34	1.01298	1.01829	1.04189	1.05548	1.03147	1.01762	1.01126	1.01368	1.01646	1.02128	1.05343

Note: The number that appears, for example, in the column marked '20' and the row marked '2' is the ratio of basic pay at two years of service to basic pay at one year of service for a member who entered at age 20.

APPENDIX H

RESERVE RATES

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RESERVE RATES

The explicit projection of the reserves is a difficult task due to the complexity of the reserve career, evolving changes in how the reserves are used, and vagaries of the reserve data which is comprised of input from multiple reserve components. Reserves may have numerous breaks in service prior to attaining retirement eligibility. Also, Selected Reserves usually transfer to the Non-Selected Reserves before the retirement benefit is received. Below is a description which best describes and explains the reserve valuation process.

The reserve rates consist of (1) separation rates, (2) column-transfer rates, (3) the distribution of new entrants or reentrants into the Selected Reserve, (4) a table that shows the timing of when new entrants or reentrants enter, and (5) ratios for promotion and merit pay.

The separation rates give the probability that a member in a given status at the beginning of the fiscal year leaves the status during the fiscal year. Separation rates from the Selected Reserve, shown on pages H-6 and H-7, include ordinary losses, transfers to active duty, discharge, and death. A transfer of a Selected Reservist from officer to enlisted status or vice versa is treated as a separation combined with a subsequent reentrance. They do not include transfers to non-Selected Reserves with 20 good years, or retirement. Separations from the Selected Reserve to the non-Selected Reserve with 20 good years are shown on pages H-8 and H-9. Separation rates from the non-Selected Reserve with 20 good years, shown on pages H-10 and H-11, include transfer to Selected Reserve, death, discharge, and file corrections and timing delays. They do not include transfer to retirement. Separations from the Selected Reserve and non-Selected Reserves with 20 good years to retirement are shown on pages H-12 and H-13, respectively. The separation rates are given by age of reservist, number of years of active duty service, and whether the reservist is an officer or enlistee.

Due to Section 647 of NDAA 2008 (P.L. 110-181) the rates shown on pages H-6 through H-13 apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

Column-transfer rates give the rate at which a member will accrue enough active service to move from one completed years of total active federal military service column to the next as a result of active duty for special work, mobilizations, summer camp, and initial active duty for training. These rates are shown on pages H-14 and H-15.

The separation rates are based on fiscal years 1997-2000. In most cases the separation rates are not smoothed. However, cells with numerators of fewer than 20 cases were combined with other cells or smoothed by fitting equations to the data using weighted-least-squares regression. The column-transfer rates are based on fiscal years 1998-2001. They are smoothed over all ages and years of active service using weighted-least-squares regression.

The distribution of new entrants and reentrants into the Selected Reserve is used for both open group and closed group projections. This distribution gives the proportion of entrants by officer/enlisted, age nearest birthday, and completed years of active duty service. The cell count for the complete table, including both officers and enlisted, is 100,000. For this purpose, a new entrant or reentrant is defined as someone who was actively on the Reserve Component Common Personnel Data System (RCCPDS) file at the end of a fiscal year, but not at the beginning. The entrant/reentrant distribution was determined using fiscal years 1997-2000, and is shown on pages H-16 and H-17.

The timing table has the same dimensions as the entrant/reentrant distribution and operates in concordance with it. Every cell of the timing table has an integer representing the year in which persons in that cell enter the military. The timing table is based on fiscal years 1997-2000. This table is shown on pages H-18 and H-19. Application of the table depends on the type of projection. A detailed explanation is described further below.

The promotion and merit increase scales (PAMS) give the expected annual percentage increase in pay independent of the across-the-board increases in the active duty pay scale. The PAMS do not include adjustments for inflation or productivity increases. The current PAMS are based on cross-sectional data obtained during fiscal years 1997-2000, and are listed on pages H-20 and H-21. They are defined by length of active service, by age, and by officer/enlisted status. The PAMS were computed by dividing the average pay at age (x+1) by the average pay at the age (x) for a given year of active service. Cells based on few observations were combined with other cells.

The following is a detailed explanation of the timing table application in open group, normal cost, and closed group projections.

Open Group

In an open group projection, new entrants and reentrants are used to bring the part-time Selected Reserve up to DoD Comptroller-provided projected strengths in future years. For an open group run, all cells of the entrant/reentrant distribution are treated equally. For example, if the needed number of new entrants and reentrants equals 150,000 for some future year, the number brought in corresponding to each cell of the entrant/reentrant distribution would be $(n_{ij} / 100,000) \times 150,000$, where n_{ij} is the cell count for row i and column j of the entrant/reentrant distribution. In this example, we would bring in 333 (1.5 x 222) officers aged 29 with under a year of service.

Normal Cost

For normal cost runs, part of an entering cohort first goes to active duty or an ROTC program, but later shows up as a new entrant to the part-time Selected Reserves. In addition, some leave the part-time Selected Reserves and later show up as a reentrant.

This process is simulated in the normal cost run by having the new or reentrant Reservists corresponding to each cell of the timing table show up only when appropriate. In a normal cost run, all cells of the entrant/reentrant distribution will enter only once. Some cells enter the first year. Some cells enter the second year, and so on. Every cell enters, but no cell enters more than once.

The timing table is used to determine when various cells enter in a normal cost run. For example, 23-year-old officers with less than a year of active service are expected to enter the fourth year of the projection. Similarly, 56-year-old officers with 5 years of active service enter in the thirty-first year of the projection. The latter would most likely be reentrants, and the former, new entrants.

The new entrant/reentrant distribution does not distinguish between new entrants and reentrants. They represent people who are in the part-time Selected Reserves at the end of the fiscal year who were not there at the beginning. This is also true for the timing table. The one exception is that cases with a value of 1 are always new entrants. However, there are new entrants that have spent some time on active duty who show up in the same cells which also include reentrants.

The multiplier (or radix) for a normal cost run in one sense does not matter, because the present value of benefits and the present value of salary change proportionately with it. However, part of the Reserve retirements are paid for with the active duty normal cost, since part of the Reserve retirement is attributable to active duty service. For this reason the radix for part-time and full-time normal costs must be calibrated, so that in the steady state the part-time population is the proper size relative to the active duty force. The present value of Reserve retirement attributable to active duty service may then simply be added to the present value of retirement benefits attributable to active duty service. For the current valuation, this calibration results in 75,823 new entrants/reentrants to the Selected Reserves each year for every 100,000 new entrants to active duty. The portion of the 75,823 that are new entrants to the military is 20,912; this then is the Reserve normal cost radix. This radix is determined by allocating 75,823 according to the entrant/reentrant distribution and choosing the cells for which the value of the timing table equals 1. Thus, throughout the course of the normal cost projection, a total of 75,823 enter (or reenter) the Selected Reserve, 20,912 of whom enter the military for the first time as Selected Reservists.

Closed Group

Closed-group runs form the basis for the calculation of the actuarial liability and exclude anyone who enters the military for the first time after the valuation date. For closed group runs, no new entrants or reentrants are brought in for cells with a value of 1 in the timing table. Doing so would effectively bring in a cohort whose first military service began after the date of the valuation. For cells whose value is 2, no new entrants or reentrants are brought in after the end of the first year, for the same reason. For cells whose value is 3, no new entrants or reentrants are brought in after the end of the second year, and so on. For closed group runs the value for a cell is one larger than the number of future cohorts to be brought in.

In addition to the above timing logic, a “multiplier” is needed to determine the number of entrants/reentrants to the Selected Reserve each year. None of these entrants/reentrants represent people entering the military for the first time; rather, they represent people transferring from active duty or people (veterans) reentering the Selected Reserves after a break in service, including members who were in the census at the beginning of the projection. The multiplier for closed group runs is set equal to the projected first year losses from the Selected Reserve. The assumption is that if new entrants to the military were included, roughly a constant population is maintained. The entrants are brought in to the Selected Reserve according to the entrant/reentrant distribution. For example, if the multiplier were 150,000, the number brought in to a Selected Reserve cell in a given year of the projection is $(n_{ij} / 100,000) \times 150,000$, where n_{ij} is the cell count for row i and column j of the entrant/reentrant distribution. Again, however, note that bringing in the entrants/reentrants is subject to the aforementioned timing table value restrictions in order to be consistent with closed-group requirements. For example, if the first-year losses were 150,000, the end-of-first-year entrants/reentrants would be approximately 109,000, determined using the $(n_{ij} / 100,000) \times 150,000$ formula for every cell that has a value greater than 1 in the timing table. For each future year in the projection, the number of entrants/reentrants would get progressively smaller, as fewer cells would qualify, based upon the corresponding value of the timing table.

The timing table is based on a data element in the Reserve file called DIEUS, date of initial entry to uniformed services. The values represented in the timing table cells are the average number of fiscal years (or partial fiscal years) between the DIEUS date and the date of the end of the fiscal year in which they entered (or reentered). For example, if the timing table were based on one fiscal year of data and all the cases in a cell had a DIEUS date that fell in the fiscal year being studied, the timing table value for that cell would be 1. If all the cases entered (according to DIEUS) in the fiscal year that preceded the fiscal year being studied, the timing table value for that cell would be 2. In reality, some of the people in a timing table cell may have entered in different fiscal years. However, for simulation purposes, we assume everyone in a particular cell of the timing table enters in the same fiscal year.

Officer Selected Reserve Non-Transfer/Retirement Separation Rates *

Completed Years Of Total Active Federal Military Service

Age	Under-1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
16	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
17	0.046	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
18	0.046	0.217	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
19	0.046	0.217	0.113	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
20	0.046	0.217	0.113	0.105	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
21	0.119	0.217	0.113	0.105	0.122	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
22	0.183	0.217	0.113	0.105	0.122	0.138	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
23	0.160	0.217	0.113	0.105	0.122	0.138	0.150	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
24	0.117	0.143	0.113	0.105	0.122	0.138	0.150	0.127	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
25	0.098	0.102	0.162	0.105	0.122	0.138	0.150	0.127	0.180	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
26	0.104	0.106	0.160	0.152	0.122	0.138	0.150	0.127	0.180	0.141	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
27	0.112	0.104	0.145	0.156	0.172	0.138	0.150	0.127	0.180	0.141	0.105	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
28	0.138	0.096	0.119	0.153	0.187	0.186	0.150	0.127	0.180	0.141	0.105	0.157	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
29	0.135	0.122	0.130	0.158	0.185	0.201	0.121	0.127	0.180	0.141	0.105	0.157	0.192	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
30	0.165	0.102	0.132	0.145	0.171	0.189	0.172	0.152	0.180	0.141	0.105	0.157	0.192	0.152	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31	0.149	0.110	0.111	0.130	0.132	0.164	0.183	0.190	0.097	0.141	0.105	0.157	0.192	0.152	0.150	0.000	0.000	0.000	0.000	0.000	0.000
32	0.130	0.096	0.114	0.123	0.127	0.138	0.145	0.135	0.131	0.114	0.105	0.157	0.192	0.152	0.150	0.106	0.000	0.000	0.000	0.000	0.000
33	0.115	0.092	0.096	0.132	0.117	0.119	0.125	0.144	0.126	0.134	0.119	0.157	0.192	0.152	0.150	0.106	0.072	0.000	0.000	0.000	0.000
34	0.120	0.084	0.108	0.120	0.108	0.135	0.122	0.124	0.135	0.137	0.137	0.128	0.192	0.152	0.150	0.106	0.072	0.073	0.000	0.000	0.000
35	0.116	0.077	0.100	0.103	0.104	0.111	0.114	0.124	0.130	0.127	0.122	0.132	0.157	0.152	0.150	0.106	0.072	0.073	0.071	0.000	0.000
36	0.112	0.079	0.093	0.107	0.099	0.089	0.094	0.103	0.113	0.101	0.092	0.127	0.122	0.127	0.150	0.106	0.072	0.073	0.071	0.134	0.000
37	0.111	0.083	0.089	0.100	0.094	0.091	0.099	0.113	0.119	0.098	0.095	0.093	0.095	0.100	0.107	0.106	0.072	0.073	0.071	0.134	0.121
38	0.112	0.071	0.086	0.104	0.089	0.081	0.092	0.115	0.109	0.102	0.098	0.112	0.087	0.093	0.106	0.106	0.072	0.073	0.071	0.134	0.121
39	0.111	0.067	0.075	0.098	0.083	0.087	0.090	0.090	0.099	0.101	0.111	0.095	0.096	0.079	0.111	0.106	0.072	0.073	0.071	0.134	0.121
40	0.104	0.066	0.072	0.083	0.080	0.073	0.072	0.087	0.074	0.090	0.085	0.091	0.078	0.074	0.094	0.106	0.072	0.073	0.071	0.134	0.121
41	0.093	0.063	0.064	0.074	0.066	0.080	0.078	0.090	0.089	0.074	0.108	0.100	0.097	0.076	0.076	0.106	0.072	0.073	0.071	0.134	0.121
42	0.092	0.060	0.065	0.083	0.076	0.067	0.078	0.080	0.097	0.082	0.100	0.097	0.086	0.080	0.093	0.092	0.072	0.073	0.071	0.134	0.121
43	0.087	0.062	0.058	0.071	0.076	0.073	0.069	0.076	0.074	0.068	0.086	0.088	0.080	0.099	0.089	0.070	0.072	0.073	0.071	0.134	0.121
44	0.078	0.056	0.054	0.070	0.065	0.054	0.058	0.073	0.065	0.053	0.067	0.080	0.068	0.055	0.069	0.051	0.072	0.073	0.071	0.134	0.121
45	0.079	0.049	0.062	0.062	0.054	0.047	0.064	0.074	0.066	0.049	0.050	0.052	0.060	0.051	0.066	0.051	0.072	0.073	0.071	0.134	0.121
46	0.080	0.042	0.046	0.060	0.048	0.038	0.047	0.049	0.046	0.056	0.055	0.085	0.046	0.049	0.067	0.051	0.072	0.073	0.071	0.134	0.121
47	0.080	0.040	0.042	0.048	0.035	0.050	0.046	0.037	0.050	0.047	0.050	0.055	0.056	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
48	0.082	0.035	0.049	0.042	0.045	0.037	0.036	0.049	0.037	0.026	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
49	0.078	0.038	0.043	0.043	0.037	0.034	0.037	0.036	0.042	0.050	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
50	0.084	0.036	0.039	0.051	0.052	0.045	0.041	0.029	0.039	0.044	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
51	0.075	0.046	0.051	0.043	0.052	0.037	0.042	0.034	0.046	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
52	0.092	0.047	0.054	0.058	0.037	0.036	0.041	0.045	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
53	0.088	0.050	0.040	0.067	0.041	0.046	0.046	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
54	0.074	0.054	0.076	0.051	0.049	0.034	0.054	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
55	0.079	0.051	0.054	0.036	0.049	0.054	0.054	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
56	0.077	0.055	0.052	0.066	0.047	0.043	0.054	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
57	0.083	0.051	0.054	0.057	0.047	0.044	0.054	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
58	0.090	0.036	0.042	0.032	0.047	0.044	0.054	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
59	0.136	0.058	0.099	0.079	0.047	0.044	0.054	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
60	0.217	0.060	0.065	0.025	0.047	0.044	0.054	0.051	0.044	0.039	0.037	0.035	0.044	0.034	0.044	0.051	0.072	0.073	0.071	0.134	0.121
61	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106	0.106
62	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143
>62	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) the rates shown above apply in the early years of the projection. See item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 56 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

* Includes separations due to all causes except loss to non-Selected Reserve status with 20 or more good years, or retirement.

Enlisted Selected Reserve Non-Transfer/Retirement Separation Rates *

Completed Years Of Total Active Federal Military Service

Age	Under-1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
16	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
17	0.142	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
18	0.194	0.191	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
19	0.213	0.224	0.246	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
20	0.182	0.201	0.259	0.294	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
21	0.173	0.193	0.231	0.241	0.282	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
22	0.179	0.205	0.239	0.280	0.308	0.247	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
23	0.235	0.240	0.259	0.285	0.324	0.275	0.241	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
24	0.269	0.273	0.269	0.299	0.325	0.302	0.327	0.249	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
25	0.280	0.277	0.305	0.325	0.330	0.340	0.363	0.329	0.361	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
26	0.274	0.273	0.326	0.346	0.331	0.337	0.334	0.303	0.268	0.281	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
27	0.255	0.233	0.303	0.320	0.296	0.303	0.307	0.279	0.265	0.264	0.185	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
28	0.226	0.205	0.266	0.278	0.281	0.280	0.282	0.274	0.257	0.227	0.245	0.296	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
29	0.209	0.191	0.243	0.249	0.234	0.240	0.261	0.259	0.242	0.252	0.247	0.248	0.349	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
30	0.197	0.168	0.208	0.228	0.206	0.210	0.234	0.238	0.233	0.223	0.208	0.260	0.280	0.241	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31	0.176	0.150	0.187	0.196	0.186	0.188	0.207	0.207	0.196	0.214	0.201	0.208	0.232	0.214	0.107	0.000	0.000	0.000	0.000	0.000	0.000
32	0.163	0.126	0.159	0.176	0.168	0.165	0.176	0.185	0.185	0.167	0.177	0.204	0.222	0.178	0.295	0.162	0.000	0.000	0.000	0.000	0.000
33	0.149	0.115	0.145	0.155	0.148	0.158	0.160	0.176	0.154	0.152	0.156	0.193	0.199	0.197	0.242	0.152	0.283	0.000	0.000	0.000	0.000
34	0.139	0.094	0.143	0.142	0.132	0.136	0.155	0.148	0.139	0.153	0.148	0.156	0.168	0.172	0.170	0.130	0.133	0.637	0.000	0.000	0.000
35	0.126	0.086	0.137	0.124	0.118	0.121	0.121	0.138	0.121	0.138	0.132	0.138	0.140	0.166	0.162	0.138	0.219	0.159	0.133	0.000	0.000
36	0.112	0.073	0.120	0.114	0.102	0.100	0.105	0.120	0.110	0.109	0.122	0.123	0.128	0.123	0.136	0.144	0.193	0.125	0.133	0.190	0.000
37	0.111	0.074	0.110	0.109	0.095	0.086	0.096	0.100	0.095	0.100	0.112	0.116	0.108	0.113	0.139	0.133	0.183	0.127	0.133	0.190	0.174
38	0.116	0.076	0.102	0.104	0.092	0.077	0.090	0.092	0.092	0.098	0.096	0.099	0.122	0.106	0.123	0.119	0.148	0.167	0.133	0.190	0.174
39	0.115	0.078	0.096	0.099	0.094	0.072	0.086	0.094	0.090	0.094	0.102	0.099	0.100	0.110	0.119	0.122	0.132	0.138	0.133	0.190	0.174
40	0.115	0.076	0.079	0.093	0.078	0.065	0.083	0.095	0.087	0.079	0.090	0.089	0.099	0.102	0.123	0.115	0.109	0.106	0.133	0.190	0.174
41	0.117	0.068	0.077	0.085	0.074	0.065	0.071	0.089	0.083	0.085	0.084	0.090	0.094	0.082	0.112	0.108	0.110	0.127	0.133	0.190	0.174
42	0.105	0.071	0.072	0.080	0.066	0.052	0.069	0.083	0.066	0.076	0.099	0.100	0.104	0.102	0.106	0.108	0.135	0.096	0.133	0.190	0.174
43	0.104	0.067	0.072	0.063	0.048	0.067	0.063	0.070	0.074	0.075	0.084	0.104	0.100	0.111	0.095	0.081	0.096	0.133	0.190	0.174	0.174
44	0.098	0.059	0.065	0.075	0.052	0.049	0.065	0.065	0.063	0.059	0.066	0.087	0.079	0.077	0.067	0.094	0.130	0.096	0.133	0.190	0.174
45	0.082	0.052	0.055	0.071	0.059	0.045	0.050	0.071	0.057	0.058	0.070	0.065	0.096	0.107	0.094	0.077	0.094	0.096	0.133	0.190	0.174
46	0.075	0.049	0.056	0.064	0.050	0.037	0.050	0.067	0.048	0.047	0.083	0.067	0.068	0.070	0.093	0.070	0.094	0.096	0.133	0.190	0.174
47	0.074	0.048	0.045	0.057	0.047	0.034	0.055	0.048	0.040	0.052	0.047	0.085	0.062	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
48	0.079	0.046	0.050	0.052	0.045	0.024	0.054	0.049	0.039	0.060	0.059	0.060	0.063	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
49	0.068	0.043	0.051	0.051	0.039	0.030	0.034	0.035	0.033	0.050	0.055	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
50	0.074	0.050	0.047	0.054	0.039	0.020	0.046	0.054	0.056	0.045	0.060	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
51	0.076	0.047	0.046	0.053	0.038	0.022	0.032	0.044	0.047	0.045	0.066	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
52	0.067	0.045	0.053	0.048	0.039	0.019	0.047	0.041	0.037	0.044	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
53	0.066	0.050	0.047	0.047	0.037	0.023	0.035	0.043	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
54	0.068	0.047	0.047	0.049	0.040	0.018	0.037	0.046	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
55	0.061	0.047	0.052	0.043	0.048	0.022	0.038	0.047	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
56	0.070	0.055	0.055	0.047	0.048	0.027	0.054	0.047	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
57	0.081	0.054	0.055	0.057	0.045	0.024	0.054	0.047	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
58	0.049	0.028	0.047	0.054	0.038	0.033	0.054	0.047	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
59	0.124	0.124	0.113	0.126	0.118	0.082	0.054	0.047	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
60	0.126	0.067	0.062	0.065	0.059	0.029	0.054	0.047	0.037	0.031	0.058	0.054	0.048	0.056	0.063	0.070	0.094	0.096	0.133	0.190	0.174
61	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143	0.143
62	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151
>62	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) the rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 56 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

* Includes separations due to all causes except loss to non-Selected Reserve status with 20 or more good years, or retirement.

Officer Selected Reserve Transfer Rates *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
37	0.000	0.003	0.005	0.005	0.004	0.006	0.006	0.003	0.012	0.006	0.011	0.009	0.017	0.036	0.010	0.090	0.105	0.098	0.107	0.082	0.100
38	0.001	0.003	0.005	0.005	0.004	0.006	0.006	0.013	0.013	0.006	0.011	0.009	0.017	0.036	0.010	0.090	0.105	0.098	0.107	0.082	0.100
39	0.002	0.011	0.005	0.005	0.017	0.020	0.006	0.010	0.019	0.006	0.011	0.009	0.017	0.036	0.010	0.090	0.105	0.098	0.107	0.082	0.100
40	0.006	0.017	0.007	0.005	0.019	0.018	0.006	0.019	0.020	0.021	0.011	0.009	0.017	0.036	0.010	0.090	0.105	0.098	0.107	0.082	0.100
41	0.004	0.018	0.027	0.016	0.022	0.029	0.016	0.033	0.026	0.027	0.020	0.027	0.034	0.036	0.010	0.090	0.105	0.098	0.107	0.082	0.100
42	0.005	0.017	0.031	0.029	0.026	0.042	0.030	0.035	0.049	0.043	0.031	0.027	0.041	0.039	0.035	0.090	0.105	0.098	0.107	0.082	0.100
43	0.004	0.025	0.047	0.032	0.044	0.060	0.067	0.065	0.064	0.079	0.065	0.056	0.050	0.057	0.057	0.090	0.105	0.098	0.107	0.082	0.100
44	0.007	0.037	0.046	0.037	0.043	0.059	0.073	0.086	0.088	0.093	0.080	0.060	0.066	0.072	0.068	0.090	0.105	0.098	0.107	0.082	0.100
45	0.009	0.033	0.045	0.036	0.051	0.058	0.083	0.084	0.095	0.097	0.086	0.098	0.103	0.084	0.115	0.090	0.105	0.098	0.107	0.082	0.100
46	0.012	0.049	0.048	0.052	0.060	0.069	0.075	0.098	0.067	0.074	0.096	0.083	0.093	0.091	0.109	0.090	0.105	0.098	0.107	0.082	0.100
47	0.012	0.059	0.061	0.044	0.061	0.060	0.070	0.089	0.096	0.062	0.072	0.105	0.088	0.066	0.097	0.090	0.105	0.098	0.107	0.082	0.100
48	0.019	0.074	0.061	0.056	0.071	0.076	0.079	0.093	0.087	0.095	0.107	0.091	0.074	0.107	0.097	0.090	0.105	0.098	0.107	0.082	0.100
49	0.019	0.107	0.085	0.096	0.101	0.115	0.119	0.130	0.144	0.117	0.138	0.088	0.126	0.151	0.125	0.090	0.105	0.098	0.107	0.082	0.100
50	0.027	0.116	0.120	0.101	0.127	0.137	0.135	0.154	0.140	0.137	0.190	0.159	0.145	0.168	0.150	0.090	0.105	0.098	0.107	0.082	0.100
51	0.017	0.110	0.117	0.113	0.128	0.153	0.163	0.142	0.172	0.137	0.151	0.184	0.191	0.182	0.188	0.090	0.105	0.098	0.107	0.082	0.100
52	0.027	0.100	0.123	0.097	0.156	0.142	0.173	0.189	0.185	0.133	0.194	0.205	0.205	0.207	0.231	0.090	0.105	0.098	0.107	0.082	0.100
53	0.026	0.096	0.105	0.113	0.156	0.153	0.164	0.181	0.180	0.170	0.182	0.187	0.184	0.196	0.098	0.090	0.105	0.098	0.107	0.082	0.100
54	0.018	0.083	0.109	0.109	0.141	0.150	0.169	0.204	0.133	0.206	0.222	0.255	0.238	0.255	0.200	0.090	0.105	0.098	0.107	0.082	0.100
55	0.036	0.102	0.116	0.106	0.112	0.176	0.143	0.232	0.181	0.234	0.207	0.215	0.239	0.385	0.082	0.090	0.105	0.098	0.107	0.082	0.100
56	0.028	0.069	0.102	0.109	0.123	0.112	0.149	0.139	0.146	0.064	0.064	0.064	0.064	0.064	0.082	0.090	0.105	0.098	0.107	0.082	0.100
57	0.027	0.089	0.101	0.080	0.085	0.151	0.143	0.108	0.137	0.064	0.064	0.064	0.064	0.064	0.082	0.090	0.105	0.098	0.107	0.082	0.100
58	0.028	0.066	0.097	0.083	0.085	0.120	0.167	0.149	0.140	0.064	0.064	0.064	0.064	0.064	0.082	0.090	0.105	0.098	0.107	0.082	0.100
59	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.064	0.064	0.064	0.064	0.082	0.090	0.105	0.098	0.107	0.082	0.100
60	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
61	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
62	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006
>62	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.006

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) the rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

* Includes separations to non-Selected Reserves with 20 or more good years.

Enlisted Selected Reserve Transfer Rates *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
37	0.001	0.007	0.005	0.002	0.004	0.005	0.004	0.006	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
38	0.005	0.023	0.011	0.011	0.014	0.013	0.018	0.011	0.020	0.020	0.021	0.018	0.022	0.016	0.009	0.009	0.009	0.009	0.009	0.009	0.009
39	0.009	0.033	0.032	0.024	0.023	0.037	0.032	0.030	0.036	0.037	0.036	0.033	0.039	0.043	0.022	0.018	0.018	0.018	0.018	0.018	0.018
40	0.010	0.041	0.034	0.033	0.032	0.045	0.047	0.039	0.049	0.049	0.050	0.047	0.043	0.042	0.052	0.035	0.041	0.018	0.018	0.018	0.018
41	0.014	0.044	0.048	0.042	0.043	0.050	0.042	0.056	0.051	0.052	0.062	0.059	0.052	0.059	0.055	0.060	0.049	0.023	0.023	0.023	0.023
42	0.010	0.043	0.042	0.052	0.052	0.047	0.045	0.048	0.056	0.065	0.055	0.053	0.058	0.070	0.073	0.068	0.047	0.047	0.047	0.047	0.047
43	0.015	0.045	0.048	0.052	0.052	0.061	0.056	0.054	0.074	0.074	0.082	0.072	0.062	0.071	0.063	0.060	0.054	0.054	0.054	0.054	0.054
44	0.019	0.054	0.056	0.055	0.059	0.066	0.066	0.068	0.079	0.085	0.102	0.074	0.083	0.069	0.097	0.069	0.069	0.069	0.069	0.069	0.069
45	0.022	0.057	0.058	0.064	0.064	0.066	0.061	0.067	0.082	0.076	0.097	0.094	0.076	0.078	0.075	0.075	0.075	0.075	0.075	0.075	0.075
46	0.025	0.063	0.068	0.069	0.068	0.075	0.077	0.075	0.079	0.101	0.109	0.112	0.085	0.073	0.078	0.078	0.078	0.078	0.078	0.078	0.078
47	0.024	0.065	0.072	0.074	0.072	0.073	0.067	0.070	0.089	0.119	0.081	0.090	0.096	0.101	0.093	0.093	0.093	0.093	0.093	0.093	0.093
48	0.023	0.070	0.070	0.071	0.077	0.085	0.073	0.076	0.096	0.098	0.118	0.095	0.117	0.133	0.112	0.112	0.112	0.112	0.112	0.112	0.112
49	0.032	0.076	0.074	0.081	0.085	0.073	0.070	0.083	0.091	0.104	0.084	0.093	0.124	0.104	0.105	0.105	0.105	0.105	0.105	0.105	0.105
50	0.035	0.079	0.076	0.081	0.080	0.075	0.070	0.084	0.099	0.096	0.116	0.116	0.123	0.109	0.109	0.109	0.109	0.109	0.109	0.109	0.109
51	0.036	0.079	0.082	0.082	0.089	0.080	0.079	0.083	0.087	0.107	0.092	0.097	0.106	0.090	0.090	0.090	0.090	0.090	0.090	0.090	0.090
52	0.039	0.085	0.080	0.088	0.096	0.102	0.091	0.106	0.119	0.107	0.112	0.132	0.149	0.096	0.096	0.096	0.096	0.096	0.096	0.096	0.096
53	0.036	0.080	0.082	0.089	0.095	0.097	0.115	0.104	0.102	0.134	0.092	0.162	0.113	0.113	0.113	0.113	0.113	0.113	0.113	0.113	0.113
54	0.050	0.097	0.107	0.094	0.102	0.122	0.114	0.134	0.141	0.172	0.119	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151	0.151
55	0.058	0.107	0.121	0.115	0.112	0.179	0.185	0.154	0.170	0.169	0.169	0.170	0.170	0.170	0.170	0.170	0.170	0.170	0.170	0.170	0.170
56	0.063	0.109	0.113	0.109	0.126	0.139	0.111	0.129	0.153	0.170	0.135	0.176	0.176	0.176	0.176	0.176	0.176	0.176	0.176	0.176	0.176
57	0.055	0.114	0.134	0.107	0.126	0.152	0.116	0.131	0.149	0.149	0.122	0.199	0.199	0.199	0.199	0.199	0.199	0.199	0.199	0.199	0.199
58	0.082	0.113	0.130	0.119	0.134	0.157	0.135	0.122	0.174	0.185	0.236	0.160	0.160	0.160	0.160	0.160	0.160	0.160	0.160	0.160	0.160
59	0.033	0.082	0.067	0.085	0.092	0.119	0.119	0.086	0.133	0.094	0.107	0.102	0.102	0.102	0.102	0.102	0.102	0.102	0.102	0.102	0.102
60	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
61	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
62	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004
>62	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004	0.004

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) the rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

* Includes separations to non-Selected Reserves with 20 or more good years.

Officer Non-Selected Reserve with 20 Good Years Non-Retirement Separation Rates *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
37	0.318	0.206	0.164	0.153	0.143	0.063	0.043	0.026	0.022	0.104	0.071	0.051	0.084	0.078	0.049	0.047	0.025	0.180	0.032	0.043	0.028
38	0.318	0.206	0.164	0.153	0.143	0.063	0.043	0.026	0.022	0.104	0.071	0.051	0.084	0.078	0.049	0.047	0.025	0.180	0.032	0.043	0.028
39	0.318	0.206	0.164	0.153	0.143	0.063	0.043	0.026	0.022	0.104	0.071	0.051	0.084	0.078	0.049	0.047	0.025	0.180	0.032	0.043	0.028
40	0.318	0.106	0.164	0.153	0.136	0.063	0.043	0.026	0.022	0.104	0.071	0.051	0.084	0.078	0.049	0.047	0.025	0.180	0.032	0.043	0.028
41	0.220	0.069	0.164	0.097	0.105	0.063	0.077	0.026	0.022	0.085	0.119	0.051	0.084	0.078	0.049	0.047	0.025	0.180	0.032	0.043	0.028
42	0.127	0.105	0.095	0.096	0.073	0.046	0.061	0.046	0.032	0.044	0.096	0.051	0.084	0.078	0.049	0.047	0.025	0.180	0.032	0.043	0.028
43	0.127	0.063	0.066	0.087	0.048	0.045	0.044	0.040	0.043	0.041	0.072	0.053	0.048	0.078	0.049	0.047	0.025	0.180	0.032	0.043	0.028
44	0.154	0.078	0.029	0.048	0.064	0.033	0.046	0.035	0.049	0.044	0.021	0.035	0.047	0.062	0.104	0.047	0.025	0.180	0.032	0.043	0.028
45	0.061	0.051	0.077	0.076	0.058	0.040	0.035	0.035	0.040	0.049	0.028	0.028	0.028	0.051	0.084	0.047	0.025	0.180	0.032	0.043	0.028
46	0.141	0.052	0.046	0.041	0.048	0.032	0.041	0.017	0.032	0.032	0.036	0.040	0.029	0.041	0.064	0.047	0.025	0.151	0.032	0.043	0.028
47	0.097	0.045	0.049	0.058	0.040	0.029	0.032	0.033	0.031	0.019	0.018	0.021	0.039	0.036	0.056	0.056	0.025	0.027	0.032	0.043	0.028
48	0.072	0.035	0.059	0.042	0.034	0.022	0.022	0.015	0.015	0.020	0.014	0.034	0.049	0.026	0.047	0.053	0.025	0.027	0.032	0.043	0.028
49	0.069	0.031	0.036	0.034	0.025	0.027	0.021	0.012	0.029	0.014	0.010	0.020	0.016	0.021	0.043	0.014	0.025	0.027	0.032	0.043	0.028
50	0.047	0.024	0.027	0.030	0.026	0.016	0.023	0.016	0.021	0.014	0.011	0.011	0.015	0.021	0.039	0.014	0.025	0.027	0.032	0.043	0.028
51	0.055	0.021	0.031	0.028	0.024	0.019	0.013	0.012	0.012	0.014	0.012	0.010	0.013	0.009	0.011	0.014	0.025	0.027	0.032	0.043	0.028
52	0.047	0.014	0.021	0.015	0.021	0.012	0.010	0.008	0.018	0.012	0.008	0.011	0.012	0.009	0.011	0.014	0.025	0.027	0.032	0.043	0.028
53	0.038	0.023	0.020	0.016	0.012	0.013	0.011	0.011	0.010	0.013	0.008	0.010	0.005	0.009	0.011	0.014	0.025	0.027	0.032	0.043	0.028
54	0.032	0.026	0.014	0.011	0.010	0.008	0.008	0.008	0.010	0.012	0.009	0.008	0.005	0.009	0.011	0.014	0.025	0.027	0.032	0.043	0.028
55	0.044	0.024	0.020	0.012	0.013	0.011	0.007	0.009	0.007	0.012	0.011	0.007	0.005	0.009	0.011	0.014	0.025	0.027	0.032	0.043	0.028
56	0.020	0.023	0.014	0.009	0.006	0.011	0.007	0.009	0.007	0.017	0.011	0.006	0.005	0.009	0.011	0.014	0.025	0.027	0.032	0.043	0.028
57	0.029	0.014	0.011	0.012	0.006	0.008	0.009	0.010	0.007	0.011	0.012	0.006	0.005	0.009	0.011	0.024	0.025	0.027	0.032	0.043	0.028
58	0.031	0.018	0.014	0.007	0.008	0.010	0.007	0.008	0.010	0.011	0.048	0.006	0.005	0.009	0.023	0.021	0.025	0.027	0.032	0.043	0.028
59	0.157	0.108	0.124	0.110	0.090	0.091	0.083	0.077	0.074	0.088	0.084	0.081	0.114	0.099	0.105	0.098	0.064	0.080	0.174	0.043	0.028
60	0.077	0.083	0.045	0.036	0.016	0.019	0.161	0.023	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017	0.017
61	0.266	0.338	0.347	0.296	0.191	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239	0.239
62	0.266	0.477	0.327	0.376	0.205	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216	0.216
>62	0.455	0.460	0.470	0.318	0.219	0.267	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241	0.241

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) the rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

* Includes separations from non-Selected Reserves with 20 or more good years, except for paid retirement.

Enlisted Non-Selected Reserve with 20 Good Years Non-Retirement Separation Rates *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
37	0.165	0.174	0.144	0.274	0.172	0.057	0.112	0.066	0.039	0.086	0.031	0.072	0.044	0.069	0.062	0.194	0.052	0.069	0.122	0.185	0.130
38	0.175	0.123	0.144	0.246	0.113	0.057	0.168	0.066	0.039	0.086	0.031	0.072	0.044	0.069	0.062	0.194	0.052	0.069	0.122	0.185	0.130
39	0.182	0.104	0.103	0.090	0.055	0.057	0.110	0.111	0.082	0.086	0.031	0.072	0.044	0.069	0.062	0.194	0.052	0.069	0.122	0.185	0.130
40	0.175	0.072	0.050	0.095	0.071	0.049	0.052	0.068	0.054	0.050	0.031	0.072	0.044	0.069	0.062	0.215	0.052	0.069	0.122	0.185	0.130
41	0.103	0.070	0.047	0.094	0.051	0.044	0.031	0.034	0.027	0.043	0.033	0.041	0.044	0.062	0.062	0.174	0.052	0.069	0.122	0.185	0.130
42	0.099	0.062	0.044	0.066	0.042	0.038	0.034	0.038	0.030	0.037	0.046	0.036	0.044	0.054	0.062	0.038	0.052	0.069	0.122	0.185	0.130
43	0.101	0.051	0.034	0.056	0.036	0.023	0.029	0.040	0.035	0.030	0.020	0.036	0.043	0.050	0.062	0.038	0.052	0.069	0.122	0.185	0.130
44	0.078	0.040	0.033	0.047	0.031	0.024	0.032	0.047	0.036	0.029	0.020	0.032	0.033	0.042	0.064	0.038	0.052	0.069	0.122	0.185	0.130
45	0.054	0.032	0.037	0.045	0.024	0.027	0.036	0.024	0.028	0.026	0.019	0.026	0.026	0.043	0.064	0.038	0.052	0.069	0.122	0.185	0.130
46	0.047	0.025	0.027	0.043	0.021	0.016	0.023	0.027	0.014	0.014	0.026	0.034	0.022	0.053	0.065	0.080	0.052	0.069	0.122	0.185	0.130
47	0.049	0.023	0.035	0.037	0.025	0.026	0.024	0.024	0.013	0.022	0.010	0.035	0.019	0.029	0.057	0.028	0.052	0.069	0.122	0.185	0.130
48	0.048	0.020	0.034	0.038	0.019	0.019	0.028	0.014	0.010	0.017	0.012	0.017	0.020	0.062	0.047	0.028	0.052	0.069	0.122	0.185	0.130
49	0.053	0.016	0.031	0.033	0.021	0.015	0.028	0.021	0.018	0.014	0.017	0.018	0.024	0.045	0.040	0.028	0.052	0.069	0.122	0.185	0.130
50	0.033	0.016	0.031	0.028	0.016	0.015	0.020	0.018	0.018	0.016	0.020	0.019	0.020	0.045	0.034	0.028	0.052	0.069	0.122	0.185	0.130
51	0.038	0.021	0.025	0.029	0.019	0.016	0.024	0.022	0.019	0.014	0.023	0.020	0.014	0.027	0.016	0.028	0.052	0.069	0.122	0.185	0.130
52	0.044	0.017	0.027	0.030	0.018	0.014	0.017	0.020	0.010	0.010	0.012	0.017	0.020	0.031	0.016	0.052	0.052	0.069	0.122	0.185	0.130
53	0.042	0.022	0.025	0.027	0.012	0.011	0.023	0.020	0.015	0.022	0.021	0.014	0.013	0.034	0.016	0.022	0.052	0.069	0.122	0.185	0.130
54	0.048	0.019	0.021	0.032	0.017	0.012	0.014	0.016	0.014	0.013	0.020	0.019	0.016	0.023	0.016	0.022	0.052	0.069	0.122	0.185	0.130
55	0.046	0.024	0.022	0.027	0.016	0.014	0.015	0.022	0.010	0.019	0.023	0.021	0.027	0.022	0.016	0.022	0.052	0.069	0.122	0.185	0.130
56	0.044	0.024	0.023	0.030	0.016	0.009	0.013	0.019	0.014	0.012	0.023	0.025	0.025	0.029	0.016	0.022	0.052	0.069	0.122	0.185	0.130
57	0.033	0.026	0.022	0.024	0.015	0.012	0.014	0.022	0.007	0.022	0.026	0.019	0.024	0.027	0.029	0.038	0.052	0.069	0.122	0.185	0.130
58	0.030	0.035	0.028	0.027	0.018	0.010	0.013	0.018	0.012	0.015	0.031	0.013	0.026	0.026	0.066	0.091	0.052	0.069	0.122	0.185	0.130
59	0.145	0.133	0.120	0.120	0.096	0.083	0.099	0.098	0.107	0.093	0.076	0.130	0.093	0.143	0.102	0.143	0.109	0.069	0.122	0.185	0.130
60	0.077	0.065	0.059	0.048	0.022	0.021	0.039	0.034	0.029	0.030	0.025	0.028	0.035	0.046	0.233	0.074	0.100	0.100	0.100	0.100	0.100
61	0.314	0.358	0.209	0.263	0.184	0.176	0.352	0.415	0.456	0.365	0.365	0.365	0.365	0.365	0.365	0.365	0.365	0.365	0.365	0.365	0.365
62	0.396	0.392	0.415	0.349	0.242	0.215	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355
>62	0.437	0.521	0.419	0.477	0.221	0.121	0.253	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350	0.350

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) the rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

* Includes separations from non-Selected Reserves with 20 or more good years, except for paid retirement.

Officer Selected Reserve Retirement Rates

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
59	0.203	0.220	0.243	0.264	0.281	0.296	0.308	0.317	0.323	0.327	0.328	0.326	0.321	0.313	0.303	0.289	0.273	0.254	0.233	0.208	0.181
60	0.473	0.570	0.605	0.631	0.653	0.672	0.690	0.706	0.721	0.735	0.749	0.762	0.774	0.785	0.797	0.807	0.818	0.828	0.838	0.848	0.857
61	0.139	0.159	0.202	0.226	0.240	0.249	0.252	0.253	0.250	0.246	0.239	0.231	0.222	0.211	0.200	0.187	0.174	0.160	0.145	0.130	0.114
62	0.081	0.126	0.178	0.217	0.251	0.281	0.308	0.332	0.355	0.377	0.397	0.416	0.435	0.453	0.470	0.486	0.502	0.518	0.533	0.547	0.561
>62	0.108	0.116	0.163	0.200	0.231	0.258	0.283	0.306	0.327	0.347	0.365	0.383	0.400	0.417	0.432	0.447	0.462	0.476	0.490	0.504	0.517

Enlisted Selected Reserve Retirement Rates

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
59	0.251	0.276	0.282	0.288	0.294	0.300	0.306	0.312	0.319	0.325	0.331	0.337	0.343	0.349	0.355	0.361	0.367	0.373	0.379	0.385	0.391
60	0.758	0.837	0.852	0.863	0.873	0.881	0.889	0.896	0.902	0.908	0.914	0.919	0.924	0.929	0.934	0.939	1.000	1.000	1.000	1.000	1.000
61	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443	0.443
62	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522	0.522
>62	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.209

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) both rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

Officer Non-Selected Reserve with 20 Good Years Retirement Rates

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
59	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378	0.378
60	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935	0.935
61	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294	0.294
62	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192	0.192
>62	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121	0.121

Enlisted Non-Selected Reserve with 20 Good Years Retirement Rates

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
59	0.364	0.375	0.379	0.383	0.385	0.388	0.390	0.396	0.398	0.400	0.401	0.403	0.404	0.406	0.410	0.411	0.412	0.409	0.410	0.411	0.412
60	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921	0.921
61	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275	0.275
62	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133	0.133
>62	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084	0.084

Note: Due to Section 647 of NDAA 2008 (P.L. 110-181) both rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

Officer Selected Reserve New Entrant/Reentrant Rates *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	27	0	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	63	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	75	3	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	122	5	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	162	12	12	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	153	20	42	11	5	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	156	23	52	42	21	5	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	179	29	45	53	69	23	5	1	1	1	0	0	0	0	0	0	0	0	0	0	0
28	203	43	41	56	97	53	12	5	2	2	1	0	0	0	0	0	0	0	0	0	0
29	222	39	35	54	83	73	52	15	5	2	3	1	1	0	0	0	0	0	0	0	0
30	213	47	33	56	81	64	66	54	15	5	5	3	1	0	0	0	0	0	0	0	0
31	177	50	33	54	77	43	48	70	52	36	7	3	3	1	1	0	0	0	0	0	0
32	153	55	26	56	77	43	42	50	81	115	26	3	3	3	2	0	0	0	0	0	0
33	134	46	24	52	72	41	35	42	61	142	87	20	5	3	1	1	2	0	0	0	0
34	136	48	28	52	68	35	39	34	47	92	89	60	14	5	5	1	1	1	0	0	0
35	123	50	25	42	57	39	37	37	43	65	66	79	51	9	6	2	0	1	0	0	0
36	95	37	16	32	43	33	33	33	39	53	46	65	56	27	16	2	1	1	1	1	0
37	84	30	17	21	32	23	25	25	32	35	44	44	37	29	44	7	2	1	0	0	0
38	57	26	10	20	26	16	21	20	23	24	30	42	32	18	37	15	5	2	1	0	0
39	54	18	8	23	27	17	18	17	21	20	26	34	26	17	21	14	9	3	0	0	0
40	52	16	3	18	20	17	18	16	15	16	20	28	21	14	10	11	5	2	0	0	1
41	34	19	7	17	23	15	16	17	17	16	21	25	18	15	12	6	2	3	1	1	0
42	35	11	7	11	24	17	11	15	14	14	14	18	14	12	8	8	3	1	1	1	1
43	27	8	8	14	15	16	11	10	11	11	11	15	15	9	10	3	2	2	1	1	1
44	21	10	6	15	15	10	11	11	9	8	11	14	9	7	9	5	3	1	0	0	1
45	25	10	6	11	15	8	7	7	10	10	7	10	9	7	7	3	3	1	0	1	1
46	20	8	5	10	14	8	10	7	8	6	7	6	8	7	3	3	2	1	1	0	0
47	19	8	8	8	11	7	6	6	3	5	5	6	3	2	5	2	1	0	1	0	0
48	16	7	5	9	8	6	5	6	5	3	1	5	3	2	3	1	1	0	1	1	1
49	16	8	6	9	7	5	2	2	3	5	5	3	5	2	1	1	2	1	0	0	1
50	14	6	5	7	7	3	3	5	5	3	3	3	2	3	1	2	0	1	1	0	0
51	10	5	5	6	6	5	2	2	3	2	1	2	2	2	1	2	1	0	1	0	1
52	9	5	5	5	3	3	2	2	2	2	2	1	1	1	1	1	1	1	0	0	0
53	8	3	5	3	5	2	2	3	1	1	1	2	1	0	1	1	0	0	1	1	1
54	7	2	1	2	2	2	2	1	1	1	1	1	0	1	1	0	0	0	0	0	0
55	6	2	0	2	1	1	1	1	2	0	0	0	0	0	1	0	0	0	0	0	0
56	3	1	1	2	1	1	1	0	0	0	1	0	1	0	0	0	0	0	0	0	0
57	2	1	0	0	1	0	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0
58	5	1	1	2	1	1	1	1	0	0	1	0	1	1	0	0	0	0	0	0	0

* Rates per 100,000 reservists in the new entrant/reentrant distribution.

Enlisted Selected Reserve New Entrant/Reentrant Rates *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	1,346	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	10,929	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	9,492	21	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	5,812	55	32	76	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	3,291	115	520	489	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	1,840	145	688	1,270	484	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	1,353	159	454	1,403	1,608	69	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	1,074	153	389	1,100	1,976	300	56	2	0	0	0	0	0	0	0	0	0	0	0	0	0
25	1,007	169	355	832	1,517	434	314	28	3	0	0	0	0	0	0	0	0	0	0	0	0
26	951	172	316	683	1,177	476	476	239	26	1	0	0	0	0	0	0	0	0	0	0	0
27	841	173	265	571	984	417	406	178	178	22	1	0	0	0	0	0	0	0	0	0	0
28	759	154	212	509	783	318	328	265	138	138	45	3	0	0	0	0	0	0	0	0	0
29	697	151	174	406	645	201	248	260	206	235	188	16	2	0	0	0	0	0	0	0	0
30	585	126	150	322	521	173	197	158	190	260	73	10	0	0	0	0	0	0	0	0	0
31	502	99	112	291	412	146	171	155	135	151	215	108	53	11	2	0	0	0	0	0	0
32	433	99	105	239	354	130	136	135	110	116	159	86	74	49	9	2	0	0	0	0	0
33	400	89	94	213	286	106	117	111	95	93	141	67	72	61	37	22	2	0	0	0	0
34	369	76	88	191	242	90	107	98	94	98	111	67	60	57	47	68	4	1	0	0	0
35	362	75	71	183	220	76	94	92	83	86	111	65	60	46	50	78	12	2	1	0	0
36	309	66	62	156	185	72	72	72	67	69	98	63	55	44	44	56	12	5	1	0	0
37	240	61	55	141	169	56	70	64	53	60	79	45	52	40	35	40	11	5	2	1	0
38	197	61	40	125	126	46	57	46	48	43	58	45	34	37	33	30	12	6	0	0	0
39	165	39	33	101	105	41	39	37	35	30	42	33	35	30	26	27	7	4	3	0	0
40	131	35	27	85	91	37	38	26	31	26	32	24	24	26	24	27	12	5	3	2	1
41	115	34	25	71	78	24	31	23	24	24	29	22	19	18	20	18	7	6	2	1	2
42	93	28	25	61	64	23	27	24	20	17	21	14	13	15	12	14	6	4	2	2	1
43	81	23	22	55	53	21	23	19	15	14	18	12	14	12	8	10	6	4	1	3	1
44	57	21	23	40	42	17	18	14	13	14	13	10	9	6	8	8	6	3	1	1	2
45	46	21	21	37	35	13	15	11	10	7	12	11	9	7	8	7	4	3	1	1	0
46	35	16	17	27	28	11	12	8	8	7	6	6	6	4	5	5	3	3	0	0	2
47	33	15	16	19	20	6	9	5	7	6	6	6	6	4	3	6	3	2	2	1	0
48	27	14	15	16	20	7	7	7	5	5	4	3	5	3	2	2	2	1	1	0	0
49	22	13	16	13	12	7	6	4	5	5	3	4	4	4	3	3	2	2	1	1	0
50	18	11	14	16	14	6	4	5	6	4	3	2	6	2	1	4	1	1	1	0	1
51	12	11	12	17	11	5	3	3	4	2	3	2	2	1	2	1	1	1	0	0	0
52	9	9	11	12	11	5	4	3	2	1	2	2	2	2	1	0	1	0	1	1	1
53	6	6	9	9	9	3	2	2	2	1	3	1	2	1	1	1	0	2	0	0	0
54	9	3	7	8	5	2	1	1	1	1	2	1	1	1	1	1	0	0	0	0	0
55	3	2	5	7	4	1	1	1	1	1	1	1	0	1	1	1	1	0	0	0	0
56	4	2	3	3	3	1	1	1	1	1	1	0	0	1	1	0	0	1	0	0	1
57	3	1	1	3	3	2	1	0	1	0	0	1	1	0	0	1	0	1	0	0	0
58	5	2	5	5	5	1	2	1	0	0	0	1	0	0	1	2	0	1	1	1	0

* Rates per 100,000 reservists in the new entrant/reentrant distribution.

Officer Selected Reserve Timing Table *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	3	3	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	3	4	4	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	4	4	4	5	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	4	4	5	6	6	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	5	6	5	7	7	8	7	8	0	0	0	0	0	0	0	0	0	0	0	0	0
25	6	6	5	6	6	7	7	8	9	0	0	0	0	0	0	0	0	0	0	0	0
26	7	7	6	7	7	7	8	8	9	10	0	0	0	0	0	0	0	0	0	0	0
27	6	8	7	8	8	7	8	9	10	11	11	0	0	0	0	0	0	0	0	0	0
28	7	9	8	9	9	8	9	10	10	11	12	12	0	0	0	0	0	0	0	0	0
29	8	10	9	10	10	9	10	10	11	11	12	13	13	0	0	0	0	0	0	0	0
30	9	11	10	10	9	9	9	10	11	11	13	13	14	14	0	0	0	0	0	0	0
31	9	12	11	10	10	10	11	11	11	11	13	13	14	15	15	0	0	0	0	0	0
32	10	12	11	11	11	11	11	11	11	12	13	14	14	15	16	0	0	0	0	0	0
33	10	13	12	12	12	12	12	12	12	13	14	15	16	16	16	15	0	0	0	0	0
34	11	14	13	13	13	13	13	13	13	14	15	16	17	17	17	16	16	16	16	16	0
35	12	14	14	14	14	14	14	14	14	15	16	17	18	18	18	17	17	17	17	17	0
36	13	15	14	14	14	14	14	14	14	15	16	17	18	18	18	17	17	17	18	18	0
37	14	16	16	15	15	15	15	15	15	16	17	18	19	19	19	18	18	18	19	19	19
38	13	16	16	15	15	15	15	16	16	17	18	19	20	20	20	19	19	19	20	20	20
39	14	16	16	16	17	16	16	17	17	18	19	20	21	21	21	20	20	20	21	21	21
40	14	16	17	17	18	18	17	17	17	18	19	20	21	21	21	20	20	20	21	21	21
41	15	17	18	17	19	18	19	18	19	20	21	22	23	23	23	22	22	22	23	23	23
42	16	17	18	20	20	19	18	18	19	20	21	22	23	23	23	22	22	22	23	23	23
43	14	16	20	18	21	20	21	19	19	20	21	22	23	23	23	22	22	22	23	23	23
44	16	19	19	21	20	20	21	21	21	22	23	24	25	25	25	24	24	24	25	25	25
45	15	19	21	23	21	22	21	23	21	20	22	21	21	22	22	21	23	24	24	24	25
46	17	20	23	23	22	23	23	22	22	22	21	19	21	22	23	24	24	24	25	25	25
47	17	21	25	25	23	22	22	22	25	20	22	22	24	23	24	25	25	25	26	26	26
48	18	25	23	23	24	22	24	23	24	24	24	24	25	24	25	26	26	26	27	27	27
49	18	26	27	24	26	26	26	24	25	25	25	25	26	24	27	27	27	27	28	28	28
50	19	27	28	28	29	26	26	24	26	27	27	27	27	25	26	28	27	28	28	28	29
51	18	28	27	27	29	27	27	28	26	28	28	28	28	26	27	29	28	29	29	29	30
52	21	29	28	29	30	28	32	32	27	29	29	29	29	27	28	30	29	30	30	30	31
53	19	30	31	29	30	29	29	30	28	30	30	30	30	29	30	31	30	30	31	31	31
54	19	30	32	31	31	30	30	31	29	31	31	31	31	30	31	32	31	31	32	32	32
55	19	31	32	32	32	30	30	31	30	32	32	32	32	31	32	33	32	32	33	33	33
56	22	31	33	33	33	31	31	32	31	33	33	33	33	32	34	35	33	33	34	34	34
57	22	31	34	33	33	32	32	32	32	35	35	35	35	34	35	36	34	34	35	35	35
58	22	31	34	34	34	33	33	33	33	36	36	36	36	35	37	38	35	35	36	36	36

Enlisted Selected Reserve Timing Table *

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	1	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	1	2	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	1	3	3	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	2	3	4	4	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	2	4	4	5	5	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	3	5	4	5	6	6	7	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	4	5	5	6	7	7	8	7	8	0	0	0	0	0	0	0	0	0	0	0	0
25	5	6	6	6	6	7	8	8	9	0	0	0	0	0	0	0	0	0	0	0	0
26	6	7	7	6	7	7	8	9	9	10	0	0	0	0	0	0	0	0	0	0	0
27	6	8	7	8	8	8	9	9	10	11	11	0	0	0	0	0	0	0	0	0	0
28	7	8	8	8	9	9	9	10	11	11	12	12	0	0	0	0	0	0	0	0	0
29	8	10	9	9	10	10	10	10	11	12	12	13	13	0	0	0	0	0	0	0	0
30	9	10	10	10	10	10	10	11	11	12	13	13	14	0	0	0	0	0	0	0	0
31	10	11	11	11	11	11	11	11	12	12	13	14	14	15	15	15	16	17	18	19	0
32	10	12	12	12	12	12	12	12	12	13	13	14	15	15	16	16	17	18	19	20	21
33	11	13	13	13	13	13	13	13	13	14	14	15	16	16	17	17	18	19	20	21	22
34	12	14	14	14	14	14	14	14	14	15	15	16	17	17	18	18	19	20	21	22	23
35	13	15	14	15	14	14	14	15	15	16	16	17	18	18	19	19	20	21	22	23	24
36	14	16	15	16	15	15	15	15	16	16	17	17	18	18	19	19	20	21	22	23	24
37	15	16	16	17	17	16	16	17	17	17	18	18	19	19	20	20	21	22	23	24	25
38	16	17	16	17	17	17	17	17	18	18	18	19	19	20	20	21	21	22	23	24	25
39	17	18	18	18	18	18	18	18	18	19	19	20	20	21	21	22	22	23	24	25	26
40	17	18	19	20	19	19	19	19	19	20	20	21	21	22	22	23	23	24	25	26	27
41	18	20	21	21	20	20	20	20	20	21	21	22	22	23	23	24	24	25	26	27	28
42	18	21	21	21	21	21	21	21	21	22	22	23	23	24	24	25	25	26	27	28	29
43	19	21	23	23	22	22	23	23	23	24	24	25	25	26	26	27	27	28	29	30	31
44	20	22	24	24	24	24	24	24	24	25	25	26	26	27	27	28	28	29	30	31	32
45	21	23	24	25	24	24	24	24	24	25	25	26	26	27	27	28	28	29	30	31	32
46	21	23	26	25	26	25	25	24	25	24	24	24	25	25	26	26	27	27	28	29	30
47	22	24	27	26	26	25	25	28	26	26	24	25	24	23	26	24	26	26	27	27	28
48	23	25	28	27	27	25	26	28	27	27	27	26	26	25	25	25	25	26	27	28	29
49	24	27	29	29	29	27	28	27	28	28	28	29	28	26	26	26	26	27	28	29	30
50	25	28	29	30	29	28	26	30	30	30	30	30	30	27	27	27	27	29	30	30	31
51	25	27	30	31	31	30	31	31	31	31	31	31	31	29	29	29	29	30	31	31	32
52	27	29	31	31	32	31	32	31	31	31	31	31	31	30	30	30	30	31	32	32	33
53	26	30	32	33	33	33	33	32	32	32	32	32	32	31	31	31	31	32	33	33	34
54	26	30	31	33	34	34	34	33	33	33	33	33	33	33	33	33	33	33	34	34	35
55	22	28	34	35	35	35	35	34	34	34	34	34	34	34	34	34	34	34	35	35	36
56	27	32	34	33	36	36	36	35	35	35	35	35	35	35	35	35	35	36	36	36	37
57	29	33	35	37	37	37	37	36	36	36	36	36	36	36	36	36	36	37	37	37	38
58	27	33	36	34	38	38	38	37	37	37	37	37	37	37	37	37	37	38	38	38	39

Officer Selected Reserve Promotion and Merit Basic Pay Increase Scales

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+	
16	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
17	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
18	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
19	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
20	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
21	1.039	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
22	1.014	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
23	1.010	1.000	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
24	1.053	1.068	1.000	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
25	1.068	1.054	1.036	1.000	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
26	1.049	1.019	1.024	1.036	1.030	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
27	1.040	1.049	1.010	1.031	1.030	1.081	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
28	1.041	1.040	1.028	1.036	1.025	1.030	1.150	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
29	1.044	1.051	1.057	1.050	1.020	1.018	1.039	1.152	1.000	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
30	1.049	1.064	1.054	1.038	1.034	1.016	1.019	1.023	1.139	1.118	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31	1.041	1.043	1.036	1.042	1.030	1.035	1.021	1.029	1.043	1.063	1.083	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
32	1.038	1.042	1.038	1.021	1.030	1.036	1.032	1.033	1.041	1.023	1.041	1.000	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
33	1.028	1.034	1.032	1.031	1.037	1.036	1.041	1.042	1.028	1.029	1.035	1.129	1.077	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000	0.000
34	1.024	1.029	1.033	1.035	1.026	1.025	1.030	1.025	1.033	1.027	1.024	1.036	1.070	1.054	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000
35	1.020	1.031	1.047	1.041	1.040	1.031	1.033	1.038	1.039	1.041	1.038	1.038	1.059	1.062	1.000	1.000	1.000	0.000	0.000	0.000	0.000	0.000
36	1.025	1.028	1.031	1.040	1.040	1.031	1.035	1.034	1.026	1.026	1.030	1.038	1.029	1.054	1.132	1.000	1.000	1.000	1.000	1.000	1.000	1.000
37	1.017	1.023	1.024	1.031	1.034	1.028	1.025	1.030	1.032	1.029	1.022	1.024	1.021	1.032	1.018	1.194	1.000	1.000	1.000	1.000	1.000	1.000
38	1.015	1.017	1.018	1.019	1.031	1.029	1.032	1.023	1.016	1.023	1.019	1.016	1.031	1.009	1.017	1.035	1.133	1.092	1.010	0.984	1.000	1.000
39	1.007	1.019	1.019	1.013	1.024	1.022	1.025	1.026	1.024	1.020	1.033	1.018	1.019	1.030	1.010	1.018	1.018	1.046	1.046	1.046	1.000	1.000
40	1.015	1.007	1.017	1.022	1.016	1.025	1.019	1.025	1.021	1.024	1.018	1.025	1.023	1.029	1.027	1.016	1.002	1.038	1.038	1.038	1.000	1.000
41	1.013	1.019	1.020	1.018	1.017	1.020	1.019	1.024	1.024	1.013	1.017	1.024	1.030	1.027	1.030	1.031	1.040	1.038	1.038	1.038	1.000	1.000
42	1.012	1.019	1.017	1.018	1.026	1.030	1.019	1.025	1.021	1.029	1.020	1.028	1.017	1.020	1.028	1.017	1.028	1.028	1.028	1.028	1.038	1.038
43	1.009	1.026	1.031	1.025	1.020	1.030	1.027	1.018	1.021	1.024	1.028	1.020	1.033	1.027	1.024	1.013	1.030	1.001	0.981	0.981	1.030	1.030
44	1.015	1.023	1.018	1.013	1.018	1.024	1.028	1.022	1.020	1.014	1.013	1.023	1.021	1.025	1.018	1.025	1.033	1.025	1.047	1.047	1.046	1.046
45	1.016	1.015	1.014	1.031	1.015	1.014	1.029	1.024	1.019	1.011	1.017	1.001	1.016	1.007	1.011	1.005	1.013	1.025	1.042	1.042	1.035	1.035
46	1.021	1.023	1.025	1.020	1.021	1.016	1.017	1.027	1.027	1.028	1.024	1.016	1.008	1.018	1.010	1.018	1.009	1.032	0.993	0.993	0.994	0.994
47	1.022	1.028	1.023	1.021	1.023	1.013	1.039	1.026	1.019	1.015	1.019	1.022	1.019	1.024	1.019	1.033	1.014	1.010	1.019	1.019	1.019	1.019
48	1.021	1.024	1.036	1.018	1.017	1.017	1.017	1.024	1.015	1.026	1.015	1.028	1.003	1.002	1.014	1.007	1.010	1.033	1.031	1.031	1.031	1.031
49	1.023	1.025	1.012	1.023	1.016	1.023	1.016	1.009	1.020	1.022	1.037	1.037	1.018	1.024	0.999	1.017	1.041	0.983	1.070	1.070	1.070	1.070
50	1.016	1.005	1.012	1.017	1.010	1.003	1.016	1.021	1.011	1.015	1.025	1.029	1.046	1.040	1.032	1.011	1.015	1.024	0.990	0.990	0.990	0.990
51	0.998	1.007	1.018	1.013	1.010	1.008	1.021	1.011	1.009	1.000	1.013	1.023	1.014	1.022	1.017	1.022	1.009	0.987	1.022	1.022	1.022	1.022
52	1.013	1.001	1.005	1.009	1.011	1.015	0.993	1.000	1.013	1.048	0.996	1.017	1.029	1.017	1.044	1.028	1.027	1.044	1.047	1.047	1.047	1.047
53	0.994	1.021	1.005	0.999	1.004	1.008	1.001	1.011	1.004	1.001	1.017	0.972	1.013	1.020	1.055	0.990	1.001	1.065	0.990	0.990	0.990	0.990
54	0.994	1.013	0.994	1.011	0.997	1.002	1.018	1.002	1.033	1.001	0.980	1.027	0.994	0.989	1.002	1.038	1.009	0.977	0.977	0.977	0.977	0.977
55	1.013	0.996	1.011	0.981	0.998	0.980	1.001	0.950	0.994	0.996	1.019	1.011	0.987	1.011	0.995	1.040	1.062	1.062	1.062	1.062	1.062	1.062
56	0.994	1.002	1.022	1.015	1.019	0.995	1.020	0.973	1.005	1.028	0.982	1.002	0.949	1.047	0.999	0.999	0.999	0.999	0.999	0.999	0.999	0.999
57	1.014	1.000	1.000	1.000	0.995	1.012	0.992	1.049	0.950	1.001	1.056	1.014	1.016	0.920	1.004	1.004	1.004	1.004	1.004	1.004	1.004	1.004
58	1.023	1.011	0.995	1.006	0.984	1.009	0.994	0.993	1.040	0.968	0.989	1.006	1.016	1.039	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980
59	0.982	1.026	1.010	1.007	1.028	1.005	1.002	0.960	0.975	1.066	1.005	0.969	1.041	0.992	0.992	0.992	0.992	0.992	0.992	0.992	0.992	0.992
60	1.040	1.054	1.055	1.048	1.051	1.030	0.989	1.068	1.003	0.921	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951	0.951
61	1.013	1.023	1.015	1.011	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001	1.001
62	1.024	0.978	1.022	1.035	1.062	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056	1.056

Note: The number that appears in the column marked 'under1' and the row marked '62' is the ratio of average basic pay at age 63 and above to basic pay at 62 for a member with less than a completed year of active duty service.

Enlisted Selected Reserve Promotion and Merit Basic Pay Increase Scales

Completed Years Of Total Active Federal Military Service

Age	Under 1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20+
16	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
17	1.042	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
18	1.120	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
19	1.079	1.077	1.044	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
20	1.063	1.060	1.065	1.289	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
21	1.051	1.043	1.024	1.041	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
22	1.038	1.030	1.025	1.017	1.007	1.076	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
23	1.030	1.031	1.020	1.017	1.012	1.028	1.127	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
24	1.030	1.030	1.027	1.021	1.019	1.019	1.022	1.067	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
25	1.030	1.040	1.025	1.024	1.022	1.019	1.017	1.038	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
26	1.028	1.052	1.030	1.027	1.024	1.027	1.018	1.013	1.047	1.140	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
27	1.030	1.048	1.034	1.029	1.030	1.026	1.021	1.014	1.011	1.039	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
28	1.030	1.042	1.039	1.035	1.032	1.033	1.028	1.020	1.018	1.013	1.038	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
29	1.030	1.038	1.042	1.037	1.032	1.031	1.024	1.019	1.023	1.017	1.027	1.071	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
30	1.026	1.039	1.039	1.035	1.034	1.031	1.026	1.018	1.021	1.011	1.022	1.012	1.081	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
31	1.022	1.034	1.032	1.032	1.030	1.029	1.028	1.024	1.023	1.020	1.025	1.022	1.002	1.053	1.000	0.000	0.000	0.000	0.000	0.000	0.000
32	1.021	1.024	1.028	1.029	1.031	1.031	1.025	1.022	1.018	1.019	1.020	1.001	0.999	1.015	1.004	1.000	0.000	0.000	0.000	0.000	0.000
33	1.020	1.021	1.022	1.027	1.026	1.025	1.024	1.023	1.023	1.017	1.021	1.015	1.010	1.010	1.007	1.007	1.000	0.000	0.000	0.000	0.000
34	1.018	1.023	1.025	1.018	1.026	1.030	1.024	1.023	1.031	1.021	1.021	1.011	1.021	1.012	1.005	1.016	1.098	1.000	0.000	0.000	0.000
35	1.017	1.022	1.015	1.026	1.026	1.023	1.027	1.032	1.028	1.016	1.022	1.015	1.010	1.024	1.016	1.018	1.019	1.000	0.000	0.000	0.000
36	1.013	1.017	1.013	1.013	1.017	1.025	1.021	1.025	1.031	1.020	1.018	1.023	1.016	1.012	1.032	1.017	1.021	1.109	1.173	1.000	0.000
37	1.016	1.008	1.022	1.016	1.016	1.023	1.019	1.023	1.020	1.018	1.019	1.010	1.016	1.009	1.000	1.028	0.995	1.028	1.038	1.000	1.000
38	1.016	1.012	1.014	1.012	1.014	1.019	1.017	1.014	1.015	1.020	1.018	1.013	1.005	1.012	1.017	1.041	0.988	0.971	1.183	1.000	1.000
39	1.011	1.011	1.026	1.019	1.015	1.022	1.008	1.022	1.013	1.018	1.014	1.014	1.005	1.004	1.010	1.015	1.007	1.000	1.000	1.000	1.000
40	1.013	1.012	1.016	1.022	1.022	1.026	1.017	1.023	1.007	1.011	1.021	1.011	1.003	1.004	1.005	1.017	1.001	1.017	1.017	1.017	1.000
41	1.013	1.011	1.013	1.020	1.018	1.015	1.021	1.005	1.010	1.019	1.005	1.018	1.007	1.003	0.998	1.009	1.007	1.004	1.004	1.004	1.000
42	1.017	1.007	1.012	1.009	1.022	1.022	1.016	1.020	1.020	1.012	1.022	1.015	1.015	1.000	1.017	0.996	0.982	1.002	1.002	1.002	1.108
43	1.026	1.009	1.008	1.017	1.015	1.013	1.021	1.018	1.026	1.024	1.018	1.013	1.005	1.022	1.009	0.996	1.007	1.015	1.015	1.015	1.015
44	1.048	1.021	1.025	1.023	1.014	1.018	1.018	1.030	1.019	1.030	1.026	1.026	1.029	1.000	0.996	1.001	1.009	0.991	0.991	0.991	0.991
45	1.029	1.029	1.026	1.025	1.013	1.017	1.011	1.011	1.031	1.027	1.024	1.025	1.029	1.034	1.010	1.023	1.005	1.030	1.030	1.030	1.030
46	1.035	1.024	1.031	1.028	1.018	1.022	1.010	1.007	1.015	1.010	1.033	1.017	1.027	1.009	1.022	1.017	1.029	0.989	0.989	0.989	0.989
47	1.027	1.017	1.024	1.019	1.025	1.019	1.028	1.013	1.024	1.019	1.030	1.031	1.016	1.013	0.999	1.012	1.000	1.015	1.015	1.015	1.015
48	1.018	1.011	1.009	1.024	1.014	1.037	1.014	1.024	1.014	1.010	1.004	1.014	1.010	1.010	1.037	0.986	0.997	1.042	1.042	1.042	1.042
49	1.021	1.006	1.007	1.011	1.016	1.020	1.038	1.025	1.006	1.022	1.023	1.011	1.011	1.034	1.054	1.035	1.017	0.976	0.976	0.976	0.976
50	1.009	1.013	1.005	1.015	1.015	1.018	1.024	1.026	1.026	1.014	0.994	1.002	1.026	1.025	0.989	1.031	1.022	0.982	0.982	0.982	0.982
51	1.018	1.011	1.003	1.006	1.011	1.018	1.033	1.015	1.003	1.043	1.004	1.000	0.997	1.006	0.996	1.010	1.034	1.047	1.047	1.047	1.047
52	1.016	1.004	1.009	1.011	1.007	1.006	1.028	1.012	1.009	1.015	1.008	0.998	1.011	1.042	1.042	1.029	1.017	1.017	1.017	1.017	1.017
53	1.003	1.006	1.017	1.007	1.002	1.002	1.021	1.021	1.003	0.995	1.014	1.028	1.025	1.012	1.040	1.032	1.033	1.033	1.033	1.033	1.033
54	1.007	0.989	1.010	1.001	0.993	0.994	1.009	1.009	1.013	1.029	0.996	1.006	1.035	0.992	0.993	1.003	1.015	1.015	1.015	1.015	1.015
55	0.987	1.002	1.002	0.998	0.993	0.985	0.991	1.005	0.987	1.000	1.011	1.018	1.018	1.064	1.030	0.975	1.046	1.046	1.046	1.046	1.046
56	1.007	1.002	0.996	1.005	1.002	1.002	1.003	0.989	0.993	1.016	0.998	1.031	0.999	0.962	0.921	1.017	0.934	0.934	0.934	0.934	0.934
57	1.015	1.012	1.012	0.999	1.020	0.995	1.012	1.032	1.047	0.993	1.080	0.986	1.029	1.042	1.029	1.029	1.029	1.029	1.029	1.029	1.029
58	0.995	1.004	1.009	1.019	1.012	1.009	0.999	1.003	1.002	1.032	0.995	1.010	1.019	0.974	1.086	1.086	1.086	1.086	1.086	1.086	1.086
59	0.997	0.989	0.985	0.979	0.990	0.993	1.028	1.009	1.018	0.979	0.978	1.001	1.104	1.025	0.939	0.939	0.939	0.939	0.939	0.939	0.939
60	0.862	0.899	0.846	0.868	0.850	0.853	0.863	0.963	0.902	0.700	0.779	0.800	0.754	0.851	0.851	0.851	0.851	0.851	0.851	0.851	0.851
61	1.034	0.974	1.024	1.020	1.024	0.959	0.861	0.815	0.876	1.148	1.020	0.994	0.994	0.994	0.994	0.994	0.994	0.994	0.994	0.994	0.994
62	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885

Note: The number that appears in the column marked 'under1' and the row marked '62' is the ratio of average basic pay at age 63 and above to basic pay at 62 for a member with less than a completed year of active duty service.

APPENDIX I

RETIREE AND SURVIVOR RATES

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RETIREE AND SURVIVOR RATES

The military retiree decrement rates are used to predict death, “other” losses from retired pay status, and rates of transfer from temporary disability to permanent disability. The “other” losses consist primarily of returns to active duty and full waiver of retired pay to receive a higher annuity from the Veterans Affairs or Civil Service. In order to compute the normal cost contributions with and without regard to Concurrent Receipt benefits (Public Law 108-136), DoD- and Treasury-specific “other” loss rates, among others, are used to calculate the appropriate amounts. These rates were developed by age nearest birthday for officers and enlistees separately, and were further subdivided by three types of retirement: nondisability, temporary disability, and permanent disability. For temporary disability retirees, select rates were created for each of the first five years of retirement. After five years, those who are still in the temporary disability status are transferred to a permanent disability status.

The data for the rates were taken from the Defense Manpower Data Center Retiree and Survivor Files as of September 30 for the years 2000 through 2006. These files were created by the Finance Centers of the military services (now consolidated under the Defense Finance and Accounting Service), which have responsibility for sending monthly retired pay checks to military retirees. A military retiree can be in “paid status” or “nonpaid status.” Nonpaid status indicates that a retiree has an entitlement to an annuity, but the annuity is fully reduced by offsets. Retirees who terminate from paid status during a fiscal year are on the retiree file at the end of that fiscal year with a termination code indicating the type of termination.

The rate development process began by matching two consecutive fiscal year-end files by Social Security number. Cases no longer in paid status were categorized by type of loss. Cases returned to paid status (from non-paid status at the start of the year) were subtracted from a given type of loss. After following the above procedures, crude rates were created using the formulas given on page I-3. These were smoothed using a Whittaker-Henderson type B graduation, or by fitting a polynomial to the crude rates. Where there was reason to suspect valid discontinuities in the underlying rates, those segments were not smoothed. A summary of the years on which various rates are based is given on page I-5.

Retiree and survivor rates are shown on pages I-6 through I-18.

RETIREE AND SURVIVOR DECREMENT RATE FORMULAS

NONDISABILITY RETIRED DEATH (by age nearest birthday and retired from active/reserve duty)

$$\frac{\text{Nondisability deaths}}{\text{[Number at beginning of year} - \frac{1}{2} \text{(Nondisability deaths + other losses)]}}$$

PERMANENT DISABILITY RETIRED DEATH (by age nearest birthday)

$$\frac{\text{Permanent disability deaths}}{\text{[Number at beginning of year} - \frac{1}{2} \text{(Permanent disability deaths + other losses)]}}$$

TEMPORARY DISABILITY RETIRED DEATH (by age nearest birthday and years retired)

$$\frac{\text{Temporary disability deaths in category}^1}{\text{[Number at beginning of year} - \frac{1}{2} \text{(Deaths + transfers + other losses)]}}$$

OTHER LOSSES FROM NONDISABILITY (by age nearest birthday and retired from active/reserve duty)

$$\frac{\text{Losses other than death}}{\text{Number at beginning of year}}$$

OTHER AND NON-TRANSFER LOSSES FROM TEMPORARY DISABILITY (by age nearest birthday and years retired)

$$\frac{\text{Losses other than death or transfers to permanent}}{\text{Number at beginning of year}}$$

TRANSFER FROM TEMPORARY TO PERMANENT DISABILITY (by age nearest birthday and years retired)

$$\frac{\text{Transfers to permanent}}{\text{Number at beginning of year}}$$

OTHER LOSSES FROM PERMANENT DISABILITY (by age nearest birthday)

$$\frac{\text{Losses other than death}}{\text{Number at beginning of year}}$$

¹ Includes deaths of members who were temporarily disabled at the beginning of the year, then transferred to permanent disability, and later died before the end of the year.

**RETIREE AND SURVIVOR DECREMENT RATE FORMULAS
(cont.)**

RETIREE DIVORCE (weighted by coverage amount, by age nearest birthday)

Net retiree divorces
Number at beginning of year

SURVIVING SPOUSE REMARRIAGE (by age nearest birthday)

Surviving spouse remarriages
Number at beginning of year

SURVIVING CHILD TERMINATION (by age nearest birthday)

Child terminations
Number at beginning of year

SURVIVING SPOUSE DEATH (by age nearest birthday)

Survivor deaths
Number at beginning of year

SURVIVING SPOUSE OTHER LOSS (by age nearest birthday)

Survivor losses other than deaths
Number at beginning of year

SUMMARY OF YEARS ON WHICH RETIREE AND SURVIVOR RATES ARE BASED

By Fiscal Year

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<u>DEATH RATES</u>							
ND Officers					X	X	
ND Enlistees					X	X	
PD Officers	X	X	X				
PD Enlistees	X	X	X				
TD Officers	X	X	X	X	X	X	
TD Enlistees	X	X	X	X	X	X	
<u>OTHER LOSS RATES</u>							
ND Officers					X	X	
ND Enlistees					X	X	
PD Officers	X	X	X				
PD Enlistees	X	X	X				
TD Officers	X	X	X	X	X	X	
TD Enlistees	X	X	X	X	X	X	
<u>TRANSFER RATES</u>							
<u>FROM TD TO PD</u>							
Officers	X	X	X	X	X	X	
Enlistees	X	X	X	X	X	X	
<u>RETIREE DIVORCE</u>	X	X	X	X	X		
<u>SURVIVOR RATES</u>							
Remarriage					X	X	X
Child Termination					X	X	X
Survivor Death					X	X	X
Survivor Other Loss					X	X	X

Key: ND = Nondisabled
 PD = Permanently Disabled
 TD = Temporarily Disabled

OFFICER RETIRED DEATH RATES

(Age Nearest Birthday)

Age	Non-Disability		Permanent Disability	Temporary Disability				
	Active	Reserve		Year of Retirement				
				One	Two	Three	Four	Five
16	0.00000	0.00000	0.00265	0.02302	0.01162	0.00595	0.00232	0.00234
17	0.00000	0.00000	0.00292	0.02145	0.01083	0.00554	0.00216	0.00218
18	0.00000	0.00000	0.00312	0.01999	0.01009	0.00516	0.00201	0.00203
19	0.00000	0.00000	0.00328	0.01863	0.00940	0.00481	0.00187	0.00189
20	0.00000	0.00000	0.00344	0.01735	0.00876	0.00448	0.00175	0.00176
21	0.00000	0.00000	0.00359	0.01621	0.00818	0.00419	0.00163	0.00165
22	0.00000	0.00000	0.00377	0.01521	0.00768	0.00393	0.00153	0.00154
23	0.00000	0.00000	0.00399	0.01434	0.00724	0.00370	0.00144	0.00146
24	0.00000	0.00000	0.00423	0.01360	0.00687	0.00351	0.00137	0.00138
25	0.00000	0.00000	0.00448	0.01302	0.00657	0.00336	0.00131	0.00132
26	0.00000	0.00000	0.00472	0.01258	0.00635	0.00325	0.00127	0.00128
27	0.00000	0.00000	0.00493	0.01230	0.00621	0.00318	0.00124	0.00125
28	0.00000	0.00000	0.00511	0.01218	0.00615	0.00315	0.00123	0.00124
29	0.00000	0.00000	0.00528	0.01223	0.00617	0.00316	0.00123	0.00124
30	0.00029	0.00043	0.00544	0.01245	0.00628	0.00322	0.00125	0.00126
31	0.00030	0.00044	0.00557	0.01285	0.00648	0.00332	0.00129	0.00130
32	0.00031	0.00045	0.00569	0.01343	0.00678	0.00347	0.00135	0.00136
33	0.00031	0.00046	0.00575	0.01420	0.00717	0.00367	0.00143	0.00144
34	0.00031	0.00046	0.00576	0.01517	0.00766	0.00392	0.00153	0.00154
35	0.00031	0.00046	0.00577	0.01635	0.00825	0.00422	0.00164	0.00166
36	0.00031	0.00047	0.00585	0.01774	0.00895	0.00458	0.00178	0.00180
37	0.00033	0.00047	0.00604	0.01935	0.00977	0.00500	0.00195	0.00197
38	0.00034	0.00049	0.00604	0.02119	0.01070	0.00547	0.00213	0.00215
39	0.00035	0.00052	0.00604	0.02327	0.01174	0.00601	0.00234	0.00236
40	0.00037	0.00054	0.00604	0.02559	0.01291	0.00661	0.00257	0.00260
41	0.00047	0.00058	0.00604	0.02816	0.01421	0.00727	0.00283	0.00286
42	0.00057	0.00062	0.00604	0.03099	0.01564	0.00800	0.00312	0.00315
43	0.00065	0.00065	0.00604	0.03409	0.01721	0.00881	0.00343	0.00346
44	0.00071	0.00070	0.00604	0.03747	0.01891	0.00968	0.00377	0.00381
45	0.00079	0.00074	0.00604	0.04113	0.02076	0.01062	0.00414	0.00418
46	0.00096	0.00080	0.00604	0.04509	0.02276	0.01165	0.00453	0.00458
47	0.00115	0.00086	0.00604	0.04935	0.02491	0.01275	0.00496	0.00501
48	0.00122	0.00094	0.00604	0.05392	0.02722	0.01393	0.00542	0.00548
49	0.00138	0.00102	0.00604	0.05882	0.02969	0.01519	0.00592	0.00597
50	0.00145	0.00112	0.00629	0.06405	0.03233	0.01655	0.00644	0.00651
51	0.00160	0.00123	0.00690	0.06962	0.03514	0.01798	0.00700	0.00707
52	0.00176	0.00135	0.00756	0.07554	0.03813	0.01951	0.00760	0.00767
53	0.00195	0.00151	0.00827	0.08182	0.04130	0.02114	0.00823	0.00831
54	0.00215	0.00168	0.00904	0.08847	0.04465	0.02285	0.00890	0.00899
55	0.00240	0.00189	0.00986	0.09550	0.04820	0.02467	0.00961	0.00970
56	0.00267	0.00215	0.01075	0.10292	0.05195	0.02659	0.01035	0.01045
57	0.00301	0.00247	0.01170	0.11074	0.05590	0.02861	0.01114	0.01125
58	0.00339	0.00284	0.01272	0.11897	0.06005	0.03073	0.01197	0.01208
59	0.00383	0.00320	0.01596	0.12762	0.06442	0.03297	0.01284	0.01296
60	0.00432	0.00360	0.01880	0.13670	0.06900	0.03531	0.01375	0.01388
61	0.00490	0.00419	0.01995	0.14623	0.07381	0.03777	0.01471	0.01485

OFFICER RETIRED DEATH RATES (continued)

(Age Nearest Birthday)

Age	Non-Disability		Permanent Disability	Temporary Disability				
	Active	Reserve		Year of Retirement				
				One	Two	Three	Four	Five
62	0.00554	0.00486	0.01957	0.15642	0.07895	0.04041	0.01573	0.01589
63	0.00628	0.00565	0.01862	0.16731	0.08445	0.04322	0.01683	0.01699
64	0.00708	0.00650	0.01858	0.17897	0.09033	0.04623	0.01800	0.01818
65	0.00801	0.00744	0.02003	0.19144	0.09663	0.04945	0.01925	0.01944
66	0.00913	0.00856	0.02338					
67	0.01039	0.00970	0.02727					
68	0.01180	0.01085	0.03126					
69	0.01351	0.01221	0.03419					
70	0.01541	0.01365	0.03602					
71	0.01764	0.01530	0.03814					
72	0.02014	0.01715	0.04069					
73	0.02294	0.01922	0.04425					
74	0.02601	0.02155	0.04750					
75	0.02950	0.02430	0.05026					
76	0.03318	0.02732	0.05254					
77	0.03738	0.03106	0.05542					
78	0.04204	0.03522	0.05975					
79	0.04726	0.04002	0.06538					
80	0.05315	0.04554	0.07265					
81	0.06008	0.05190	0.08075					
82	0.06770	0.05949	0.08970					
83	0.07600	0.06759	0.09953					
84	0.08578	0.07718	0.11077					
85	0.09640	0.08767	0.12313					
86	0.10830	0.09951	0.13604					
87	0.12217	0.11331	0.14878					
88	0.13831	0.12939	0.16254					
89	0.15496	0.14610	0.17804					
90	0.17408	0.16529	0.19684					
91	0.19426	0.18564	0.21905					
92	0.21719	0.20882	0.24528					
93	0.24106	0.23308	0.27517					
94	0.26676	0.25930	0.30975					
95	0.29566	0.28880	0.34818					
96	0.32519	0.31915	0.39034					
97	0.35823	0.35151	0.43621					
98	0.39344	0.38937	0.46776					
99	0.40849	0.41221	0.49911					
100	0.42868	0.43813	0.53094					
101	0.46187	0.47205	0.56402					
102	0.49019	0.50100	0.59918					
103	0.52143	0.53293	0.63923					
104	0.55533	0.56758	0.66667					
105	0.59015	0.60317	0.66667					
106	0.62398	0.63774	0.66667					
107	0.65472	0.66667	0.66667					
108	0.66667	0.66667	0.66667					
109	0.66667	0.66667	0.66667					
110	0.66667	0.66667	1.00000					

ENLISTED RETIRED DEATH RATES

(Age Nearest Birthday)

Age	Non-Disability		Permanent Disability	Temporary Disability				
	Active	Reserve		Year of Retirement				
				One	Two	Three	Four	Five
16	0.00000	0.00000	0.00192	0.01100	0.00566	0.00407	0.00594	0.00516
17	0.00000	0.00000	0.00212	0.01025	0.00528	0.00380	0.00554	0.00481
18	0.00000	0.00000	0.00226	0.00955	0.00492	0.00354	0.00516	0.00448
19	0.00000	0.00000	0.00238	0.00890	0.00458	0.00330	0.00481	0.00418
20	0.00000	0.00000	0.00249	0.00829	0.00427	0.00307	0.00448	0.00389
21	0.00000	0.00000	0.00260	0.00775	0.00399	0.00287	0.00418	0.00363
22	0.00000	0.00000	0.00273	0.00727	0.00374	0.00269	0.00392	0.00341
23	0.00000	0.00000	0.00289	0.00685	0.00353	0.00254	0.00370	0.00321
24	0.00000	0.00000	0.00307	0.00650	0.00335	0.00241	0.00351	0.00305
25	0.00000	0.00000	0.00325	0.00622	0.00320	0.00230	0.00336	0.00292
26	0.00000	0.00000	0.00342	0.00601	0.00310	0.00223	0.00325	0.00282
27	0.00000	0.00000	0.00357	0.00588	0.00303	0.00218	0.00318	0.00276
28	0.00000	0.00000	0.00371	0.00582	0.00300	0.00216	0.00314	0.00273
29	0.00000	0.00000	0.00383	0.00585	0.00301	0.00216	0.00316	0.00274
30	0.00051	0.00072	0.00394	0.00595	0.00306	0.00220	0.00321	0.00279
31	0.00052	0.00074	0.00403	0.00614	0.00316	0.00227	0.00331	0.00288
32	0.00053	0.00075	0.00403	0.00642	0.00330	0.00238	0.00347	0.00301
33	0.00054	0.00076	0.00403	0.00679	0.00349	0.00251	0.00366	0.00318
34	0.00054	0.00076	0.00403	0.00725	0.00373	0.00268	0.00392	0.00340
35	0.00054	0.00076	0.00440	0.00781	0.00402	0.00289	0.00422	0.00367
36	0.00055	0.00077	0.00476	0.00848	0.00436	0.00314	0.00458	0.00398
37	0.00055	0.00080	0.00513	0.00925	0.00476	0.00342	0.00499	0.00434
38	0.00058	0.00084	0.00549	0.01013	0.00521	0.00375	0.00547	0.00475
39	0.00061	0.00087	0.00585	0.01112	0.00572	0.00412	0.00600	0.00522
40	0.00064	0.00093	0.00622	0.01223	0.00629	0.00453	0.00660	0.00574
41	0.00082	0.00098	0.00605	0.01346	0.00693	0.00498	0.00727	0.00631
42	0.00100	0.00104	0.00594	0.01481	0.00762	0.00548	0.00800	0.00695
43	0.00114	0.00111	0.00590	0.01629	0.00839	0.00603	0.00880	0.00764
44	0.00124	0.00118	0.00592	0.01791	0.00922	0.00663	0.00967	0.00840
45	0.00138	0.00125	0.00601	0.01966	0.01012	0.00728	0.01061	0.00922
46	0.00168	0.00135	0.00617	0.02155	0.01109	0.00798	0.01164	0.01011
47	0.00202	0.00147	0.00640	0.02359	0.01214	0.00873	0.01274	0.01106
48	0.00214	0.00160	0.00669	0.02577	0.01327	0.00954	0.01392	0.01209
49	0.00243	0.00175	0.00707	0.02811	0.01447	0.01041	0.01518	0.01319
50	0.00255	0.00191	0.00753	0.03061	0.01576	0.01133	0.01653	0.01436
51	0.00271	0.00209	0.00807	0.03328	0.01713	0.01232	0.01797	0.01561
52	0.00316	0.00230	0.00872	0.03610	0.01858	0.01337	0.01949	0.01694
53	0.00404	0.00257	0.00947	0.03911	0.02013	0.01448	0.02112	0.01834
54	0.00454	0.00286	0.01034	0.04229	0.02176	0.01566	0.02283	0.01983
55	0.00505	0.00323	0.01135	0.04565	0.02349	0.01690	0.02465	0.02141
56	0.00603	0.00367	0.01250	0.04919	0.02532	0.01821	0.02656	0.02307
57	0.00691	0.00419	0.01381	0.05293	0.02724	0.01960	0.02858	0.02483
58	0.00755	0.00481	0.01527	0.05686	0.02927	0.02105	0.03070	0.02667
59	0.00870	0.00542	0.01691	0.06100	0.03139	0.02258	0.03294	0.02861
60	0.01004	0.00610	0.01870	0.06534	0.03363	0.02419	0.03528	0.03065
61	0.01115	0.00708	0.02065	0.06989	0.03597	0.02588	0.03774	0.03278

ENLISTED RETIRED DEATH RATES (continued)

(Age Nearest Birthday)

Age	Non-Disability		Permanent Disability	Temporary Disability				
	Active	Reserve		Year of Retirement				
				One	Two	Three	Four	Five
62	0.01219	0.00820	0.02274	0.07476	0.03848	0.02768	0.04037	0.03507
63	0.01338	0.00950	0.02496	0.07997	0.04116	0.02961	0.04318	0.03751
64	0.01473	0.01087	0.02729	0.08554	0.04403	0.03167	0.04619	0.04012
65	0.01644	0.01233	0.02973	0.09150	0.04709	0.03388	0.04940	0.04292
66	0.01849	0.01392	0.03229					
67	0.02106	0.01554	0.03499					
68	0.02317	0.01720	0.03786					
69	0.02554	0.01909	0.04095					
70	0.02797	0.02108	0.04432					
71	0.03036	0.02338	0.04801					
72	0.03376	0.02598	0.05210					
73	0.03816	0.02893	0.05661					
74	0.04298	0.03229	0.06162					
75	0.04737	0.03628	0.06715					
76	0.05234	0.04065	0.07326					
77	0.05767	0.04573	0.07999					
78	0.06367	0.05129	0.08737					
79	0.07084	0.05731	0.09544					
80	0.07789	0.06376	0.10424					
81	0.08576	0.07070	0.11378					
82	0.09402	0.07829	0.12410					
83	0.10308	0.08631	0.13521					
84	0.11250	0.09579	0.14712					
85	0.12198	0.10619	0.15985					
86	0.13336	0.11814	0.17339					
87	0.14872	0.13251	0.18776					
88	0.16755	0.14910	0.20295					
89	0.18815	0.16735	0.21897					
90	0.21228	0.18886	0.24203					
91	0.23682	0.21213	0.26694					
92	0.26222	0.23902	0.29352					
93	0.28498	0.26755	0.32256					
94	0.30394	0.29870	0.35439					
95	0.31950	0.33399	0.38804					
96	0.32878	0.36327	0.42243					
97	0.33634	0.39214	0.45640					
98	0.34722	0.42652	0.48942					
99	0.36050	0.45472	0.52221					
100	0.37831	0.48331	0.55552					
101	0.40761	0.52072	0.59014					
102	0.43260	0.55266	0.62692					
103	0.46017	0.58788	0.66667					
104	0.49009	0.62610	0.66667					
105	0.52082	0.66536	0.66667					
106	0.55067	0.66667	0.66667					
107	0.57781	0.66667	0.66667					
108	0.60428	0.66667	0.66667					
109	0.63127	0.66667	0.66667					
110	0.65524	0.66667	1.00000					

ACTIVE DUTY OTHER LOSSES FROM NONDISABILITY

(Age Nearest Birthday)

Age	DoD		Treasury		Age	DoD		Treasury	
	Officer	Enlisted	Officer	Enlisted		Officer	Enlisted	Officer	Enlisted
16	0.0000	0.0000	0.0000	0.0000	56	0.0006	0.0076	0.0000	0.0002
17	0.0000	0.0000	0.0000	0.0000	57	0.0007	0.0084	0.0000	0.0002
18	0.0000	0.0000	0.0000	0.0000	58	0.0009	0.0092	0.0000	0.0003
19	0.0000	0.0000	0.0000	0.0000	59	0.0012	0.0099	0.0000	0.0003
20	0.0000	0.0000	0.0000	0.0000	60	0.0015	0.0105	0.0000	0.0003
21	0.0000	0.0000	0.0000	0.0000	61	0.0019	0.0110	0.0000	0.0003
22	0.0000	0.0000	0.0000	0.0000	62	0.0022	0.0112	0.0000	0.0003
23	0.0000	0.0000	0.0000	0.0000	63	0.0023	0.0113	0.0000	0.0003
24	0.0000	0.0000	0.0000	0.0000	64	0.0024	0.0112	0.0000	0.0003
25	0.0000	0.0000	0.0000	0.0000	65	0.0023	0.0110	0.0000	0.0003
26	0.0000	0.0000	0.0000	0.0000	66	0.0022	0.0109	0.0000	0.0003
27	0.0000	0.0000	0.0000	0.0000	67	0.0021	0.0108	0.0000	0.0003
28	0.0000	0.0000	0.0000	0.0000	68	0.0020	0.0108	0.0000	0.0003
29	0.0000	0.0000	0.0000	0.0000	69	0.0019	0.0108	0.0000	0.0003
30	0.0003	0.0180	0.0000	0.0000	70	0.0018	0.0109	0.0000	0.0003
31	0.0003	0.0180	0.0000	0.0000	71	0.0017	0.0108	0.0000	0.0003
32	0.0003	0.0180	0.0000	0.0000	72	0.0016	0.0105	0.0000	0.0003
33	0.0003	0.0180	0.0000	0.0000	73	0.0015	0.0102	0.0002	0.0009
34	0.0003	0.0180	0.0000	0.0000	74	0.0014	0.0097	0.0002	0.0009
35	0.0003	0.0180	0.0000	0.0000	75	0.0013	0.0093	0.0002	0.0008
36	0.0003	0.0180	0.0000	0.0000	76	0.0011	0.0089	0.0002	0.0008
37	0.0003	0.0180	0.0000	0.0000	77	0.0011	0.0086	0.0002	0.0008
38	0.0003	0.0180	0.0000	0.0000	78	0.0010	0.0083	0.0002	0.0007
39	0.0003	0.0086	0.0000	0.0000	79	0.0011	0.0081	0.0002	0.0007
40	0.0003	0.0072	0.0000	0.0000	80	0.0012	0.0079	0.0002	0.0007
41	0.0003	0.0061	0.0000	0.0000	81	0.0014	0.0077	0.0002	0.0007
42	0.0003	0.0053	0.0000	0.0000	82	0.0017	0.0076	0.0003	0.0007
43	0.0003	0.0047	0.0000	0.0000	83	0.0020	0.0076	0.0003	0.0007
44	0.0003	0.0044	0.0000	0.0000	84	0.0024	0.0076	0.0004	0.0007
45	0.0003	0.0041	0.0000	0.0000	85	0.0026	0.0077	0.0004	0.0007
46	0.0003	0.0040	0.0000	0.0000	86	0.0028	0.0079	0.0004	0.0007
47	0.0003	0.0039	0.0000	0.0000	87	0.0027	0.0082	0.0004	0.0007
48	0.0003	0.0039	0.0000	0.0000	88	0.0023	0.0086	0.0004	0.0008
49	0.0003	0.0040	0.0000	0.0000	89	0.0017	0.0091	0.0003	0.0008
50	0.0003	0.0041	0.0000	0.0001	90	0.0008	0.0097	0.0001	0.0009
51	0.0003	0.0044	0.0000	0.0001	91	0.0018	0.0105	0.0003	0.0009
52	0.0003	0.0048	0.0000	0.0001	92	0.0018	0.0114	0.0003	0.0010
53	0.0006	0.0053	0.0000	0.0002	93	0.0018	0.0125	0.0003	0.0011
54	0.0006	0.0060	0.0000	0.0002	94	0.0018	0.0138	0.0003	0.0012
55	0.0005	0.0068	0.0000	0.0002	95	0.0018	0.0177	0.0003	0.0016

*** The above DoD/Treasury distinction is needed for Public Law 108-136 calculations.

RESERVE DUTY OTHER LOSSES FROM NONDISABILITY

(Age Nearest Birthday)

Age	DoD		Treasury		Age	DoD		Treasury	
	Officer	Enlisted	Officer	Enlisted		Officer	Enlisted	Officer	Enlisted
16	0.0000	0.0000	0.0000	0.0000	56	0.0000	0.0000	0.0000	0.0000
17	0.0000	0.0000	0.0000	0.0000	57	0.0000	0.0000	0.0000	0.0000
18	0.0000	0.0000	0.0000	0.0000	58	0.0000	0.0000	0.0000	0.0000
19	0.0000	0.0000	0.0000	0.0000	59	0.0000	0.0000	0.0000	0.0000
20	0.0000	0.0000	0.0000	0.0000	60	0.0047	0.0119	0.0000	0.0005
21	0.0000	0.0000	0.0000	0.0000	61	0.0046	0.0104	0.0000	0.0004
22	0.0000	0.0000	0.0000	0.0000	62	0.0029	0.0077	0.0000	0.0003
23	0.0000	0.0000	0.0000	0.0000	63	0.0019	0.0050	0.0000	0.0002
24	0.0000	0.0000	0.0000	0.0000	64	0.0018	0.0034	0.0000	0.0001
25	0.0000	0.0000	0.0000	0.0000	65	0.0020	0.0026	0.0000	0.0001
26	0.0000	0.0000	0.0000	0.0000	66	0.0019	0.0024	0.0000	0.0001
27	0.0000	0.0000	0.0000	0.0000	67	0.0016	0.0025	0.0000	0.0001
28	0.0000	0.0000	0.0000	0.0000	68	0.0014	0.0027	0.0000	0.0001
29	0.0000	0.0000	0.0000	0.0000	69	0.0013	0.0027	0.0000	0.0001
30	0.0000	0.0000	0.0000	0.0000	70	0.0016	0.0026	0.0000	0.0001
31	0.0000	0.0000	0.0000	0.0000	71	0.0016	0.0027	0.0000	0.0001
32	0.0000	0.0000	0.0000	0.0000	72	0.0014	0.0029	0.0000	0.0001
33	0.0000	0.0000	0.0000	0.0000	73	0.0014	0.0032	0.0001	0.0005
34	0.0000	0.0000	0.0000	0.0000	74	0.0014	0.0034	0.0001	0.0006
35	0.0000	0.0000	0.0000	0.0000	75	0.0015	0.0035	0.0001	0.0006
36	0.0000	0.0000	0.0000	0.0000	76	0.0017	0.0035	0.0002	0.0006
37	0.0000	0.0000	0.0000	0.0000	77	0.0021	0.0037	0.0002	0.0006
38	0.0000	0.0000	0.0000	0.0000	78	0.0024	0.0042	0.0002	0.0007
39	0.0000	0.0000	0.0000	0.0000	79	0.0031	0.0049	0.0003	0.0008
40	0.0000	0.0000	0.0000	0.0000	80	0.0038	0.0055	0.0004	0.0009
41	0.0000	0.0000	0.0000	0.0000	81	0.0041	0.0061	0.0004	0.0010
42	0.0000	0.0000	0.0000	0.0000	82	0.0040	0.0064	0.0004	0.0011
43	0.0000	0.0000	0.0000	0.0000	83	0.0038	0.0066	0.0003	0.0011
44	0.0000	0.0000	0.0000	0.0000	84	0.0040	0.0069	0.0004	0.0011
45	0.0000	0.0000	0.0000	0.0000	85	0.0046	0.0073	0.0004	0.0012
46	0.0000	0.0000	0.0000	0.0000	86	0.0049	0.0076	0.0005	0.0013
47	0.0000	0.0000	0.0000	0.0000	87	0.0047	0.0080	0.0004	0.0013
48	0.0000	0.0000	0.0000	0.0000	88	0.0043	0.0083	0.0004	0.0014
49	0.0000	0.0000	0.0000	0.0000	89	0.0038	0.0088	0.0003	0.0014
50	0.0000	0.0000	0.0000	0.0000	90	0.0036	0.0096	0.0003	0.0016
51	0.0000	0.0000	0.0000	0.0000	91	0.0037	0.0109	0.0003	0.0018
52	0.0000	0.0000	0.0000	0.0000	92	0.0041	0.0129	0.0004	0.0021
53	0.0000	0.0000	0.0000	0.0000	93	0.0049	0.0156	0.0005	0.0026
54	0.0000	0.0000	0.0000	0.0000	94	0.0063	0.0138	0.0006	0.0023
55	0.0000	0.0000	0.0000	0.0000	95	0.0078	0.0182	0.0007	0.0030

*** The above DoD/Treasury distinction is needed for Public Law 108-136 calculations.

OTHER LOSS AND NONTRANSFER LOSSES FROM TEMPORARY DISABILITY ***

(Age Nearest Birthday)

Age	Officers					Enlisted				
	Year of Retirement					Year of Retirement				
	One	Two	Three	Four	Five	One	Two	Three	Four	Five
16	0.08718	0.10547	0.07069	0.07101	0.36874	0.19125	0.17225	0.11551	0.12636	0.40196
17	0.08953	0.10832	0.07260	0.07292	0.37870	0.20190	0.18184	0.12195	0.13340	0.42436
18	0.09195	0.11125	0.07456	0.07490	0.38894	0.21315	0.19197	0.12874	0.14083	0.44799
19	0.09444	0.11426	0.07658	0.07692	0.39945	0.22502	0.20267	0.13591	0.14868	0.47295
20	0.09699	0.11734	0.07865	0.07900	0.41025	0.23756	0.21395	0.14348	0.15696	0.49930
21	0.09961	0.12052	0.08077	0.08113	0.42134	0.24800	0.22336	0.14979	0.16386	0.52125
22	0.10231	0.12377	0.08296	0.08333	0.43273	0.25649	0.23100	0.15492	0.16947	0.53908
23	0.10507	0.12712	0.08520	0.08558	0.44443	0.26313	0.23699	0.15893	0.17386	0.55305
24	0.10791	0.13056	0.08750	0.08789	0.45644	0.26806	0.24143	0.16190	0.17712	0.56341
25	0.11034	0.13349	0.08947	0.08987	0.46670	0.27138	0.24442	0.16391	0.17931	0.57039
26	0.11233	0.13591	0.09109	0.09150	0.47515	0.27321	0.24606	0.16502	0.18052	0.57423
27	0.11389	0.13779	0.09235	0.09277	0.48174	0.27366	0.24647	0.16529	0.18081	0.57517
28	0.11500	0.13914	0.09325	0.09367	0.48644	0.27283	0.24573	0.16479	0.18027	0.57344
29	0.11566	0.13993	0.09379	0.09421	0.48923	0.27084	0.24394	0.16359	0.17896	0.56926
30	0.11587	0.14018	0.09395	0.09437	0.49009	0.26780	0.24119	0.16175	0.17695	0.56286
31	0.11562	0.13988	0.09376	0.09417	0.48905	0.26380	0.23759	0.15934	0.17431	0.55446
32	0.11493	0.13905	0.09319	0.09361	0.48613	0.25896	0.23323	0.15641	0.17111	0.54429
33	0.11380	0.13768	0.09228	0.09269	0.48136	0.25338	0.22821	0.15304	0.16742	0.53256
34	0.11225	0.13581	0.09102	0.09143	0.47481	0.24716	0.22261	0.14928	0.16331	0.51949
35	0.11030	0.13344	0.08944	0.08984	0.46654	0.24041	0.21653	0.14521	0.15885	0.50530
36	0.10796	0.13061	0.08754	0.08793	0.45665	0.23324	0.21007	0.14087	0.15411	0.49022
37	0.10526	0.12735	0.08535	0.08574	0.44523	0.22574	0.20331	0.13635	0.14916	0.47447
38	0.10223	0.12369	0.08290	0.08327	0.43243	0.21803	0.19637	0.13169	0.14406	0.45825
39	0.09891	0.11967	0.08021	0.08056	0.41837	0.21020	0.18931	0.12696	0.13889	0.44180
40	0.09533	0.11533	0.07730	0.07765	0.40322	0.20236	0.18226	0.12222	0.13371	0.42532
41	0.09153	0.11074	0.07422	0.07455	0.38716	0.19462	0.17528	0.11755	0.12859	0.40905
42	0.08757	0.10594	0.07101	0.07132	0.37039	0.18708	0.16849	0.11300	0.12361	0.39321
43	0.08348	0.10100	0.06769	0.06800	0.35311	0.17985	0.16198	0.10863	0.11883	0.37801
44	0.07934	0.09599	0.06433	0.06462	0.33558	0.17303	0.15584	0.10451	0.11433	0.36368
45	0.07519	0.09097	0.06097	0.06124	0.31805	0.16673	0.15016	0.10070	0.11016	0.35043
46	0.07111	0.08603	0.05766	0.05792	0.30079	0.16105	0.14505	0.09728	0.10641	0.33850
47	0.06717	0.08126	0.05446	0.05471	0.28410	0.15611	0.14060	0.09429	0.10315	0.32811
48	0.06343	0.07674	0.05144	0.05167	0.26831	0.15200	0.13690	0.09181	0.10043	0.31948
49	0.05999	0.07258	0.04865	0.04886	0.25375	0.14884	0.13406	0.08990	0.09835	0.31284
50	0.05693	0.06887	0.04616	0.04637	0.24078	0.14674	0.13216	0.08863	0.09696	0.30841
51	0.05433	0.06573	0.04405	0.04425	0.22979	0.14579	0.13131	0.08806	0.09633	0.30643
52	0.05229	0.06327	0.04240	0.04259	0.22119	0.14612	0.13160	0.08825	0.09655	0.30711
53	0.05093	0.06161	0.04129	0.04148	0.21540	0.14782	0.13314	0.08928	0.09767	0.31069
54	0.05033	0.06089	0.04081	0.04099	0.21288	0.15101	0.13601	0.09121	0.09978	0.31740
55	0.05062	0.06124	0.04105	0.04123	0.21411	0.15580	0.14033	0.09410	0.10295	0.32747
56	0.05191	0.06280	0.04209	0.04228	0.21957	0.16230	0.14618	0.09803	0.10724	0.34113
57	0.05433	0.06573	0.04405	0.04425	0.22980	0.17062	0.15367	0.10305	0.11273	0.35860
58	0.05800	0.07017	0.04703	0.04724	0.24533	0.18086	0.16289	0.10924	0.11950	0.38013
59	0.06307	0.07630	0.05114	0.05137	0.26675	0.19314	0.17395	0.11666	0.12762	0.40594
60	0.06966	0.08428	0.05649	0.05674	0.29465	0.20757	0.18695	0.12537	0.13715	0.43628
61	0.07793	0.09429	0.06320	0.06348	0.32964	0.22308	0.20092	0.13474	0.14740	0.46888
62	0.08804	0.10651	0.07139	0.07171	0.37238	0.23976	0.21594	0.14481	0.15842	0.50392
63	0.09945	0.12032	0.08064	0.08100	0.42066	0.25767	0.23207	0.15563	0.17025	0.54158
64	0.11235	0.13592	0.09110	0.09151	0.47520	0.27693	0.24941	0.16726	0.18298	0.58205
65	0.12691	0.15355	0.10291	0.10337	0.53681	0.29762	0.26805	0.17976	0.19665	0.62554

*** The above Other/Nontransfer Loss rates are used to calculate both the DoD and Treasury NCPs (Public Law 108-136 distinction).

TRANSFER RATES FROM TEMPORARY DISABILITY TO PERMANENT DISABILITY

(Age Nearest Birthday)

Age	OFFICERS				ENLISTED			
	Year of Retirement				Year of Retirement			
	One	Two	Three	Four	One	Two	Three	Four
16	0.04007	0.08302	0.06475	0.10203	0.01107	0.02434	0.01957	0.02861
17	0.04172	0.08644	0.06742	0.10624	0.01279	0.02812	0.02260	0.03305
18	0.04345	0.09001	0.07020	0.11062	0.01477	0.03247	0.02610	0.03817
19	0.04524	0.09372	0.07310	0.11518	0.01706	0.03750	0.03015	0.04408
20	0.04711	0.09759	0.07612	0.11994	0.01970	0.04331	0.03482	0.05092
21	0.04905	0.10162	0.07926	0.12488	0.02275	0.05003	0.04022	0.05881
22	0.05107	0.10581	0.08253	0.13004	0.02582	0.05677	0.04564	0.06673
23	0.05318	0.11017	0.08593	0.13540	0.02890	0.06353	0.05107	0.07468
24	0.05537	0.11472	0.08948	0.14099	0.03197	0.07029	0.05651	0.08263
25	0.05766	0.11945	0.09317	0.14681	0.03504	0.07705	0.06194	0.09057
26	0.06004	0.12438	0.09701	0.15286	0.03811	0.08378	0.06735	0.09848
27	0.06242	0.12931	0.10086	0.15892	0.04116	0.09049	0.07274	0.10636
28	0.06480	0.13424	0.10470	0.16498	0.04419	0.09714	0.07809	0.11419
29	0.06718	0.13917	0.10855	0.17104	0.04719	0.10375	0.08340	0.12195
30	0.06955	0.14410	0.11239	0.17709	0.05016	0.11029	0.08866	0.12964
31	0.07193	0.14902	0.11623	0.18315	0.05310	0.11675	0.09385	0.13723
32	0.07431	0.15395	0.12008	0.18921	0.05600	0.12312	0.09897	0.14472
33	0.07669	0.15888	0.12392	0.19526	0.05885	0.12939	0.10402	0.15209
34	0.07907	0.16381	0.12777	0.20132	0.06165	0.13555	0.10897	0.15934
35	0.08145	0.16874	0.13161	0.20738	0.06440	0.14159	0.11382	0.16644
36	0.08383	0.17367	0.13546	0.21344	0.06709	0.14750	0.11857	0.17338
37	0.08621	0.17860	0.13930	0.21949	0.06971	0.15327	0.12321	0.18016
38	0.08859	0.18353	0.14314	0.22555	0.07226	0.15888	0.12772	0.18676
39	0.09097	0.18845	0.14699	0.23161	0.07474	0.16433	0.13210	0.19316
40	0.09335	0.19338	0.15083	0.23767	0.07714	0.16961	0.13635	0.19937
41	0.09572	0.19831	0.15468	0.24372	0.07946	0.17470	0.14044	0.20536
42	0.09810	0.20324	0.15852	0.24978	0.08169	0.17960	0.14438	0.21112
43	0.10048	0.20817	0.16237	0.25584	0.08383	0.18430	0.14816	0.21664
44	0.10286	0.21310	0.16621	0.26189	0.08587	0.18878	0.15176	0.22191
45	0.10524	0.21803	0.17005	0.26795	0.08780	0.19304	0.15519	0.22692
46	0.10762	0.22295	0.17390	0.27401	0.08964	0.19707	0.15842	0.23165
47	0.11000	0.22788	0.17774	0.28007	0.09136	0.20086	0.16147	0.23610
48	0.11238	0.23281	0.18159	0.28612	0.09296	0.20439	0.16431	0.24025
49	0.11476	0.23774	0.18543	0.29218	0.09445	0.20766	0.16694	0.24410
50	0.11714	0.24267	0.18927	0.29824	0.09582	0.21066	0.16935	0.24762
51	0.11951	0.24760	0.19312	0.30430	0.09705	0.21337	0.17153	0.25082
52	0.12189	0.25253	0.19696	0.31035	0.09815	0.21580	0.17348	0.25367
53	0.12427	0.25746	0.20081	0.31641	0.09912	0.21792	0.17519	0.25616
54	0.12665	0.26238	0.20465	0.32247	0.09995	0.21974	0.17665	0.25830
55	0.12903	0.26731	0.20850	0.32852	0.10063	0.22123	0.17785	0.26005
56	0.13141	0.27224	0.21234	0.33458	0.10116	0.22240	0.17878	0.26142
57	0.13379	0.27717	0.21618	0.34064	0.10153	0.22323	0.17945	0.26240
58	0.13617	0.28210	0.22003	0.34670	0.10175	0.22371	0.17984	0.26296
59	0.13855	0.28703	0.22387	0.35275	0.10181	0.22383	0.17993	0.26310
60	0.14093	0.29196	0.22772	0.35881	0.10170	0.22358	0.17974	0.26282
61	0.14331	0.29688	0.23156	0.36487	0.10141	0.22296	0.17924	0.26209
62	0.14568	0.30181	0.23541	0.37093	0.10113	0.22235	0.17874	0.26136
63	0.14806	0.30674	0.23925	0.37698	0.10085	0.22173	0.17825	0.26064
64	0.15048	0.31175	0.24316	0.38314	0.10057	0.22112	0.17775	0.25992
65	0.15294	0.31684	0.24713	0.38940	0.10029	0.22050	0.17726	0.25919

OTHER LOSSES FROM PERMANENT DISABILITY

(Age Nearest Birthday)

Age	DoD		Treasury		Age	DoD		Treasury	
	Officer	Enlisted	Officer	Enlisted		Officer	Enlisted	Officer	Enlisted
16	0.0613	0.1316	0.0613	0.1316	54	0.0080	0.0297	0.0065	0.0210
17	0.0613	0.1316	0.0613	0.1316	55	0.0076	0.0307	0.0062	0.0217
18	0.0613	0.1316	0.0613	0.1316	56	0.0073	0.0311	0.0059	0.0220
19	0.0613	0.1316	0.0613	0.1316	57	0.0070	0.0311	0.0057	0.0220
20	0.0613	0.1316	0.0613	0.1316	58	0.0066	0.0306	0.0054	0.0217
21	0.0613	0.1316	0.0613	0.1316	59	0.0064	0.0298	0.0052	0.0211
22	0.0613	0.1316	0.0613	0.1316	60	0.0061	0.0287	0.0049	0.0203
23	0.0613	0.1316	0.0613	0.1316	61	0.0058	0.0275	0.0047	0.0194
24	0.0484	0.1039	0.0484	0.1039	62	0.0056	0.0262	0.0046	0.0185
25	0.0420	0.0902	0.0420	0.0902	63	0.0054	0.0248	0.0044	0.0175
26	0.0369	0.0791	0.0369	0.0791	64	0.0052	0.0234	0.0042	0.0166
27	0.0328	0.0704	0.0328	0.0704	65	0.0050	0.0222	0.0041	0.0157
28	0.0298	0.0640	0.0298	0.0640	66	0.0049	0.0210	0.0040	0.0149
29	0.0276	0.0593	0.0276	0.0593	67	0.0048	0.0201	0.0039	0.0142
30	0.0261	0.0559	0.0261	0.0559	68	0.0046	0.0194	0.0038	0.0138
31	0.0249	0.0534	0.0249	0.0534	69	0.0045	0.0191	0.0037	0.0135
32	0.0240	0.0515	0.0240	0.0515	70	0.0045	0.0189	0.0036	0.0134
33	0.0231	0.0496	0.0231	0.0496	71	0.0044	0.0188	0.0036	0.0133
34	0.0222	0.0477	0.0222	0.0477	72	0.0044	0.0188	0.0035	0.0133
35	0.0212	0.0454	0.0212	0.0454	73	0.0043	0.0185	0.0035	0.0131
36	0.0200	0.0430	0.0200	0.0430	74	0.0043	0.0181	0.0035	0.0128
37	0.0188	0.0404	0.0188	0.0404	75	0.0043	0.0174	0.0035	0.0123
38	0.0179	0.0378	0.0179	0.0378	76	0.0043	0.0167	0.0035	0.0118
39	0.0170	0.0355	0.0170	0.0251	77	0.0043	0.0161	0.0035	0.0114
40	0.0162	0.0336	0.0162	0.0238	78	0.0044	0.0159	0.0036	0.0113
41	0.0154	0.0322	0.0154	0.0228	79	0.0084	0.0164	0.0068	0.0116
42	0.0147	0.0310	0.0147	0.0219	80	0.0077	0.0178	0.0063	0.0126
43	0.0139	0.0301	0.0113	0.0213	81	0.0067	0.0199	0.0055	0.0141
44	0.0132	0.0292	0.0108	0.0206	82	0.0078	0.0166	0.0064	0.0118
45	0.0126	0.0283	0.0102	0.0200	83	0.0066	0.0166	0.0054	0.0118
46	0.0120	0.0274	0.0097	0.0194	84	0.0063	0.0166	0.0051	0.0118
47	0.0114	0.0266	0.0092	0.0188	85	0.0071	0.0166	0.0058	0.0118
48	0.0108	0.0260	0.0088	0.0184	86	0.0071	0.0166	0.0058	0.0118
49	0.0103	0.0258	0.0084	0.0182	87	0.0071	0.0166	0.0058	0.0118
50	0.0098	0.0259	0.0079	0.0183	88	0.0071	0.0166	0.0058	0.0118
51	0.0093	0.0264	0.0076	0.0187	89	0.0071	0.0166	0.0058	0.0118
52	0.0088	0.0274	0.0072	0.0194	90	0.0071	0.0166	0.0058	0.0118
53	0.0084	0.0286	0.0068	0.0202					

*** The above DoD/Treasury distinction is needed for Public Law 108-136 calculations.

RETIREE DIVORCE RATES ***

(Age Nearest Birthday)

Age	Active		Reserve		Age	Active		Reserve	
	Officer	Enlisted	Officer	Enlisted		Officer	Enlisted	Officer	Enlisted
16	0.0727	0.1143	0.0000	0.0000	50	0.0062	0.0086	0.0000	0.0000
17	0.0727	0.1143	0.0000	0.0000	51	0.0050	0.0076	0.0000	0.0000
18	0.0727	0.1143	0.0000	0.0000	52	0.0046	0.0076	0.0000	0.0000
19	0.0502	0.0790	0.0000	0.0000	53	0.0039	0.0063	0.0000	0.0000
20	0.0502	0.0790	0.0000	0.0000	54	0.0026	0.0053	0.0000	0.0000
21	0.0502	0.0790	0.0000	0.0000	55	0.0021	0.0044	0.0000	0.0000
22	0.0502	0.0790	0.0000	0.0000	56	0.0017	0.0038	0.0000	0.0000
23	0.0502	0.0790	0.0000	0.0000	57	0.0014	0.0035	0.0000	0.0000
24	0.0502	0.0790	0.0000	0.0000	58	0.0011	0.0035	0.0000	0.0000
25	0.0502	0.0438	0.0000	0.0000	59	0.0009	0.0036	0.0000	0.0000
26	0.0502	0.0438	0.0000	0.0000	60	0.0009	0.0041	0.0109	0.0133
27	0.0502	0.0438	0.0000	0.0000	61	0.0005	0.0040	0.0079	0.0065
28	0.0502	0.0438	0.0000	0.0000	62	0.0002	0.0037	0.0269	0.0165
29	0.0502	0.0307	0.0000	0.0000	63	0.0000	0.0000	0.0062	0.0031
30	0.0502	0.0307	0.0000	0.0000	64	0.0000	0.0000	0.0000	0.0000
31	0.0502	0.0307	0.0000	0.0000	65	0.0000	0.0000	0.0000	0.0000
32	0.0435	0.0307	0.0000	0.0000	66	0.0000	0.0000	0.0000	0.0000
33	0.0435	0.0307	0.0000	0.0000	67	0.0000	0.0000	0.0000	0.0000
34	0.0434	0.0307	0.0000	0.0000	68	0.0000	0.0000	0.0000	0.0000
35	0.0434	0.0307	0.0000	0.0000	69	0.0000	0.0000	0.0000	0.0000
36	0.0408	0.0307	0.0000	0.0000	70	0.0000	0.0000	0.0000	0.0000
37	0.0408	0.0307	0.0000	0.0000	71	0.0000	0.0000	0.0000	0.0000
38	0.0408	0.0528	0.0000	0.0000	72	0.0000	0.0000	0.0000	0.0000
39	0.0408	0.0381	0.0000	0.0000	73	0.0000	0.0000	0.0000	0.0000
40	0.0408	0.0381	0.0000	0.0000	74	0.0000	0.0000	0.0000	0.0000
41	0.0263	0.0306	0.0000	0.0000	75	0.0000	0.0000	0.0000	0.0000
42	0.0235	0.0300	0.0000	0.0000	76	0.0000	0.0000	0.0000	0.0000
43	0.0208	0.0241	0.0000	0.0000	77	0.0000	0.0000	0.0000	0.0000
44	0.0183	0.0210	0.0000	0.0000	78	0.0000	0.0000	0.0000	0.0000
45	0.0159	0.0182	0.0000	0.0000	79	0.0000	0.0000	0.0000	0.0000
46	0.0138	0.0158	0.0000	0.0000	80	0.0000	0.0000	0.0000	0.0000
47	0.0118	0.0131	0.0000	0.0000	81	0.0000	0.0000	0.0000	0.0000
48	0.0092	0.0113	0.0000	0.0000	82	0.0000	0.0000	0.0000	0.0000
49	0.0076	0.0097	0.0000	0.0000					

*** Due to Section 647 of NDAA 2008 (P.L. 110-181) the reserve rates shown above apply in the early years of the projection. See Item 11 in the Reserve section in Appendix F for a description of the parameter used to model the phase-in to an average age 58 reserve retirement. As the transitions to earlier average retirement ages occur, the ages applicable to some of the rates change.

SURVIVING SPOUSE REMARRIAGE RATES

(Age Nearest Birthday)

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
16	0.0634	38	0.0248
17	0.0634	39	0.0205
18	0.0634	40	0.0175
19	0.0634	41	0.0161
20	0.0634	42	0.0157
21	0.0634	43	0.0153
22	0.0634	44	0.0148
23	0.0634	45	0.0139
24	0.0634	46	0.0128
25	0.0634	47	0.0117
26	0.0634	48	0.0103
27	0.0598	49	0.0089
28	0.0573	50	0.0077
29	0.0558	51	0.0067
30	0.0548	52	0.0058
31	0.0538	53	0.0048
32	0.0523	54	0.0034
33	0.0500	55	0.0019
34	0.0465	56	0.0000
35	0.0418	57	0.0000
36	0.0362	58	0.0000
37	0.0303	59	0.0000

SURVIVING CHILD TERMINATION RATES

(Age Nearest Birthday)

<u>Age</u>	<u>Rate</u>
0	0.005
1	0.000
2	0.000
3	0.000
4	0.000
5	0.000
6	0.000
7	0.000
8	0.000
9	0.000
10	0.000
11	0.000
12	0.000
13	0.000
14	0.000
15	0.000
16	0.000
17	0.224
18	0.306
19	0.227
20	0.185
21	0.384
22	0.734
23	0.068

SURVIVOR DEATH RATES

(Age Nearest Birthday)

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
0	0.00476	55	0.00505
1	0.00106	56	0.00597
2	0.00069	57	0.00689
3	0.00052	58	0.00774
4	0.00039	59	0.00804
5	0.00035	60	0.00778
6	0.00033	61	0.00779
7	0.00031	62	0.00887
8	0.00027	63	0.01081
9	0.00026	64	0.01230
10	0.00026	65	0.01272
11	0.00028	66	0.01325
12	0.00030	67	0.01434
13	0.00033	68	0.01586
14	0.00039	69	0.01756
15	0.00045	70	0.01891
16	0.00048	71	0.02064
17	0.00053	72	0.02273
18	0.00055	73	0.02544
19	0.00056	74	0.02803
20	0.00055	75	0.03035
21	0.00055	76	0.03190
22	0.00056	77	0.03393
23	0.00057	78	0.03739
24	0.00057	79	0.04175
25	0.00059	80	0.04583
26	0.00061	81	0.04949
27	0.00063	82	0.05366
28	0.00065	83	0.06002
29	0.00069	84	0.06596
30	0.00075	85	0.07312
31	0.00082	86	0.08337
32	0.00087	87	0.09503
33	0.00092	88	0.10546
34	0.00096	89	0.11693
35	0.00100	90	0.12973
36	0.00107	91	0.14392
37	0.00113	92	0.15944
38	0.00121	93	0.17697
39	0.00130	94	0.19424
40	0.00141	95	0.21090
41	0.00152	96	0.22686
42	0.00164	97	0.24415
43	0.00174	98	0.26040
44	0.00184	99	0.27615
45	0.00190	100	0.29176
46	0.00199	101	0.30829
47	0.00211	102	0.32281
48	0.00229	103	0.33614
49	0.00249	104	0.34800
50	0.00275	105	0.35860
51	0.00307	106	0.36815
52	0.00350	107	0.38599
53	0.00396	108	0.40372
54	0.00446	109	0.42198

SURVIVOR OTHER LOSS RATES

(Age Nearest Birthday)

Age	Rate	Age	Rate
0	0.00000	55	0.01061
1	0.00000	56	0.01061
2	0.00000	57	0.00962
3	0.00000	58	0.00522
4	0.00000	59	0.00709
5	0.00000	60	0.01195
6	0.00000	61	0.00927
7	0.00000	62	0.00681
8	0.00000	63	0.00981
9	0.00000	64	0.00546
10	0.00000	65	0.00699
11	0.00000	66	0.00692
12	0.00000	67	0.00651
13	0.00000	68	0.00668
14	0.00000	69	0.00718
15	0.00000	70	0.00564
16	0.00000	71	0.00570
17	0.00000	72	0.00468
18	0.00000	73	0.00538
19	0.00000	74	0.00436
20	0.00000	75	0.00384
21	0.00000	76	0.00512
22	0.00000	77	0.00439
23	0.00000	78	0.00439
24	0.00000	79	0.00439
25	0.00000	80	0.00439
26	0.00000	81	0.00439
27	0.01811	82	0.00439
28	0.01811	83	0.00407
29	0.01811	84	0.00407
30	0.01811	85	0.00407
31	0.01811	86	0.00407
32	0.01811	87	0.00407
33	0.01811	88	0.00407
34	0.01811	89	0.00619
35	0.01811	90	0.00619
36	0.01811	91	0.00619
37	0.01811	92	0.00619
38	0.01811	93	0.00619
39	0.01749	94	0.00619
40	0.01749	95	0.00619
41	0.01749	96	0.00000
42	0.01749	97	0.00000
43	0.01749	98	0.00000
44	0.01642	99	0.00000
45	0.01642	100	0.00000
46	0.01211	101	0.00000
47	0.01211	102	0.00000
48	0.01211	103	0.00000
49	0.01211	104	0.00000
50	0.01211	105	0.00000
51	0.01211	106	0.00000
52	0.01211	107	0.00000
53	0.01061	108	0.00000
54	0.01061	109	0.00000

APPENDIX J

MORTALITY IMPROVEMENT FACTORS

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Survivor Mortality	J-5

MORTALITY IMPROVEMENT FACTORS

Mortality rates in the valuation for active duty members, nondisabled retirees, and survivors are decreased (or “improved”) over time in order to reflect the long-term trend toward such declines. No mortality improvement is assumed for disabled retirees because their mortality patterns are too easily affected by economic variables, periods of war, and by the policies of administering the disability retirement program (i.e., periods of relative laxity or stringency in determining an individual’s degree of disability or recovery from disability).

Mortality improvement factors were formed using Scale AA, a trend created by the Society of Actuaries in 1995 to project the 1994 Uninsured Pensioner Mortality Table (UP-94). It is based on based on Civil Service and Social Security 1977-1993 experience.

To construct military mortality improvement factors, Scale AA was adjusted to reflect the gender mix of the military. Based on a study of nondisabled retiree mortality improvement from 1975-2007, the assumed improvement for officers is 30% higher than for enlisted. No officer vs. enlisted differential was made for factors used to improve active duty death rates. No additional adjustment was made for survivor mortality factors. The factors are not year-specific; therefore, the same set is used year after year.

Even though the mortality improvement factors are based on Social Security and Civil Service data, they should apply reasonably well to the Military Retirement System. While the average military person may be somewhat healthier than the average person in these populations, the mortality improvement factors are in the form of percentages. If the mortality for relatively healthy military lives is already small, then the improvement in terms of fewer deaths is slight, even though the percentage improvement is the same as for relatively less healthy lives.

ACTIVE DUTY MORTALITY FACTORS

(Age Nearest Birthday)

<u>Age</u>	<u>Officer</u>	<u>Enlisted</u>
16	0.982	0.982
17	0.982	0.982
18	0.982	0.982
19	0.982	0.982
20	0.981	0.981
21	0.982	0.982
22	0.983	0.983
23	0.985	0.985
24	0.987	0.987
25	0.989	0.989
26	0.993	0.993
27	0.994	0.994
28	0.994	0.994
29	0.994	0.994
30	0.994	0.994
31	0.995	0.995
32	0.995	0.995
33	0.994	0.994
34	0.994	0.994
35	0.994	0.994
36	0.994	0.994
37	0.994	0.994
38	0.993	0.993
39	0.992	0.992
40	0.991	0.991
41	0.990	0.990
42	0.989	0.989
43	0.988	0.988
44	0.988	0.988
45	0.987	0.987
46	0.986	0.986
47	0.985	0.985
48	0.984	0.984
49	0.983	0.983
50	0.982	0.982
51	0.981	0.981
52	0.981	0.981
53	0.981	0.981
54	0.982	0.981
55	0.983	0.983
56	0.984	0.984
57	0.985	0.985
58	0.986	0.986
59	0.986	0.986
60	0.986	0.986

NONDISABLED RETIRED MORTALITY FACTORS

(Age Nearest Birthday)

Age	Active Duty		Reserve Duty		Age	Active Duty		Reserve Duty	
	Officer	Enlisted	Officer	Enlisted		Officer	Enlisted	Officer	Enlisted
16	1.000	1.000	1.000	1.000	64	0.983	0.987	0.982	0.986
17	1.000	1.000	1.000	1.000	65	0.983	0.987	0.982	0.986
18	1.000	1.000	1.000	1.000	66	0.984	0.988	0.984	0.987
19	1.000	1.000	1.000	1.000	67	0.984	0.988	0.984	0.987
20	1.000	1.000	1.000	1.000	68	0.983	0.987	0.982	0.986
21	1.000	1.000	1.000	1.000	69	0.983	0.987	0.982	0.986
22	1.000	1.000	1.000	1.000	70	0.982	0.986	0.981	0.985
23	1.000	1.000	1.000	1.000	71	0.982	0.986	0.981	0.985
24	1.000	1.000	1.000	1.000	72	0.982	0.986	0.981	0.985
25	1.000	1.000	1.000	1.000	73	0.982	0.986	0.981	0.985
26	1.000	1.000	1.000	1.000	74	0.982	0.986	0.981	0.985
27	1.000	1.000	1.000	1.000	75	0.983	0.987	0.982	0.986
28	1.000	1.000	1.000	1.000	76	0.983	0.987	0.982	0.986
29	1.000	1.000	1.000	1.000	77	0.984	0.988	0.984	0.987
30	0.993	0.994	0.993	0.995	78	0.985	0.989	0.985	0.988
31	0.993	0.995	0.993	0.995	79	0.986	0.989	0.986	0.989
32	0.993	0.995	0.993	0.995	80	0.987	0.990	0.987	0.990
33	0.993	0.995	0.993	0.995	81	0.989	0.991	0.988	0.991
34	0.993	0.994	0.993	0.995	82	0.990	0.992	0.990	0.992
35	0.993	0.994	0.993	0.995	83	0.990	0.992	0.990	0.992
36	0.992	0.994	0.993	0.995	84	0.991	0.993	0.991	0.993
37	0.992	0.994	0.993	0.995	85	0.991	0.993	0.991	0.993
38	0.991	0.993	0.992	0.994	86	0.991	0.993	0.991	0.993
39	0.990	0.992	0.990	0.993	87	0.992	0.994	0.992	0.994
40	0.989	0.991	0.989	0.992	88	0.994	0.995	0.994	0.995
41	0.987	0.990	0.988	0.991	89	0.994	0.995	0.994	0.995
42	0.986	0.989	0.987	0.990	90	0.995	0.996	0.995	0.996
43	0.985	0.989	0.985	0.989	91	0.995	0.996	0.995	0.996
44	0.984	0.988	0.984	0.988	92	0.996	0.997	0.996	0.997
45	0.983	0.987	0.983	0.987	93	0.996	0.997	0.996	0.997
46	0.981	0.986	0.982	0.986	94	0.996	0.997	0.996	0.997
47	0.980	0.985	0.980	0.985	95	0.997	0.998	0.997	0.998
48	0.979	0.984	0.979	0.984	96	0.997	0.998	0.997	0.998
49	0.978	0.983	0.978	0.983	97	0.998	0.998	0.997	0.998
50	0.977	0.982	0.977	0.982	98	0.999	0.999	0.999	0.999
51	0.976	0.981	0.976	0.981	99	0.999	0.999	0.999	0.999
52	0.975	0.981	0.974	0.980	100	0.999	0.999	0.999	0.999
53	0.975	0.981	0.975	0.980	101	1.000	1.000	1.000	1.000
54	0.975	0.981	0.975	0.980	102	1.000	1.000	1.000	1.000
55	0.977	0.982	0.976	0.981	103	1.000	1.000	1.000	1.000
56	0.978	0.983	0.977	0.982	104	1.000	1.000	1.000	1.000
57	0.980	0.984	0.979	0.983	105	1.000	1.000	1.000	1.000
58	0.981	0.985	0.980	0.984	106	1.000	1.000	1.000	1.000
59	0.981	0.985	0.980	0.984	107	1.000	1.000	1.000	1.000
60	0.981	0.985	0.980	0.984	108	1.000	1.000	1.000	1.000
61	0.982	0.986	0.981	0.985	109	1.000	1.000	1.000	1.000
62	0.982	0.986	0.981	0.985	110	1.000	1.000	1.000	1.000
63	0.983	0.987	0.982	0.986					

SURVIVOR MORTALITY FACTORS

(Age Nearest Birthday)

<u>Age</u>	<u>Rate</u>	<u>Age</u>	<u>Rate</u>
16	0.985	64	0.995
17	0.986	65	0.995
18	0.986	66	0.995
19	0.985	67	0.995
20	0.984	68	0.995
21	0.983	69	0.995
22	0.983	70	0.995
23	0.984	71	0.994
24	0.985	72	0.994
25	0.986	73	0.993
26	0.988	74	0.993
27	0.988	75	0.992
28	0.988	76	0.992
29	0.988	77	0.993
30	0.990	78	0.993
31	0.992	79	0.993
32	0.992	80	0.993
33	0.991	81	0.993
34	0.990	82	0.993
35	0.989	83	0.993
36	0.988	84	0.993
37	0.987	85	0.994
38	0.986	86	0.995
39	0.985	87	0.996
40	0.985	88	0.996
41	0.985	89	0.997
42	0.985	90	0.997
43	0.985	91	0.997
44	0.985	92	0.997
45	0.984	93	0.998
46	0.983	94	0.998
47	0.982	95	0.998
48	0.982	96	0.998
49	0.982	97	0.999
50	0.983	98	0.999
51	0.984	99	0.999
52	0.986	100	0.999
53	0.988	101	1.000
54	0.990	102	1.000
55	0.992	103	1.000
56	0.994	104	1.000
57	0.995	105	1.000
58	0.995	106	1.000
59	0.995	107	1.000
60	0.995	108	1.000
61	0.995	109	1.000
62	0.995	110	1.000
63	0.995		

APPENDIX K

100 YEAR PROJECTIONS

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PROJECTION NOTES

The following are relevant notes to the projections depicted in this appendix:

- Columns in this appendix may not exactly add due to rounding.
- Future mortality improvement is assumed throughout this appendix.
- Although Combat Related Special Compensation (CRSC) is not technically considered retired pay, it is paid from the MRF hence these projections include CRSC with retired pay.
- The following economic assumptions are applied to the projection of pay only. This table is partially replicated from the table on page 22 in the main text.

ANNUAL ECONOMIC ASSUMPTIONS USED IN PROJECTIONS OF BASIC PAY AND RETIRED OUTLAY

Fiscal Year	Full COLA	Basic Pay
2009	5.8%	3.9%
2010	0.0	3.4
2011	0.0	2.1
2012	0.0	3.0
2013	1.9	3.0
2014	2.0	3.0
2015	2.0	3.0
2016	2.0	3.0
2017	2.1	3.0
2018	3.0	3.0
2019+	3.0	3.75

ACTIVE DUTY PERSONNEL AND PAY BY FISCAL YEAR

(Dollar Amounts in Thousands)

Fiscal Year	People at Year End (September 30th)			Dollars During Fiscal Year		
	Officers	Enlisted	Total	Officers	Enlisted	Total
2008	238,949	1,221,771	1,460,720			
2009	244,541	1,233,598	1,478,139	\$16,056,029	\$35,959,889	\$52,015,918
2010	246,309	1,229,616	1,475,925	\$16,606,549	\$36,886,030	\$53,492,579
2011	246,864	1,226,604	1,473,468	\$16,926,518	\$37,301,968	\$54,228,486
2012	247,893	1,225,794	1,473,687	\$17,411,356	\$38,130,550	\$55,541,906
2013	249,638	1,222,939	1,472,577	\$17,914,728	\$39,013,299	\$56,928,027
2014	250,436	1,221,227	1,471,663	\$18,425,723	\$39,954,736	\$58,380,459
2015	251,067	1,219,692	1,470,759	\$18,933,101	\$40,992,933	\$59,926,034
2016	251,067	1,219,692	1,470,759	\$19,450,040	\$42,084,897	\$61,534,937
2017	251,067	1,219,692	1,470,759	\$19,963,119	\$43,208,981	\$63,172,100
2018	251,067	1,219,692	1,470,759	\$20,486,052	\$44,357,646	\$64,843,699
2019	251,067	1,219,692	1,470,759	\$21,173,428	\$45,864,712	\$67,038,140
2020	251,067	1,219,692	1,470,759	\$21,896,323	\$47,414,619	\$69,310,942
2021	251,067	1,219,692	1,470,759	\$22,655,590	\$49,013,642	\$71,669,232
2022	251,067	1,219,692	1,470,759	\$23,446,177	\$50,663,908	\$74,110,085
2023	251,067	1,219,692	1,470,759	\$24,262,245	\$52,345,663	\$76,607,907
2024	251,067	1,219,692	1,470,759	\$25,113,620	\$54,027,266	\$79,140,886
2025	251,067	1,219,692	1,470,759	\$26,007,203	\$55,761,061	\$81,768,264
2026	251,067	1,219,692	1,470,759	\$26,957,221	\$57,645,555	\$84,602,776
2027	251,067	1,219,692	1,470,759	\$27,961,318	\$59,662,378	\$87,623,695
2028	251,067	1,219,692	1,470,759	\$29,014,711	\$61,791,525	\$90,806,236
2029	251,067	1,219,692	1,470,759	\$30,082,697	\$63,990,278	\$94,072,974
2030	251,067	1,219,692	1,470,759	\$31,157,279	\$66,278,393	\$97,435,672
2031	251,067	1,219,692	1,470,759	\$32,295,599	\$68,694,309	\$100,989,909
2032	251,067	1,219,692	1,470,759	\$33,501,331	\$71,224,863	\$104,726,194
2033	251,067	1,219,692	1,470,759	\$34,745,228	\$73,855,571	\$108,600,799
2034	251,067	1,219,692	1,470,759	\$36,026,009	\$76,596,269	\$112,622,278
2035	251,067	1,219,692	1,470,759	\$37,355,921	\$79,462,316	\$116,818,237
2036	251,067	1,219,692	1,470,759	\$38,737,810	\$82,456,952	\$121,194,762
2037	251,067	1,219,692	1,470,759	\$40,169,245	\$85,569,465	\$125,738,709
2038	251,067	1,219,692	1,470,759	\$41,651,708	\$88,802,243	\$130,453,951
2039	251,067	1,219,692	1,470,759	\$43,176,413	\$92,151,117	\$135,327,530
2040	251,067	1,219,692	1,470,759	\$44,746,902	\$95,621,679	\$140,368,581
2041	251,067	1,219,692	1,470,759	\$46,389,850	\$99,225,920	\$145,615,770
2042	251,067	1,219,692	1,470,759	\$48,102,300	\$102,963,080	\$151,065,379
2043	251,067	1,219,692	1,470,759	\$49,875,215	\$106,833,286	\$156,708,501
2044	251,067	1,219,692	1,470,759	\$51,709,207	\$110,838,049	\$162,547,256
2045	251,067	1,219,692	1,470,759	\$53,617,142	\$114,985,932	\$168,603,074
2046	251,067	1,219,692	1,470,759	\$55,615,376	\$119,290,769	\$174,906,145
2047	251,067	1,219,692	1,470,759	\$57,699,573	\$123,759,118	\$181,458,691
2048	251,067	1,219,692	1,470,759	\$59,869,454	\$128,397,159	\$188,266,613
2049	251,067	1,219,692	1,470,759	\$62,121,807	\$133,206,938	\$195,328,745
2050	251,067	1,219,692	1,470,759	\$64,452,698	\$138,193,480	\$202,646,178
2051	251,067	1,219,692	1,470,759	\$66,873,878	\$143,368,010	\$210,241,888
2052	251,067	1,219,692	1,470,759	\$69,394,713	\$148,737,930	\$218,132,643
2053	251,067	1,219,692	1,470,759	\$72,012,874	\$154,308,197	\$226,321,071
2054	251,067	1,219,692	1,470,759	\$74,728,988	\$160,086,901	\$234,815,889
2055	251,067	1,219,692	1,470,759	\$77,548,516	\$166,084,737	\$243,633,253
2056	251,067	1,219,692	1,470,759	\$80,475,988	\$172,310,826	\$252,786,813
2057	251,067	1,219,692	1,470,759	\$83,513,225	\$178,772,514	\$262,285,739
2058	251,067	1,219,692	1,470,759	\$86,663,071	\$185,478,574	\$272,141,645

ACTIVE DUTY PERSONNEL AND PAY BY FISCAL YEAR (continued)

(Dollar Amounts in Thousands)

Fiscal Year	People at Year End (September 30th)			Dollars During Fiscal Year		
	Officers	Enlisted	Total	Officers	Enlisted	Total
2059	251,067	1,219,692	1,470,759	\$89,925,193	\$192,436,995	\$282,362,188
2060	251,067	1,219,692	1,470,759	\$93,301,072	\$199,656,643	\$292,957,714
2061	251,067	1,219,692	1,470,759	\$96,802,822	\$207,148,618	\$303,951,440
2062	251,067	1,219,692	1,470,759	\$100,436,436	\$214,922,673	\$315,359,109
2063	251,067	1,219,692	1,470,759	\$104,202,426	\$222,988,188	\$327,190,613
2064	251,067	1,219,692	1,470,759	\$108,103,110	\$231,355,359	\$339,458,469
2065	251,067	1,219,692	1,470,759	\$112,145,977	\$240,035,639	\$352,181,616
2066	251,067	1,219,692	1,470,759	\$116,341,807	\$249,041,284	\$365,383,091
2067	251,067	1,219,692	1,470,759	\$120,696,386	\$258,384,493	\$379,080,879
2068	251,067	1,219,692	1,470,759	\$125,214,893	\$268,077,969	\$393,292,862
2069	251,067	1,219,692	1,470,759	\$129,902,354	\$278,134,409	\$408,036,762
2070	251,067	1,219,692	1,470,759	\$134,763,555	\$288,567,119	\$423,330,675
2071	251,067	1,219,692	1,470,759	\$139,807,448	\$299,390,660	\$439,198,108
2072	251,067	1,219,692	1,470,759	\$145,043,196	\$310,619,815	\$455,663,011
2073	251,067	1,219,692	1,470,759	\$150,477,440	\$322,269,444	\$472,746,885
2074	251,067	1,219,692	1,470,759	\$156,116,686	\$334,355,278	\$490,471,964
2075	251,067	1,219,692	1,470,759	\$161,969,477	\$346,894,112	\$508,863,589
2076	251,067	1,219,692	1,470,759	\$168,045,363	\$359,903,252	\$527,948,616
2077	251,067	1,219,692	1,470,759	\$174,351,882	\$373,400,322	\$547,752,205
2078	251,067	1,219,692	1,470,759	\$180,896,916	\$387,403,733	\$568,300,649
2079	251,067	1,219,692	1,470,759	\$187,688,011	\$401,932,457	\$589,620,467
2080	251,067	1,219,692	1,470,759	\$194,732,882	\$417,006,147	\$611,739,029
2081	251,067	1,219,692	1,470,759	\$202,042,477	\$432,645,460	\$634,687,937
2082	251,067	1,219,692	1,470,759	\$209,627,483	\$448,871,682	\$658,499,165
2083	251,067	1,219,692	1,470,759	\$217,496,933	\$465,706,682	\$683,203,615
2084	251,067	1,219,692	1,470,759	\$225,659,888	\$483,173,187	\$708,833,075
2085	251,067	1,219,692	1,470,759	\$234,127,107	\$501,294,911	\$735,422,018
2086	251,067	1,219,692	1,470,759	\$242,911,130	\$520,096,460	\$763,007,590
2087	251,067	1,219,692	1,470,759	\$252,024,100	\$539,603,295	\$791,627,395
2088	251,067	1,219,692	1,470,759	\$261,478,012	\$559,841,856	\$821,319,867
2089	251,067	1,219,692	1,470,759	\$271,285,125	\$580,839,516	\$852,124,642
2090	251,067	1,219,692	1,470,759	\$281,458,058	\$602,624,663	\$884,082,721
2091	251,067	1,219,692	1,470,759	\$292,011,113	\$625,226,842	\$917,237,955
2092	251,067	1,219,692	1,470,759	\$302,959,337	\$648,676,693	\$951,636,030
2093	251,067	1,219,692	1,470,759	\$314,317,620	\$673,005,925	\$987,323,545
2094	251,067	1,219,692	1,470,759	\$326,101,109	\$698,247,459	\$1,024,348,568
2095	251,067	1,219,692	1,470,759	\$338,326,124	\$724,435,533	\$1,062,761,657
2096	251,067	1,219,692	1,470,759	\$351,010,230	\$751,605,679	\$1,102,615,909
2097	251,067	1,219,692	1,470,759	\$364,170,884	\$779,794,718	\$1,143,965,602
2098	251,067	1,219,692	1,470,759	\$377,825,901	\$809,040,874	\$1,186,866,775
2099	251,067	1,219,692	1,470,759	\$391,993,650	\$839,383,797	\$1,231,377,447
2100	251,067	1,219,692	1,470,759	\$406,693,052	\$870,864,616	\$1,277,557,668
2101	251,067	1,219,692	1,470,759	\$421,944,448	\$903,526,038	\$1,325,470,486
2102	251,067	1,219,692	1,470,759	\$437,768,995	\$937,412,374	\$1,375,181,369
2103	251,067	1,219,692	1,470,759	\$454,188,056	\$972,569,559	\$1,426,757,615
2104	251,067	1,219,692	1,470,759	\$471,223,436	\$1,009,045,246	\$1,480,268,683
2105	251,067	1,219,692	1,470,759	\$488,897,981	\$1,046,888,903	\$1,535,786,884
2106	251,067	1,219,692	1,470,759	\$507,235,849	\$1,086,151,848	\$1,593,387,697
2107	251,067	1,219,692	1,470,759	\$526,261,945	\$1,126,887,316	\$1,653,149,261

NONRETIRED RESERVISTS PERSONNEL AND PAY BY FISCAL YEAR

(Dollar Amounts in Thousands)

Fiscal Year	People at Year End (September 30th)			Dollars During Fiscal Year		
	Officers	Enlisted	Total	Officers	Enlisted	Total
2008	107,193	658,717	765,910			
2009	115,106	649,776	764,882	\$1,773,501	\$3,686,764	\$5,460,265
2010	115,337	650,312	765,649	\$1,900,532	\$3,798,736	\$5,699,268
2011	114,952	652,345	767,297	\$1,938,044	\$3,894,854	\$5,832,898
2012	114,625	653,504	768,129	\$1,988,839	\$4,031,803	\$6,020,642
2013	115,306	654,844	770,150	\$2,046,952	\$4,167,896	\$6,214,848
2014	115,292	654,757	770,049	\$2,111,120	\$4,304,058	\$6,415,178
2015	115,292	654,757	770,049	\$2,172,564	\$4,444,328	\$6,616,892
2016	115,292	654,757	770,049	\$2,235,906	\$4,587,699	\$6,823,605
2017	115,292	654,757	770,049	\$2,301,127	\$4,734,267	\$7,035,393
2018	115,292	654,757	770,049	\$2,368,235	\$4,884,204	\$7,252,439
2019	115,292	654,757	770,049	\$2,455,135	\$5,074,216	\$7,529,351
2020	115,292	654,757	770,049	\$2,545,439	\$5,270,241	\$7,815,680
2021	115,292	654,757	770,049	\$2,639,294	\$5,472,767	\$8,112,061
2022	115,292	654,757	770,049	\$2,737,094	\$5,682,312	\$8,419,406
2023	115,292	654,757	770,049	\$2,839,167	\$5,899,529	\$8,738,697
2024	115,292	654,757	770,049	\$2,945,628	\$6,125,251	\$9,070,879
2025	115,292	654,757	770,049	\$3,056,626	\$6,360,001	\$9,416,627
2026	115,292	654,757	770,049	\$3,172,169	\$6,604,060	\$9,776,229
2027	115,292	654,757	770,049	\$3,292,278	\$6,857,620	\$10,149,897
2028	115,292	654,757	770,049	\$3,414,876	\$7,113,627	\$10,528,503
2029	115,292	654,757	770,049	\$3,540,885	\$7,375,931	\$10,916,816
2030	115,292	654,757	770,049	\$3,674,236	\$7,658,815	\$11,333,051
2031	115,292	654,757	770,049	\$3,812,069	\$7,952,851	\$11,764,920
2032	115,292	654,757	770,049	\$3,954,606	\$8,257,638	\$12,212,244
2033	115,292	654,757	770,049	\$4,102,036	\$8,572,868	\$12,674,905
2034	115,292	654,757	770,049	\$4,254,651	\$8,898,842	\$13,153,493
2035	115,292	654,757	770,049	\$4,413,505	\$9,235,951	\$13,649,457
2036	115,292	654,757	770,049	\$4,578,997	\$9,584,500	\$14,163,497
2037	115,292	654,757	770,049	\$4,750,782	\$9,944,966	\$14,695,748
2038	115,292	654,757	770,049	\$4,928,597	\$10,317,917	\$15,246,514
2039	115,292	654,757	770,049	\$5,113,047	\$10,704,149	\$15,817,196
2040	115,292	654,757	770,049	\$5,304,824	\$11,104,538	\$16,409,362
2041	115,292	654,757	770,049	\$5,504,053	\$11,519,840	\$17,023,894
2042	115,292	654,757	770,049	\$5,711,417	\$11,951,053	\$17,662,469
2043	115,292	654,757	770,049	\$5,927,366	\$12,399,057	\$18,326,423
2044	115,292	654,757	770,049	\$6,151,893	\$12,864,176	\$19,016,069
2045	115,292	654,757	770,049	\$6,384,662	\$13,346,954	\$19,731,616
2046	115,292	654,757	770,049	\$6,625,230	\$13,848,150	\$20,473,380
2047	115,292	654,757	770,049	\$6,874,304	\$14,367,945	\$21,242,249
2048	115,292	654,757	770,049	\$7,132,774	\$14,906,927	\$22,039,701
2049	115,292	654,757	770,049	\$7,400,741	\$15,466,158	\$22,866,900
2050	115,292	654,757	770,049	\$7,678,493	\$16,046,288	\$23,724,781
2051	115,292	654,757	770,049	\$7,966,613	\$16,648,141	\$24,614,754
2052	115,292	654,757	770,049	\$8,265,497	\$17,272,549	\$25,538,046
2053	115,292	654,757	770,049	\$8,575,557	\$17,920,368	\$26,495,925
2054	115,292	654,757	770,049	\$8,897,218	\$18,592,480	\$27,489,697
2055	115,292	654,757	770,049	\$9,230,920	\$19,289,793	\$28,520,713
2056	115,292	654,757	770,049	\$9,577,122	\$20,013,250	\$29,590,371
2057	115,292	654,757	770,049	\$9,936,292	\$20,763,827	\$30,700,119
2058	115,292	654,757	770,049	\$10,308,921	\$21,542,539	\$31,851,461

NONRETIRED RESERVISTS PERSONNEL AND PAY BY FISCAL YEAR (continued)

(Dollar Amounts in Thousands)

Fiscal Year	People at Year End (September 30th)			Dollars During Fiscal Year		
	Officers	Enlisted	Total	Officers	Enlisted	Total
2059	115,292	654,757	770,049	\$10,695,515	\$22,350,443	\$33,045,959
2060	115,292	654,757	770,049	\$11,096,600	\$23,188,634	\$34,285,234
2061	115,292	654,757	770,049	\$11,512,721	\$24,058,249	\$35,570,970
2062	115,292	654,757	770,049	\$11,944,443	\$24,960,467	\$36,904,910
2063	115,292	654,757	770,049	\$12,392,352	\$25,896,511	\$38,288,863
2064	115,292	654,757	770,049	\$12,857,057	\$26,867,649	\$39,724,706
2065	115,292	654,757	770,049	\$13,339,188	\$27,875,198	\$41,214,387
2066	115,292	654,757	770,049	\$13,839,400	\$28,920,524	\$42,759,924
2067	115,292	654,757	770,049	\$14,358,371	\$30,005,043	\$44,363,414
2068	115,292	654,757	770,049	\$14,896,805	\$31,130,226	\$46,027,031
2069	115,292	654,757	770,049	\$15,455,431	\$32,297,600	\$47,753,031
2070	115,292	654,757	770,049	\$16,035,008	\$33,508,751	\$49,543,759
2071	115,292	654,757	770,049	\$16,636,319	\$34,765,322	\$51,401,641
2072	115,292	654,757	770,049	\$17,260,181	\$36,069,015	\$53,329,196
2073	115,292	654,757	770,049	\$17,907,439	\$37,421,596	\$55,329,034
2074	115,292	654,757	770,049	\$18,578,969	\$38,824,899	\$57,403,867
2075	115,292	654,757	770,049	\$19,275,682	\$40,280,826	\$59,556,507
2076	115,292	654,757	770,049	\$19,998,521	\$41,791,351	\$61,789,872
2077	115,292	654,757	770,049	\$20,748,468	\$43,358,521	\$64,106,988
2078	115,292	654,757	770,049	\$21,526,537	\$44,984,460	\$66,510,997
2079	115,292	654,757	770,049	\$22,333,784	\$46,671,373	\$69,005,157
2080	115,292	654,757	770,049	\$23,171,302	\$48,421,546	\$71,592,848
2081	115,292	654,757	770,049	\$24,040,227	\$50,237,351	\$74,277,578
2082	115,292	654,757	770,049	\$24,941,736	\$52,121,250	\$77,062,986
2083	115,292	654,757	770,049	\$25,877,052	\$54,075,796	\$79,952,848
2084	115,292	654,757	770,049	\$26,847,442	\$56,103,638	\$82,951,080
2085	115,292	654,757	770,049	\$27,854,221	\$58,207,525	\$86,061,745
2086	115,292	654,757	770,049	\$28,898,754	\$60,390,307	\$89,289,061
2087	115,292	654,757	770,049	\$29,982,457	\$62,654,944	\$92,637,402
2088	115,292	654,757	770,049	\$31,106,799	\$65,004,506	\$96,111,305
2089	115,292	654,757	770,049	\$32,273,304	\$67,442,176	\$99,715,480
2090	115,292	654,757	770,049	\$33,483,553	\$69,971,258	\$103,454,811
2091	115,292	654,757	770,049	\$34,739,186	\$72,595,181	\$107,334,367
2092	115,292	654,757	770,049	\$36,041,905	\$75,317,501	\$111,359,406
2093	115,292	654,757	770,049	\$37,393,476	\$78,141,908	\$115,535,385
2094	115,292	654,757	770,049	\$38,795,731	\$81,072,231	\$119,867,962
2095	115,292	654,757	770,049	\$40,250,571	\$84,112,440	\$124,363,011
2096	115,292	654,757	770,049	\$41,759,968	\$87,266,657	\$129,026,625
2097	115,292	654,757	770,049	\$43,325,966	\$90,539,157	\$133,865,123
2098	115,292	654,757	770,049	\$44,950,690	\$93,934,376	\$138,885,066
2099	115,292	654,757	770,049	\$46,636,341	\$97,456,915	\$144,093,256
2100	115,292	654,757	770,049	\$48,385,204	\$101,111,550	\$149,496,754
2101	115,292	654,757	770,049	\$50,199,649	\$104,903,233	\$155,102,882
2102	115,292	654,757	770,049	\$52,082,136	\$108,837,105	\$160,919,241
2103	115,292	654,757	770,049	\$54,035,216	\$112,918,496	\$166,953,713
2104	115,292	654,757	770,049	\$56,061,537	\$117,152,940	\$173,214,477
2105	115,292	654,757	770,049	\$58,163,845	\$121,546,175	\$179,710,020
2106	115,292	654,757	770,049	\$60,344,989	\$126,104,157	\$186,449,146
2107	115,292	654,757	770,049	\$62,607,926	\$130,833,063	\$193,440,989

TOTAL NUMBER OF RETIREES ON SEPTEMBER 30 OF EACH FISCAL YEAR

Fiscal Year	Nondisabled			Disabled			Grand Total
	Officers	Enlisted	Total	Officers	Enlisted	Total	
2008	502,777	1,292,593	1,795,370	19,180	66,321	85,501	1,880,871
2009	506,128	1,306,715	1,812,843	18,177	64,307	82,485	1,895,327
2010	507,867	1,317,534	1,825,401	17,251	62,421	79,673	1,905,074
2011	508,774	1,324,681	1,833,455	16,410	60,655	77,064	1,910,520
2012	509,520	1,330,131	1,839,651	15,654	58,939	74,593	1,914,244
2013	515,980	1,346,194	1,862,173	14,987	57,292	72,279	1,934,453
2014	516,647	1,347,423	1,864,070	14,392	55,813	70,205	1,934,275
2015	517,334	1,347,804	1,865,138	13,868	54,394	68,263	1,933,401
2016	517,869	1,348,744	1,866,613	13,411	53,050	66,461	1,933,075
2017	518,253	1,350,062	1,868,315	13,013	51,783	64,796	1,933,111
2018	518,494	1,351,686	1,870,179	12,665	50,589	63,254	1,933,433
2019	518,725	1,353,846	1,872,571	12,361	49,464	61,825	1,934,396
2020	518,924	1,356,420	1,875,344	12,092	48,404	60,496	1,935,840
2021	519,023	1,359,000	1,878,022	11,851	47,405	59,256	1,937,278
2022	519,090	1,361,449	1,880,538	11,634	46,463	58,096	1,938,634
2023	519,164	1,364,145	1,883,309	11,435	45,580	57,016	1,940,324
2024	518,910	1,367,667	1,886,577	11,252	44,765	56,017	1,942,594
2025	518,193	1,368,157	1,886,351	11,080	43,974	55,053	1,941,404
2026	517,032	1,366,798	1,883,830	10,916	43,201	54,117	1,937,947
2027	515,442	1,363,792	1,879,233	10,761	42,455	53,216	1,932,449
2028	519,178	1,373,970	1,893,148	10,615	41,744	52,359	1,945,507
2029	518,224	1,372,114	1,890,338	10,485	41,091	51,576	1,941,915
2030	516,911	1,368,770	1,885,681	10,367	40,478	50,845	1,936,526
2031	515,259	1,364,549	1,879,808	10,255	39,899	50,154	1,929,962
2032	513,695	1,360,331	1,874,026	10,152	39,361	49,513	1,923,540
2033	512,394	1,356,256	1,868,650	10,062	38,862	48,924	1,917,575
2034	511,111	1,352,147	1,863,257	9,981	38,397	48,378	1,911,635
2035	509,908	1,348,022	1,857,930	9,909	37,966	47,875	1,905,805
2036	508,731	1,344,092	1,852,823	9,848	37,573	47,421	1,900,244
2037	507,638	1,340,326	1,847,964	9,795	37,217	47,012	1,894,976
2038	506,604	1,336,752	1,843,356	9,751	36,898	46,649	1,890,005
2039	505,792	1,333,413	1,839,205	9,717	36,614	46,331	1,885,536
2040	504,979	1,330,123	1,835,101	9,690	36,363	46,053	1,881,154
2041	504,196	1,326,863	1,831,059	9,669	36,143	45,812	1,876,871
2042	503,509	1,323,641	1,827,150	9,654	35,952	45,606	1,872,756
2043	502,946	1,320,545	1,823,492	9,644	35,790	45,433	1,868,925
2044	502,533	1,317,714	1,820,247	9,638	35,653	45,291	1,865,538
2045	502,175	1,315,034	1,817,209	9,636	35,538	45,174	1,862,383
2046	501,904	1,312,547	1,814,451	9,636	35,441	45,078	1,859,529
2047	501,748	1,310,252	1,811,999	9,639	35,362	45,000	1,857,000
2048	501,686	1,308,204	1,809,890	9,642	35,297	44,939	1,854,829
2049	501,820	1,306,524	1,808,344	9,647	35,245	44,893	1,853,237
2050	502,095	1,305,201	1,807,296	9,654	35,205	44,860	1,852,155
2051	502,445	1,304,237	1,806,682	9,662	35,175	44,836	1,851,518
2052	502,870	1,303,686	1,806,556	9,669	35,152	44,821	1,851,377
2053	503,394	1,303,588	1,806,981	9,677	35,137	44,814	1,851,795
2054	503,997	1,303,948	1,807,944	9,686	35,127	44,812	1,852,757
2055	504,676	1,304,771	1,809,447	9,694	35,121	44,815	1,854,262
2056	505,428	1,306,076	1,811,504	9,703	35,119	44,822	1,856,326
2057	506,257	1,307,842	1,814,099	9,713	35,119	44,832	1,858,931

*This projection includes retired from active and reserve duty.

**The number of retirees projected only considers those receiving non-zero retired pay from the Military Retirement Fund.

***Disabled numbers do not include all retirees as of 9/30/2008 estimated to move from zero to non-zero retired pay as a result of Section 641 of NDAA 2008. However, they are included in the actuarial accrued liability.

TOTAL NUMBER OF RETIREES ON SEPTEMBER 30 OF EACH FISCAL YEAR (continued)

Fiscal Year	Nondisabled			Disabled			Grand Total
	Officers	Enlisted	Total	Officers	Enlisted	Total	
2058	507,154	1,310,036	1,817,190	9,722	35,122	44,844	1,862,034
2059	508,157	1,312,630	1,820,787	9,732	35,127	44,859	1,865,646
2060	509,236	1,315,567	1,824,803	9,742	35,133	44,876	1,869,679
2061	510,387	1,318,797	1,829,184	9,752	35,141	44,893	1,874,076
2062	511,610	1,322,268	1,833,878	9,763	35,148	44,911	1,878,789
2063	512,915	1,325,934	1,838,849	9,773	35,156	44,929	1,883,779
2064	514,299	1,329,750	1,844,049	9,783	35,165	44,948	1,888,997
2065	515,736	1,333,657	1,849,393	9,792	35,173	44,966	1,894,358
2066	517,210	1,337,613	1,854,823	9,801	35,182	44,983	1,899,806
2067	518,713	1,341,570	1,860,283	9,810	35,190	45,000	1,905,283
2068	520,223	1,345,491	1,865,714	9,817	35,199	45,016	1,910,730
2069	521,744	1,349,354	1,871,099	9,823	35,207	45,031	1,916,129
2070	523,263	1,353,132	1,876,396	9,829	35,216	45,045	1,921,440
2071	524,757	1,356,816	1,881,573	9,834	35,224	45,058	1,926,631
2072	526,213	1,360,402	1,886,615	9,838	35,231	45,069	1,931,684
2073	527,622	1,363,899	1,891,521	9,841	35,238	45,079	1,936,601
2074	528,976	1,367,326	1,896,302	9,843	35,245	45,088	1,941,390
2075	530,263	1,370,707	1,900,970	9,844	35,252	45,096	1,946,066
2076	531,485	1,374,065	1,905,550	9,845	35,258	45,103	1,950,653
2077	532,645	1,377,417	1,910,062	9,845	35,263	45,108	1,955,170
2078	533,743	1,380,763	1,914,506	9,845	35,268	45,113	1,959,619
2079	534,788	1,384,100	1,918,888	9,844	35,272	45,117	1,964,005
2080	535,785	1,387,417	1,923,202	9,844	35,276	45,120	1,968,322
2081	536,739	1,390,696	1,927,435	9,843	35,280	45,123	1,972,558
2082	537,657	1,393,924	1,931,581	9,842	35,282	45,125	1,976,706
2083	538,548	1,397,091	1,935,639	9,842	35,285	45,127	1,980,766
2084	539,422	1,400,191	1,939,613	9,841	35,287	45,128	1,984,741
2085	540,285	1,403,225	1,943,510	9,841	35,288	45,129	1,988,639
2086	541,141	1,406,196	1,947,337	9,841	35,289	45,130	1,992,467
2087	541,996	1,409,106	1,951,103	9,841	35,290	45,131	1,996,234
2088	542,852	1,411,962	1,954,814	9,841	35,291	45,132	1,999,946
2089	543,711	1,414,765	1,958,476	9,842	35,291	45,133	2,003,610
2090	544,578	1,417,518	1,962,096	9,842	35,292	45,134	2,007,230
2091	545,452	1,420,224	1,965,676	9,843	35,292	45,135	2,010,811
2092	546,332	1,422,885	1,969,217	9,843	35,293	45,136	2,014,353
2093	547,217	1,425,505	1,972,722	9,844	35,293	45,137	2,017,859
2094	548,107	1,428,088	1,976,195	9,845	35,293	45,138	2,021,333
2095	548,997	1,430,639	1,979,637	9,845	35,294	45,139	2,024,776
2096	549,886	1,433,163	1,983,048	9,846	35,294	45,140	2,028,188
2097	550,771	1,435,662	1,986,433	9,846	35,294	45,141	2,031,573
2098	551,650	1,438,140	1,989,790	9,847	35,295	45,141	2,034,932
2099	552,521	1,440,601	1,993,123	9,847	35,295	45,142	2,038,265
2100	553,384	1,443,048	1,996,431	9,847	35,296	45,143	2,041,574
2101	554,235	1,445,480	1,999,715	9,847	35,296	45,143	2,044,859
2102	555,075	1,447,901	2,002,975	9,847	35,297	45,144	2,048,119
2103	555,901	1,450,310	2,006,211	9,847	35,297	45,145	2,051,356
2104	556,715	1,452,709	2,009,423	9,847	35,298	45,145	2,054,569
2105	557,515	1,455,097	2,012,612	9,847	35,298	45,146	2,057,758
2106	558,304	1,457,474	2,015,778	9,847	35,299	45,146	2,060,924
2107	559,080	1,459,841	2,018,921	9,847	35,300	45,146	2,064,068

*This projection includes retired from active and reserve duty.

**The number of retirees projected only considers those receiving non-zero retired pay from the Military Retirement Fund.

***Disabled numbers do not include all retirees as of 9/30/2008 estimated to move from zero to non-zero retired pay as a result of Section 641 of NDAA 2008. However, they are included in the actuarial accrued liability.

TOTAL ANNUAL RETIRED PAY FOR EACH FISCAL YEAR

(Dollar Amounts in Thousands)

Fiscal Year	Nondisabled			Disabled			Grand Total
	Officers	Enlisted	Total	Officers	Enlisted	Total	
2009	\$19,649,379	\$25,207,797	\$44,857,176	\$597,635	\$795,721	\$1,393,356	\$46,250,532
2010	\$19,941,527	\$25,439,061	\$45,380,588	\$565,556	\$764,400	\$1,329,956	\$46,710,544
2011	\$20,059,928	\$25,712,384	\$45,772,312	\$534,477	\$744,249	\$1,278,727	\$47,051,038
2012	\$20,171,802	\$25,926,532	\$46,098,334	\$506,320	\$724,740	\$1,231,060	\$47,329,394
2013	\$20,661,538	\$26,556,918	\$47,218,456	\$488,229	\$716,335	\$1,204,564	\$48,423,020
2014	\$21,271,044	\$27,305,143	\$48,576,187	\$474,770	\$712,299	\$1,187,069	\$49,763,256
2015	\$21,831,538	\$27,983,251	\$49,814,789	\$463,583	\$708,731	\$1,172,314	\$50,987,103
2016	\$22,405,611	\$28,682,234	\$51,087,845	\$454,670	\$706,000	\$1,160,670	\$52,248,515
2017	\$23,008,923	\$29,435,273	\$52,444,196	\$448,205	\$704,858	\$1,153,063	\$53,597,259
2018	\$23,786,002	\$30,419,863	\$54,205,865	\$446,667	\$709,476	\$1,156,143	\$55,362,008
2019	\$24,635,230	\$31,508,754	\$56,143,984	\$447,648	\$716,360	\$1,164,008	\$57,307,992
2020	\$25,507,783	\$32,643,331	\$58,151,114	\$450,056	\$724,275	\$1,174,331	\$59,325,445
2021	\$26,401,689	\$33,822,356	\$60,224,045	\$453,742	\$733,305	\$1,187,047	\$61,411,092
2022	\$27,317,620	\$35,044,865	\$62,362,485	\$458,627	\$743,555	\$1,202,182	\$63,564,667
2023	\$28,259,014	\$36,320,278	\$64,579,292	\$464,537	\$755,163	\$1,219,700	\$65,798,992
2024	\$29,222,022	\$37,669,057	\$66,891,079	\$471,405	\$768,438	\$1,239,843	\$68,130,922
2025	\$30,196,705	\$39,037,512	\$69,234,217	\$479,055	\$782,895	\$1,261,950	\$70,496,167
2026	\$31,176,572	\$40,387,722	\$71,564,294	\$487,394	\$797,691	\$1,285,085	\$72,849,379
2027	\$32,167,902	\$41,735,037	\$73,902,939	\$496,314	\$812,781	\$1,309,095	\$75,212,034
2028	\$33,333,256	\$43,224,290	\$76,557,546	\$505,918	\$828,466	\$1,334,384	\$77,891,930
2029	\$34,547,995	\$44,767,618	\$79,315,613	\$516,547	\$845,285	\$1,361,832	\$80,677,445
2030	\$35,712,353	\$46,329,861	\$82,042,214	\$528,369	\$863,433	\$1,391,802	\$83,434,016
2031	\$36,897,889	\$47,906,399	\$84,804,288	\$541,099	\$882,511	\$1,423,610	\$86,227,898
2032	\$38,118,473	\$49,521,673	\$87,640,146	\$554,651	\$902,650	\$1,457,301	\$89,097,447
2033	\$39,398,420	\$51,197,223	\$90,595,643	\$569,425	\$924,108	\$1,493,533	\$92,089,176
2034	\$40,728,733	\$52,925,481	\$93,654,214	\$585,428	\$946,782	\$1,532,210	\$95,186,424
2035	\$42,099,649	\$54,696,435	\$96,796,084	\$602,502	\$970,543	\$1,573,045	\$98,369,129
2036	\$43,515,279	\$56,517,913	\$100,033,192	\$620,949	\$995,513	\$1,616,462	\$101,649,654
2037	\$44,988,368	\$58,403,546	\$103,391,914	\$640,669	\$1,021,921	\$1,662,590	\$105,054,504
2038	\$46,522,854	\$60,357,016	\$106,879,870	\$661,674	\$1,050,023	\$1,711,697	\$108,591,567
2039	\$48,128,778	\$62,388,586	\$110,517,364	\$684,139	\$1,079,948	\$1,764,087	\$112,281,451
2040	\$49,800,464	\$64,496,720	\$114,297,184	\$708,079	\$1,111,699	\$1,819,778	\$116,116,962
2041	\$51,524,635	\$66,680,339	\$118,204,974	\$733,204	\$1,145,304	\$1,878,508	\$120,083,482
2042	\$53,308,901	\$68,948,125	\$122,257,026	\$759,490	\$1,180,782	\$1,940,272	\$124,197,298
2043	\$55,161,590	\$71,301,781	\$126,463,371	\$787,078	\$1,218,189	\$2,005,267	\$128,468,638
2044	\$57,097,717	\$73,752,725	\$130,850,442	\$815,858	\$1,257,606	\$2,073,464	\$132,923,906
2045	\$59,115,169	\$76,302,588	\$135,417,757	\$845,783	\$1,299,017	\$2,144,800	\$137,562,557
2046	\$61,212,402	\$78,947,907	\$140,160,309	\$876,810	\$1,342,390	\$2,219,200	\$142,379,509
2047	\$63,395,737	\$81,696,340	\$145,092,077	\$908,935	\$1,387,742	\$2,296,677	\$147,388,754
2048	\$65,669,444	\$84,551,582	\$150,221,026	\$942,155	\$1,435,118	\$2,377,273	\$152,598,299
2049	\$68,041,376	\$87,511,256	\$155,552,632	\$976,533	\$1,484,634	\$2,461,167	\$158,013,799
2050	\$70,518,792	\$90,584,826	\$161,103,618	\$1,012,208	\$1,536,338	\$2,548,546	\$163,652,164
2051	\$73,092,954	\$93,785,134	\$166,878,088	\$1,049,138	\$1,590,244	\$2,639,382	\$169,517,470
2052	\$75,769,666	\$97,129,047	\$172,898,713	\$1,087,311	\$1,646,418	\$2,733,729	\$175,632,442
2053	\$78,558,253	\$100,630,626	\$179,188,879	\$1,126,841	\$1,704,935	\$2,831,776	\$182,020,655
2054	\$81,463,463	\$104,294,841	\$185,758,304	\$1,167,802	\$1,765,861	\$2,933,663	\$188,691,967
2055	\$84,487,858	\$108,123,758	\$192,611,616	\$1,210,248	\$1,829,257	\$3,039,505	\$195,651,121
2056	\$87,639,810	\$112,130,618	\$199,770,428	\$1,254,294	\$1,895,203	\$3,149,497	\$202,919,925
2057	\$90,928,125	\$116,325,937	\$207,254,062	\$1,300,097	\$1,963,773	\$3,263,870	\$210,517,932
2058	\$94,358,999	\$120,716,603	\$215,075,602	\$1,347,735	\$2,035,052	\$3,382,787	\$218,458,389

*This projection includes retired from active and reserve duty.

**Disabled numbers do not include all retirees as of 9/30/2008 estimated to move from zero to non-zero retired pay as a result of Section 641 of NDAA 2008. However, they are included in the actuarial accrued liability.

TOTAL ANNUAL RETIRED PAY FOR EACH FISCAL YEAR (continued)

(Dollar Amounts in Thousands)

Fiscal Year	Nondisabled			Disabled			Grand Total
	Officers	Enlisted	Total	Officers	Enlisted	Total	
2059	\$97,945,991	\$125,312,617	\$223,258,608	\$1,397,327	\$2,109,138	\$3,506,465	\$226,765,073
2060	\$101,702,397	\$130,122,500	\$231,824,897	\$1,449,026	\$2,186,171	\$3,635,197	\$235,460,094
2061	\$105,623,865	\$135,146,689	\$240,770,554	\$1,502,848	\$2,266,266	\$3,769,114	\$244,539,668
2062	\$109,720,965	\$140,393,988	\$250,114,953	\$1,558,883	\$2,349,552	\$3,908,435	\$254,023,388
2063	\$114,006,340	\$145,873,628	\$259,879,968	\$1,617,243	\$2,436,148	\$4,053,391	\$263,933,359
2064	\$118,489,088	\$151,593,915	\$270,083,003	\$1,677,965	\$2,526,181	\$4,204,146	\$274,287,149
2065	\$123,175,284	\$157,561,341	\$280,736,625	\$1,741,118	\$2,619,765	\$4,360,883	\$285,097,508
2066	\$128,068,572	\$163,780,967	\$291,849,539	\$1,806,737	\$2,717,050	\$4,523,787	\$296,373,326
2067	\$133,172,638	\$170,257,638	\$303,430,276	\$1,874,872	\$2,818,179	\$4,693,051	\$308,123,327
2068	\$138,493,110	\$176,997,345	\$315,490,455	\$1,945,584	\$2,923,289	\$4,868,873	\$320,359,328
2069	\$144,035,087	\$184,005,736	\$328,040,823	\$2,018,960	\$3,032,512	\$5,051,472	\$333,092,295
2070	\$149,808,142	\$191,290,425	\$341,098,567	\$2,095,079	\$3,145,972	\$5,241,051	\$346,339,618
2071	\$155,812,074	\$198,860,451	\$354,672,525	\$2,174,003	\$3,263,824	\$5,437,827	\$360,110,352
2072	\$162,049,872	\$206,726,671	\$368,776,543	\$2,255,789	\$3,386,222	\$5,642,011	\$374,418,554
2073	\$168,526,858	\$214,900,818	\$383,427,676	\$2,340,528	\$3,513,305	\$5,853,833	\$389,281,509
2074	\$175,246,885	\$223,395,335	\$398,642,220	\$2,428,347	\$3,645,233	\$6,073,580	\$404,715,800
2075	\$182,214,978	\$232,225,816	\$414,440,794	\$2,519,304	\$3,782,180	\$6,301,484	\$420,742,278
2076	\$189,436,603	\$241,410,548	\$430,847,151	\$2,613,517	\$3,924,333	\$6,537,850	\$437,385,001
2077	\$196,923,216	\$250,967,610	\$447,890,826	\$2,711,148	\$4,071,889	\$6,783,037	\$454,673,863
2078	\$204,683,512	\$260,912,777	\$465,596,289	\$2,812,356	\$4,225,015	\$7,037,371	\$472,633,660
2079	\$212,727,530	\$271,261,052	\$483,988,582	\$2,917,330	\$4,383,891	\$7,301,221	\$491,289,803
2080	\$221,068,211	\$282,025,051	\$503,093,262	\$3,026,224	\$4,548,741	\$7,574,965	\$510,668,227
2081	\$229,717,115	\$293,216,625	\$522,933,740	\$3,139,201	\$4,719,743	\$7,858,944	\$530,792,684
2082	\$238,688,043	\$304,847,983	\$543,536,026	\$3,256,452	\$4,897,136	\$8,153,588	\$551,689,614
2083	\$247,996,988	\$316,932,081	\$564,929,069	\$3,378,164	\$5,081,162	\$8,459,326	\$573,388,395
2084	\$257,660,637	\$329,483,621	\$587,144,258	\$3,504,536	\$5,272,062	\$8,776,598	\$595,920,856
2085	\$267,696,148	\$342,518,763	\$610,214,911	\$3,635,755	\$5,470,089	\$9,105,844	\$619,320,755
2086	\$278,120,800	\$356,055,413	\$634,176,213	\$3,771,998	\$5,675,511	\$9,447,509	\$643,623,722
2087	\$288,953,444	\$370,112,595	\$659,066,039	\$3,913,453	\$5,888,607	\$9,802,060	\$668,868,099
2088	\$300,211,803	\$384,710,385	\$684,922,188	\$4,060,311	\$6,109,671	\$10,169,982	\$695,092,170
2089	\$311,913,096	\$399,869,504	\$711,782,600	\$4,212,773	\$6,339,005	\$10,551,778	\$722,334,378
2090	\$324,076,863	\$415,611,285	\$739,688,148	\$4,371,047	\$6,576,920	\$10,947,967	\$750,636,115
2091	\$336,722,103	\$431,958,127	\$768,680,230	\$4,535,337	\$6,823,742	\$11,359,079	\$780,039,309
2092	\$349,867,197	\$448,933,474	\$798,800,671	\$4,705,846	\$7,079,844	\$11,785,690	\$810,586,361
2093	\$363,531,403	\$466,561,720	\$830,093,123	\$4,882,789	\$7,345,561	\$12,228,350	\$842,321,473
2094	\$377,734,574	\$484,868,543	\$862,603,117	\$5,066,394	\$7,621,230	\$12,687,624	\$875,290,741
2095	\$392,495,581	\$503,880,933	\$896,376,514	\$5,256,886	\$7,907,246	\$13,164,132	\$909,540,646
2096	\$407,833,550	\$523,627,156	\$931,460,706	\$5,454,493	\$8,204,001	\$13,658,494	\$945,119,200
2097	\$423,769,182	\$544,136,708	\$967,905,890	\$5,659,466	\$8,511,902	\$14,171,368	\$982,077,258
2098	\$440,323,390	\$565,440,192	\$1,005,763,582	\$5,872,073	\$8,831,367	\$14,703,440	\$1,020,467,022
2099	\$457,517,876	\$587,569,270	\$1,045,087,146	\$6,092,603	\$9,162,829	\$15,255,432	\$1,060,342,578
2100	\$475,375,564	\$610,556,697	\$1,085,932,261	\$6,321,349	\$9,506,738	\$15,828,087	\$1,101,760,348
2101	\$493,919,782	\$634,436,326	\$1,128,356,108	\$6,558,616	\$9,863,560	\$16,422,176	\$1,144,778,284
2102	\$513,175,034	\$659,243,143	\$1,172,418,177	\$6,804,720	\$10,233,779	\$17,038,499	\$1,189,456,676
2103	\$533,167,041	\$685,013,342	\$1,218,180,383	\$7,060,000	\$10,617,895	\$17,677,895	\$1,235,858,278
2104	\$553,923,000	\$711,784,338	\$1,265,707,338	\$7,324,810	\$11,016,431	\$18,341,241	\$1,284,048,579
2105	\$575,471,306	\$739,594,888	\$1,315,066,194	\$7,599,520	\$11,429,923	\$19,029,443	\$1,334,095,637
2106	\$597,841,916	\$768,485,161	\$1,366,327,077	\$7,884,508	\$11,858,933	\$19,743,441	\$1,386,070,518
2107	\$621,067,103	\$798,496,758	\$1,419,563,861	\$8,180,171	\$12,304,040	\$20,484,211	\$1,440,048,072

*This projection includes retired from active and reserve duty.

**Disabled numbers do not include all retirees as of 9/30/2008 estimated to move from zero to non-zero retired pay as a result of Section 641 of NDAA 2008. However, they are included in the actuarial accrued liability.

RETIREE GAIN STATEMENT

Fiscal Year	Gains During the Fiscal Year				Average Starting Net Retired Pay Before CPI Increase			
	Nondisabled		Disabled		Nondisabled		Disabled	
	Officers	Enlisted	Officers	Enlisted	Officers	Enlisted	Officers	Enlisted
2009	17,547	43,636	453	2,820	\$37,264	\$18,264	\$36,926	\$14,408
2010	16,018	41,174	451	2,799	\$38,688	\$19,389	\$37,673	\$14,819
2011	15,224	38,291	453	2,775	\$40,688	\$20,397	\$38,610	\$15,183
2012	15,061	37,334	456	2,764	\$42,422	\$21,177	\$39,616	\$15,522
2013	20,751	48,666	458	2,755	\$39,257	\$19,399	\$40,583	\$15,897
2014	14,910	34,516	460	2,736	\$45,627	\$23,058	\$41,556	\$16,287
2015	14,858	34,269	460	2,726	\$47,142	\$23,686	\$42,693	\$16,680
2016	14,633	35,397	460	2,731	\$48,525	\$24,306	\$43,826	\$17,108
2017	14,420	36,310	459	2,741	\$50,265	\$24,825	\$44,926	\$17,573
2018	14,229	37,115	457	2,750	\$51,785	\$25,330	\$46,178	\$18,056
2019	14,196	38,114	455	2,756	\$53,166	\$25,967	\$47,468	\$18,606
2020	14,165	38,965	452	2,761	\$54,444	\$26,628	\$48,786	\$19,221
2021	14,091	39,364	450	2,765	\$55,960	\$27,366	\$50,262	\$19,886
2022	14,110	39,587	448	2,767	\$57,372	\$28,455	\$51,867	\$20,618
2023	14,188	40,145	446	2,775	\$58,675	\$29,468	\$53,505	\$21,377
2024	13,949	41,249	445	2,794	\$60,851	\$30,739	\$55,200	\$22,210
2025	13,590	38,474	442	2,774	\$62,954	\$31,894	\$57,017	\$22,990
2026	13,260	36,858	439	2,748	\$65,058	\$33,195	\$58,808	\$23,658
2027	12,956	35,429	437	2,729	\$67,305	\$34,296	\$60,673	\$24,371
2028	18,418	48,845	436	2,720	\$59,943	\$30,314	\$62,665	\$25,115
2029	13,867	37,040	443	2,736	\$70,893	\$35,779	\$64,578	\$25,919
2030	13,639	35,748	446	2,736	\$73,980	\$37,345	\$67,004	\$26,769
2031	13,435	35,072	444	2,730	\$76,834	\$38,538	\$69,330	\$27,622
2032	13,646	35,257	445	2,731	\$79,151	\$39,756	\$71,814	\$28,554
2033	14,020	35,582	449	2,732	\$81,893	\$40,884	\$74,571	\$29,539
2034	14,138	35,743	450	2,729	\$84,685	\$42,158	\$77,397	\$30,554
2035	14,318	35,937	450	2,726	\$87,017	\$43,099	\$80,335	\$31,572
2036	14,411	36,330	453	2,726	\$90,067	\$44,354	\$83,718	\$32,673
2037	14,532	36,685	453	2,728	\$93,954	\$45,732	\$86,743	\$33,874
2038	14,589	37,033	454	2,730	\$97,762	\$47,363	\$90,172	\$35,153
2039	14,774	37,386	456	2,732	\$102,140	\$49,127	\$93,858	\$36,488
2040	14,695	37,498	457	2,733	\$105,893	\$50,834	\$97,469	\$37,851
2041	14,618	37,534	456	2,734	\$109,585	\$52,791	\$100,851	\$39,274
2042	14,584	37,526	456	2,736	\$113,205	\$54,914	\$104,660	\$40,769
2043	14,552	37,545	456	2,737	\$117,677	\$57,137	\$108,610	\$42,319
2044	14,538	37,650	455	2,740	\$122,673	\$59,466	\$112,508	\$43,930
2045	14,426	37,606	454	2,740	\$127,680	\$61,834	\$116,462	\$45,600
2046	14,340	37,559	453	2,740	\$132,892	\$64,319	\$120,698	\$47,324
2047	14,282	37,477	452	2,739	\$137,947	\$67,014	\$125,082	\$49,104
2048	14,220	37,426	452	2,739	\$143,131	\$69,685	\$129,598	\$50,948
2049	14,273	37,467	452	2,739	\$148,280	\$72,430	\$134,257	\$52,867
2050	14,288	37,463	452	2,739	\$153,733	\$75,246	\$139,221	\$54,859
2051	14,257	37,435	451	2,739	\$159,381	\$78,082	\$144,344	\$56,916
2052	14,243	37,432	451	2,739	\$165,242	\$81,022	\$149,631	\$59,050
2053	14,258	37,435	451	2,739	\$171,298	\$84,074	\$155,161	\$61,265
2054	14,262	37,417	451	2,739	\$177,615	\$87,247	\$160,914	\$63,561
2055	14,265	37,388	451	2,738	\$184,182	\$90,503	\$166,867	\$65,932
2056	14,267	37,374	451	2,738	\$190,996	\$93,881	\$173,161	\$68,392
2057	14,278	37,360	451	2,738	\$198,121	\$97,385	\$179,644	\$70,948
2058	14,285	37,350	451	2,737	\$205,526	\$101,029	\$186,424	\$73,604

*This projection includes retired from active and reserve duty.

**Gains during the year include those people who die before year end. All figures are after total and partial VA offsets.

***The dramatic retiree gain increases in FY 2013 and FY 2028 are a result of the modeling due to section 647 of the 2008 NDAA.

Please refer to Appendix F and Appendix H for more information.

RETIREE GAIN STATEMENT (continued)

Fiscal Year	Gains During the Fiscal Year				Average Starting Net Retired Pay Before CPI Increase			
	Nondisabled		Disabled		Nondisabled		Disabled	
	Officers	Enlisted	Officers	Enlisted	Officers	Enlisted	Officers	Enlisted
2059	14,328	37,353	452	2,737	\$213,447	\$104,825	\$193,535	\$76,361
2060	14,341	37,348	452	2,737	\$221,482	\$108,743	\$200,946	\$79,221
2061	14,343	37,343	452	2,737	\$229,759	\$112,807	\$208,534	\$82,187
2062	14,352	37,345	452	2,737	\$238,430	\$117,033	\$216,448	\$85,268
2063	14,366	37,352	453	2,738	\$247,494	\$121,419	\$224,698	\$88,466
2064	14,381	37,363	453	2,738	\$256,976	\$125,965	\$233,218	\$91,785
2065	14,380	37,369	453	2,738	\$266,653	\$130,684	\$242,012	\$95,230
2066	14,374	37,373	453	2,738	\$276,688	\$135,585	\$251,162	\$98,804
2067	14,369	37,376	453	2,738	\$287,167	\$140,670	\$260,626	\$102,512
2068	14,361	37,380	453	2,738	\$298,026	\$145,947	\$270,432	\$106,360
2069	14,363	37,386	453	2,738	\$309,264	\$151,425	\$280,584	\$110,353
2070	14,364	37,390	453	2,738	\$320,870	\$157,111	\$291,115	\$114,496
2071	14,357	37,392	453	2,738	\$332,896	\$163,008	\$302,013	\$118,794
2072	14,351	37,395	453	2,738	\$345,382	\$169,127	\$313,296	\$123,253
2073	14,347	37,398	452	2,738	\$358,310	\$175,476	\$325,003	\$127,880
2074	14,344	37,400	452	2,739	\$371,747	\$182,064	\$337,135	\$132,679
2075	14,338	37,401	452	2,739	\$385,599	\$188,896	\$349,698	\$137,657
2076	14,333	37,401	452	2,739	\$399,981	\$195,984	\$362,747	\$142,821
2077	14,330	37,401	452	2,739	\$414,924	\$203,336	\$376,291	\$148,179
2078	14,327	37,401	452	2,739	\$430,424	\$210,965	\$390,346	\$153,737
2079	14,331	37,401	452	2,739	\$446,544	\$218,881	\$404,945	\$159,504
2080	14,332	37,401	452	2,739	\$463,245	\$227,091	\$420,120	\$165,486
2081	14,332	37,400	452	2,739	\$480,565	\$235,609	\$435,858	\$171,693
2082	14,333	37,400	452	2,739	\$498,548	\$244,446	\$452,193	\$178,132
2083	14,336	37,400	452	2,739	\$517,229	\$253,615	\$469,164	\$184,813
2084	14,340	37,401	452	2,739	\$536,642	\$263,127	\$486,779	\$191,744
2085	14,342	37,401	452	2,739	\$556,776	\$272,995	\$505,055	\$198,936
2086	14,344	37,401	452	2,739	\$577,660	\$283,234	\$524,032	\$206,397
2087	14,345	37,402	452	2,739	\$599,350	\$293,857	\$543,723	\$214,139
2088	14,346	37,403	452	2,739	\$621,867	\$304,879	\$564,158	\$222,171
2089	14,348	37,403	452	2,739	\$645,242	\$316,314	\$585,361	\$230,504
2090	14,350	37,404	452	2,739	\$669,482	\$328,178	\$607,363	\$239,151
2091	14,351	37,405	452	2,739	\$694,623	\$340,488	\$630,182	\$248,121
2092	14,351	37,406	452	2,739	\$720,713	\$353,259	\$653,849	\$257,429
2093	14,352	37,407	452	2,739	\$747,782	\$366,510	\$678,401	\$267,085
2094	14,352	37,408	452	2,739	\$775,875	\$380,258	\$703,867	\$277,104
2095	14,351	37,409	452	2,739	\$804,991	\$394,522	\$730,272	\$287,499
2096	14,351	37,410	452	2,739	\$835,187	\$409,321	\$757,661	\$298,283
2097	14,350	37,411	452	2,739	\$866,518	\$424,675	\$786,072	\$309,473
2098	14,349	37,412	452	2,739	\$899,019	\$440,605	\$815,542	\$321,081
2099	14,348	37,412	452	2,739	\$932,738	\$457,132	\$846,112	\$333,125
2100	14,348	37,413	452	2,739	\$967,710	\$474,280	\$877,829	\$345,621
2101	14,348	37,414	452	2,739	\$1,003,983	\$492,070	\$910,732	\$358,585
2102	14,347	37,414	452	2,739	\$1,041,614	\$510,527	\$944,864	\$372,036
2103	14,347	37,415	452	2,739	\$1,080,655	\$529,677	\$980,280	\$385,991
2104	14,347	37,416	452	2,739	\$1,121,166	\$549,545	\$1,017,026	\$400,469
2105	14,347	37,416	452	2,739	\$1,163,192	\$570,158	\$1,055,151	\$415,491
2106	14,347	37,417	452	2,739	\$1,206,793	\$591,544	\$1,094,710	\$431,075
2107	14,347	37,418	452	2,739	\$1,252,035	\$613,732	\$1,135,758	\$447,244

*This projection includes retired from active and reserve duty.

**Gains during the year include those people who die before year end. All figures are after total and partial VA offsets.

***The dramatic retiree gain increases in FY 2013 and FY 2028 are a result of the modeling due to section 647 of the 2008 NDAA.

Please refer to Appendix F and Appendix H for more information.

TOTAL NUMBER OF SURVIVORS ON SEPTEMBER 30 OF EACH FISCAL YEAR

<u>Fiscal Year</u>	<u>SBP</u>	<u>RCSBP</u>	<u>Minimum Income</u>	<u>Death on Active Duty</u>	<u>RSFPP</u>	<u>Special Survivor Indemnity Allowance</u>	<u>Total</u>
2008	192,199	80,208	174	6,575	10,787	0	289,943
2009	195,935	82,451	155	6,691	10,081	57,652	295,312
2010	199,022	84,508	137	6,797	9,362	58,082	299,826
2011	201,524	86,414	121	6,892	8,656	58,347	303,607
2012	203,451	88,179	107	6,970	7,968	58,470	306,674
2013	204,825	89,864	95	7,026	7,300	58,467	309,110
2014	205,684	91,415	83	7,069	6,656	58,393	310,908
2015	206,051	92,874	73	7,089	6,038	58,237	312,125
2016	205,978	94,267	64	7,086	5,450	57,938	312,845
2017	205,519	95,619	56	7,052	4,895	57,509	313,141
2018	204,714	96,955	49	6,979	4,374	0	313,072
2019	203,609	98,301	43	6,876	3,890	0	312,719
2020	202,238	99,673	37	6,749	3,443	0	312,141
2021	200,633	101,083	32	6,602	3,034	0	311,385
2022	198,819	102,539	28	6,443	2,661	0	310,490
2023	196,817	104,042	24	6,289	2,325	0	309,498
2024	194,656	105,590	21	6,150	2,024	0	308,442
2025	192,364	107,176	18	6,028	1,757	0	307,344
2026	189,970	108,792	16	5,929	1,521	0	306,228
2027	187,506	110,425	13	5,855	1,315	0	305,115
2028	185,007	112,122	12	5,802	1,137	0	304,079
2029	182,503	113,758	10	5,761	984	0	303,016
2030	180,028	115,353	8	5,732	854	0	301,975
2031	177,616	116,895	7	5,709	744	0	300,970
2032	175,292	118,358	6	5,691	652	0	300,000
2033	173,075	119,722	5	5,678	575	0	299,056
2034	170,986	120,964	4	5,668	512	0	298,135
2035	169,040	122,070	4	5,659	460	0	297,233
2036	167,237	123,010	3	5,651	417	0	296,317
2037	165,569	123,753	2	5,642	381	0	295,346
2038	164,014	124,272	2	5,633	351	0	294,272
2039	162,558	124,553	2	5,624	326	0	293,062
2040	161,174	124,585	1	5,614	304	0	291,679
2041	159,836	124,378	1	5,607	285	0	290,108
2042	158,524	123,949	1	5,598	269	0	288,341
2043	157,215	123,324	1	5,588	254	0	286,382
2044	155,893	122,539	1	5,576	240	0	284,249
2045	154,542	121,638	1	5,564	227	0	281,971
2046	153,150	120,666	0	5,549	214	0	279,580
2047	151,705	119,657	0	5,535	202	0	277,100
2048	150,200	118,651	0	5,522	190	0	274,564
2049	148,629	117,679	0	5,507	179	0	271,994
2050	146,987	116,759	0	5,490	168	0	269,405
2051	145,271	115,906	0	5,472	157	0	266,806
2052	143,478	115,126	0	5,451	147	0	264,203
2053	141,604	114,413	0	5,430	138	0	261,585
2054	139,651	113,764	0	5,407	129	0	258,951
2055	137,621	113,168	0	5,384	120	0	256,294
2056	135,523	112,620	0	5,360	112	0	253,616
2057	133,373	112,121	0	5,336	105	0	250,935

*This projection includes retired from active and reserve duty.

**The number of survivors projected only considers those receiving non-zero pay from the Military Retirement Fund.

***RCSBP survivors include all survivors of reservists, not just those electing pre-age 60 coverage.

****The Special Survivor Indemnity Allowance counts are shown for informational purposes and are not included in the Total column. They include the impact of both NDAA 2008 and P.L. 110-181.

TOTAL NUMBER OF SURVIVORS ON SEPTEMBER 30 OF EACH FISCAL YEAR (continued)

Fiscal Year	SBP	RCSBP	Minimum Income	Death on Active Duty	RSFPP	Special Survivor Indemnity Allowance	Total
2058	131,192	111,665	0	5,312	98	0	248,266
2059	129,001	111,247	0	5,286	92	0	245,626
2060	126,824	110,864	0	5,259	86	0	243,034
2061	124,684	110,513	0	5,233	81	0	240,511
2062	122,606	110,206	0	5,205	76	0	238,093
2063	120,613	109,938	0	5,178	72	0	235,801
2064	118,727	109,714	0	5,151	68	0	233,660
2065	116,966	109,546	0	5,125	64	0	231,702
2066	115,347	109,434	0	5,100	61	0	229,943
2067	113,881	109,381	0	5,076	58	0	228,396
2068	112,574	109,388	0	5,051	56	0	227,070
2069	111,429	109,450	0	5,028	53	0	225,960
2070	110,442	109,555	0	5,004	51	0	225,052
2071	109,608	109,694	0	4,980	49	0	224,332
2072	108,918	109,857	0	4,956	47	0	223,778
2073	108,360	110,031	0	4,933	45	0	223,370
2074	107,918	110,203	0	4,910	43	0	223,075
2075	107,576	110,364	0	4,888	41	0	222,868
2076	107,314	110,503	0	4,866	39	0	222,723
2077	107,117	110,616	0	4,845	37	0	222,615
2078	106,975	110,697	0	4,825	35	0	222,533
2079	106,878	110,747	0	4,806	33	0	222,464
2080	106,817	110,767	0	4,787	31	0	222,401
2081	106,785	110,757	0	4,769	29	0	222,339
2082	106,775	110,722	0	4,752	26	0	222,276
2083	106,784	110,666	0	4,736	24	0	222,210
2084	106,804	110,593	0	4,721	22	0	222,140
2085	106,831	110,509	0	4,706	19	0	222,065
2086	106,861	110,416	0	4,692	17	0	221,985
2087	106,890	110,318	0	4,678	15	0	221,900
2088	106,916	110,218	0	4,665	13	0	221,812
2089	106,940	110,119	0	4,651	11	0	221,721
2090	106,958	110,021	0	4,636	10	0	221,624
2091	106,970	109,927	0	4,621	8	0	221,526
2092	106,977	109,836	0	4,606	7	0	221,425
2093	106,979	109,749	0	4,590	6	0	221,323
2094	106,976	109,667	0	4,574	5	0	221,222
2095	106,971	109,589	0	4,557	4	0	221,121
2096	106,962	109,516	0	4,540	3	0	221,021
2097	106,952	109,447	0	4,522	2	0	220,923
2098	106,940	109,382	0	4,504	2	0	220,828
2099	106,928	109,321	0	4,486	1	0	220,736
2100	106,917	109,263	0	4,467	1	0	220,648
2101	106,906	109,209	0	4,447	1	0	220,563
2102	106,896	109,158	0	4,428	1	0	220,482
2103	106,887	109,110	0	4,408	1	0	220,406
2104	106,880	109,065	0	4,388	0	0	220,333
2105	106,874	109,023	0	4,367	0	0	220,264
2106	106,869	108,983	0	4,346	0	0	220,199
2107	106,866	108,946	0	4,325	0	0	220,138

*This projection includes retired from active and reserve duty.

**The number of survivors projected only considers those receiving non-zero pay from the Military Retirement Fund.

***RCSBP survivors include all survivors of reservists, not just those electing pre-age 60 coverage.

****The Special Survivor Indemnity Allowance counts are shown for informational purposes and are not included in the Total column. They include the impact of both NDAA 2008 and P.L. 110-181.

TOTAL ANNUAL SURVIVOR BENEFITS FOR EACH FISCAL YEAR

(Dollar Amounts in Thousands)

<u>Fiscal Year</u>	<u>SBP</u>	<u>RCSBP</u>	<u>Minimum Income</u>	<u>Death on Active Duty</u>	<u>RSFPP</u>	<u>Special Survivor Indemnity Allowance</u>	<u>Total</u>
2009	\$2,828,546	\$641,745	\$1,148	\$56,358	\$30,007	\$34,591	\$3,592,395
2010	\$2,917,712	\$659,050	\$1,033	\$59,486	\$28,127	\$41,819	\$3,707,227
2011	\$2,957,684	\$666,144	\$913	\$61,753	\$26,118	\$49,012	\$3,761,624
2012	\$2,988,541	\$672,143	\$808	\$64,109	\$24,134	\$56,132	\$3,805,867
2013	\$3,053,126	\$687,002	\$725	\$67,466	\$22,239	\$63,145	\$3,893,703
2014	\$3,127,001	\$705,292	\$652	\$71,273	\$20,425	\$105,107	\$4,029,750
2015	\$3,194,858	\$723,649	\$586	\$75,125	\$18,670	\$139,768	\$4,152,656
2016	\$3,256,126	\$742,230	\$526	\$78,887	\$16,984	\$191,196	\$4,285,949
2017	\$3,314,116	\$761,884	\$471	\$82,463	\$15,382	\$213,935	\$4,388,251
2018	\$3,390,083	\$787,860	\$425	\$86,325	\$13,886	\$0	\$4,278,579
2019	\$3,469,670	\$817,178	\$382	\$89,942	\$12,498	\$0	\$4,389,670
2020	\$3,546,153	\$848,673	\$344	\$93,226	\$11,206	\$0	\$4,499,602
2021	\$3,619,909	\$882,677	\$309	\$95,980	\$10,016	\$0	\$4,608,891
2022	\$3,691,385	\$919,568	\$277	\$98,328	\$8,921	\$0	\$4,718,479
2023	\$3,760,827	\$959,560	\$248	\$100,343	\$7,926	\$0	\$4,828,904
2024	\$3,828,659	\$1,002,930	\$222	\$102,252	\$7,032	\$0	\$4,941,095
2025	\$3,895,199	\$1,049,864	\$198	\$104,130	\$6,232	\$0	\$5,055,623
2026	\$3,960,908	\$1,100,413	\$176	\$106,098	\$5,525	\$0	\$5,173,120
2027	\$4,026,167	\$1,154,671	\$156	\$108,261	\$4,903	\$0	\$5,294,158
2028	\$4,091,596	\$1,212,939	\$138	\$110,681	\$4,365	\$0	\$5,419,719
2029	\$4,158,508	\$1,275,033	\$121	\$113,307	\$3,904	\$0	\$5,550,873
2030	\$4,227,001	\$1,340,607	\$106	\$116,166	\$3,510	\$0	\$5,687,390
2031	\$4,298,143	\$1,409,792	\$92	\$119,230	\$3,181	\$0	\$5,830,438
2032	\$4,373,048	\$1,482,487	\$80	\$122,445	\$2,906	\$0	\$5,980,966
2033	\$4,452,563	\$1,558,490	\$70	\$125,853	\$2,679	\$0	\$6,139,655
2034	\$4,537,491	\$1,637,531	\$60	\$129,437	\$2,495	\$0	\$6,307,014
2035	\$4,628,805	\$1,719,276	\$52	\$133,182	\$2,345	\$0	\$6,483,660
2036	\$4,727,064	\$1,803,297	\$45	\$137,129	\$2,224	\$0	\$6,669,759
2037	\$4,832,505	\$1,888,924	\$39	\$141,267	\$2,126	\$0	\$6,864,861
2038	\$4,945,043	\$1,975,369	\$33	\$145,589	\$2,046	\$0	\$7,068,080
2039	\$5,064,378	\$2,061,903	\$28	\$150,093	\$1,980	\$0	\$7,278,382
2040	\$5,190,352	\$2,147,864	\$24	\$154,756	\$1,925	\$0	\$7,494,921
2041	\$5,322,537	\$2,232,857	\$21	\$159,594	\$1,876	\$0	\$7,716,885
2042	\$5,460,461	\$2,316,560	\$18	\$164,535	\$1,831	\$0	\$7,943,405
2043	\$5,603,618	\$2,398,756	\$15	\$169,636	\$1,788	\$0	\$8,173,813
2044	\$5,751,856	\$2,479,691	\$13	\$174,888	\$1,747	\$0	\$8,408,195
2045	\$5,904,991	\$2,559,695	\$12	\$180,307	\$1,703	\$0	\$8,646,708
2046	\$6,062,878	\$2,639,254	\$10	\$185,886	\$1,658	\$0	\$8,889,686
2047	\$6,225,489	\$2,718,993	\$9	\$191,657	\$1,610	\$0	\$9,137,758
2048	\$6,392,595	\$2,799,388	\$8	\$197,625	\$1,558	\$0	\$9,391,174
2049	\$6,564,067	\$2,881,055	\$7	\$203,740	\$1,504	\$0	\$9,650,373
2050	\$6,739,802	\$2,964,380	\$6	\$210,037	\$1,447	\$0	\$9,915,672
2051	\$6,919,490	\$3,049,831	\$6	\$216,534	\$1,388	\$0	\$10,187,249
2052	\$7,102,348	\$3,137,416	\$6	\$223,215	\$1,328	\$0	\$10,464,313
2053	\$7,287,599	\$3,227,258	\$5	\$230,113	\$1,269	\$0	\$10,746,244
2054	\$7,474,341	\$3,319,476	\$5	\$237,225	\$1,208	\$0	\$11,032,255
2055	\$7,661,616	\$3,414,352	\$5	\$244,577	\$1,149	\$0	\$11,321,699
2056	\$7,848,745	\$3,512,037	\$5	\$252,161	\$1,093	\$0	\$11,614,041
2057	\$8,035,061	\$3,612,944	\$5	\$259,993	\$1,038	\$0	\$11,909,041
2058	\$8,220,321	\$3,717,826	\$5	\$268,066	\$987	\$0	\$12,207,205

*This projection includes retired from active and reserve duty.

**RCSBP survivors include all survivors of reservists, not just those electing pre-age 60 coverage.

***The Special Survivor Indemnity Allowance dollars are included in the Total column. They include the impact of both NDAA 2008 and P.L. 110-181.

TOTAL ANNUAL SURVIVOR BENEFITS FOR EACH FISCAL YEAR (continued)

(Dollar Amounts in Thousands)

<u>Fiscal Year</u>	<u>SBP</u>	<u>RCSBP</u>	<u>Minimum Income</u>	<u>Death on Active Duty</u>	<u>RSFPP</u>	<u>Special Survivor Indemnity Allowance</u>	<u>Total</u>
2059	\$8,404,683	\$3,827,007	\$5	\$276,403	\$940	\$0	\$12,509,038
2060	\$8,588,596	\$3,941,333	\$5	\$285,028	\$896	\$0	\$12,815,858
2061	\$8,772,778	\$4,061,527	\$5	\$293,966	\$858	\$0	\$13,129,134
2062	\$8,958,417	\$4,188,497	\$5	\$303,201	\$823	\$0	\$13,450,943
2063	\$9,147,142	\$4,323,414	\$5	\$312,783	\$791	\$0	\$13,784,135
2064	\$9,340,722	\$4,467,224	\$5	\$322,703	\$763	\$0	\$14,131,417
2065	\$9,541,332	\$4,621,044	\$5	\$333,007	\$739	\$0	\$14,496,127
2066	\$9,751,194	\$4,785,841	\$5	\$343,680	\$718	\$0	\$14,881,438
2067	\$9,972,726	\$4,962,496	\$5	\$354,746	\$699	\$0	\$15,290,672
2068	\$10,208,064	\$5,151,750	\$5	\$366,188	\$683	\$0	\$15,726,690
2069	\$10,459,525	\$5,354,189	\$4	\$378,068	\$669	\$0	\$16,192,455
2070	\$10,729,142	\$5,569,777	\$4	\$390,370	\$656	\$0	\$16,689,949
2071	\$11,018,553	\$5,798,820	\$4	\$403,122	\$645	\$0	\$17,221,144
2072	\$11,329,818	\$6,041,083	\$4	\$416,341	\$635	\$0	\$17,787,881
2073	\$11,664,099	\$6,296,033	\$3	\$430,063	\$626	\$0	\$18,390,824
2074	\$12,022,032	\$6,563,416	\$3	\$444,247	\$617	\$0	\$19,030,315
2075	\$12,403,819	\$6,842,289	\$3	\$458,967	\$607	\$0	\$19,705,685
2076	\$12,809,288	\$7,132,509	\$2	\$474,197	\$597	\$0	\$20,416,593
2077	\$13,237,951	\$7,433,780	\$2	\$489,964	\$584	\$0	\$21,162,281
2078	\$13,689,431	\$7,745,717	\$2	\$506,330	\$570	\$0	\$21,942,050
2079	\$14,163,644	\$8,068,455	\$1	\$523,249	\$553	\$0	\$22,755,902
2080	\$14,660,394	\$8,402,086	\$1	\$540,707	\$533	\$0	\$23,603,721
2081	\$15,179,590	\$8,746,717	\$1	\$558,812	\$511	\$0	\$24,485,631
2082	\$15,720,926	\$9,102,664	\$1	\$577,549	\$485	\$0	\$25,401,625
2083	\$16,284,579	\$9,470,087	\$0	\$596,887	\$457	\$0	\$26,352,010
2084	\$16,870,758	\$9,849,353	\$0	\$616,915	\$427	\$0	\$27,337,453
2085	\$17,479,501	\$10,240,722	\$0	\$637,544	\$395	\$0	\$28,358,162
2086	\$18,111,045	\$10,644,496	\$0	\$658,995	\$363	\$0	\$29,414,899
2087	\$18,766,036	\$11,061,200	\$0	\$681,053	\$330	\$0	\$30,508,619
2088	\$19,445,337	\$11,491,166	\$0	\$703,886	\$297	\$0	\$31,640,686
2089	\$20,149,919	\$11,935,015	\$0	\$727,404	\$265	\$0	\$32,812,603
2090	\$20,880,775	\$12,393,287	\$0	\$751,682	\$234	\$0	\$34,025,978
2091	\$21,638,903	\$12,866,635	\$0	\$776,849	\$204	\$0	\$35,282,591
2092	\$22,425,672	\$13,355,754	\$0	\$802,800	\$176	\$0	\$36,584,402
2093	\$23,242,458	\$13,861,348	\$0	\$829,574	\$151	\$0	\$37,933,531
2094	\$24,090,779	\$14,384,206	\$0	\$857,285	\$128	\$0	\$39,332,398
2095	\$24,972,217	\$14,925,140	\$0	\$885,890	\$108	\$0	\$40,783,355
2096	\$25,888,253	\$15,484,980	\$0	\$915,419	\$89	\$0	\$42,288,741
2097	\$26,840,548	\$16,064,631	\$0	\$945,928	\$74	\$0	\$43,851,181
2098	\$27,830,688	\$16,665,062	\$0	\$977,509	\$60	\$0	\$45,473,319
2099	\$28,860,322	\$17,287,208	\$0	\$1,010,075	\$48	\$0	\$47,157,653
2100	\$29,931,205	\$17,932,060	\$0	\$1,043,723	\$39	\$0	\$48,907,027
2101	\$31,044,946	\$18,600,641	\$0	\$1,078,488	\$31	\$0	\$50,724,106
2102	\$32,203,139	\$19,293,960	\$0	\$1,114,406	\$24	\$0	\$52,611,529
2103	\$33,407,416	\$20,013,051	\$0	\$1,151,543	\$19	\$0	\$54,572,029
2104	\$34,659,393	\$20,759,003	\$0	\$1,189,858	\$14	\$0	\$56,608,268
2105	\$35,960,634	\$21,532,908	\$0	\$1,229,462	\$11	\$0	\$58,723,015
2106	\$37,312,661	\$22,335,893	\$0	\$1,270,375	\$8	\$0	\$60,918,937
2107	\$38,716,999	\$23,169,124	\$0	\$1,312,637	\$6	\$0	\$63,198,766

*This projection includes retired from active and reserve duty.

**RCSBP survivors include all survivors of reservists, not just those electing pre-age 60 coverage.

***The Special Survivor Indemnity Allowance dollars are included in the Total column. They include the impact of both NDAA 2008 and P.L. 110-181.

TOTAL PROJECTED BASIC PAY AND RETIRED OUTLAYS

(Dollar Amounts in Thousands)

Fiscal Year	Total Projected Basic Pay	Total Projected Outlays	Retired Outlays Over Basic Pay
2009	\$57,476,183	\$49,842,927	86.7%
2010	\$59,191,847	\$50,417,771	85.2%
2011	\$60,061,384	\$50,812,662	84.6%
2012	\$61,562,548	\$51,135,261	83.1%
2013	\$63,142,875	\$52,316,723	82.9%
2014	\$64,795,637	\$53,793,006	83.0%
2015	\$66,542,926	\$55,139,759	82.9%
2016	\$68,358,542	\$56,534,464	82.7%
2017	\$70,207,493	\$57,985,510	82.6%
2018	\$72,096,138	\$59,640,587	82.7%
2019	\$74,567,491	\$61,697,662	82.7%
2020	\$77,126,622	\$63,825,047	82.8%
2021	\$79,781,293	\$66,019,983	82.8%
2022	\$82,529,491	\$68,283,146	82.7%
2023	\$85,346,604	\$70,627,896	82.8%
2024	\$88,211,765	\$73,072,017	82.8%
2025	\$91,184,891	\$75,551,790	82.9%
2026	\$94,379,005	\$78,022,499	82.7%
2027	\$97,773,592	\$80,506,192	82.3%
2028	\$101,334,739	\$83,311,649	82.2%
2029	\$104,989,790	\$86,228,318	82.1%
2030	\$108,768,723	\$89,121,406	81.9%
2031	\$112,754,829	\$92,058,336	81.6%
2032	\$116,938,438	\$95,078,413	81.3%
2033	\$121,275,704	\$98,228,831	81.0%
2034	\$125,775,771	\$101,493,438	80.7%
2035	\$130,467,694	\$104,852,789	80.4%
2036	\$135,358,259	\$108,319,413	80.0%
2037	\$140,434,457	\$111,919,365	79.7%
2038	\$145,700,465	\$115,659,647	79.4%
2039	\$151,144,726	\$119,559,833	79.1%
2040	\$156,777,943	\$123,611,883	78.8%
2041	\$162,639,664	\$127,800,367	78.6%
2042	\$168,727,848	\$132,140,703	78.3%
2043	\$175,034,924	\$136,642,451	78.1%
2044	\$181,563,325	\$141,332,101	77.8%
2045	\$188,334,690	\$146,209,265	77.6%
2046	\$195,379,525	\$151,269,195	77.4%
2047	\$202,700,940	\$156,526,512	77.2%
2048	\$210,306,314	\$161,989,473	77.0%
2049	\$218,195,645	\$167,664,172	76.8%
2050	\$226,370,959	\$173,567,836	76.7%
2051	\$234,856,642	\$179,704,719	76.5%
2052	\$243,670,689	\$186,096,755	76.4%
2053	\$252,816,996	\$192,766,899	76.2%
2054	\$262,305,586	\$199,724,222	76.1%
2055	\$272,153,966	\$206,972,820	76.0%
2056	\$282,377,184	\$214,533,966	76.0%
2057	\$292,985,858	\$222,426,973	75.9%
2058	\$303,993,106	\$230,665,594	75.9%

*Basic pay includes reserve and active duty basic pay; outlays include retired pay and survivor benefits.

**This projection includes retired from active and reserve duty.

***This projection includes pay for those retirees eligible for Concurrent Receipt.

****This projection is adjusted for the increase in survivor benefits due to Public Law 110-181.

*****Total Projected Outlays do not include an estimated \$61 million CRSC pay as of 9/30/2008 due to Section 641 of NDAA 2008. However, it is accounted for in the actuarial accrued liability.

TOTAL PROJECTED BASIC PAY AND RETIRED OUTLAYS (continued)

(Dollar Amounts in Thousands)

Fiscal Year	Total Projected Basic Pay	Total Projected Outlays	Retired Outlays Over Basic Pay
2059	\$315,408,147	\$239,274,111	75.9%
2060	\$327,242,948	\$248,275,952	75.9%
2061	\$339,522,410	\$257,668,802	75.9%
2062	\$352,264,019	\$267,474,331	75.9%
2063	\$365,479,476	\$277,717,494	76.0%
2064	\$379,183,175	\$288,418,566	76.1%
2065	\$393,396,003	\$299,593,635	76.2%
2066	\$408,143,015	\$311,254,764	76.3%
2067	\$423,444,293	\$323,413,999	76.4%
2068	\$439,319,893	\$336,086,018	76.5%
2069	\$455,789,793	\$349,284,750	76.6%
2070	\$472,874,434	\$363,029,567	76.8%
2071	\$490,599,749	\$377,331,496	76.9%
2072	\$508,992,207	\$392,206,435	77.1%
2073	\$528,075,919	\$407,672,333	77.2%
2074	\$547,875,831	\$423,746,115	77.3%
2075	\$568,420,096	\$440,447,963	77.5%
2076	\$589,738,488	\$457,801,594	77.6%
2077	\$611,859,193	\$475,836,144	77.8%
2078	\$634,811,646	\$494,575,710	77.9%
2079	\$658,625,624	\$514,045,705	78.0%
2080	\$683,331,877	\$534,271,948	78.2%
2081	\$708,965,515	\$555,278,315	78.3%
2082	\$735,562,151	\$577,091,239	78.5%
2083	\$763,156,463	\$599,740,405	78.6%
2084	\$791,784,155	\$623,258,309	78.7%
2085	\$821,483,763	\$647,678,917	78.8%
2086	\$852,296,651	\$673,038,621	79.0%
2087	\$884,264,797	\$699,376,718	79.1%
2088	\$917,431,172	\$726,732,856	79.2%
2089	\$951,840,122	\$755,146,981	79.3%
2090	\$987,537,532	\$784,662,093	79.5%
2091	\$1,024,572,322	\$815,321,900	79.6%
2092	\$1,062,995,436	\$847,170,763	79.7%
2093	\$1,102,858,930	\$880,255,004	79.8%
2094	\$1,144,216,530	\$914,623,139	79.9%
2095	\$1,187,124,668	\$950,324,001	80.1%
2096	\$1,231,642,534	\$987,407,941	80.2%
2097	\$1,277,830,725	\$1,025,928,439	80.3%
2098	\$1,325,751,841	\$1,065,940,341	80.4%
2099	\$1,375,470,703	\$1,107,500,231	80.5%
2100	\$1,427,054,422	\$1,150,667,375	80.6%
2101	\$1,480,573,368	\$1,195,502,390	80.7%
2102	\$1,536,100,610	\$1,242,068,205	80.9%
2103	\$1,593,711,328	\$1,290,430,307	81.0%
2104	\$1,653,483,160	\$1,340,656,847	81.1%
2105	\$1,715,496,904	\$1,392,818,652	81.2%
2106	\$1,779,836,843	\$1,446,989,455	81.3%
2107	\$1,846,590,250	\$1,503,246,838	81.4%

*Basic pay includes reserve and active duty basic pay; outlays include retired pay and survivor benefits.

**This projection includes retired from active and reserve duty.

***This projection includes pay for those retirees eligible for Concurrent Receipt.

****This projection is adjusted for the increase in survivor benefits due to Public Law 110-181.

*****Total Projected Outlays do not include an estimated \$61 million CRSC pay as of 9/30/2008 due to Section 641 of NDAA 2008.

However, it is accounted for in the actuarial accrued liability.

APPENDIX L

MARKET VALUE OF ASSETS

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Statement of Net Assets Available for Benefits	L-2

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

Under generally accepted accounting principles (GAAP) (Financial Accounting Standards Board (FASB) 35), both private sector and state/local governmental pension plans are required to include a table showing the “Net Assets Available for Benefits” and a “Statement of Changes in Net Assets Available for Benefits,” where assets are valued at fair market value in their accounting statements. For the Military Retirement Fund, fair market value is based on the bid prices of public issue securities with the same maturity dates and coupon rates as the special issue securities held by the Fund. These statements are included in Tables L-1 and L-2.

Measures of a retirement system’s liabilities (required for private sector plans under GAAP) are the “Accumulated Plan Benefits” and the “Market Value of Assets.” In prior years, both these items and explanatory notes were included in this appendix. Starting in FY07, only the “Market Value of Assets” will be shown for informational purposes.

The market values shown in this appendix can be found in the *Fiscal Year 2008 Military Retirement Fund Audited Financial Statements*. The financial statements are available through the DoD Office of the Actuary website (shown in the Actuarial Certification) or by visiting the website of the Office of the Under Secretary of Defense (Comptroller) at <http://www.defenselink.mil/comptroller/>.

TABLE L-1

DEPARTMENT OF DEFENSE
MILITARY RETIREMENT FUND
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
(\$ in thousands)

For the Plan Year Ended
September 30, 2008

Assets

1) Investments, at fair market value, in U.S. Government securities: ¹	\$ 240,912,686
2) Accounts receivable:	
a) Accrued interest ²	2,748,171
b) Due from military retirees or their survivors	24,513
c) Intragovernmental	0
3) Cash:	17,515
<u>Total Assets (1 + 2 + 3):</u>	<u>\$ 243,702,885</u>
Accounts payable:	<u>\$ (3,359,247)</u>
<u>Total Assets Available for Benefits</u>	<u><u>\$ 240,343,638</u></u>

¹ Fair market value of securities has been measured by quoted prices (bid price) in the active U.S. Government securities market. Bid price used represents the over-the-counter quotations as of 4 p.m. eastern time as reported by the U.S. Department of Treasury – Bureau of Public Debt on September 30, 2008.

² Includes accrued interest receivable and interest purchased.

TABLE L-2

DEPARTMENT OF DEFENSE
MILITARY RETIREMENT FUND
STATEMENT OF CHANGES IN NET ASSETS
AVAILABLE FOR BENEFITS
(\$ in thousands)

For the Plan Year Ended
September 30, 2008

Net assets available for benefits at beginning of plan year:	\$ 211,596,363
1) Investment income (coupons received)	17,321,627
2) Net appreciation in fair market value of investments	(8,027,377)
3) Contributions from services	16,138,795
4) Appropriation to amortize the initial unfunded liability	46,187,000
5) Appropriation for Treasury Normal Cost Contribution	2,776,000
Total additions (1 + 2 + 3 + 4 + 5)	<u>\$ 74,396,045</u>
Less: Benefits paid to participants ¹	<u>\$ 45,648,770</u>
Net assets available for benefits at end of plan year	<u><u>\$ 240,343,638</u></u>

¹ The statement has been revised to show benefits paid to participants on an accrual basis:

Benefits paid on cash basis	\$ 45,819,719
Decrease in liability for benefits due at end of year	<u>170,949</u>
Benefits paid on accrual basis	\$ 45,648,770

APPENDIX M

TREASURY PAYMENTS

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Method of Amortizing Changes in the Unfunded Liability of the Military Retirement System.....	M-2
Calculation of the October 1, 2009, Treasury Payment.....	M-8

METHOD OF AMORTIZING CHANGES IN THE UNFUNDED LIABILITY OF THE MILITARY RETIREMENT SYSTEM

Introduction

Section 1465 of Title 10 states that the Secretary of Defense shall determine amortization methods and schedules for the annual amortization of changes in the unfunded liability (UFL) of the military retirement system. The section also states that these methods and assumptions must be approved by the DoD Board of Actuaries. The resulting payments are made by the Department of the Treasury to the Military Retirement Fund and do not affect the DoD budget.

There are three causes of change in the military retirement system's unfunded liability: (1) changes in benefits, (2) annual experience gains or losses resulting from actual experience deviating from expected experience, and (3) changes in actuarial assumptions used in the projected liability calculations. When a change in the unfunded liability does not fit perfectly into one of the three categories, the Board of Actuaries will determine the most appropriate one. The following describes the technical procedure of amortizing these types of changes, as approved by the Board.

Amortization Procedure

All three types of changes in the UFL are amortized by means of payment schedules so that: (1) the annual amortization payments increase each year by the long-term basic pay scale assumption (currently 3.75 percent); (2) the payment stream completely liquidates the additional liability over 30 years; and (3) the payments are expressed to the nearest million dollars. The amortization payments increase at approximately the same rate as the increase in the total basic payroll for a particular year—an outcome that is consistent with the way the normal cost payments and payments to amortize the system's initial UFL are determined. This method is no longer common for many private sector pension plans and has given way to an amortization schedule with level payments in order to cover interest costs. It is also popular for these pension plans to amortize the liabilities over the average future working lifetime of the active workforce as opposed to a fixed 30 year schedule. Though, the methods applied to the Military Retirement Fund are similar to those of other Federal and public sector pension plans.

Experience gains and losses, which create changes in the UFL, occur every year. Because these changes are usually small in relative terms, the payment streams to amortize them are combined. This produces one single payment stream for the category of experience gains and losses and eliminates the tedious tracking of up to thirty different small amortization schedules. The DoD Office of the Actuary can identify the separate segments if the need arises.

A similar method of combining amortization schedules is used for changes in the UFL caused by changes in actuarial assumptions. Beginning with the September 30, 1995, valuation, changes to the UFL due to all benefit changes are being combined and amortized in a single stream of payments. Detailed examples of how the amortization payments are calculated follow.

Actuarial gains and losses are changes in the UFL that result from actual experience in a pension plan deviating from what was expected. An actuarial gain is a *decrease* in the UFL and is therefore expressed as a negative number. Correspondingly, a loss represents an *increase* in the UFL and is expressed as a positive number. To avoid confusion, the terms negative and positive “experience changes” will be used in place of “experience gains” and “experience losses.”

The amortization payment for a negative experience change (gain) is also expressed as a negative number. These negative amortization payments reduce any positive amortization payments otherwise payable, including the (positive) payments amortizing the system’s initial UFL.

Amortization payments for changes in the UFL are structured to increase each year with the basic pay scale increase. When the payments are negative, their absolute values are made to increase. Although this means that the payments are actually decreasing mathematically, for simplicity of expression both positive and negative amortization payments are said to “increase” by the basic pay scale increase.

Benefit and Experience Changes

Below is an example of how three years’ changes in UFL due to actual experience differing from expected experience would be amortized. The amortization schedules would be identical if these changes in the UFL had been due to changes in benefits. This example is hypothetical.

In FY08 there is an assumed experience change of -\$13,800 million (representing a gain of \$13,800 million) determined as of the end of the fiscal year, or September 30, 2008. Since this is the first experience change in the example, it does not need to be combined with a schedule for a prior year. It is amortized with 30 annual payments that increase each year at the rate of the assumed annual increase in basic pay. The payment stream commences on October 1, 2009, and the last payment is made on October 1, 2038. The final payment reduces the amortization base to zero.

The amount of the first payment, -\$633 million, is determined by means of the following steps:

1. Bring forward unamortized balance with interest to September 30, 2009:

$$-\$13,800 \text{ million} \times (1 + \mathbf{i}) = -\$14,594 \text{ million}$$

2. Calculate annuity due factor for 30 years at interest rate $\mathbf{j} = [(1 + \mathbf{i}) \div (1 + \mathbf{s})] - 1$:

$$= 23.056743$$

3. Divide unamortized balance by annuity factor to get annual payment:

$$-\$14,594 \text{ million} \div 23.056743 = -\$633 \text{ million}$$

where the annual increase in the basic pay scale $s = .0375$ and the valuation rate of interest $i = .0575$. The amortization period is 30 years. In general, the amortization interest rate, j , is defined by

$$j = [(1 + i) \div (1 + s)] - 1.$$

A hypothetical experience loss in FY09 creates a change in the UFL of +\$8,400 million, calculated as of the end of that fiscal year, or September 30, 2009. The amortization schedules for this change and for the FY08 change are combined as follows. First, the unamortized balance of the FY08 experience change is determined. After the -\$633 million amortization payment is made on October 1, 2009, the remaining unamortized balance is -\$13,961 million. This balance is calculated as $[-13,961 = (-13,800 \times 1.0575) - (-633)]$. The +\$8,400 million experience change for FY09 is then added to the -\$13,961 unamortized balance, leaving a combined balance of -\$5,561 million $(-5,561 = -13,961 + 8,400)$.

This combined balance will be amortized over a “combined amortization period.” The combined amortization period is equal to the weighted average of the remaining 29-year amortization period for the FY08 experience change and a new 30-year period for the FY09 experience change. The weights used in the calculation are the absolute values of the -\$13,961 million unamortized balance and the +\$8,400 million experience change, respectively.

Thus the combined amortization period is equal to:

$$\frac{(13,961 \times 29) + (8,400 \times 30)}{13,961 + 8,400} = 29.38 \text{ years}$$

An initial combined amortization payment of -\$259 million is determined by the following procedure:

1. Bring forward unamortized balance with interest to September 30, 2010:

$$-\$5,561 \text{ million} \times (1 + i) = -\$5,880 \text{ million}$$

2. Calculate annuity due factor for 29.38 years at interest rate $j = [(1 + i) \div (1 + s)] - 1$:

$$= 22.699155$$

3. Divide unamortized balance by annuity factor to get annual payment:

$$-\$5,880 \text{ million} \div 22.699155 = -\$259 \text{ million}$$

The payments in the amortization streams will increase at 3.75 percent (the annual increase in the basic pay scale) per year. The payment at the end of the 29th year is -\$726 million. A final, partial payment will be made at the end of the 30th year and is equal to the unamortized balance, or -\$285 million.

Because experience changes normally occur every year, the only payment that would actually be made under this particular combined schedule is the -\$259 million on October 1, 2010. A new combined amortization schedule covering FY08, FY09, and the new UFL caused by experience changes in FY10 is determined as follows.

First, the combined FY08 and FY09 amortization base of -\$5,561 million is increased by one year's interest and credited with the payment of -\$259 million. The remaining unamortized balance as of October 1, 2009, is -\$5,621 million [$-5,621 = (-5,561 \times 1.0575) - (-259)$]. This amount (-\$5,621) is then combined with an assumed FY10 experience change of +\$10,300 million, resulting in a new combined unamortized balance of \$4,679 million ($4,679 = -5,621 + 10,300$). This combined amortization base of \$4,679 million is then amortized over a new combined amortization period of 29.43 years, which is equal to the weighted average of the 28.38 years remaining for the old schedule and the 30-year period for the FY10 change. The new combined amortization period is calculated as follows:

$$\frac{(5,621 \times 28.38) + (10,300 \times 30)}{5,621 + 10,300} = 29.43 \text{ years}$$

The October 1, 2011, payment to amortize the new combined base of \$4,679 million is \$218 million and is determined by means of the following procedure:

1. Bring forward unamortized balance with interest to September 30, 2011:

$$\$4,679 \text{ million} \times (1 + \mathbf{i}) = \$4,948 \text{ million}$$

2. Calculate annuity due factor for 29.43 years at interest rate $\mathbf{j} = [(1 + \mathbf{i}) \div (1 + \mathbf{s})] - 1$:

$$= 22.728433$$

3. Divide unamortized balance by annuity factor to get annual payment:

$$\$4,948 \text{ million} \div 22.728433 = \$218 \text{ million}$$

This is the payment to amortize the combined experience changes for all three years.

Table M-1 shows the schedule of amortization payments for the experience changes in FY08; FY08 and FY09 combined; and FY08, FY09, and FY10 combined.

TABLE M-1

Projected Amortization Payments for Experience Changes
(Amounts in Millions)

<u>Date</u>	<u>Payment on the FY08 Experience Change</u>	<u>Payment on the Combined FY08 and FY09 Experience Change</u>	<u>Payment on the Combined FY08, FY09 and FY10 Experience Change</u>
10/1/09	\$ -633		
10/1/10	-657	\$ -259	
10/1/11	-681	-269	\$ 218
10/1/12	-707	-279	226
10/1/13	-733	-289	234
10/1/14	-761	-300	243

Changes in Actuarial Assumptions

The third type of change in the UFL is due to changes in actuarial assumptions. These assumption changes are amortized by the same method used for experience gains and losses and for benefit changes, i.e., by means of a combined schedule with initial 30-year payments that increase at the rate of the assumed basic pay scale increases.

If changes in economic assumptions include a change in either the valuation interest rate or the assumed basic pay scale increase, the amortization payments that have already been scheduled for all three categories of change in the UFL will be modified. Specifically, new series of payments will be determined to amortize the current amortization bases over their remaining periods, with payments that increase with the new basic pay scale assumption and are computed using the new valuation interest rate. The following example illustrates how this is done.

Suppose that on October 1 of a particular fiscal year, an amortization base is \$27,405 million, calculated immediately after the scheduled amortization payment is made. Say the remaining amortization period is 18 years. Also suppose that the valuation interest rate is changed to 5.5 percent and that the basic pay scale increase is changed to 3.0 percent.

The initial, revised payment, to be made on the following October 1, is determined by the following procedure:

1. Bring forward unamortized balance with interest to September 30 of next year:

$$\$27,405 \text{ million} \times (1 + \mathbf{i}) = \$28,912 \text{ million}$$

where in this case, $\mathbf{i} = .055$

2. Calculate annuity due factor for 18 years at interest rate $\mathbf{j} = [(1 + \mathbf{i}) \div (1 + \mathbf{s})] - 1$:

$$= 14.794469$$

where $\mathbf{i} = .055$ and $\mathbf{s} = .03$

3. Divide unamortized balance by annuity factor to get annual payment:

$$\$28,912 \text{ million} \div 14.794469 = \$1,954 \text{ million}$$

The second and succeeding payments will increase at the rate of 3.0 percent per year, which is the new basic pay scale increase. The \$27,405 million amortization base will be credited with 5.5 percent interest. This new series of amortization payments will reduce the \$27,405 million amortization base to zero at the end of the 18th year.

CALCULATION OF THE OCTOBER 1, 2009, TREASURY PAYMENT

The following pages (Tables M-2 through M-6) display the calculation of the October 1, 2009, Treasury payment based on the September 30, 2008, valuation results and on amortization methods and assumptions approved by the DoD Board of Actuaries. In order to avoid a projected shortfall in the Military Retirement Fund, the Board determined that, beginning with the FY98 payment, the total amortization period of the initial unfunded liability would be decreased from 60 to 50 years. The Board again shortened the initial unfunded liability amortization period in 2007 to 42 years in order for the payments to cover interest on the unfunded liability each year.

Public Law 108-136 required the Department of Treasury to pay for the increase in the normal cost due to Concurrent Receipt. Beginning with FY2005, Treasury includes the annual normal cost payment due to Concurrent Receipt along with the unfunded liability payment in the October 1st contribution.

TABLE M-2

TOTAL TREASURY PAYMENT
OCTOBER 1, 2009

(\$ in billions)

Amortization payment for:

1.	Initial unfunded liability	\$ 70.379
2.	Changes in benefits	\$ 7.100
3.	Gains and Losses Amortization	
	a. Changes in actuarial assumptions	\$ (1.241)
	b. Actuarial experience	\$ (17.619)
	Total amortization payment	<u>\$ 58.619</u>
	Normal cost payment	<u>\$ 4.516</u>
	Total Treasury payment	<u><u>\$ 63.135</u></u>

TABLE M-3

CALCULATION OF OCTOBER 1, 2009,
PAYMENT ON INITIAL UNFUNDED LIABILITY (UFL)

(\$ in billions)

1.	Unamortized balance of initial UFL (10/1/07 balance \times 1.06)	9/30/08	\$ 1,044.591
2.	Payment on UFL	10/1/08	\$ 69.213
3.	Unamortized balance of initial UFL (1. - 2.)	10/1/08	\$ 975.378
4.	Balance on 9/30/09 (3. \times 1.0575)	9/30/08	\$ 1,031.462
5.	Number of Annual Payments Remaining	9/30/09	17
6.	Value of an annuity due for remaining amortization period at interest rate equal to $(1.0575 \div 1.0375) - 1$		14.656
7.	Payment on initial UFL due 10/1/09 (4. \div 6.)		<u>\$ 70.379</u>

TABLE M-4

CALCULATION OF OCTOBER 1, 2009,
PAYMENT ON UNFUNDED LIABILITY (UFL)
RESULTING FROM BENEFIT CHANGES

(\$ in billions)

1. Unamortized UFL balance due to benefit changes (10/1/07 balance x 1.06)	9/30/08	\$ 141.733
2. Payment on UFL	10/1/08	\$ 7.026
3. Unamortized UFL balance after payment (1. - 2.)	10/1/08	\$ 134.706
4. Additional (new) UFL due to benefit changes	9/30/08	\$ 0.315
5. Unamortized UFL balance due to benefit changes (3. + 4.)	10/1/08	\$ 135.021
6. Balance on 9/30/09 (5. × 1.0575)	9/30/09	\$ 142.784
7. Total number of years of prior amortization schedule		26.05
8. Remaining number of years of prior amortization schedule (7. - 1)		25.05
9. Total number of years of new amortization schedule (absolute values used for all numbers) [(3. × 8.) + (4. × 30)] ÷ (3. + 4.)		25.06
10. Value of an annuity due for remaining amortization period at interest rate equal to $(1.0575 \div 1.0375) - 1$		20.109
11. Payment on UFL due to benefit changes (6. ÷ 10.)	10/1/09	<u>\$ 7.100</u>

TABLE M-5

CALCULATION OF OCTOBER 1, 2009,
PAYMENT ON UNFUNDED LIABILITY (UFL)
RESULTING FROM ASSUMPTION CHANGES

(\$ in billions)

1. Unamortized balance of UFL due to assumption changes (10/1/07 balance \times 1.06)	9/30/08	\$ (86.474)
2. Payment on UFL	10/1/08	\$ (5.076)
3. Unamortized UFL balance after payment (1. - 2.)	10/1/08	\$ (81.398)
4. Additional (new) UFL	9/30/08	\$ 58.483
5. Unamortized UFL balance due to assumption changes (3. + 4.)	10/1/08	\$ (22. 914)
6. Balance on 9/30/08 (5. \times 1.0575)	9/30/09	\$ (24.232)
7. Number of years in prior amortization schedule		20.92
8. Remaining number of years in prior amortization schedule (7. - 1)		19.92
9. Number of years in new amortization schedule (absolute values used for all numbers) [(3. \times 8.) + (4. \times 30)] \div (3. + 4.)		24.13
10. Value of an annuity due for remaining amortization period at interest rate equal to (1.0575 \div 1.0375) - 1		19.523
11. Payment on UFL due to assumption changes (6. \div 10.)	10/1/09	<u>\$ (1.241)</u>

TABLE M-6

CALCULATION OF OCTOBER 1, 2009,
PAYMENT ON UNFUNDED LIABILITY (UFL)
RESULTING FROM EXPERIENCE GAINS AND LOSSES

(\$ in billions)

1. Unamortized UFL balance due to experience gains and losses (10/1/07 balance \times 1.06)	9/30/08	\$ (275.341)
2. Payment on UFL	10/1/08	\$ (20.038)
3. Unamortized UFL balance after payment (1. - 2.)	10/1/08	\$ (255.303)
4. Additional (new) UFL	9/30/08	\$ 20.900
5. Unamortized UFL balance due to experience gains and losses (3. + 4.)	10/1/08	\$ (234.403)
6. Balance on 9/30/08 (5. \times 1.0575)	9/30/09	\$ (247.881)
7. Number of years in prior amortization schedule		16.07
8. Remaining number of years in prior amortization schedule (7. - 1)		15.07
9. Number of years in new amortization schedule (absolute values used for all numbers) [(3. \times 8.) + (4. \times 30)] \div (3. + 4.)		16.20
10. Value of an annuity due for remaining amortization period at interest rate equal to (1.0575 \div 1.0375) - 1		14.069
11. Payment on UFL due to experience gains and losses (6. \div 10.)	10/1/09	<u>\$ (17.619)</u>