ARMED FORCES RETIREMENT HOME

CONGRESSIONAL BUDGET JUSTIFICATION

FISCAL YEAR 2026

Submitted to the 119th Congress of the United States

Senate Committee on Armed Services

House Committee on Armed Services

Senate Committee on Appropriations
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies

House Committee on Appropriations
Subcommittee on Military Construction, Veterans Affairs, and Related Agencies

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PROPOSED FISCAL YEAR 2026 APPROPRIATIONS LANGUAGE

ARMED FORCES RETIREMENT HOME TRUST FUND

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the Armed Forces Retirement Home—Washington, District of Columbia, and the Armed Forces Retirement Home—Gulfport, Mississippi, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, $77,000,000 to remain available until September 30, 2027, of which $2,072,000 shall remain available until expended for construction and renovation of the physical plants at the Armed Forces Retirement Home—Washington, District of Columbia, and the Armed Forces Retirement Home—Gulfport, Mississippi: *Provided*, That of the amounts made available under this heading from funds available in the Armed Forces Retirement Home Trust Fund, $27,000,000 shall be paid from the general fund of the Treasury to the Trust Fund.

FISCAL YEAR 2026 BUDGET REQUEST

The Armed Forces Retirement Home (AFRH) fiscal year (FY) 2026 request is $77,000,000 in total budget authority and 353 full-time equivalent (FTE) personnel, with $74,928,000 requested for operating expenses and $2,072,000 requested for capital maintenance and construction.

AFRH's mission is to provide independent living and upper levels of care for certain retired and former enlisted, limited duty officers and warrant officers of the Armed Forces. Many residents are disabled and have lower incomes, services are mandated as defined under 24 USC 413, and residents are supported regardless of their ability to pay for the services they receive per 24 USC 414. The AFRH Trust Fund receives funds from dedicated revenue sources and transfers from other federal funds. Expenditures from the trust fund to support AFRH operations, maintenance, and capital improvements are appropriated annually by Congress. Net surpluses add to the trust fund balance while net deficits reduce the balance.

REQUEST FOR GENERAL FUND SUPPORT

Since FY 2015, AFRH has had to rely on transfers from the General Fund of the Treasury to fund operations due to substantial declines in fines and forfeitures revenue from active-duty military members. As directed by Congress, AFRH and DOD leaders have worked diligently to identify new opportunities for revenue and sought organizational efficiencies without disrupting services to residents. These efforts, combined with general fund support, are intended to re-build the trust fund balance. Despite general fund transfers in FYs 2016 through 2024, and improvement in the trust fund balance, dedicated income streams and initiatives to generate additional revenue and cut costs are not sufficient to offset operating expenses. Additionally, Congress has not enacted legislative proposals to authorize transfers from sources other than the General Fund. In FY 2026, AFRH requests $27,000,000 be transferred from the General Fund of the Treasury to the AFRH Trust Fund, without which the AFRH will not have sufficient income to offset non-discretionary outlays and will therefore need to draw on the trust fund balance to support operations.

SOLVENCY AND SUSTAINABILITY

This section responds to congressional reporting requirements for proposals and updates on progress to stabilize the trust fund and ensure the long-term sustainability of AFRH:

- House Reports 115-673, 115-188, and 114-497
- Senate Reports 115-130 and 114-237
- The Joint Explanatory Statement accompanying H.R. 5325 (Public Law 114-223)

AFRH's longstanding financial model has not been reliably sufficient to cover AFRH annual expenditures, resulting in annual withdrawals from trust fund balances and appropriated support from the General Fund of the Treasury. This occurred in recent due to AFRH's largest revenue stream, fines and forfeitures, declining 49 percent since FY 2009 and active duty withholding declining by 11 percent due to multiple factors. The trust fund balance had been depleted to the point where it could no longer support AFRH operations. The buying power of these sources have likewise declined due to the effects of inflation. For example, the active duty withholding rate of $0.50 per month has been unchanged since 1977.

As DOD and AFRH stated in their consolidated response to Government Accountability Office report GAO-24-106171:

> *Recent deficits have been shouldered by taxpayers, which Congress has directed be reduced and preferably eliminated. But these recent taxpayer infusions mask the much longer history of insidious underinvestment, capacity reductions, and service cuts which,*

alongside inflation, work to erode this benefit to enlisted veterans. Consider, for example, these statistics for two fiscal years fifteen years apart:

Fiscal Year	*Operating Budget*	*Resident Capacity*	*FTE*
2004	*$63.296 million*	*1,865*	*549*
2019	*$63.300 million*	*1,125*	*336*
		-40%	*-39%*

$63.296 million in September 2004 has the same buying power as $102.6 million in September 2023—a 38% difference, which AFRH has been tracking near identically by paring capacity and staffing.[1]

Reforms over multiple years, with increased contributions from all AFRH stakeholders, continue to be necessary to create a sustainable path for the home and its mission. Provided below is a summary of three focus areas for reform and support. For further information on AFRH initiatives and performance, see the Performance and Accountability Report for Fiscal Year 2024 at https://www.afrh.gov/PAR.

ATTRACTING NEW RESIDENTS

Long-term sustainability for AFRH must include evolving our facilities to meet the needs and desires of current and future generations of veterans. Our Gulfport campus continues to attract new residents with its modern facilities and amenities and beachfront location, though at over a decade in service and with limited capacity for couples, the facility will require increasing capital investments in the coming years. Our Washington campus is significantly more challenging as over 80 percent of our residents live in the Sheridan Building which was originally constructed in the 1960s, with the last significant facelift completed in the early 1990s. Rooms are designed for single occupants and are smaller than average rooms in the lowest quartile for retirement communities nationwide.

AVERAGE UNIT SIZE (PER SQUARE FOOT) OF CONTINUING CARE RETIREMENT COMMUNITIES			
AFRH Sheridan Building	National Lower Quartile	National Median	National Upper Quartile
272	488	822	1,205

Source: *The State of Seniors Housing, 2021*; American Seniors Housing Association

With funding support from Congress, AFRH will soon embark on a renovation project to significantly increase room sizes and modernize systems. With a General Services Administration (GSA) project management agreement in place and procurement actions underway, the approved design will yield 50 rooms on independent living floors averaging 561 square feet and ranging from 400 to 730 square feet, with rooms larger than 500 square feet able to accommodate couples. The assisted living design will consolidate that unit onto the ground floor, significantly improving safety and nursing coverage since it is currently split between the first and second floors. AFRH and GSA agreed on an updated cost estimate of $108 million, from the initial estimate of $77 million, which reflects substantially higher costs nationwide for construction labor and materials as well as GSA project management and inspection costs and a contingency reserve. The project will enclose balconies as new interior space, replace the façade to improve energy efficiency, and modernize HVAC, mechanical, and electrical systems. Together with critical maintenance projects already funded, the renovation will address an estimated $23 million in

[1] https://www.bls.gov/data/inflation_calculator.htm

deferred maintenance for the Sheridan Building. Since Sheridan houses 80 percent of Washington campus residents, the building will need to remain open during renovation with the seven floor renovation phased over a 3- to 4-year period. The FY 2023 enacted budget provided $77 million for the major capital project, which will allow for procurement on the first phase to proceed with constructed planned to begin in January 2025. The FY 2025 enacted budget provides an additional $31 million to fully fund the project at the revised estimate and allow second-phase procurement to proceed. Once procurement is secured, AFRH will re-evaluate economic conditions and labor and supply chain pressures to ensure the project has sufficient resources.

Support by Current Military Members

Active-duty enlisted members of the Army have contributed directly from their pay to support the AFRH since its founding in the 1850s. Warrant officers began contributing in the 1910s and limited duty officers in 1990. (The U.S. Naval Home was supported entirely by appropriations until it was merged with the U.S. Soldiers' and Airmen's Home to form AFRH in 1991.) The contribution amount has been $0.50 per member per month since 1977. In 1994, Congress authorized an increase of this mandatory contribution up to $1.00, to be determined by the Secretary of Defense based on the financial needs of the AFRH. However, despite numerous attempts, the Department has declined to increase the contribution amount despite AFRH financial solvency challenges, citing multiple concerns: (1) the AFRH's management and funding models; (2) the AFRH's limited capacity and geographic coverage compared to the overall population of service members; and (3) directly taxing enlisted members—particularly those at lower ranks who are most burdened by cost of living while being least likely to eventually use the AFRH's services given that 82 percent of AFRH residents left the military ranked E-6 and above.

At the same time, the value of contributions has steadily eroded over time and affected the AFRH's ability to successfully execute its mission and remain financially solvent. Though military pay increased 57 percent between 2007 and 2024, the pay deduction to support AFRH has been level for almost fifty years, its value steadily eroded by inflation, as $0.50 in January 1977 has the same buying power as $2.64 in January 2024.[1] If DOD took administrative action to increase the withhold amount from $0.50 to $1.00, revenue to AFRH would double from approximately $7 million to $14 million per year.

Moreover, the mandatory contribution has not expanded to include the entire population eligible for residence at AFRH, further exacerbating solvency challenges and creating inequities among servicemembers. The National Defense Authorization Act for FY 2021 expanded eligibility to retired enlisted, warrant officer, and limited duty officer members of the National Guard and Reserve. However, because the Constitution requires bills for raising revenue to originate in the House of Representatives, involving multiple committees of jurisdiction. As a result, although Guard and Reserve enlisted personnel are eligible for this benefit, they do not contribute financially as their active duty counterparts do. In 2019 the Congressional Budget Office estimated that extending the withhold to reserve component members would add $4 million revenue to AFRH at the $0.50 withhold amount. DOD administrative action to increase the amount to $1.00 would likewise double the revenue to $8 million per year.

There is merit to the long tradition of current members directly contributing to the care of those who served before them, and the sense of ownership that comes from a benefit paid by servicemembers for servicemembers rather than all taxpayers. Yet concerns, advocated since the Home's founding, about taxing members of the military to sustain the benefit AFRH provides, are also valid. Alternatives to the withhold model could include general taxpayer funding, which has been considered numerous times

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[1] https://data.bls.gov/cgi-bin/cpicalc.pl as of 7/2023

throughout the Home's history and has effectively occurred with annual general fund transfers since 2016; the withhold could be replaced with or augmented by an employer expense, paid by the military departments on behalf of the members, similar to other benefits such as healthcare and retirement; or the withhold could be replaced or augmented by transfer authority from excess amounts in other appropriated accounts. Each of these approaches involve unique constituencies and budgetary effects.

LEVERAGING ASSETS TO GENERATE LONG-TERM REVENUE

Washington Campus Mixed-Use Development Project

On October 24, 2023, AFRH notified the provisionally selected developer and the General Services Administration of its decision to terminate the solicitation for the project to redevelop 80 acres of the Home's Washington, D.C., campus. It comes in the wake of nearly 4 years of intensive negotiations with the selected developer, during which mutually agreeable terms could not be finalized and significant changes in economic conditions since the original proposal occurred. Given these changes and the elapsed time since the offerors' initial proposals, AFRH determined that continued negotiations would not be feasible. While this decision represents a setback, efforts to date will not be wasted. AFRH will continue to work to implement its Master Plan, mitigate environmental impacts, reach out to communities and neighbors, enact zoning, and preserve greenspace and historic assets to the extent possible. AFRH still believes development will occur and bring positive results and opportunities to both the Home and the District, and we remain committed to pursuing financial self-sustainability while ensuring the well-being of the veterans in our care**.**

Addressing Critical Deferred Maintenance

Congressional authorizations in FYs 2020 through 2024 totaled $46,240,000 for capital expenditures, which has allowed AFRH to address mission-critical capital maintenance and we have moved to aggressively execute these projects as procurement and supply chain disruptions have eased.

Continuing capital investment is essential to prevent disruption to operations and safety and avoid more expensive replacements in future years. Outdated and deteriorating facilities have a negative effect on AFRH's ability to attract and retain residents, and low occupancy exacerbates AFRH's financial problems by reducing fee income and driving higher fixed costs. While the Washington campus requires the bulk of resources due to its age, after over a decade in service the Gulfport facility will require increased investment in the coming years. Saltwater corrosion reduces the life expectancy of many systems, requiring more frequent maintenance and earlier replacement. The FY 2024 balance sheet acquisition cost of our property and equipment was $386 million minus $114 million accumulated amortization/depreciation including a $11 million charge for the year. The $8.94 million capital spending enacted in both FY 2024 and FY 2025 partly offset the depreciation charge and provided a capital expenditure rate of $7,982 per available unit. The FY 2026 request of $2.1 million equals a capital investment ratio of only 0.5% and only $1,785 per unit. By comparison, a recent senior living industry report showed nationwide average per unit capital expenditures of $8,465 for continuing care retirement communities with both smaller and newer facilities, and without historic preservation requirements.[1]

The FY 2026 request of $2.1 million supports critical life-safety projects. The following prioritizes projects for funding in the FY 2026 request:

[1] "Actual vs. Budgeted Capital Expenditures Per Available Unit by Property Type", *State of Seniors Housing 2019,* American Seniors Housing Association.

Priority	Location	Estimate	FY 2026 Request
1	Gulfport	$250,000	$250,000
Project Title:		Replace 4” galvanized dry system fire suppression piping in parking garage	
Justification:		The galvanized fire suppression piping in the garage has corroded over time and needs replacement to ensure the system operates effectively in the event of a fire.	
Strategic Alignment:		This project aligns with Strategic Goal 2: Stewardship at Our Core by addressing critical safety infrastructure that protects both residents and the facility.	
Impact:		Without this replacement, the fire suppression system may fail during an emergency, leading to severe property damage and endangering the lives of residents and staff.	
Project/Request History:		New project	

Priority	Location	Estimate	FY 2026 Request
2	Gulfport	$450,000	$450,000
Project Title:		Replace air handling units	
Justification:		The air handling units (AHUs) in the building tower penthouses have become corroded and are in imminent failure. Replacing these units is necessary to maintain air quality and ensure reliable climate control.	
Strategic Alignment:		This project supports Strategic Goal 1: Quality Care First and Always by ensuring that our facilities maintain a safe and comfortable environment. It also aligns with Strategic Goal 2: Stewardship at Our Core, by investing in critical infrastructure.	
Impact:		Without funding, increased maintenance costs and operational disruptions are likely and the AHUs could fail, leading to potential air quality issues and discomfort for residents and higher costs from immediate repair or replacement.	
Project/Request History:		New project	

Priority	Location	Estimate	FY 2026 Request
3	Gulfport	$250,000	$0
Project Title:		Drainage canal repairs (phase 1)	
Justification:		The drainage canal in Gulfport requires repairs due to the degradation of over 30 concrete panels. This poses a flood risk during storms, which could result in extensive property damage and operational disruptions.	
Strategic Alignment:		This project aligns with Strategic Goal 2: Stewardship at Our Core, as it involves critical infrastructure maintenance necessary to protect the facility and ensure operational resilience.	
Impact:		Failure to address this issue could lead to severe flooding, causing damage to the property and potentially leading to evacuation of residents. The long-term impact could include significant financial strain and compromised resident safety.	
Project/Request History:		Phase 1 of 2. Total estimate $750,000.	

Priority	Location	Estimate	FY 2026 Request
4	Washington	$745,000	$0
Project Title:		Historic buildings envelope waterproofing, masonry repointing, plaster, replace deteriorated components (phase 2)	
Justification:		Historic building envelopes require waterproofing, masonry repointing, and replacement of deteriorated components to prevent water infiltration and maintain the structural integrity of the buildings.	
Strategic Alignment:		This project supports Strategic Goal 2: Stewardship at Our Core by addressing critical maintenance needs that protect the building's structure and ensure its longevity.	
Impact:		Without this work, the buildings could suffer from water damage, leading to costly repairs, potential structural issues, and compromised safety for employees, tenants, and residents.	
Project/Request History:		Phase 2 of 2. Total estimate $2,235,000. Phase 1 funded at $1,490,000.	

Beyond the $1.7 million critical maintenance projects identified above for FY 2026, AFRH incurs ongoing expenses for master plan development project support, routine equipment and furniture replacements, and contingency repair and replacement needs as they occur. Additionally, we maintain a capital funding reserve set aside for emergency situations such as hurricane damage and equipment failures. Together these additional needs compose the remaining $377,000 balance of the $2,072,000 capital funding requested.

Revenue Projection Including Solvency Initiatives

REVENUES (Dollars in Millions)				
	FY 2024 Actual	**FY 2025 Estimate**	**FY 2026 Projection**	**2025-2026 Increase / (Decrease)**
General Fund transfers	$ [25]	$ 25	$27	$ 2
Fines and forfeitures	[18]	17	17	0
Resident fees	[17]	18	18	1
Military pay deductions	[6]	6	6	0
* Guard and Reserve deductions			4	4
* Increase deductions to $1			11	11
Leases and property sales	[3]	3	3	0
Trust fund interest	[10]	7	5	[2]
Donations & Bequests	[0]	[0]	[0]	[0]
TOTAL	[79]	76	91	16

BUDGET DETAIL

Spending Authority by Activity

SPENDING AUTHORITY BY ACTIVITY (Dollars in Thousands)				
Authority	**FY 2024 Enacted**	**FY 2025 Enacted**	**FY 2026 Request**	**2025-2026 Increase / (Decrease)**
Operation and maintenance	$ 68,060	$ 68,060	$ 74,928	$ 6,868
Construction and renovation	$ 8,940	$ 8,940	$ 2,072	[$6,868]
Major construction	$ 77,000	$31,000	$ 0	[$31,000]
Total authority	$ 152,300	$ 108,000	$ 77,000	[$31,000]

Salaries & Related Expenses

AFRH's FY 2026 budget request for salaries and related expenses fully supports the agency's mission requirements while providing flexibility to insource where labor costs efficiency can be yielded.

SALARIES & RELATED EXPENSES (Dollars in Thousands)			
FY 2025 Enacted		**FY 2026 Request**	
Full Time Equivalents	**Budget Authority**	**Full Time Equivalents**	**Budget Authority**
363	$33,000	353	$34,000

STAFFING HISTORY (Dollars in Thousands)		
Fiscal Year	**Salaries & Benefits Request**	**Full Time Equivalents**
2009	21,120	268
2010	21,589	252
2011*	25,019	280
2012	23,876	278
2013**	23,910	278
2014	22,976	275
2015	23,427	269
2016	24,820	293
2017	28,170	285
2018	28,695	336
2019	29,956	336
2020	28,000	363
2021	31,000	363
2022	32,000	363
2023	32,000	363
2024	32,000	363
2025	33,000	363

FOOTNOTES:
* Reopening of AFRH-G Facility after Hurricane Katrina destruction in 2005 and reshaping of AFRH-W workforce.
**Additional FTE requested to implement HHS recommended 4.1 hours per day for upper-level care residents.

Changes Anticipated for FY 2026 Appropriations
Increases / Decreases by Object Class

The table below describes the differences between the FY 2025 appropriation and the FY 2026 request. This budget request will allow AFRH to prioritize essential residency and support services to achieve the Administration's government-wide management initiatives within agency operations, as well as manage staffing costs and inflationary impact in cost of care.

Major Object Class		FY 2024 Enacted	FY 2025 Enacted	FY 2026 Request	2025-2026 Increase / (Decrease)
11	Personnel compensation	$ 23	$ 24	$ 25	$ 1
12	Personnel benefits	9	9	10	1
21	Travel & transportation of persons	0	0	0	0
23	Communications & utilities	4	4	6	2
25	Contractual services	31	30	33	3
26	Supplies & materials	1	1	1	0
30	Equipment, land & structures	9	40	2	[38]
	TOTAL	$ 77	108	$ 77	[$31]
Full time equivalents		363	363	353	[10]

- Communications & utilities: $2 million increase for new sewage & storm water charges at Washington Campus and higher utility rates from local service providers.
- Contractual Services: $3 million increase for inflationary costs for resident dining halls, custodial services, and medical services contracts.
- Equipment, land & structures: $7 million decrease for capital maintenance request to accommodate delays in work in process of interdependent projects. $31 million decrease is a result of one-time funding for phase 2 of the Sheridan Building renovation project in fiscal year 2025.

FUTURE BUDGETARY CONCERNS

TRUST FUND SOLVENCY

Congress has supported elements of AFRH's strategic plan to reach long term solvency by expanding eligibility categories to attract residents, including retired members of the National Guard and Reserves and spouses; facilitating new income from underutilized property by clarifying leasing authority; and investing in capital maintenance and improvements. Many of these strategic goal elements will require near-term and ongoing investments of funds and resources to generate long-term results, statutory and administrative changes outside AFRH's control, and access to and flexibility of funds to reach long-term solvency.

AFRH – DC 1938 WATER AGREEMENT

On January 9, 2018, DC Water filed a lawsuit in the United States District Court for the District of Columbia which was subsequently transferred to U.S. Court of Federal Claims on September 12, 2018. The lawsuit alleges non-payment for sewer services that DC Water provides to the buildings on AFRH-W's grounds. DC Water alleges that the fair market value of the services provided to AFRH since January 22, 2010 thru 2018 is $12,000,000. DC Water has also requested charges from 2019 thru the present year. Both DOD and AFRH believe the 1938 agreement is valid. On September 10, 2021 the court ruled that AFRH is required to pay FY2021 sewer charge ($1,747,090.49 estimate) and future charges should DC Water bill AFRH correctly in accordance with the DC Public Works Act of 1954, Pub. L. No. 83-364, 68 Stat. 101, 83rd Cong. (1954). AFRH disputes the FY2021 sewer estimate submitted for payment and is litigating the issue to arrive at the correct amount to be charged. The Court also determined that sections 106 (water) & 212(sewer) of the D.C. Public Works Act of 1954 are money mandating provisions and threaten the 1938 Agreement without a specific exemption clause for AFRH. AFRH filed a motion for reconsideration. On December 14, 2023, DC water filed a motion for Stormwater fees and sewer charges (FY21-24) in excess of $4,000,000. Notable sections for exemption are 1954 Act., Pub. L. No. 83-364, 68 Stat. 101, §§ 106, 206, 212(a); Pub. L. No. 91-650, 84 Stat. 1931, § 105(b). On July 3, 2024, the court awarded sewer charges from the 2019 Estimate (633K + interest etc.). The court further reasoned that the 1954 Public Utilities Act abrogated the exchange in the 1938 Agreement. Notice of appeal was filed with the court on September 10, 2024.

APPENDIX 1: INTERAGENCY AGREEMENTS

Partner Agency	Contract Information	FY23 Amount	FY24 Amount	Percent Increase
Army Corps of Engineers	Real Estate Support Services	$ 0	$ 25,000	100%
Administrative Resources Center	Financial Management Services	1,212,241	1,299,077	7%
Administrative Resources Center	Procurement Services	1,124,821	1,394,043	24%
Administrative Resources Center	Human Resources Services	1,056,345	1,557,753	47%
Administrative Resources Center	Travel Services	11,679	16,909	45%
Defense Counterintelligence and Security Agency	Background Investigations	30,000	30,000	0%
Defense Logistics Agency	Medic Supplies and Equipment	50,000	68,000	36%
General Services Administration	PIV Cards	28,000	28,000	0%
General Services Administration	Real Property Development Professional Support, Historic Preservation Program	115,814	138,798	20%
General Services Administration	Telecommunications Program Support	100,425	143,000	42%
Interior Business Center	Drug and Alcohol Testing	18,000	19,000	6%
Interior Business Center	Personnel Security, HPSD-12 PIV Credential Processing	316,000	355,000	12%
Interior Business Center	Hosting Services, Network Services, Desktop Services, Information Systems Security, Customer Support	823,000	860,000	4%
National Finance Center	Payroll Services	46,000	60,000	30%
Washington Headquarters Services	Equal Employment Opportunity Services	85,000	85,000	0%
Washington Headquarters Services	Legal Counsel	241,000	260,000	8%
Washington Headquarters Services	Professional Support-Program Analysis	255,000	270,000	6%
US Department of Labor	Unemployment compensation	20,000	20,600	3%
US Department of Labor	Workers' compensation	400,000	412,000	3%
TOTAL		$ 5,933,325	$ 7,042,180	19%

APPENDIX 2: FUNDING HISTORY

SPENDING AUTHORITY 1992 TO PRESENT (Dollars in Thousands)					
Fiscal Year	Operate and Maintain	Construction and Renovation	Total Regular Appropriations	Special Appropriations	
1998	$ 55,452	$ 13,217	$ 68,669		
1999	55,028	15,717	70,745		
2000	55,599	12,696	68,295		
2001	60,000	9,832	69,832		
2002	61,628	9,812	71,440	$ 5,200	1
2003	62,244	5,769	68,013		
2004	63,296	1,983	65,279		
2005	57,624	4,000	61,624	6,000	2
2006	57,033	1,248	58,281	65,800	3
				176,000	4
2007	57,033	1,248	58,281		5
2008	55,724		55,724	800	6
2009	54,985	8,025	63,010		
2010	62,000	72,000	134,000		
2011	69,200	2,000	71,200		
2012	65,700	2,000	67,700	14,630	7
2013	65,590	2,000	67,590		
2014	66,800	1,000	67,800		
2015	63,400	1,000	64,400		
2016	63,300	1,000	64,300	20,000	8
2017	63,300	1,000	64,300	22,000	8
2018	63,300	1,000	64,300	22,000	8
2019	63,300	1,000	64,300	22,000	8
2020	63,300	12,000	75,300	22,000	8
				2,800	9
2021	66,300	9,000	75,300	22,000	8
2022	68,000	7,300	75,300	25,000	8
2023	68,060	7,300	75,360	25,000	8
				77,000	11
2024	68,060	8,940	77,000	25,000	8
2025	68,060	8,940	77,000	25,000	8
				31,000	11

[1] $5,200,000 grant from DOD available until September 30, 2002 for 9/11 recovery
[2] $6,000,000 transfer from DOD Operation and Maintenance Defense-Wide for Hurricane Katrina recovery
[3] $65,800,000 General Fund payment available until expended for Hurricane Katrina recovery
[4] $176,000,000 General Fund payment available until expended for AFRH-Gulfport replacement
[5] In 2007 the government operated under a series of Continuing Resolutions
[6] $800,000 General Fund payment available until expended
[7] $14,630,000 General Fund payment available until expended for earthquake recovery
[8] General Fund payments to support operations
[9] $2,800,000 CARES Act General Fund payment available through FY21 for COVID-19 response
[11] General Fund payment available until expended for AFRH-W Sheridan Building renovation

APPENDIX 3: CURRENT / PROJECTED RESIDENTS

CURRENT / PROJECTED RESIDENTS	ACTUAL FY 2024	ESTIMATED FY 2025	ESTIMATED FY 2026
Domiciliary Care	556	560	560
Healthcare	137	145	145
Total Residents	693	705	705

APPENDIX 4: AFRH ORGANIZATION

AFRH is an independent establishment in the Federal Executive Branch established under Title 24 U.S.C. Chapter 10. The agency encompasses two Continuing Care Retirement Communities (CCRC) offering increased levels of care as resident need additional services. As required by law, AFRH facilities provide on-site medical care services and transportation of residents to DOD and Veterans Affairs health facilities near each campus. Though an independent establishment, AFRH is under the control and administration of the Secretary of Defense.

AFRH has two locations—Gulfport, MS (AFRH-G) and Washington, DC (AFRH-W). Both facilities are modern offering full services and a small house concept in upper levels of care. The upper-level of care small house concept contributes to AFRH's vision of Person-centered Care by meeting individual resident's needs in a home-like setting at a reasonable cost.

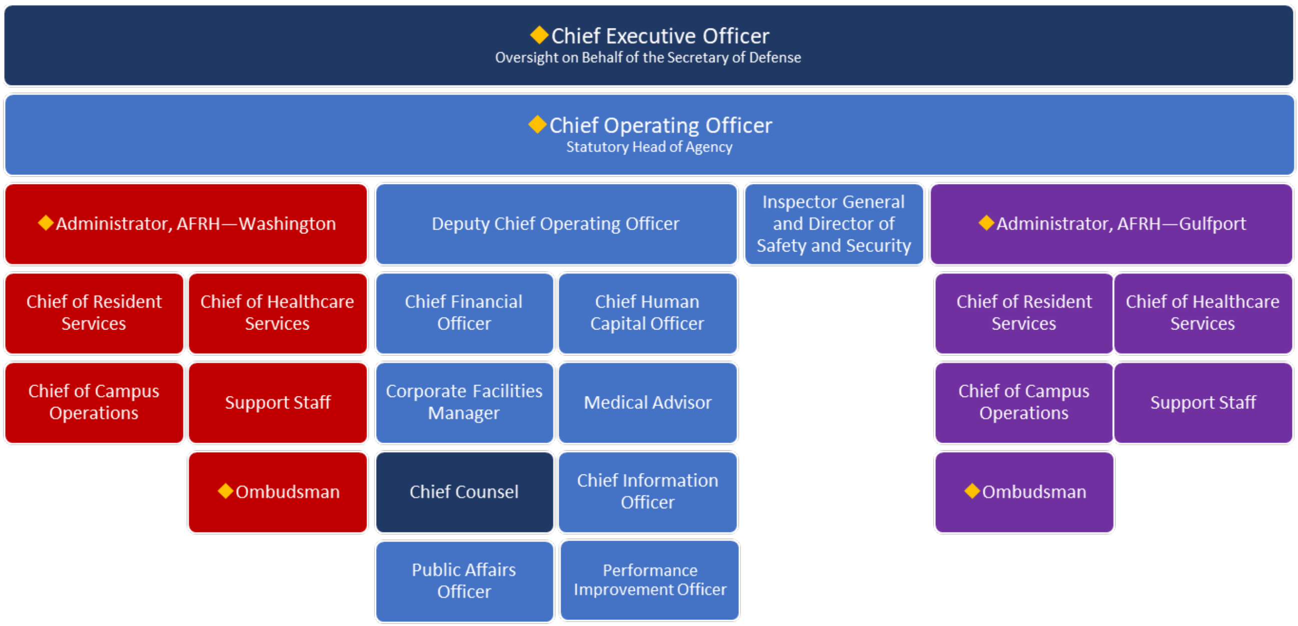
AFRH-G (GULFPORT, MS)

The AFRH-G facility is located on approximately 40 acres of land on the Mississippi Sound. The resort towns of Gulfport and Biloxi as well as Keesler Air Force Base and other government facilities are in close proximity. The Gulfport community has been home to former enlisted, limited duty officer and warrant officer service members since 1976 when the Naval Home relocated to Gulfport from Philadelphia, Pennsylvania.

AFRH-W (WASHINGTON, DC)

The AFRH-W facility is located on 272 acres in the heart of the Nation's capital. The campus has been home to thousands of former enlisted, warrant officer and limited duty officer service members since 1851. The campus is also home to President Lincoln's Cottage at the Soldiers' Home and Creative Minds International Public Charter School.

ORGANIZATIONAL CHART



◆Denotes Secretary of Defense appointed position
Department of Defense employees in dark blue

APPENDIX 5: ACRONYMS

Acronym	**Definition**
AFRH	Armed Forces Retirement Home
AFRH-G	Armed Forces Retirement Home-Gulfport
AFRH-W	Armed Forces Retirement Home-Washington
CEO	Chief Executive Officer, AFRH
COO	Chief Operating Officer, AFRH
DCOP	District of Columbia Office of Planning
DOD	Department of Defense
FTE	Full Time Equivalent
FY	Fiscal Year
NCPC	National Capital Planning Commission