

Do you know what percentage of working income you will retire at? Will it be **60%, 70%** or more of your current salary?

Do you know **YOUR**:

- Estimated FERS annuity payment?
- Estimated Social Security benefit?
- FERS Supplement amount before age 62?
- Options for a surviving spouse benefit?
- Retirement health insurance options?
- Credited service time for active military duty?
- Cost of continued FEGLI coverage as you age?
- Annual leave distribution amount?
- Sick leave credited to your FERS annuity?
- TSP maximum withdrawal amount to ensure income throughout retirement?
- Best course for optimizing the TSP and Roth TSP?
- Family benefits options?

Do you know you are entitled to your personal Federal Benefits Analysis to answer all these questions? **AT NO COST!**



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Contact us today for your personalized
Federal Benefits Analysis



What are your **FERS Retirement Benefits**?

How much will your **FERS ANNUITY** pay you?

Your basic FERS annuity amount is based on:

- Your average High 3 consecutive years' salary
- Your years of creditable service (including unused sick leave and military service)
- Your service factor of 1% (1.1% if retiring at age 62 or later with at least 20 years of service)

If you retire before age 62, you may receive a **FERS Annuity Supplement** until you reach age 62. The amount of your Annuity Supplement is a percentage of your Social Security benefit earned while employed under FERS.

When am I **ELIGIBLE** for my **FERS Annuity**?

Your Minimum Retirement Age (MRA) is between the ages of 55 and 57 depending on the year you were born. Once you know your MRA, you have the following options:

- MRA with 10 years of service (reduced benefit)
- MRA with 30 years of service (excluding LEO, CBPO, ATC)
- Age 60 with 20 years of service
- Age 62 with 5 years of service

To receive any annuity benefits, you **MUST** have at least 5 years of creditable service. Non-deduction service time is not FERS creditable service (i.e. part-time).

How much is my **SOCIAL SECURITY** benefit?

Your Social Security benefit amount depends on how much you earned during your working career and the age at which you retire. You must reach age 62, have 40 quarters of covered employment and meet certain earnings criteria. Accurate estimates of social security benefits require completion of the Personalized Earnings and Benefits Estimate Statement (PEBES) available from the Social Security Administration.



Does FERS provide a **SURVIVING SPOUSE** Benefit?

Yes, FERS provides a Surviving Spouse Benefit - at a cost! At retirement, you will be required to make an election to leave a percentage of your FERS Annuity to your spouse or decline this option. If you choose the 50% Surviving Spouse Option, you will forfeit 10% of your FERS annuity to pay for this extended benefit. If your spouse pre-deceases you, all the money you paid toward this benefit is lost. No refunds. There are alternative options to provide for a spousal benefit that can also be left to other family members should your spouse pre-decease you or refund your contributions. Know all your options before you make this election as it can be a costly mistake if you are not fully informed.

Will I have **HEALTH INSURANCE** after retirement?

You have the option of continuing your Federal Employees Health Benefits (FEHB) for you and your family if you retire directly from employment and you have been enrolled in the FEHB for the last 5 years of service prior to retirement.

At Age 65, you are eligible to enroll in Medicare. Medicare Part A is free for most people and covers inpatient hospital care. You will want to enroll in Part A at age 65. Medicare Part B covers doctors' visits, lab tests and other services and has a monthly premium that must be paid by you when you enroll in Part B. If you are still working at Age 65, you may postpone Medicare Part B until you retire.

If you continue your FEHB coverage in retirement, it may be beneficial for you to enroll in Part B when eligible. Consult with Medicare supplement plan providers to discuss options that may eliminate copays, deductibles and coinsurance, as well as lower copays on prescription drugs.



What about my **THRIFT SAVINGS PLANS**?

Your Thrift Savings Plan (TSP) and Roth TSP can provide the balance of income you may need to continue your current lifestyle in retirement. Your agency is required to contribute 1% of your earnings toward your TSP. Contributing even a small amount each pay cycle will go a long way to growing a retirement nest egg. Your agency will match your contributions up to 5% of your earnings! If you are over age 50, you can make catch-up contributions as well. Don't forget to make Roth TSP deposits, too, as these can provide tax-free income at retirement.

As you near retirement, or shortly thereafter, you will want to review your options to minimize fluctuations in the value of your TSP account and protect your hard-earned savings. There may be alternatives to TSP investments that can provide guaranteed lifetime income to you, eliminate the risk of stock market volatility and still provide a benefit to your heirs. Talk with a Chartered Federal Employee Benefits ConsultantSM to determine what solutions may be best suited for you.

Want **ANSWERS** to your personal retirement questions? For a more detailed explanation of these topics and more, contact us today to schedule a retirement consultation and request your **NO COST** personalized Federal Benefits Analysis.

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UNDERSTANDING YOUR **FERS** BENEFITS FEDERAL EMPLOYEE RETIREMENT SYSTEM



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