



## True planning for retirement

**W**hile most people have some ideas for their retirement, far too many come to retirement without any real concrete plans for their newfound freedom. Retirement usually brings physical, social and psychological changes to the retirees and their families. A person who retires soon realizes that they have gone from a very structured existence to one that requires ongoing plans and decisions concerning their activities.

Take the case of a 30-year letter carrier who finally reaches that golden day. For each day of that long career, the carrier had a routine or map directing that day's activities. The carrier shows up to work and works. No big decisions need to be made since most activities are automatic. After work, the remaining time usually dictated the activities that could fill the day. Even the employee's off days or vacations were routinely planned or restricted due to work commitments.

With retirement, that "map" may and usually does change each day. Suddenly, a person is "blessed" daily with an additional eight to 10 hours of quality time. Additionally, if married, that person's spouse is presented with eight to 10 hours of "shock and awe." It is like the person who had been gone for most of the daylight hours of a marriage suddenly pulls up in front of the house and says, "Honey, I'm home—for good." Life-long relationships now become challenged. Without warning, little annoyances that were often overlooked due to their limited exposure now become intolerable. Small or slight annoyances that have rested below the surface for years now become divisive issues that offer no end or visible solution to them.

With proper planning, thoughts and discussions with the family, most of these issues can be quickly managed or even avoided entirely. If you are contemplating retirement decisions, make sure that you and your family take inventory of what will be needed to help all those involved truly enjoy that hard-earned retirement. While it's not necessary to plan all daily activities, it is a very sound idea to at least lay a foundation for retirement that includes, at the minimum, each participant's vision of their future in retirement. Venturing into retirement just because one is now eligible usually leaves that person with a feeling of non-fulfillment in his or her "new" life. An inventory of sorts, list-

ing goals, desires and basic needs of all involved, will result in a better idea of how best to enjoy your retirement.

### Legislation to improve FERS, TSP benefits advances

The U.S. House of Representatives approved legislation (H.R. 1804) on April 1 that addressed two long-standing disparities in treatment between those working in the Federal Employees Retirement System (FERS) and those in the Civil Service Retirement System (CSRS). The bill provides service credit to employees covered by FERS for unused sick leave when determining their retirement benefits—as under CSRS. It also gives FERS employees who leave federal service and withdraw their retirement contributions the same right CSRS employees have to "buy back" their service credit by redepositing their contributions if they return to federal service. Both changes have been strongly supported by the NALC.

H.R. 1804 also includes a number of measures affecting the Thrift Savings Plan (TSP) that are backed by the NALC. Among these is a provision that makes enrollment of new employees in the TSP *automatic* with immediate matching contributions. Under these provisions, agencies will automatically deduct 2 to 5 percent of pay from new workers' paychecks and direct the funds into the TSP's G Fund unless otherwise directed by the employees. This provision will ensure that no new employee misses out on the benefits of tax savings and matching contributions—while retaining the worker's right to opt out of the program and/or to invest their savings in any of the TSP investment funds. The current opt-in enrollment would be replaced by an opt-out system, and the specific amount of the initial automatic contribution would be set by the Federal Retirement Thrift Investment Board.

These provisions must also be approved by the Senate prior to becoming law. The NALC will keep all members informed of further action on these matters. No timetable has been set for consideration in the Senate. ☒

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