

Monthly FERS annuity payments for letter carriers who retire on June 1, 2019

The Federal Employees Retirement System (FERS) covers federal and postal employees hired on or after Jan. 1, 1984. FERS employees earn retirement benefits from three sources: the FERS Basic Annuity, Social Security and the Thrift Savings Plan.

An additional Special Annuity Supplement is paid to FERS annuitants who retire at Minimum Retirement Age (MRA) plus 30 years or more, or at age 60 plus 20 years or more. It is approximately calculated by taking an individual's Social Security age 62 benefit estimate, multiplied by the number of years of

FERS coverage, divided by 40. It is payable to age 62 and then ends. Social Security benefits are payable beginning at age 62.

The table below provides monthly basic annuity, survivor deduction and net annuity amount estimates for letter carriers who plan to take optional retirement on June 1, 2019. Estimates are computed by using the given high-3 averages, which are based on the basic pay earned by full-time Step O carriers and vary by length of postal/military/federal service. Reduced annuity amounts reflect the difference between the given basic annuity and survivor reduction figures.

Years of Service ²	CC Grade 1 / High-3 Average ¹ : \$61,874			CC Grade 2 / High-3 Average ¹ : \$63,148		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,031	\$103	\$928	\$1,052	\$105	\$947
21	1,083	108	975	1,105	111	995
22	1,134	113	1,021	1,158	116	1,042
23	1,186	118	1,067	1,210	121	1,089
24	1,237	124	1,114	1,263	126	1,137
25	1,289	129	1,160	1,316	132	1,184
26	1,341	134	1,207	1,368	137	1,231
27	1,392	139	1,253	1,421	142	1,279
28	1,444	144	1,299	1,473	147	1,326
29	1,495	150	1,346	1,526	153	1,373
30	1,547	155	1,392	1,579	158	1,421
31	1,598	160	1,439	1,631	163	1,468
32	1,650	165	1,485	1,684	168	1,516
33	1,702	170	1,531	1,737	174	1,563
34	1,753	175	1,578	1,789	179	1,610
35	1,805	180	1,624	1,842	184	1,658
36	1,856	186	1,671	1,894	189	1,705
37	1,908	191	1,717	1,947	195	1,752
38	1,959	196	1,763	2,000	200	1,800
39	2,011	201	1,810	2,052	205	1,847
40	2,062	206	1,856	2,105	210	1,894
Each additional year ⁵	\$51.56	\$5.16	\$46.41	\$52.62	\$5.26	\$47.36

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between June 1, 2016, and May 31, 2019, at Step O (formerly Step 12).

2. Years of service includes any unused sick leave.

3. The reduction for survivor's annuity is the amount necessary to provide maximum benefits (50% of basic annuity) to a surviving spouse.

4. If covered by the NALC Health Benefit Plan, a further deduction of either \$434.85 per month if for self plus one (code 323), \$393.49 if for self and family (code 322), or \$183.37 if for self only (code 321) will be made. In addition, premiums for any coverage under the Federal Employees' Group Life Insurance Program will reduce the net annuity further.

5. Under FERS rules, there is no maximum allowable yearly annuity. However, given the FERS formula of 1% per year, it is highly unlikely that any FERS employee will ever exceed the 80% maximum limit under CSRS.

6. FERS employees who retire at age 62 or later with at least 20 years of service receive an additional 10% - their annuities are calculated at 1.1% times years of service times high-three average salary.