

Your five-year plan



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Retirement is a major stepping-stone in anyone's life and it often requires big decisions. Planning well in advance and understanding all your benefits is vital to a long and happy retirement.

Planning should start at least five years prior to your minimum retirement age, which is 55 for the Civil Service Retirement System (CSRS) and 55 to 57, depending on your year of birth, for those in the Federal Employees Retirement System (FERS). To maintain your health benefits into retirement you must be enrolled in the Federal Employees Health Benefits (FEHB) program for five consecutive years prior to retirement, or if less than five years, for all service since your first opportunity to enroll. The same five-year rule applies to Federal Employees Group Life Insurance (FGLI).

One year prior to retirement

At least one year before your intended retirement, you'll want to contact the Human Resource Shared Service Center (HRSSC) at 877-477-3273 to explore whether you are eligible to receive credit for military time or unfunded civilian service. HRSSC can provide application forms for civilian and post-1956 military service. The Office of Personnel Management (OPM) will send you an election form with a letter explaining the effect that credit for additional service will have on your annuity.

Do your homework about other benefits that you may be entitled to, such as Social Security, Veterans Administration, IRAs and 401(k)s, and pensions earned from previous employment.

Request an annuity estimate from HRSSC or LiteBlue. usps.gov based on your projected retirement date(s). This estimate will help in making decisions on survivor benefits, waiving military retirement pay and paying deposits or redeposits.

It would be wise to estimate your monthly deductions (health benefits, life insurance, taxes, etc.). The annuity estimate you receive from HRSSC is only an estimate; if you are fortunate, it will be close to the final annuity figure from OPM.

Take a good look at your Thrift Savings Plan (TSP). Think about how much money you will need in retirement. Learn about the different withdrawal methods available (expand-

ed withdrawal options will be implemented by TSP no later than Nov. 17, 2019). If you have an outstanding TSP loan, make the necessary arrangements to pay it off or understand the potential tax implications of an outstanding loan at retirement.

Six months prior to retirement

Call HRSSC at 877-477-3273, Option 5, to request an application form/retirement packet often referred to as the "blue book." If you are in the CSRS, you will receive SF 2801, the application for immediate retirement. If you are in FERS, you will receive SF 3107 for immediate retirement.

Once you receive your blue book, immediately call HRSSC to schedule retirement counseling. It is best to schedule as far in advance as possible to avoid potential backlogs. This will allow time to answer all questions you may have or resolve any problems you may experience.

Review your electronic Official Personnel File (eOPF), which is available on liteblue.usps.gov. The documents in your eOPF will reflect any enrollments in FEHB and FEGLI, periods of Leave Without Pay, and salary information, all of which could be useful in retirement if you disagree with a determination by OPM. Once you retire, your access to LiteBlue will be terminated. Therefore, I recommend saving a copy of your entire eOPF, either on your computer or on a paper hard copy prior to your separation date.

Two to four months before retirement

Make copies of all the necessary forms before you start filling them out. OPM will not accept forms if they have whited-out or crossed-out items and other edits. Read the instructions in the package carefully before filling out the forms. Ideally you should submit the application six weeks prior to retirement.

Complete and submit the retirement forms in the blue book and any related forms to HR Shared Service Center, P.O. Box 970500, Greensboro, NC 27497-0500.

Have some savings for the transition period

It's a good idea to be sure you can pay your bills for a few months after retirement, as OPM doesn't process your application until you've separated from the Postal Service. Although OPM will usually start interim payments, many find these payments are not enough or don't start as soon as they'd like. Give yourself some breathing room with a little extra savings so you can start enjoying your retirement from Day 1.