

# Monthly FERS annuity payments for letter carriers who retire on June 1, 2022

**T**he 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, 2022. 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 <sup>2</sup>	CC Grade 1 / High-3 Average <sup>1</sup> : \$67,115			CC Grade 2 / High-3 Average <sup>1</sup> : \$68,525		
	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>	Basic Annuity	Max. Survivor Deduction <sup>3</sup>	Max. Survivor Reduced Annuity <sup>4</sup>
20	\$1,119	\$112	\$1,007	\$1,142	\$114	\$1,028
21	1,175	117	1,057	1,199	120	1,079
22	1,230	123	1,107	1,256	126	1,131
23	1,286	129	1,158	1,313	131	1,182
24	1,342	134	1,208	1,370	137	1,233
25	1,398	140	1,258	1,428	143	1,285
26	1,454	145	1,309	1,485	148	1,336
27	1,510	151	1,359	1,542	154	1,388
28	1,566	157	1,409	1,599	160	1,439
29	1,622	162	1,460	1,656	166	1,490
30	1,678	168	1,510	1,713	171	1,542
31	1,734	173	1,560	1,770	177	1,593
32	1,790	179	1,611	1,827	183	1,645
33	1,846	185	1,661	1,884	188	1,696
34	1,902	190	1,711	1,942	194	1,747
35	1,958	196	1,762	1,999	200	1,799
36	2,013	201	1,812	2,056	206	1,850
37	2,069	207	1,862	2,113	211	1,902
38	2,125	213	1,913	2,170	217	1,953
39	2,181	218	1,963	2,227	223	2,004
40	2,237	224	2,013	2,284	228	2,056
Each additional year <sup>5</sup>	55.93	5.59	50.34	57.10	5.71	51.39

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between June 1, 2019, and May 31, 2021, 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 \$491.06 per month if for self plus one (code 323), \$430.49 if for self and family (code 322), or \$205.47 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.