

Monthly FERS annuity payments for letter carriers who retire on May 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 May 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 : \$61,746			CC Grade 2 / High-3 Average ¹ : \$63,015		
	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴	Basic Annuity	Max. Survivor Deduction ³	Max. Survivor Reduced Annuity ⁴
20	\$1,029	\$103	\$926	\$1,050	\$105	\$945
21	1,081	108	972	1,103	110	992
22	1,132	113	1,019	1,155	116	1,040
23	1,183	118	1,065	1,208	121	1,087
24	1,235	123	1,111	1,260	126	1,134
25	1,286	129	1,158	1,313	131	1,182
26	1,338	134	1,204	1,365	137	1,229
27	1,389	139	1,250	1,418	142	1,276
28	1,441	144	1,297	1,470	147	1,323
29	1,492	149	1,343	1,523	152	1,371
30	1,544	154	1,389	1,575	158	1,418
31	1,595	160	1,436	1,628	163	1,465
32	1,647	165	1,482	1,680	168	1,512
33	1,698	170	1,528	1,733	173	1,560
34	1,749	175	1,575	1,785	179	1,607
35	1,801	180	1,621	1,838	184	1,654
36	1,852	185	1,667	1,890	189	1,701
37	1,904	190	1,713	1,943	194	1,749
38	1,955	196	1,760	1,995	200	1,796
39	2,007	201	1,806	2,048	205	1,843
40	2,058	206	1,852	2,101	210	1,890
Each additional year ⁵	\$51.46	\$5.15	\$46.31	\$52.51	\$5.25	\$47.26

1. High-three averages for both grades (formerly levels) are for carriers who have worked full-time on a continuous basis between May 1, 2016, and April 30, 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.