

Monthly FERS annuity payments for letter carriers who retire on July 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 July 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	\$1,033	\$103	\$930	\$1,055	\$105	\$949
21	1,085	109	977	1,107	111	997
22	1,137	114	1,023	1,160	116	1,044
23	1,188	119	1,070	1,213	121	1,092
24	1,240	124	1,116	1,266	127	1,139
25	1,292	129	1,163	1,318	132	1,186
26	1,343	134	1,209	1,371	137	1,234
27	1,395	140	1,256	1,424	142	1,281
28	1,447	145	1,302	1,476	148	1,329
29	1,498	150	1,349	1,529	153	1,376
30	1,550	155	1,395	1,582	158	1,424
31	1,602	160	1,442	1,635	163	1,471
32	1,653	165	1,488	1,687	169	1,519
33	1,703	171	1,535	1,740	174	1,566
34	1,757	176	1,581	1,793	179	1,614
35	1,808	181	1,628	1,846	185	1,661
36	1,860	186	1,674	1,898	190	1,709
37	1,912	191	1,721	1,951	195	1,756
38	1,963	196	1,767	2,004	200	1,803
39	2,015	202	1,814	2,057	206	1,851
40	2,067	207	1,860	2,109	211	1,898
Each additional year ⁵	\$51.67	\$5.17	\$46.50	\$52.73	\$5.27	\$47.46

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