

CSRS

Planning For The Future

OBJECTIVES:

Comprehensive review of Federal benefits

Learn how to plan for a successful retirement by starting early

Review resources available to help in your planning

Resources Online

- * Pay & Benefits website

<https://www.usgs.gov/about/organization/science-support/human-capital/pay-and-benefits>

- Convenient access 24/7
- Wealth of Pay & Benefits information
- Stay informed
- Access to systems



Where Will the Money Come From?

- CSRS – Monthly annuity
- CSRS Offset – Monthly annuity
- Social Security benefit
- Annuity formula – includes sick leave credit
 - 1.5% x average high-3 x 1st 5 years
 - 1.75% x average high-3 x 2nd 5 years
 - 2% x average high-3 x all service over 10 years

When Can You Retire?

- * Must meet BOTH age & service requirements
- * Must separate from CSRS position

Immediate (Voluntary)

- * Age 62 with 5 years service
- * Age 60 with 20 years service
- * Age 55 with 30 years service

Disability Retirement

Eligible to apply with 5 years of service

Must be disabled due to disease or injury

➤ expected to last at least one year

Not able to perform duties of position

Note: Federal employees do not pay into state disability programs and do not have a short term disability benefit.

Death In Service Benefit

Monthly annuity may be payable to:

- ❖ Spouse
- ❖ Eligible children

Survivor's benefit amount will be the higher of:

- ❖ Computation under the general formula as of the date of death of the employee, or
- ❖ A guaranteed minimum

Additional Savings Options

- * Thrift Savings Plan (TSP)

- * Options for Contributions:

- * Tax-deferred Traditional Savings
 - * Roth Savings taxed now, earnings not ever taxed
 - * TSP Catch-up beginning year turn age 50



Will You Receive Credit for all Service?

You retirement can be impacted by the following:

- * Deposits
- * Redeposits
- * Military Service Deposits
 - * Must be paid prior to separation if want to do so
- * Peace Corps / VISTA volunteer
- * Other Retirement Systems – Foreign Service, TVA
- * Leave Without Pay up to 6 months per calendar year

Retirement Computation

- * Annuity can be affected by the following
 - * Military Service Deposit paid? – Catch 62
 - * Deposit(s) paid?
 - * Redeposit(s) paid? – before or after 03/01/1991?
 - * Temporary Service before or after 10/1/1982?
 - * Part-time Service after 04/07/1986

Review your electronic Official Personnel Folder (eOPF)

- * Electronic Official Personnel Folder ([eOPF](#))
 - * All pay, work schedule, and position changes documented
 - * SF 50, Personnel Actions
 - * Designation of Beneficiary forms – SF 2823, 1152
 - * History of health & life insurance elections
 - * Military service documents



Life Events

- * Review beneficiary forms
- * Update as needed – marriage, divorce
- * Insurance elections time limited
- * Court orders may impact retirement & benefits



Health Insurance - FEHB

- * [FEHB Resources](#)
- * Open Seasons annually
- * Qualifying life events
- * Premiums pre-taxed
- * 5 years coverage prior to retirement
- * [Current Rates](#)



Federal Employees Group Life Insurance (FEGLI)

- * FEGLI Coverage

- * Basic
- * Option A – Standard
- * Option B – Additional (up to 5 multiples)
- * Option C – Family (up to 5 multiples)

- * Can reduce at any time
- * Increase only with life event or medical exam
- * 5 years coverage prior to retirement

Dental & Vision (FEDVIP)

- * Coverage as employee
 - * [Dental plans & Vision plans](#)
 - * Enroll during Open Season or at life event
 - * Premiums are pre-tax
- * At retirement
 - * No 5 year requirement
 - * Can apply in retirement if not covered
 - * No longer pre-tax



Flexible Spending Accounts

- * Pre-tax savings for health & dependent care expenses
- * Not available to retirees

www.fsafeds.com

FSAFEDS: 1-877-372-3337

Long Term Care Insurance

- * Can apply at **any time**
- * Advantages of applying Early
 - * Premiums are based on age
 - * Apply while healthy to avoid not qualifying later
- * Covers Qualified Relatives even if you're not enrolled
- * Coverage is portable

www.ltcfeds.com

LTCFEDS 1-800-582-3337

Benefits when you Separate Other than Retirement

- * What Happens to Your Insurance Coverage?
 - * Health Insurance options
 - * Life Insurance Conversion
 - * Dental/Vision ends
 - * Long Term Care portable
 - * Thrift Savings Plan (TSP)
- * Retirement options
 - * Deferred at age 62
 - * Must contact OPM directly

Make the Rest of Your Life the Best of Your Life



Set Goals

- * Begin Retirement Planning Early
 - * Service history review – decide whether to pay deposits
 - * Adjust benefits based on life situation
 - * Research and ask questions



Request an Estimate

For Retirement Planning purposes

[IRS Publication 721](#)



Estimates include:

- annuity with & without credit for military service
- amounts of deposits / redeposits due
- annuity with & without reduction for deposits
- amount of CSRS Offset

Preparing for Retirement

- * Financial planning
- * Continuing insurance benefits
- * Completing the [retirement application](#)
- * Gathering documents
 - * i.e. Marriage Certificate, Divorce Decree, etc.

Health Insurance (FEHB)

- * Carrying [FEHB](#) into Retirement
 - * Five (5) years continuous coverage immediately prior
 - * Covered under Family or as Plus 1 through Federal spouse
 - * Covered under Tricare – but must elect FEHB prior
 - * Premium the same - no longer eligible for pre-tax savings
 - * Other options: suspending coverage, [Medicare](#)

Life Insurance (FEGLI)

- * Carrying FEGLI into Retirement
 - * Five (5) years continuous coverage immediately prior or at first opportunity to enroll

FEGLI in Retirement

FEGLI in Retirement

		Reduction		
Basic	Keep/Drop	None	50%	75%
Option A Standard	Keep/Drop	Automatically reduces \$200/month beginning after age 65 until worth \$2,500		
Option B Optional (1-5)	Keep/reduce/drop	None	Reduce 2%/ month for 50 months then ends. Reduction start after age 65	
Option C Family (1-5)	Keep/reduce drop	None	Reduce 2%/month for 50 months then ends. Reduction start after age 65.	

FEGLI in Retirement

Life Insurance

The table below shows the amount of insurance coverage employee elected to continue in retirement and the monthly premium costs, based on 2016 FEGLI rates. Reductions begin at age 65 or date of retirement if later.

Coverage Based On Final Basic Pay Of	\$102,731.00	Monthly Premiums					
		Type	At Retirement	At Age 65	At Age 70	At Age 75	At Age 80
Basic	\$105,000.00	Basic					
Option A - Standard	\$10,000.00	Basic					
Option B - Additional [5 multiples]	\$515,000.00	75% Reduction	\$34.13	N/A	N/A	N/A	N/A
Total Coverage	\$630,000.00	50% Reduction	\$108.68	\$74.55	\$74.55	\$74.55	\$74.55
Option C - Family [5 multiples]		No Reduction	\$257.78	\$223.65	\$223.65	\$223.65	\$223.65
Spouse	\$25,000.00	Option A	\$13.00	N/A	N/A	N/A	N/A
Child	\$12,500.00	Option B [5NR, 0FR]	\$490.80	\$602.55	\$1,071.20	\$2,008.50	\$2,945.80
		Option C [5NR, 0FR]	\$29.25	\$34.00	\$41.50	\$57.00	\$78.00

Note: Premiums shown at age 65, 70, 75, and 80 for FEGLI Option B and/or Option C are for the number of multiples elected at time of retirement with no reduction. The premiums for the number of multiples elected with full reduction will cease at age 65 or date of retirement if later.

Dental & Vision Insurance

Plan Name	Type	Monthly Premium
Plan Name Not Specified	Dental Plan Type Not Specified	\$94.75
Plan Name Not Specified	Vision Plan Type Not Specified	\$24.55

(Based on 2019 FEDVIP rates.)

Survivor Benefits

- * Must make an annuity election for your spouse
 - * Retirement
 - * 55% or less
 - * Cost 2.5% for first \$3600 then 10% remainder of base
 - * none
- * May be eligible for health benefits
 - * Eligible for survivor benefit
 - * AND must be covered by self & family or self plus one at time of death



Understand Social Security's Role

CSRS – no Social Security Benefit unless you have 40 credits earned from non-CSRS work

CSRS Offset – covered by Social Security

Annuity reduced by offset beginning at age 62

- * Earliest eligible for Social Security at age 62
- * You need to apply

Review your Social Security Statement

[Windfall Elimination Provision](#)

[Government Pension Offset](#)

IRS Publication 915

www.ssa.gov/estimator



Social Security Calculation

- * Benefit is based on “high-35” years of earnings, indexed for inflation
- * Indexed earnings are divided by 420 (35x12) to determine Average Index Monthly Earnings (AIME)
- * Primary Insurance Amount (PIA) Formula
 - * 90% of first \$996* of AIME
 - * 32% of amount between \$996 and \$6,002*
 - * 15% of amount over \$6,002

*amount changes annually

Understand Social Security's Role

[Windfall Elimination Provision](#)

[Government Pension Offset](#)

IRS Publication 915

www.ssa.gov/estimator



TSP After Separation

Options

- * Leave it in
 - * Withdrawal Options
 - * Single payment
 - * Rollover to IRA or other qualified plan
 - * Life Annuity
 - * Self only, joint with spouse or another
 - * Monthly Payments
 - * Life expectancy
 - * Specific Dollar amount
 - * Tax Information



www.tsp.gov

Current Deductions to Stop

- * Deductions not continuing
 - * CSRS – 7%
 - * CSRS Offset 0.8% and OASDI 6.2%
 - * Medicare 1.45%
 - * TSP
 - * FSA

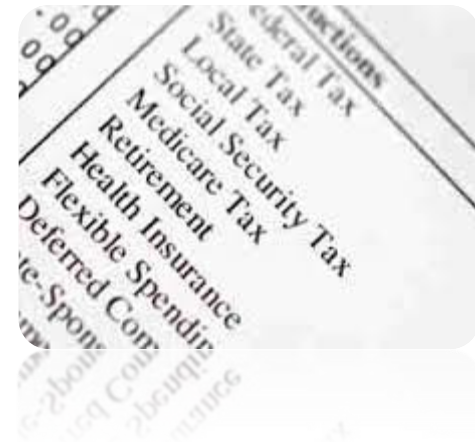
Employee Express Leave and Earnings Statement Explanation

Department of the Interior 1		For Pay Period Ending 2 01/25/XXXX		Net Pay 3 \$ 1,961.20			
EARNINGS AND LEAVE STATEMENT				Pay Period # 4 03			
				Pay Date 5 02/04/XXXX			
Name 6 DOE, JOHN		Pay Plan/ Grade/Step 7 GS 11 06		Annual Salary 8 \$ 72,599.00			
Home Address 10 1234 ANY STREET TOWN, CO 12345		Pay Check Mailing Address 11					
BASIC INFORMATION 12							
Service Comp Date 05/05/1990		Agency OS		Cumulative Retirement Agency \$8100.00			
Dept ID IN		FLSA Class NON-EXEMPT		Organization Code 00000000			
Pay Begin Date 01/12/XXXX		Financial Institution BANK OF TOWN		TSP Tax Deferred Amt/% 1%			
TSP Roth Amt/% 0%							
13 Your Pay Consists of			14 Tax Information				
	Current	YTD	Marital Status	Exemptions	Additional Withholding		
Gross	2,783.20	8,349.60	M	0	0.00		
Total Deductions	822.00	2,466.00	State - CO	0	0.00		
Net Pay	1,961.20						
			Current Wages	YTD Wages			
				7,873.11	7,873.11		
15 EARNINGS							
TYPE	RATE	ADJUSTED	ADJ HOURS	HOURS	CURRENT	YTD	
Regular	34.79			80.00	2,783.20		
16 DEDUCTIONS							
TYPE	MISC	ADJUSTED CURRENT	YTD	TYPE	MISC	ADJUSTED CURRENT	YTD
Federal Taxes		310.00	930.00	State Tax I/CO		106.73	320.19
Health Benefits - Pretax	9E2	131.00	393.00	FERS Retirement-Deduction	.8	22.27	66.80
OASDI Tax	6.2	172.56	517.68	Medicare Tax	1.45	40.36	121.07
FEGLI - Regular		11.25	33.75	Thrift Savings Plan (TSP)		27.83	83.49
17 BENEFITS PAID BY GOVT.							
TYPE	CURRENT	YTD	TYPE	CURRENT	YTD		
FEGLI	5.63	16.89	FERS/CSRS	331.20	993.60		
Medicare	40.36	121.07	OASDI	172.56	517.68		
TSP Basic	27.83	83.49	FEHB	393.00	1,179.00		
TSP Matching	27.83	83.49					
18 LEAVE							
TYPE	Begin Bal	Begin Bal	Earned	Earned	Used	Used YTD	Ending Bal
	Current	Lv Yr	Current	YTD	Current	YTD	YTD
Annual	200.30	200.30	8.00	8.00	0.30	0.30	208.00
Sick	179.00	179.00	4.00	4.00			183.00
Credit Hours	14.00	14.00			1.00	1.00	13.00
19 Annual Leave							
Category: 8	Projected Yr End Bal: 200.00		Max Carry Over: 240.00		Use or Lose Balance: 168.00		
20 REMARKS							
PLEASE REVIEW YOUR LES PROMPTLY AND THOROUGHLY. IF YOU THINK YOUR PAY IS IN ERROR, NOTIFY YOUR PAYROLL CONTACT IMMEDIATELY. OVERPAYMENTS MAY CAUSE TAX IMPLICATIONS IF NOT REPAID THIS YEAR. REMARKS/MESSAGES: PAY/LEAVE QUESTIONS? CALL PAYROLL HOTLINE (303) 969-7732; FROM HOME 1-800-662-4324 EMPLOYEE IS RESPONSIBLE FOR VERIFICATION OF PAY, DEDUCTIONS, AND LEAVE.							

THIS REPORT CONTAINS INFORMATION SUBJECT TO THE PRIVACY ACT OF 1974 AS AMENDED.

Deductions in Retirement

- * Reductions
 - * Survivor Benefit
 - * Permanent reduction for deposit/redeposit service
- * Deductions (Post Tax)
 - * Health Insurance
 - * Life Insurance
 - * Dental
 - * Vision
 - * Long Term Care
 - * Tax (Federal & State)



Stay Informed!

- * Pay & Benefits Website
 - * Access to current information
 - * Organized to quickly find what you need
- * Benefits Bulletins
 - * All-employee emails
 - * Provide timely benefits & retirement information
 - * Archived on website
- * Benefits News Sites
 - * Can sign up to receive free emails newsletters

Questions? Contact Us!

Human Capital Website

Human Capital



HOME

A-Z LIST

NEW EMPLOYEE
INFORMATION

PAY AND BENEFITS

Benefits

Calculators

Employee Assistance

Employee Express

Helpful Links

Pay and Benefits

Why It's Great Working for the USGS

Working for the U.S. Geological Survey (USGS) gets you much more than just a paycheck. Below is a sampling of what USGS has to offer. Visit the [Helpful Links page](#) for more detailed information.

◆ Competitive Compensation ◆

The USGS offers pay rates that are competitive with the private sector, which includes annual pay increases, longevity raises, and the possibility of cash awards and bonuses. Salary for new employees depends on the grade and geographic area of the position you are selected for, as well as any prior Federal service you may have. For an exhaustive list of Federal pay schedules check out the [Federal Pay Tables](#).

◆ Insurance Benefits ◆

As a new/newly eligible Federal employee, you may be able to enroll in health insurance, dental insurance, vision insurance, flexible spending accounts, life insurance, and/or apply for long term care insurance.

◆ Retirement Programs ◆

It's never too early to start planning for retirement in order to ensure it goes smoothly. We have information to help evaluate your personal situation, develop a viable retirement plan, and guide you to the resources you need to make informed decisions.