

# PERSONNEL EMPLOYEE BULLETIN

September 5, 2007

DLA Human Resources Centers (DHRC)  
New Cumberland, PA and Columbus, OH

## ATTENTION FERS (Federal Employee Retirement System) EMPLOYEES

Did you know the Federal Employee's Retirement System (FERS) is a three tier system? The three components of the FERS retirement system are:

- Basic Benefits Plan (FERS)
- Thrift Savings Plan
- Social Security Administration

*NOTE:* The three components of FERS work together to give you a strong financial foundation for your retirement.

Provided for your review is a sample retirement estimate for Mr. I. Wanna Retire a FERS employee that is considering retiring. His high 3 average salary is \$42,000.00. The estimate includes the basic benefits for Federal Employee Group Life Insurance (FEGLI) (Basic Only with a 75% reduction), Federal Employee Health Benefits (FEHB), Blue Shield and Blue Cross Self and Family, and a full survivor benefit. The net monthly FERS annuity will be approximately \$639.72

Did you know that **YOUR** Thrift Savings Plan (TSP) account is the one part of your retirement that you control?

- You decide how much of your pay to put in your TSP account, how to invest it, and, when you retire, you decide how you want your money paid out.
- Contributing to the TSP is your way to invest in your future. The best way to assure that your retirement income will meet your future needs is to start investing in TSP at the beginning of your Federal career, and to continue to do so throughout your career.

Sample TSP Accounts (the samples below are based on an average salary of \$42,000 per annum):

#1 Mr. I. Wanna Retire decided not to contribute to TSP during his 30 year career and was only eligible to receive the agency automatic 1% contribution upon retirement. Total savings during his career was approximately \$29,162.

#2 Ms. I. Will Retire decided to contribute 1% to TSP during her 30 year career. Total savings during her career was approximately \$87,485

#3 Ms. I. Did Retire decided to contribute 5% to TSP during her 30 year career. Total savings during her career was approximately \$291,616.

#4 Mr. I. Am Close decided to contribute 10% to TSP during his 30 year career. Total savings during his career was approximately \$ 437,425.

#5 Mr. I. Am Ready decided to contribute 15% to TSP during his 30 year career. Total savings during his career was approximately \$583,233.

The sample retirement estimate and sample TSP accounts clearly show the benefit of contributing to the Thrift Savings Plan to assist you in preparing for your future as a retiree. Mr. I. Wanna Retire realized he did not prepare the financial foundation required to maintain his current standard of living. Therefore, he decided he was unable to retire as he desired to do after 30 years of Federal Service. Mr. I Am Ready decided that he had planned appropriately for his retirement and retired on his chosen effective date.

You may obtain additional TSP information at [www.tsp.gov](http://www.tsp.gov). For the third tier of your Federal Employee's Retirement planning, please refer to your annual Social Security Benefits statement. For more information on Social Security refer to <http://www.ssa.gov/mystatement/>.

For additional information, please contact your servicing DLA Human Resources Center, <http://www.hr.dla.mil/cntctus.htm>. The Personnel Employee Bulletin will be published on the first and third Wednesday of each month.

## FERS Benefit Estimate Report I. Wanna RETIRE

### Optional Retirement Annuity

Unreduced Monthly Annuity **\$1,050.00**

#### Reductions

Early Retirement Age	\$0.00
Unpaid CSRS Deposit	0.00
Survivor Benefit	105.00
Unpaid CSRS Redeposit	0.00
Alternative Annuity	0.00

Total Reductions 105.00

### GROSS MONTHLY ANNUITY

**\$945.00**

#### Deductions

Health Insurance Premium	\$290.98
Life Insurance Premium	14.30
Dental Insurance Premium	0.00
Vision Insurance Premium	0.00
Federal Tax Withholding	0.00

Total Deductions 305.28

### NET MONTHLY ANNUITY

**\$639.72**

FERS Annuity Supplement \$0.00

Monthly Survivor Annuity Elected \$525.00

#### Service Credits

	<u>Yrs</u>	<u>Mos</u>	<u>Days</u>
CSRS Service Credit	0	0	0
Noncreditable CSRS Service	0	0	0
Sick Leave	0	0	0
Total CSRS Service Credit	0	0	0
Total FERS Service Credit	<u>30</u>	<u>0</u>	<u>0</u>
Total Service Credit	30	0	0

#### Total Service Includes

	<u>Yrs</u>	<u>Mos</u>	<u>Days</u>
FERS LEO/FF/ATC Service	0	0	0
FERS Congressional Service	0	0	0
Total Military Service	0	0	0
CSRS Post-1956 Military Service	0	0	0
CSRS LEO/FF/ATC Service	0	0	0
CSRS Congressional Service	0	0	0

#### Estimate Basis

Date of Birth	06/25/1950	Retirement System	FERS Regular
Age at Retirement	57 Years 2 Months	Date of Retirement	08/31/2007
Retirement SCD	09/01/1977	Date of Separation	N/A
LEO/FF/ATC SCD	N/A	High-3 Average Salary	\$42,000.00
Spouse's Date of Birth	N/A	Sick Leave Hours	0
Spouse's Age	N/A	Survivor Benefit Base Elected	100%
FEGLI Code	C0	Unpaid Pre 10/01/1982 CSRS Deposit	\$0.00
FEHB Plan Code	105	Unpaid Pre 10/01/1990 CSRS Redeposit	\$0.00
Dental Insurance Plan Type	None	FERS Lump-Sum Credit	N/A
Vision Insurance Plan Type	None	CSRS Lump-Sum Credit	N/A
		Tax Status	Married with 1 Exemptions

#### Notes:

BENEFIT AMOUNTS SHOWN IN THIS REPORT ARE ESTIMATES AND NOT INTENDED TO REPRESENT ACTUAL AMOUNTS. THE OFFICE OF PERSONNEL MANAGEMENT HAS SOLE AUTHORITY AND RESPONSIBILITY FOR ADJUDICATING RETIREMENT CLAIMS.