

## How to Know When It's Time to Go

By Tammy Flanagan

4:12 PM ET

Last week's [column](#) sparked a discussion on deciding when to retire. Some federal employees are eager and able to retire early, while others feel the need to keep working much longer. This discussion serves as a reminder that retirement planning is not like a [Ron Popeil rotisserie oven](#)--you can't just "set it and forget it."

Under the older Civil Service Retirement System, retirement decisions were fairly simple. CSRS was designed to provide a single benefit for life that would replace up to 80 percent of your salary if you worked long enough. People came into federal service after high school or college, worked for at least 30 years, and then began to consider the golden years of retirement. They could look forward to a steady monthly check adjusted for inflation for the rest of their days--and if they were married, they could provide a survivor benefit.

It's very different for those under the Federal Employees Retirement System. They need to start thinking about retirement when they are first hired and continue throughout their careers. With investments in the Thrift Savings Plan one of the key legs in the FERS retirement stool, employees have to make many more decisions about building up their nest eggs, and deal with a lot more uncertainty.

In addition, attitudes about retirement have changed. Employees under CSRS used to face a mandatory retirement age, until anti-discrimination laws put a stop to that (except in certain occupations, such as law enforcement officers and firefighters). Advances in health care have allowed employees to remain in their jobs longer than past generations.

At the same time, technological advances have made many labor-intensive tasks less strenuous. For example, the job of fingerprint examiner at the FBI used to be like working in a factory. In rooms filled with row after row of filing cabinets, employees worked on a production schedule, filing and searching for cardboard fingerprint cards as needed for various investigations. Now the FBI's [Biometric Center of Excellence](#) relies on facial recognition, palm prints, iris scans, voice recognition and DNA, as well as advanced fingerprint technology. It provides fascinating career opportunities.

Of course, some federal jobs are still mentally and physically demanding, such as working as a correctional officer at the Bureau of Prisons. That's why such jobs have an earlier retirement age and a more generous computation of benefits.

For people in most federal jobs, however, the process of planning, saving and preparing for retirement is more complicated. Here are a few reader comments on last week's column:

- "As long as my health is good I'll keep going to my late 60s."
- "If I retire at 56, I'll start collecting the [supplement](#) for six years. My quick and dirty calculations show that if I wait until 62 to retire with an extra 10 percent, I won't make back the amount I left on the table for 18 years. I would want that money now while I can actually use it, instead of it going to my future old folk's home."
- "We met with a financial planner and it opened our eyes to the fact that we could retire comfortably well before age 60. We haven't even touched my TSP so far. In fact, we may start using our TSP funds because it will grow to the point we'll get clobbered on taxes if we wait until 70 1/2."
- "After raising children and paying off my mortgage, my retirement expenses will drop significantly. I only live on 65 percent of my income now with kids and a mortgage. No need for me to work until 70 to get 90 percent. I will have won

the game by 60.”

So how will you know when you've won the game? We'll explore that further in next week's column.

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