

# Ballparking Your Retirement Benefit

By Tammy Flanagan

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Last week, I presented a series of [true/false questions](#) to ask yourself to determine if you're financially ready to retire. One of the questions was whether you had done a "net to net" comparison of your net monthly income while working compared to your net monthly income you will have once you are retired.

In order to do that, you need not just the information available in your paycheck about your current net income, but a reasonable estimate of what you can count on in retirement. There are several ways to get that information.

I encourage employees who are planning to retire within the next year or two to request an estimate from their human resources office. Most likely, it will be prepared using one of two software programs:

- [FED HR Navigator](#) from Economic Systems Inc.
- [GRB Assist](#) from Government Retirement and Benefits, Inc.

These programs are designed for use by trained retirement specialists. Those specialists typically review your service history before using the software, to provide a more accurate estimate of your Civil Service Retirement System or Federal Employees Retirement System basic benefit. Retirement specialists are often inundated with requests for estimates, along with the work of processing actual retirement applications. The applications take priority, so be prepared to wait a few weeks after your initial request for an estimate. In some cases, you may not be able to even request an annuity calculation unless you are close to your retirement eligibility.

If you would prefer to compute your own retirement estimate, it is not that hard if you have a straightforward career history – that is, if you worked on a full-time schedule that was covered by retirement deductions without too many breaks in service. If you are confident that your service dates are accurate, you can figure your length of service and highest three years of average salary pretty easily. The Office of Personnel Management's website contains information on such computations for both [CSRS](#) and [FERS](#).

You can also use a do-it-yourself program called FedBens. (To get it, email its creator, Robert Benson, at [fedbens@aol.com](mailto:fedbens@aol.com).) FedBens can be used quickly and easily to generate a one-page annuity report. It can also produce a more detailed report if you insert your high-three salary rates, monthly health and life insurance premiums, sick leave balance and survivor benefit election. The program is also capable of factoring in Thrift Savings Plan projections; military service credit deposits; special provisions for law enforcement officers, firefighters and air traffic controllers; and more.

Federal health benefits, long-term care insurance and supplemental dental and vision insurance premiums cost the same for retirees as for current employees. The only difference is that these premiums are deducted for retirees after taxes, not before. The cost of life insurance in retirement will depend on your age and how much coverage you want to continue into your retirement years. You can use OPM's [Federal Employees Group Life Insurance calculator](#) to determine the cost of your FEGLI while employed, and then compute the cost of carrying FEGLI into retirement. If you're going to retire at age 65 or later, you may need to subtract the [cost of Medicare Part B](#) from your Social Security retirement.

Your TSP account can produce income in a variety of ways, including a specific dollar amount that you can select and change from year to year or a payout based on your life expectancy. The TSP also offers a variety of life annuity options. All of these options can be weighed using the [TSP's Retirement Income Estimator](#).

It's easy to do [Social Security retirement calculations](#) online. You can create different retirement scenarios for yourself by setting up a [My Social Security](#) account. If you are covered under CSRS, you may also need to use the special [Windfall Elimination Provision calculator](#) that is available from the Social Security Administration.

After completing such fairly simple exercise, you may have a better level of confidence as you plan for a financially secure life in retirement – or you may get a reality check on how much longer you'll need to work to retire comfortably.

*Photo: Flickr user [Rudi Riet](#)*

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