



WAEPA CHECKLIST

6 Essential Questions Answered about Federal Retirement Planning

Planning for your federal retirement is essential, but it doesn't have to be overwhelming. You'll encounter a range of considerations, from estimating expenses to optimizing pension options. This helpful checklist addresses the most common questions about planning for Federal retirement, so you can begin planning for a secure and fulfilling retirement.

1

What's the Right Retirement Savings Goal for Me?

Estimating retirement expenses can be complex. To simplify this, the Office of Personnel Management recommends the Federal Ballpark Estimate. This tool helps you gauge the savings required to achieve your desired retirement lifestyle. Additionally, the [FERS Retirement Calculator](#) calculates your basic annuity based on factors like length of service and "high-3" average salary. Consider variables like spending patterns, taxation rates, investment returns, medical costs, and life expectancy when setting your savings objective.

2

When Should I Retire and What's the Timeline?

Your [retirement timeline](#) depends on factors such as age and total years of service. Early retirement is possible under specific circumstances, but typically, full annuity benefits align with eligibility criteria. Consult your agency for retirement estimates based on your eligibility.

CONTINUED >



WAEPA CHECKLIST

3

How Do I Choose the Perfect Retirement Date?

Federal employees often wait for the ideal time to retire, whether it takes place at the end of the pay period, the quarter, or the year. For expert insights on timing your retirement, see this [article from *Government Executive*](#).

4

What Pension Options Are Available to Federal Employees?

When it comes to your federal pension, understanding your options is vital. Evaluate whether a monthly payment or a lump sum aligns with your financial goals and situation.

If you have dependents, then consider joint-and-survivor annuity options for enhanced long-term security. This option may lead to a reduction in the amount of payment but doesn't end if you predecease your survivor. Pre-retirement planning calls for thoughtful consideration of the available options concerning your entire financial situation.

For more information about annuities and retirement savings for federal employees, see our [FedCheck for Pre-Retirement Employees](#).

5

How Do I Navigate Service Credit Deposits?

Service credit deposits are required in situations when you have a period of service not covered by the [Civil Service Retirement System](#) or [Federal Employees Retirement](#). This includes active military service. Agency retirement specialists can estimate deposit amounts for periods not accounted for by current retirement systems.

6

How Do I Prepare Financially for Medical Expenses in Retirement?

One common oversight is underestimating medical expenses in retirement. As you consider your healthcare needs, keep in mind that while Medicare Part A is free for most federal employees, additional healthcare aspects, including dental, eye care, and long-term insurance, come with associated premiums.

Medicare Part A covers hospital expenses, but you'll need to enroll in Medicare Part B for comprehensive outpatient care and Part D for prescription drug coverage. Federal Employee Health Benefits (FEHB) may continue after retirement, complementing your Medicare benefits. Additionally, Medigap plans can help fill gaps in your Medicare coverage, providing you with greater peace of mind. Safeguard your retirement funds by proactively planning for these costs and exploring available resources.



Embracing a Secure Retirement Future



The thought of planning for retirement can be daunting. Your monthly pension will differ from what you were used to in your employment days. Retirement includes living on a fixed income, and this means that you need to save enough to support a comfortable lifestyle. **Create an estimate of how much you currently spend in a month** to use as a baseline of how much you need to save. Be sure to pay special attention to budget items like hobbies, dining out, and travel. Hopefully these commonly asked questions will serve as a starting point for you to begin planning for the next phase of your life so you can more fully enjoy your retirement.