



Retirement Planning: Five Years Out

By John K. Naland

- ☐ FEHB health and FEGLI life insurance: maintain coverage during last five years of service
Reference: ALDAC 15 State 35130 of April 1, 2015 "Retirement Planning Five Years Out"
- ☐ Prior service (if applicable): buy back military, Peace Corps, or other service; obtain retirement credit for prior CS service; verify your retirement Service Computation Date
Reference: ALDAC 21 State 10876 of Feb 9, 2021 "Retirement Credit for Prior Service"
- ☐ Divorce decree (if applicable): have divorce documentation reviewed by GTM/RET
References: ALDAC 19 State 53266 of May 20, 2019 "Divorce and FS Retirement Benefits"
- ☐ TSP and IRAs: maximize contributions, chose a portfolio with long-term average returns that outpace inflation
References: www.tsp.gov, FSI seminars, Employee Retirement Portal online seminars (State)
- ☐ Beneficiary designations: ensure they are up to date: SF-2823 (FEGLI), TSP-3 (TSP), DS-5002 (FS retirement benefit), and SF-1152 (unpaid compensation)
Reference: ALDAC 21 State 28978 of March 26, 2021 "Beneficiary Designation Forms"
- ☐ Retirement planning seminars: take one or more FSI courses: RV105 (2-day, early and mid-career, annuity/TSP/financial planning/estates/long term care), RV101 (4-day, late career, all key topics), RV103 (1-day, financial planning/estates), RV104 (1-day, annuity/TSP)
References: FSI intranet, www.state.gov/career-transition-center-ctc/
- ☐ Understand your benefits: pension, annuity supplement, Social Security, TSP, and FEHB
References: FSI seminars, Employee Retirement Portal online seminars (State), "Retirement Planning 101" in April 2020 Foreign Service Journal
- ☐ Estate planning: obtain documents such as a will, power of attorney, and medical directive
Reference: FSI seminars
- ☐ Long-term care insurance: consider getting it or be prepared to self-fund if needed
References: FSI seminars, video by expert on www.afsa.org/retirement
- ☐ Social Security: understand pros and cons of various starting ages between 62 and 70
References: www.ssa.gov, FSI seminars, Employee Retirement Portal online seminars (State)
- ☐ Medicare Part B: understand pros and cons of getting it at age 65
Reference: video: "Medicare and the FEHB: Basics and Changes for 2025" with Kyle Longton on www.afsa.org/retirement under "Medicare"
- ☐ Post-Retirement Employment: network to find opportunities, understand the potential impact of post-retirement earned income on FSPS annuity supplement and Social Security payments
References: FSI seminars, "Next Stage" videos on www.afsa.org/retirement
- ☐ AFSA: review retiree resources on AFSA website; maintain AFSA membership
References: www.afsa.org/retirement, bi-monthly AFSA Retirement Newsletter

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