

90 PD LAS VEGAS  
TABLE 1

### *Purpose of DROPs — Employee*

- Accumulate substantial lump sum

Investment Return	Duration in Years			
	2	3	4	5
8%	\$51,725	\$80,731	\$112,057	\$145,889
10%	\$52,670	\$83,018	\$116,401	\$153,122
12%	\$53,621	\$85,349	\$120,884	\$160,683

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TABLE 2

### *Cost-Neutral DROP Design*

*Percentages of Lump Sum Payment to be Paid at Actual Retirement*

Age at Election	Duration in Years		
	②	③	④
53	78	76	74
54	77	75	74
55	76	74	73
56	75	74	72
57	75	73	71
58	74	72	70
59	73	71	69
60	72	70	68
61	71	69	67
62	70	68	66
63	69	67	65
64	68	66	63
65	67	64	62

*For example, an employee age 55 who elects DROP for three years would receive 74% of the accumulated lump sum at his actual retirement (age 58) plus his monthly pension, based on his pay and service at age 55.*

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TABLE 3



## *Cost-Neutral DROP Design*

*At End of DROP Period - \$2,000 Monthly Pension*

Age at Entry	Duration in Years		
	②	③	④
53	40,605	61,750	83,456
55	39,564	60,125	82,328
57	39,043	59,313	80,072
60	37,482	56,875	76,689
63	35,920	54,438	73,305
65	34,879	52,000	69,922

CHART 1

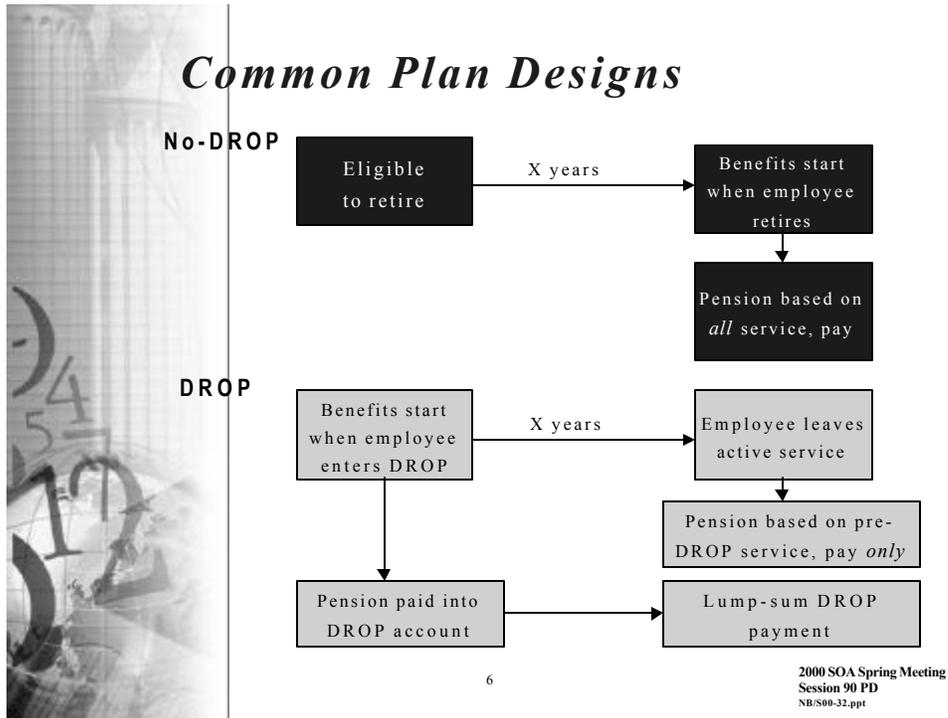


CHART 2

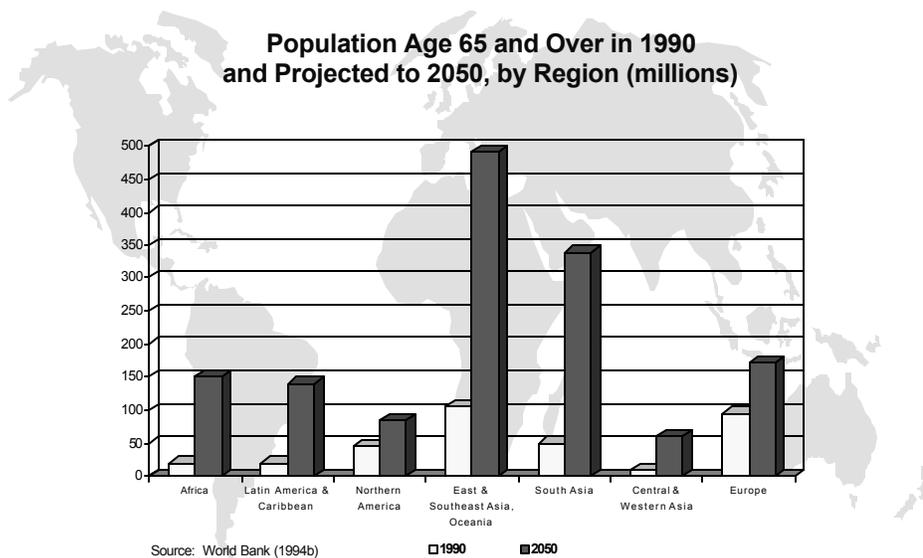
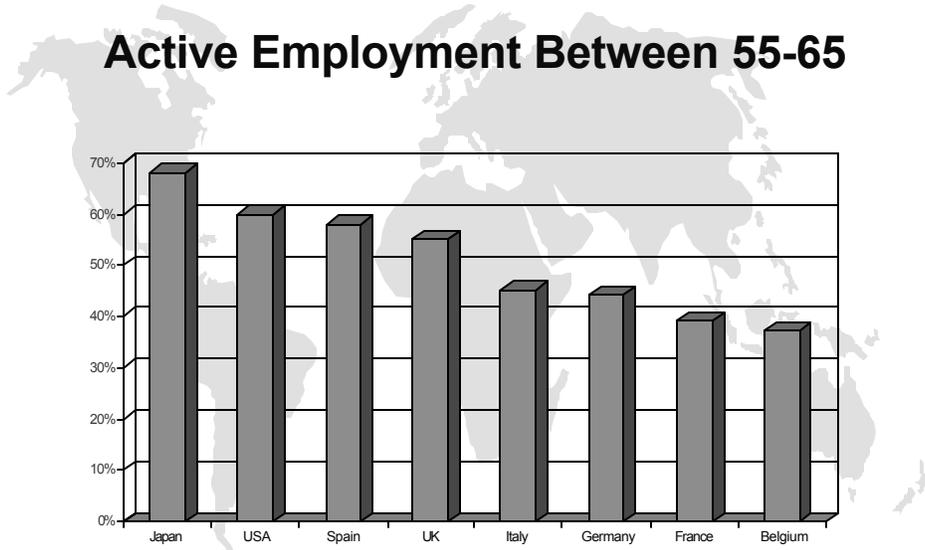


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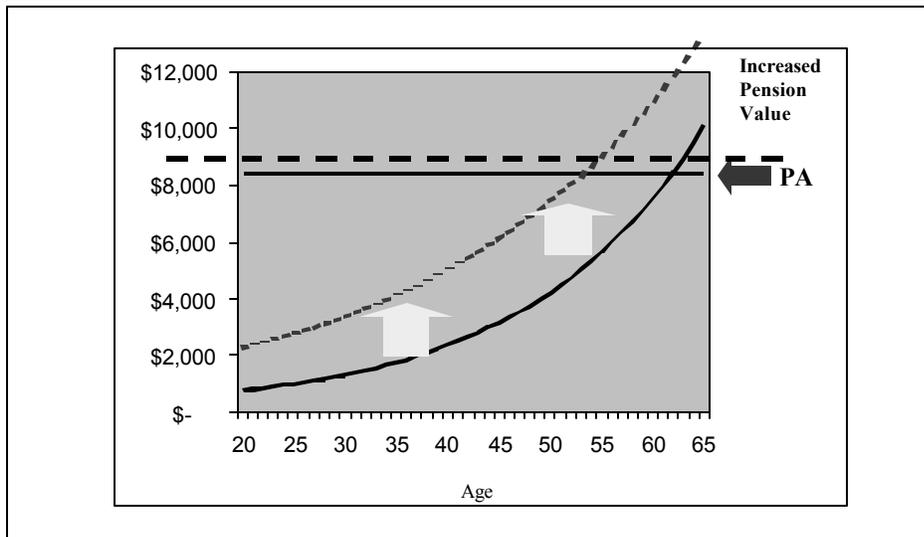


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CHART 4

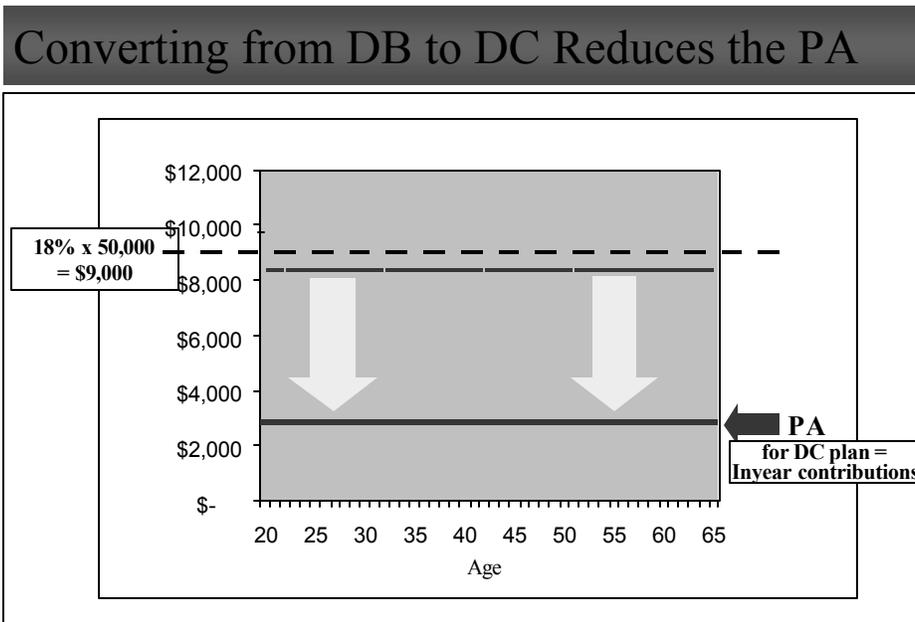
### Or, Try to Increase Value Without Affecting PA



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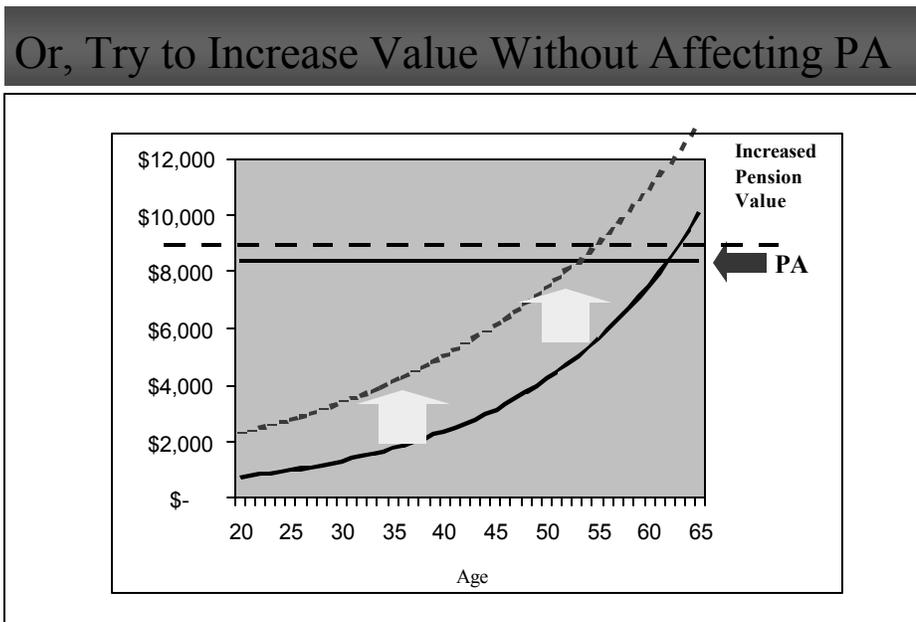
CHART 5



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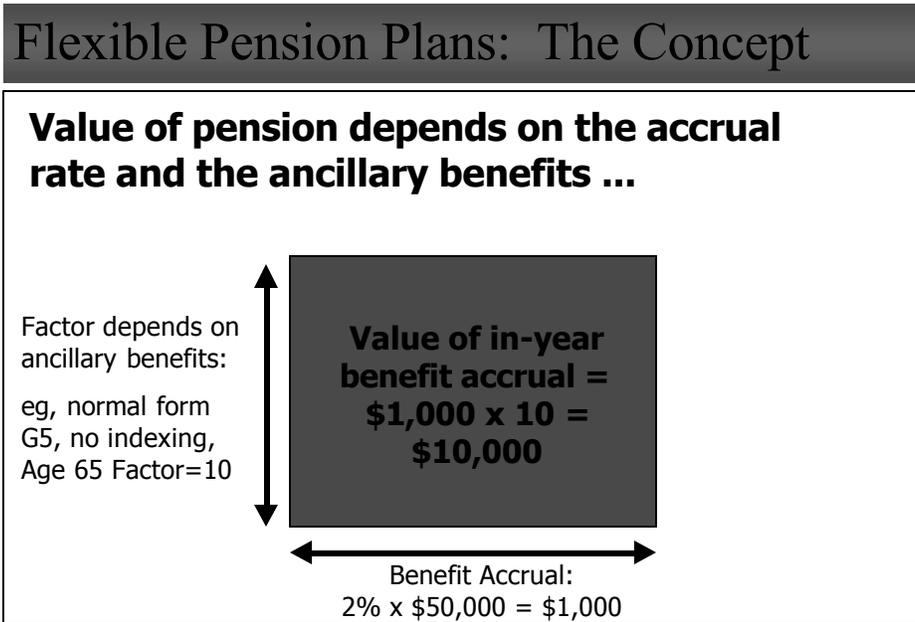
CHART 6



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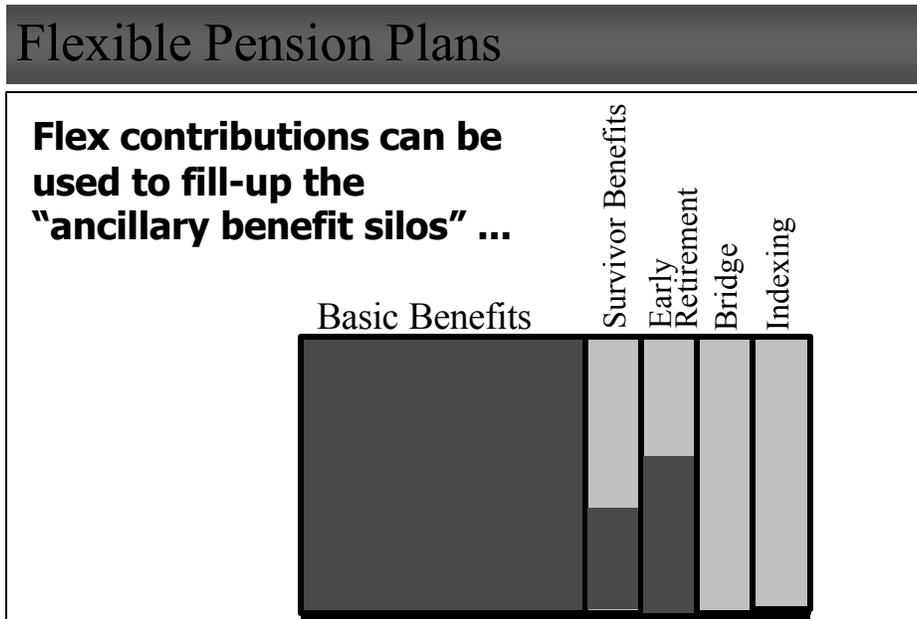
CHART 7



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CHART 8



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CHART 9

Example: Terminate at Age 45

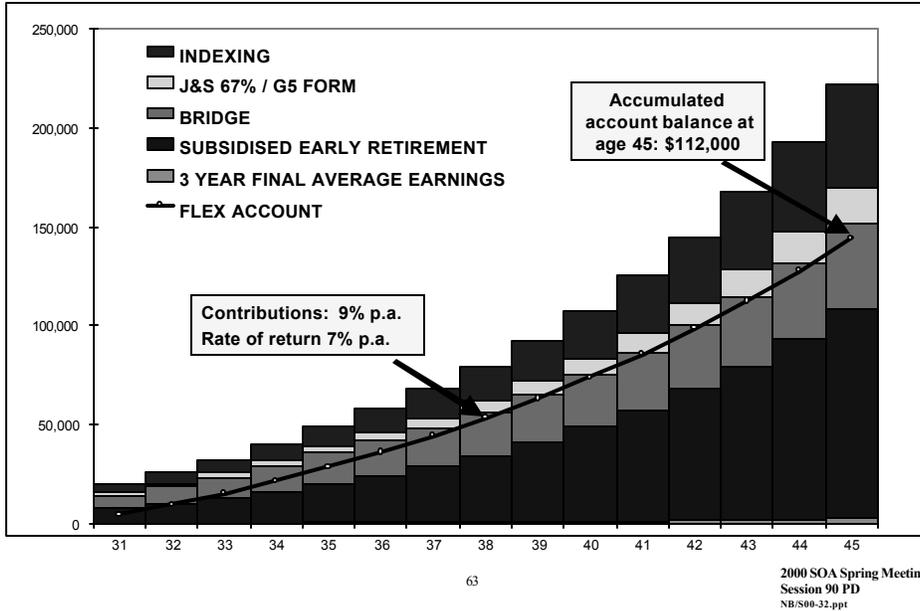


CHART 10

Example: Retire at Age 55

