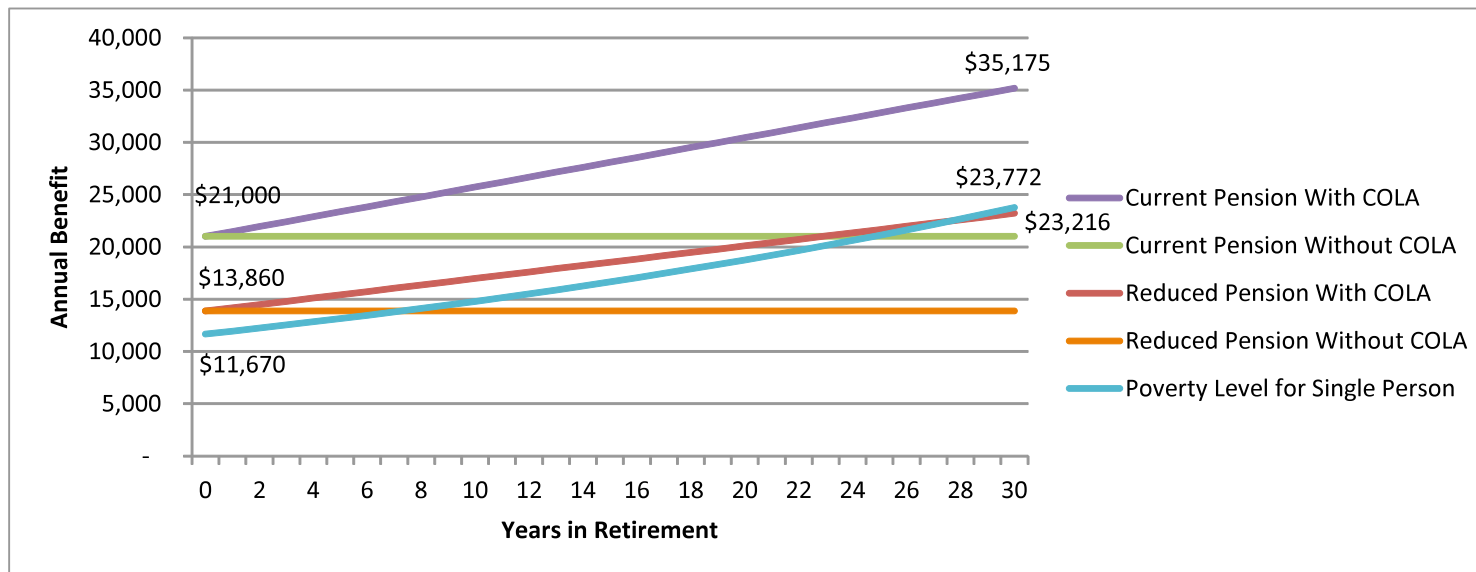


DGRS

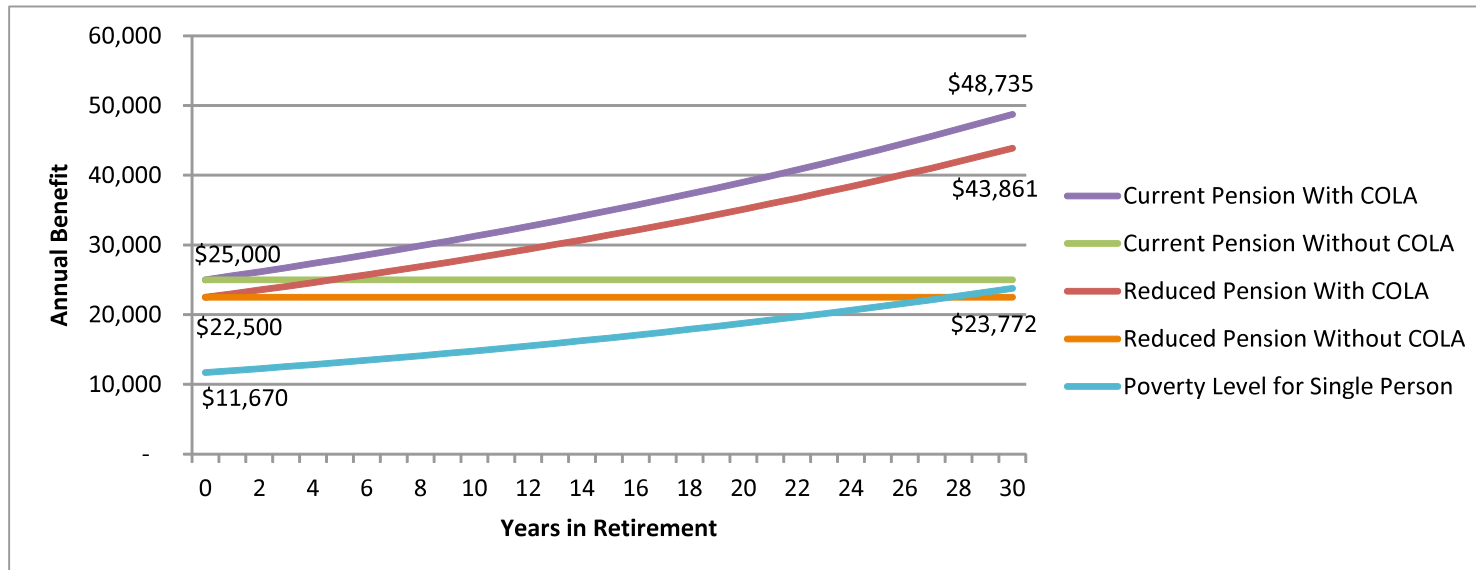
- The graph below compares the effects of benefit reductions versus the removal of future cost of living adjustments (COLAs). These results are based on an initial unreduced benefit of \$21,000.



- The purple line shows the effects of no benefit reduction while maintaining an annual cost of living adjustment of 2.25% of the initial unreduced benefit (not compound).
- The green line shows the effects of no benefit reduction and not receiving the annual cost of living adjustment.
- The red line shows the effects of a 34% benefit reduction while maintaining an annual cost of living adjustment of 2.25% of the initial reduced benefit (not compound).
- The orange line shows the effects of a 34% benefit reduction and not receiving the annual cost of living adjustment.
- The blue line shows the poverty level for a single person (\$11,670 for 2014), adjusted with expected inflation of 2.4% per year (the average increase in the poverty level over the past 20 years).

PFRS – Compound COLA

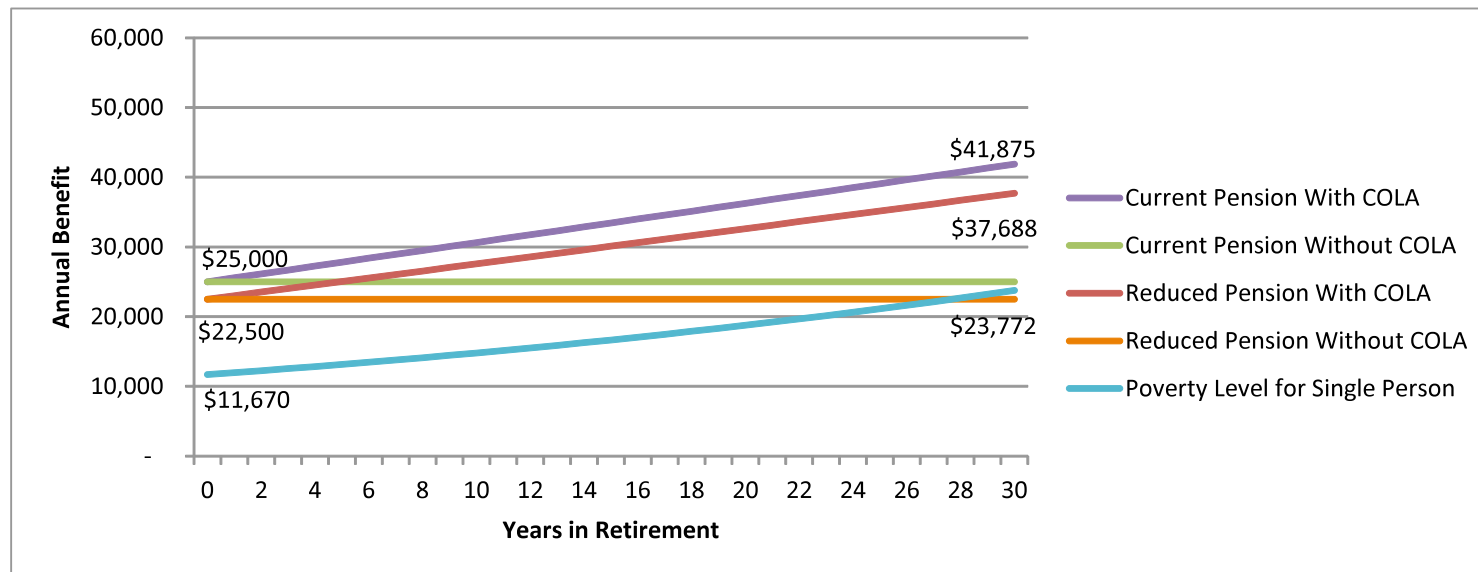
- The graph below compares the effects of benefit reductions versus the removal of future cost of living adjustments (COLAs). These results are based on an initial unreduced benefit of \$25,000.



- The purple line shows the effects of no benefit reduction while maintaining an annual cost of living adjustment of 2.25% of the current benefit (compound).
- The green line shows the effects of no benefit reduction and not receiving the annual cost of living adjustment.
- The red line shows the effects of a 10% benefit reduction while maintaining an annual cost of living adjustment of 2.25% of the current benefit (compound).
- The orange line shows the effects of a 10% benefit reduction and not receiving the annual cost of living adjustment.
- The blue line shows the poverty level for a single person (\$11,670 for 2014), adjusted with expected inflation of 2.4% per year (the average increase in the poverty level over the past 20 years).

PFRS – Simple COLA (Post 1969 Participants who retired prior to 7/1/98)

- The graph below compares the effects of benefit reductions versus the removal of future cost of living adjustments (COLAs). These results are based on an initial unreduced benefit of \$25,000.



- The purple line shows the effects of no benefit reduction while maintaining an annual cost of living adjustment of 2.25% of the initial unreduced benefit (not compound).
- The green line shows the effects of no benefit reduction and not receiving the annual cost of living adjustment.
- The red line shows the effects of a 10% benefit reduction while maintaining an annual cost of living adjustment of 2.25% of the initial reduced benefit (not compound).
- The orange line shows the effects of a 10% benefit reduction and not receiving the annual cost of living adjustment.
- The blue line shows the poverty level for a single person (\$11,670 for 2014), adjusted with expected inflation of 2.4% per year (the average increase in the poverty level over the past 20 years).