

JUSTIFICATION OF ESTIMATES

The Administration's Proposed Appropriation Language

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, [\$103,694,000] *\$105,463,000*, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

(Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2008.)

Explanation of Proposed Appropriation Language

<u>Appropriation language</u>	<u>Explanation</u>
<p>For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, [\$103,694,000] <i>\$105,463,000</i>, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.</p>	<p>This budget request is for funds to administer the railroad retirement/survivor and unemployment/sickness insurance benefit programs under a single administrative account. The Limitation on Administration Account draws on the following trust fund accounts for funding: Railroad Retirement Account, Social Security Equivalent Benefit Account, and the Railroad Unemployment Insurance Administration Fund.</p>

Authorizing Legislation

<u>Legislation</u>	2008		2009	
	<u>Authorized</u>	<u>Current estimate</u>	<u>Authorized</u>	<u>Appropriation Request</u>
Authorizing legislation -- Railroad Retirement Act: Section 15(a), first two sentences of section, and Section 15A(c)(1)	Indefinite	\$101,882,466 <u>a/</u>	Indefinite	\$105,463,000
Authorizing legislation -- Railroad Unemployment Insurance Act: Section 11(a)				

a/ This amount reflects the level of funding provided by the Consolidated Appropriations Act, 2008 (P.L. 110-161), less a rescission of 1.747 percent.

Section 15(a) of the Railroad Retirement Act:

"The Railroad Retirement Account established by section 15(a) of the Railroad Retirement Act of 1937 shall continue to be maintained in the Treasury of the United States. There is hereby appropriated to such Account for each fiscal year, beginning with the fiscal year ending June 30, 1975, to provide for the payment of benefits to be made from such Account in accordance with the provisions of section 7(c)(1) of this Act, and to provide for expenses necessary for the Board in the administration of all provisions of this Act, an amount equal to amounts covered into the Treasury (minus refunds) during each fiscal year under the Railroad Retirement Tax Act."

Section 15 A(c)(1) of the Railroad Retirement Act:

"Except as otherwise provided in this section, amounts in the Social Security Equivalent Benefit Account shall be available only for purposes of paying social security equivalent benefits under this Act and to provide for the administrative expenses of the Board allocable to social security equivalent benefits."

Section 11(a) of the Railroad Unemployment Insurance Act:

"The Secretary of the Treasury shall maintain in the unemployment trust fund established pursuant to section 904 of the Social Security Act an account to be known as the railroad unemployment insurance administration fund. This unemployment insurance administration fund shall consist of (i) such part of all contributions collected pursuant to section 8 of this Act as equals 0.65 per centum of the total compensation on which such contributions are based; (ii) all amounts advanced to the fund by the Secretary of the Treasury pursuant to this section; (iii) all amounts appropriated by subsection (b) of this section; and (iv) such additional amounts as Congress may appropriate for expenses necessary or incidental to administering this Act. Such additional amounts are hereby authorized to be appropriated."

**ADMINISTRATIVE EXPENSES a/
Budget Authority By Object Classification**

<u>Limitation on Administration</u>	Fiscal year 2007	Fiscal year 2008	Fiscal year 2009	Increase or
<u>Direct obligations by object class</u>	<u>actual amounts(\$)</u> b/c/	<u>estimated amounts(\$)</u> c/d/	<u>estimated amounts(\$)</u> c/	<u>decrease(\$)</u>
Personnel compensation:				
Full-time permanent	62,449,000	64,431,000	64,968,000	537,000
Positions other than permanent	849,000	801,000	894,000	93,000
Other personnel compensation	<u>1,667,000</u>	<u>1,533,000</u>	<u>1,408,000</u>	<u>(125,000)</u>
Total personnel compensation	64,965,000	66,765,000	67,270,000 e/	505,000
Personnel benefits: civilian	14,657,000	14,790,000	15,108,000	318,000
Benefits for former personnel	170,000	200,000	200,000	0
Travel and transportation of persons	680,000	750,000	711,000	(39,000)
Transportation of things	106,000	63,000	45,000	(18,000)
Rental payments to GSA f/	3,450,000	3,650,000	3,850,000	200,000
Communications, utilities, and miscellaneous charges	4,188,000	4,406,000	5,059,000	653,000
Printing and reproduction	274,000	311,000	328,000	17,000
Consulting services	586,000	626,000	646,000	20,000
Other services	12,767,000	8,669,000	11,093,000 g/	2,424,000
Supplies and materials	721,000	678,000	697,000	19,000
Equipment	<u>1,034,000</u>	<u>974,000</u>	<u>456,000</u>	<u>(518,000)</u>
Total, direct obligations	103,598,000	101,882,000	105,463,000 h/	3,581,000
Unobligated balance	<u>96,000</u>	<u>==</u>	<u>==</u>	<u>==</u>
Total budget authority	<u>103,694,000</u>	<u>101,882,000</u>	<u>105,463,000</u>	<u>3,581,000</u>

a/ In a separate justification document, the Office of Inspector General is also requesting \$7,806,000 for administrative expenses in fiscal year 2009.

b/ Amounts reflect the actual use of the \$103,018,000 appropriation to the Limitation on Administration received under Public Law 110-5 in fiscal year 2007, plus \$675,878 reimbursement for half of the January 2007 pay raise provided by Section 111 of P.L. 110-5.

c/ The Limitation on Administration excludes \$8.3 million in fiscal year 2007 that the RRB expects to be reimbursed from the Centers for Medicare and Medicaid Services (CMS) and others. Amounts for fiscal years 2008 and 2009 exclude \$8.4 million and \$8.2 million, respectively, that the RRB expects to be reimbursed from CMS and others in each of these years.

d/ Reflects the \$103,694,000 provided by the Consolidated Appropriations Act, 2008 (P.L. 110-161), less a 1.747 percent rescission in accordance with P.L. 110-161.

e/ This amount includes a locality-based comparability and cost-of-living increase of 2.9% effective January 2009, in accordance with OMB guidance.

f/ Reflects the payment of actual costs to the General Services Administration (GSA) for the rental of space.

g/ This amount includes \$550,000 for security provided by the Federal Protective Service and an estimated \$4,000 for education and training of the acquisition workforce.

h/ The RRB expects to spend \$22,000 on energy conservation measures in fiscal year 2009 (OMB Circular A-11, Section 25.5).

Note: Amounts shown in the table are rounded to the nearest thousand.

SUMMARY OF CHANGES 1/

	<u>Appropriation total</u>
FY 2008 appropriation.....	\$101,882,000 <u>2/</u>
FY 2009 estimate	<u>\$105,463,000</u>
Net change.....	\$ 3,581,000

	<u>2008 Current (Base)</u>		<u>2009 Change from Base</u>
	FTEs	Budget authority	FTEs Budget authority
<u>Increases:</u>			
<u>Built-in:</u>			
1. Net change related to full-time and part-time salaries: net loss of FTEs, -\$1,495,000; annualization of January 2008 pay raise, +\$500,000; January 2009 pay raise, +\$1,375,000; grade/step increases, +\$250,000; and other personnel compensation (awards and overtime), -\$125,000.	918	\$66,765,000	-8 \$505,000
2. Net change related to personnel benefits: net loss of FTEs, -\$340,000; annualization of January 2008 pay raise, +\$115,000; January 2009 pay raise, +\$312,000; grade/step increases, +\$55,000; other changes in benefit costs (health insurance, etc.), +\$176,000.	-----	14,790,000	----- <u>318,000</u>
Subtotal, built-in compensation increases <u>3/</u>			<u>-8</u> \$823,000
<u>Program:</u>			
1. Rental payments to GSA	-----	\$3,650,000	----- \$ 200,000
2. Communications, utilities, and miscellaneous charges	-----	4,406,000	----- 653,000
3. Printing and reproduction	-----	311,000	----- 17,000
4. Consulting services	-----	626,000	----- 20,000
5. Other services	-----	8,669,000	----- 2,424,000
6. Supplies	-----	678,000	----- <u>19,000</u>
Subtotal, program increases			<u>\$3,333,000</u>
Total increases			<u>\$4,156,000</u>
<u>Decreases:</u>			
<u>Program:</u>			
1. Travel and transportation of persons	-----	\$ 750,000	----- \$(39,000)
2. Transportation of things	-----	63,000	----- (18,000)
3. Equipment	-----	974,000	----- <u>(518,000)</u>
Total decreases			<u>\$(575,000)</u>
Net change			<u>-8</u> <u>\$3,581,000</u>

1/ Corresponds to page 12 - Administrative Expenses.

2/ Amount shown reflects the level of funding provided by the Consolidated Appropriations Act, 2008 (P.L. 110-161).

3/ Savings estimated from the net loss of FTEs assumes salary and related benefit costs for employees that leave the agency will be significantly higher than the same costs for new hires.

Note: Amounts rounded to the nearest thousand.

ADMINISTRATIVE EXPENSES

Budget Authority by Strategic Goal

<u>Limitation on Administration</u>	Fiscal year 2007				Fiscal year 2008				Fiscal year 2009			
	<u>Actual</u>				<u>Estimate</u>				<u>Estimate</u>			
<u>Program by strategic goal</u>	<u>FTEs</u>	<u>%</u>	<u>Amounts(\$)</u>	<u>%</u>	<u>FTEs</u>	<u>%</u>	<u>Amounts(\$)</u>	<u>%</u>	<u>FTEs</u>	<u>%</u>	<u>Amounts(\$)</u>	<u>%</u>
Strategic goal:												
1. Customer Service	723	78	78,837,684	76	716	78	77,533,344	76	709	78	80,879,616	77
2. Stewardship	<u>204</u>	22	<u>24,759,974</u>	24	<u>202</u>	22	<u>24,349,122</u>	24	<u>201</u>	22	<u>24,583,384</u>	23
Total, direct program obligations			103,597,658				101,882,466				105,463,000	
Unobligated balance			<u>96,220</u>				<u>---</u>				<u>---</u>	
Total budget authority	<u>927</u>		<u>103,693,878</u>		<u>918</u>		<u>101,882,466</u>		<u>910</u>		<u>105,463,000</u>	

The Railroad Retirement Board's Strategic Plan includes these strategic goals:

1. Provide excellent customer service.
2. Serve as responsible stewards for our customers' trust funds and agency resources.

STAFFING HISTORY

Actual Full-time Equivalent Employment

<u>Fiscal year</u>	<u>Total FTEs a/</u>	<u>Change from previous year</u>	<u>Percent change from previous year</u>	<u>Cumulative FTE reductions</u>	<u>Cumulative percent change since fiscal year 1993</u>
1993	1,698 <u>b/</u>	---	---	---	---
1994	1,615 <u>b/</u>	-83	-4.9%	83	-4.9%
1995	1,483 <u>b/</u>	-132	-8.2%	215	-12.7%
1996	1,401 <u>b/</u>	-82	-5.5%	297	-17.5%
1997	1,297	-104	-7.4%	401	-23.6%
1998	1,227	-70	-5.4%	471	-27.7%
1999	1,196	-31	-2.5%	502	-29.6%
2000	1,136	-60	-5.0%	562	-33.1%
2001	1,101	-35	-3.1%	597	-35.2%
2002	1,099	-2	-0.2%	599	-35.3%
2003	1,079	-20	-1.8%	619	-36.4%
2004	1,048	-31	-2.9%	650	-38.3%
2005	957	-91	-8.7%	741	-43.6%
2006	940	-17	-1.8%	758	-44.6%
2007	927	-13	-1.4%	771	-45.4%
2008	918 <u>c/</u>	-9	-1.0%	780	-45.9%
2009	910 <u>c/</u>	-8	-0.9%	788	-46.4%

a/ Excludes staffing for the Office of Inspector General.

b/ Includes Special Management Improvement Fund FTEs for fiscal years 1993-1996 of 80, 58, 30, and 10, respectively.

c/ Reflects estimated FTEs to be used.

Funding for Major Contracts

All contracts \$10,000 and over that are planned for fiscal year 2009 are shown below.

<u>Title and description</u>	<u>Estimated FY 2009 funding (\$)</u>
<u>Information technology investments</u>	
▪ <u>Information security</u> . Contractor resources would be used to conduct system certification and accreditation.	375,000
▪ <u>IT Task orders</u> . Contractor resources would be used on a task order basis for assistance with application development for a variety of systems that need updating or enhancements.	395,000
▪ <u>System Modernization</u> . Contractor assistance will be used to identify possible solutions for modernization of existing RRB applications and to evaluate the possibility of moving from a mainframe-based computer platform to a shared mainframe/network-based environment.	300,000
▪ <u>Network operations</u> . Contractor assistance will be used for staff augmentation and support in introducing new technologies.	750,000
▪ <u>E-Government projects</u> . Contractor assistance will be required to develop a number of Internet-based projects that will improve customer service.	200,000
▪ <u>Operations support services</u> . Contractor assistance would be used to maintain mainframe software.	82,250
▪ <u>Enterprise architecture</u> . Funding will be used to continue enterprise architecture consulting, training, and research services.	52,750
<u>Support of benefit program activities</u>	
▪ <u>Medical fees</u> . Funding is required for medical services and hospital transcripts used to make disability determinations.	2,004,000
▪ <u>Consultative medical services</u> . Funding will be used for medical evidence reviews concerning benefit and claim matters and preparation of advisory medical opinions.	600,000

Funding for Major Contracts

<u>Title and description</u>	<u>Estimated FY 2009 funding (\$)</u>
▪ <u>Contact representative training.</u> Contract funding will be used for training contact representatives.	24,000
▪ <u>Customer satisfaction index.</u> Contractor assistance will be used for administering the American Customer Satisfaction Index survey.	40,000
 <u>Financial management</u>	
▪ <u>Payments to Treasury.</u> Funding is required for fees by the Department of the Treasury for issuing checks and making electronic funds transfers on the RRB's behalf, as well as postage costs incurred for RRB mailings released by the Treasury.	575,000 <u>a/</u>
 <u>Administrative support</u>	
▪ <u>File management services.</u> Fees will be paid to the National Archives and Records Administration for services by the Federal Records Center to maintain the RRB claim files.	350,000 <u>a/</u>
▪ <u>Photocopiers.</u> Funding is required to continue contractual services for photocopiers in the RRB's headquarters building, including high speed copiers that are used to prepare program related booklets, pamphlets, and other informational material.	435,000
▪ <u>E-Payroll.</u> Funding is required for contracted e-Payroll and electronic Human Resources services provided by GSA.	280,000 <u>a/</u>
▪ <u>Field office support services.</u> Funding is required for field office alterations, miscellaneous and administrative support services, and health unit maintenance agreements.	90,000 <u>a/</u>
▪ <u>Computer recovery service.</u> Fees are paid for backup data processing operations in the event of an emergency or disaster.	235,000

Funding for Major Contracts

<u>Title and description</u>	<u>Estimated FY 2009 funding (\$)</u>
▪ <u>Personnel identification system</u> . Funding is required to obtain updated personnel identification cards that will meet the Homeland Security Presidential Directive for secure identification for agency employees and contractors.	61,200 <u>a/</u>
▪ <u>Employee assistance program</u> . The RRB provides professional assistance for employees with personal problems that adversely affect work performance.	35,300
▪ <u>Videoconferencing</u> . Funding is required for videoconferencing services needed for hearing appeals.	20,000
▪ <u>Change-of-station</u> . The RRB contracts with the Bureau of Public Debt for relocation services.	10,600 <u>a/</u>
 <u>Facility management service</u>	
▪ <u>Building maintenance and repairs</u> . Funding is required for facility maintenance, elevator maintenance, and repairs to the RRB headquarters building.	805,300
▪ <u>Federal Protective Service costs</u> . Funding for protective services formerly included in rental payments to GSA are now billed by the Department of Homeland Security, Federal Protective Service.	550,000 <u>a/</u>
▪ <u>Janitorial services</u> . Funding is required for janitorial services for the RRB headquarters building.	597,000
▪ <u>Building security</u> . Funding is required for guard service for the RRB headquarters building.	<u>480,000</u>
Agency total	<u>9,347,400</u>

a/ Contractual services provided by Federal Government agencies comprise \$1,916,800 of the agency program total of \$9,347,400.

BUDGET AUTHORITY BY FUND

Railroad Retirement Program

	Fiscal year 2007 actual amounts	Fiscal year 2008 estimated amounts	Fiscal year 2009 estimated amounts	Increase or decrease amounts
<u>Direct Program:</u>				
Railroad Retirement Account	<u>\$ 58,675,222</u>	<u>\$ 57,427,382</u>	<u>\$ 60,199,910</u>	<u>\$2,772,528</u>
Social Security Equivalent Benefit Account	<u>30,224,000</u>	<u>30,000,000</u>	<u>30,300,000</u>	<u>300,000</u>
Total, direct railroad retirement program obligations	\$88,899,222	\$87,427,382	\$90,499,910	\$3,072,528
<u>Railroad Unemployment and Sickness Insurance Program</u>				
<u>Direct Program:</u>				
Railroad Unemployment Insurance Administration Fund	<u>\$14,698,436</u>	<u>\$14,455,084</u>	<u>\$14,963,090</u>	<u>\$508,006</u>
Total, direct railroad retirement, unemployment and sickness insurance obligations	\$103,597,658	\$101,882,466	\$105,463,000	\$3,580,534
Unobligated balance	<u>96,220</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total, direct railroad retirement, unemployment and sickness insurance budget authority	<u>\$103,693,878</u> <u>a/</u>	<u>\$101,882,466</u> <u>b/</u>	<u>\$105,463,000</u>	<u>\$3,580,534</u>

a/ Reflects the appropriation of \$103,693,878 to the Limitation on Administration received under P.L. 110-5, the full-year continuing resolution for fiscal year 2007.

b/ Reflects the appropriation of \$103,694,000 to the Limitation on Administration received under P.L. 110-161, less a rescission of \$1,811,534.

LIMITATION ON ADMINISTRATION

Financing

	<u>Fiscal year 2007 actual</u>	<u>Fiscal year 2008 estimate</u>	<u>Fiscal year 2009 estimate</u>
<u>Financing</u>			
Total, direct program obligations	\$103,597,658	\$ 101,882,466	\$105,463,000
Unobligated balance	<u>96,220</u>	<u>---</u>	<u>---</u>
Limitation	<u>\$103,693,878</u>	<u>\$ 101,882,466</u>	<u>\$105,463,000</u>

Relation of direct program obligations to outlays

Obligations incurred, net	\$103,597,658	\$101,882,466	\$105,463,000
Obligated balance, start of year	0	10,740,740	10,740,740
Obligated balance, end of year	<u>(10,740,740)</u>	<u>(10,740,740)</u>	<u>(10,740,740)</u>
Outlays from limitation	<u>\$92,856,918</u>	<u>\$ 101,882,466</u>	<u>\$105,463,000</u>

Note: Funds to administer the Railroad Retirement Act and the Railroad Unemployment Insurance Act are combined into a single administrative account. Funds to administer the Railroad Retirement Act are transferred from the Railroad Retirement Account and the Social Security Equivalent Benefit Account to the Limitation on Administration. Funds required to administer the Railroad Unemployment Insurance Act are transferred from the Railroad Unemployment Insurance Administration Fund to the Limitation on Administration.

The financial operations of the Limitation on Administration can also be expressed in a sources and uses of funds table as shown below.

Sources and Uses of Funds

	Fiscal year 2007 actual	Fiscal year 2008 estimate	Fiscal year 2009 estimate
	<hr/>	<hr/>	<hr/>
<u>Direct program sources</u>			
Available from benefit trust funds by Congressional appropriation	<u>\$103,693,878</u>	<u>\$101,882,466</u>	<u>\$105,463,000</u>
<u>Direct program uses</u>			
Administrative expenses	\$103,597,658	\$101,882,466	\$105,463,000
Unobligated balance	<u>96,220</u>	<u>---</u>	<u>---</u>
Total uses:	<u>\$103,693,878</u>	<u>\$101,882,466</u>	<u>\$105,463,000</u>

LIMITATION ON ADMINISTRATION

Amounts Available for Obligation

	Fiscal year 2007 actual	Fiscal year 2008 estimate	Fiscal year 2009 estimate
Appropriation	\$103,693,878	\$103,694,000	\$105,463,000
Less:			
Amount rescinded in accordance with Public Law 110-161	0	1,811,534	0
Unobligated balance	<u>96,220</u>	<u>0</u>	<u>0</u>
Total direct obligations <u>a/</u>	<u>\$103,597,658</u>	<u>\$101,882,466</u>	<u>\$105,463,000</u>

a/ The RRB also received reimbursements totaling \$8.3 million in fiscal year 2007, and expects to receive \$8.4 million and \$8.2 million in fiscal years 2008 and 2009, respectively, for reimbursable activities.

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget estimate to the Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation/ continuing resolution</u>	
2000	\$ 86,500,000	\$ 90,000,000	\$ 91,000,000	\$ 90,655,000	<u>a/</u>
2001	\$ 92,500,000	\$ 95,000,000	\$ 92,500,000	\$ 95,000,000	<u>b/</u>
2002	\$ 97,700,000	\$ 97,700,000	\$ 97,700,000	\$ 97,627,500	<u>c/</u>
2003	\$ 97,720,000	\$100,000,000	\$ 97,720,000	\$ 99,350,000	<u>d/</u>
2004	\$ 99,820,000	\$101,300,000	\$ 99,350,000	\$100,702,330	<u>e/</u>
2005	\$102,600,000	\$102,202,000	\$102,600,000	\$102,543,040	<u>f/</u>
2006	\$102,543,040	\$102,543,000	\$102,543,000	\$101,517,570	<u>g/</u>
2007	\$103,517,570	\$103,518,000	\$103,518,000	\$103,693,878	<u>h/</u>
2008	\$103,517,570	\$103,694,000	\$103,694,000	\$101,882,466	<u>i/</u>
2009	\$105,463,000				

a/ Amount reflects funding made available under P.L. 106-113, after a rescission of \$345,000.

b/ Amount reflects funding made available under P.L. 106-554.

c/ Amount reflects funding made available under P.L. 107-116, less a rescission of \$72,500 required by P.L. 107-206.

d/ Amount reflects funding made available by P.L. 108-7, after a rescission of \$650,000.

e/ This amount reflects the Consolidated Appropriations Act, 2004 (P.L. 108-199), which provided \$100,702,330 (an appropriation of \$101,300,000, less a rescission of \$597,670).

f/ This amount reflects the Consolidated Appropriations Act, 2005 (P.L. 108-447), which provided \$102,543,040 (an appropriation of \$103,370,000, less a rescission of \$826,960).

g/ Amount reflects the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (P.L. 109-149), which provided \$102,543,000, less a rescission of 1 percent (\$1,025,430) in accordance with P.L. 109-148.

h/ Reflects the appropriation of \$103,018,000 made available by P.L. 110-5, the full-year continuing resolution for fiscal year 2007, plus \$675,878 reimbursement for half the January 2007 pay raise provided by Section 111 of P.L. 110-5.

i/ Reflects the appropriation received under the Consolidated Appropriations Act, 2008 (P.L. 110-161), less a rescission of \$1,811,534.

Retirement/Survivor Benefit Program
Summary Processing Workload Table

<u>Fiscal years</u>	<u>Average number of annuitants</u>	<u>New applications</u>	<u>Supplemental annuity applications</u>	<u>Social Security initial awards</u>	<u>Reactivated applications</u>	<u>Number of payments</u>	<u>Medicare enrollments</u> ¹
1997	751,558	41,126	6,942	5,980	50,458	9,447,929	5,309
1998	727,603	38,970	7,077	5,995	47,544	9,166,205	6,242
1999	704,159	38,413	6,719	6,108	47,265	8,886,055	5,890
2000	681,779	37,549	7,266	7,838	45,924	8,626,488	5,942
2001	660,112	38,306	6,690	7,156	40,870	8,872,847	5,538
2002	641,063	42,225	12,258	5,845	41,721	8,200,488	5,124
2003	626,319	37,495	8,997	6,191	43,034	7,960,902	4,684

<u>Fiscal years</u> ²	<u>Average number of annuitants</u>	<u>New applications</u>	<u>Supplemental annuity applications</u> ³	<u>Social Security initial awards</u>	<u>Post-payment adjustments</u> ⁴	<u>Number of payments</u>	<u>Medicare enrollments</u> ¹
2004	610,020	36,707	7,871	6,126	90,302	7,766,557	5,426
2005	595,484	37,510	7,129	6,329	98,312	7,592,204	5,030
2006	582,995	35,617	7,794	6,065	94,108	7,426,518	4,838
2007 ⁵	571,271	37,134	9,345	5,965	113,489	7,349,904	5,188
2008 (est)	564,600	38,000	9,000	6,000	91,000	7,200,000	5,000
2009 (est)	558,000	39,000	9,000	6,000	90,000	7,100,000	6,000

^{1/} Excludes attainments.

^{2/} Beginning in fiscal year 2004, we revised our production reporting system to enhance the methodology used and improve the accuracy of the resulting workload counts.

^{3/} Beginning in fiscal year 2004, supplemental annuity post-activity is included in post-payment adjustments.

^{4/} Beginning in fiscal year 2004, includes award adjustments and payment-related corrections to supplemental annuities and social security benefits in addition to retirement and survivor award adjustments. Also, includes overpayment/underpayment calculations and other record maintenance activities that could affect the status of previous or future payments.

^{5/} Post-payment adjustments reflect 21,358 receipts due to the processing of special adjustments. It is anticipated that it will take several years with additional resources to complete these referrals. The number of payments is approximately 56,400 higher due to these adjustments. The adjustments represent annuity increases resulting from changes in retirement service and earnings credits reported by railroad employers over a period of several years. An automation initiative completed in FY 2006 made it possible to apply the service and earnings changes to monthly retirement annuity payments. Referrals were produced when the annuity adjustment could not be automated.

Railroad Unemployment/Sickness Insurance Program
Summary Processing Workload Table

<u>Fiscal years</u>	<u>Railroad employment ^{1/}</u>	<u>Unemployment insurance</u>			<u>Sickness insurance</u>		
		<u>Applications</u>	<u>Claims</u>	<u>Payments</u>	<u>Applications</u>	<u>Claims</u>	<u>Payments</u>
1997	253,000	17,121	120,136	99,042	27,670	180,962	155,358
1998	256,000	13,253	82,103	67,759	26,317	170,336	146,659
1999	256,000	16,261	99,874	81,990	26,267	170,306	145,853
2000	246,000	17,720	103,934	85,756	28,039	177,709	153,143
2001	238,000	22,229	120,994	96,603	28,850	191,715	165,706
2002	229,000	20,462	129,564	106,289	28,193	193,246	167,643
2003	225,000	17,843	113,172	93,422	27,333	183,594	159,088
2004	227,000	13,419	89,367	74,790	25,737	173,515	150,033
2005	232,000	11,701	71,654	60,057	24,795	161,062	138,610
2006	236,000	11,186	64,697	53,781	25,866	155,525	133,519
2007	236,000 (est)	13,002	71,156	58,385	22,996	148,607	127,372
2008 (est)	233,000	14,000	79,000	65,000	24,000	153,000	131,000
2009 (est)	229,000	15,000	85,000	70,000	24,000	152,000	130,000

^{1/} Average annual railroad employment is based on mid-month counts and presented on a calendar year basis.

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