

Section A -- Financial Statistics

The tables in this section generally present data on financial operations under the Railroad Retirement and Railroad Unemployment Insurance Acts for fiscal year 2010 and for varying numbers of prior years.

The main source of financing the railroad retirement program is a payroll tax paid by employers and employees. Railroad retirement taxes and benefits are paid on a two-tier basis. Employers and employees pay tier I taxes at the same rate as social security taxes, and the amount of earnings subject to the tax corresponds to the prevailing social security taxable maximum. Tier II taxes finance benefits payable over and above social security levels, but earnings subject to the tax are restricted to the social security taxable maximums which would have been applicable under continuation of pre-1977 social security law. Both employers and employees pay tier II taxes, but at different rates.

In calendar years 2009 and 2010, a tier I tax rate of 7.65 percent for employers and employees applied to compensation up to \$106,800 per year. The tier I rates include taxes that finance the hospital insurance portion of Medicare; that tax rate for both employees and employers was 1.45 percent for 2009 and 2010. There is no limit to earnings subject to the hospital insurance portion of the tier I tax rate.

The tier II tax rate is determined annually from a tax rate schedule based on the average account benefits ratio. The average account benefits ratio is the average for the 10 fiscal years preceding the calendar year of the ratio of the fair market value of the assets in the Railroad Retirement Account and the National Railroad Retirement Investment Trust (and for years before 2002, the Social Security Equivalent Benefit Account) as of the close of each fiscal year to the total benefits and administrative expenses paid from those accounts during the fiscal year. Employer tax rates can range from 8.2 percent to 22.1 percent. Employee tax rates can range from 0 percent to 4.9 percent. In calendar years 2009 and 2010, the tier II tax rates paid by employers and employees were 12.10 percent and 3.90 percent, respectively, and were levied on annual earnings up to \$79,200.

Additional income is derived from Federal income taxes on tier I, tier II and vested dual benefits, from interest on invested funds and from the financial interchange with the social security system. The experience under the latter arrangement is presented in table A3. Under this arrangement, the social security trust funds are, in effect, credited with the additional payroll and income taxes they would have received, and charged with the additional benefits and administrative costs they would have paid if railroad employment had been covered under the social security program, with allowances for interest. Financial interchange determinations are made jointly by the Board, the Social Security Administration, and the Centers for Medicare & Medicaid Services on an annual basis. Separate determinations are made with respect to the Old-Age and Survivors Insurance, Disability Insurance, and Hospital Insurance Trust Funds.

The railroad unemployment and sickness benefit programs are financed by contributions from railroad employers, based on a percentage of their employees' taxable earnings. In 2009 and 2010, the taxable earnings base for those programs was the first \$1,330 of each employee's monthly earnings. Beginning in 1991, each employer's contribution rate is experience based. Temporary extended unemployment benefits authorized by the American Recovery and Reinvestment Act of 2009 (Recovery Act) were financed by a \$20,000,000 congressional appropriation. The Worker, Homeownership and Business Assistance Act of 2009 contained an appropriation of \$175,000,000 to extend the provisions of the Recovery Act by one year.

Fiscal years begin October 1 of the prior calendar year and end September 30.

In the tables, detailed figures may not add to totals shown because of rounding.

Table A1.--Beneficiaries and benefits paid under the Railroad Retirement Act and the Railroad Unemployment Insurance Act, by fiscal year, 2001-2010, cash basis

Fiscal year	Total ¹	Retirement ²	Survivor ²	Unemployment ³	Sickness
BENEFICIARIES (in thousands)					
2001.....	737	483	228	18	24
2002.....	719	475	219	17	24
2003.....	699	465	211	15	23
2004.....	677	456	203	12	22
2005.....	659	448	194	10	21
2006.....	643	441	187	9	20
2007.....	641	444	180	10	19
2008.....	623	433	174	11	19
2009.....	626	430	167	24	18
2010.....	617	428	161	22	18
BENEFIT PAYMENTS (in millions)					
2001.....	\$8,506.2	\$6,352.6	\$2,058.8	\$43.2	\$51.6
2002.....	8,742.1	6,535.9	2,107.5	49.2	49.4
2003.....	8,957.3	6,726.0	2,136.9	44.3	50.1
2004.....	9,091.3	6,876.9	2,131.3	37.7	45.3
2005.....	9,254.0	7,051.6	2,129.5	29.2	43.7
2006.....	9,513.7	7,294.0	2,146.9	30.8	42.1
2007.....	9,871.5	7,641.1	2,156.4	27.8	46.2
2008.....	10,115.4	7,877.0	2,158.1	35.1	44.9
2009.....	10,663.8	8,311.0	2,192.0	111.7	48.1
2010.....	10,939.8	8,588.6	2,187.1	109.6	50.0

¹ Beginning in fiscal year 2008, beneficiaries and benefit payments include partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity. Benefit payments also include a small amount of payments for hospital insurance benefits for services in Canada.

² Retirement benefits include vested dual benefit and supplemental annuity payments. Survivor benefits include vested dual benefit payments.

³ Includes temporary extended unemployment benefits under the American Recovery and Reinvestment Act of 2009 and Worker, Homeownership, and Business Assistance Act of 2009.

NOTE.-- Number of beneficiaries represents all individuals paid benefits in year. In total number for each year, beneficiaries are counted only once, even though they may have received more than one type of benefit. In fiscal year 2010, 7,700 individuals received both retirement and survivor benefits, 1,400 employees received both unemployment and sickness benefits, and 3,100 employees received benefits under both the Railroad Retirement Act and the Railroad Unemployment Insurance Act. These figures are partly estimated, and totals for earlier years are similarly adjusted.

Table A2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2001-2010 (In millions), cash basis

Item	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
RAILROAD RETIREMENT ACCOUNT										
Receipts										
Tax transfers ¹	\$2,819.2	\$2,743.1	\$2,651.4	\$2,611.0	\$2,606.6	\$2,674.8	\$2,637.8	\$2,636.5	\$2,501.2	\$2,599.0
Interest and profit on investments ²	2,027.2	1,875.8	291.8	15.1	15.8	19.6	19.3	12.9	12.0	11.0
Transfers from the National RR Investment Trust ³.....	.....	.....	300.0	1,564.0	809.0	947.0	1,391.0	1,298.0	1,553.0	1,989.0
Transfers from the SSEB Account ³.....	.....	.....	.....	223.0	149.0	38.0	181.0	147.0	.....	81.0
Loan repayments from RUI Account ⁴.....	.....	.....	8.2	.....	.....	.....	.....	.....	.....	.....
Transfer from RR Supplemental Account ⁵.....	.....	0.1	.....	.....	.....	.....	.....	.....	.....	.....
Expenditures										
Benefit payments ⁶	\$2,971.4	\$3,240.7	\$3,504.1	\$3,602.4	\$3,679.0	\$3,808.8	\$4,073.0	\$4,121.8	\$4,326.9	\$4,474.4
Financial Interchange adjustment ⁷	(52.9)	140.9	72.1	36.6	(137.4)	(85.9)	(45.7)	(100.0)	(104.6)	(13.1)
Net transfers to administration.....	54.7	64.9	64.0	65.3	73.7	69.9	64.0	58.4	63.4	68.7
Transfers to the National RR Investment Trust ³.....	.....	1,431.6	17,750.0	586.0	.....	.....	.....	.....	.....	.....
Loans to RUI Account.....	.....	7.8	.....	.....	.....	.....	.....	.....	.....	46.5
Balance at end of period ⁸.....	\$18,907.2	\$18,640.4	\$502.2	\$625.6	\$591.1	\$479.4	\$616.9	\$632.0	\$418.2	\$519.0
SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT ⁹										
Receipts										
Tax transfers ¹	\$2,134.0	\$2,134.7	\$2,128.0	\$2,240.8	\$2,370.8	\$2,462.5	\$2,538.0	\$2,649.3	\$2,528.9	\$2,514.9
Interest and profit on investments ²	105.5	71.6	59.1	20.0	23.3	28.0	29.0	19.9	19.0	18.9
Transfers under financial interchange ¹⁰	3,282.8	3,646.8	3,747.3	3,843.5	3,917.3	3,846.3	4,019.8	4,049.9	4,137.3	4,391.6
Advances against financial interchange ¹¹	3,145.2	3,153.9	3,236.1	3,245.7	3,256.0	3,241.3	3,232.3	3,385.6	3,661.1	3,819.0
Expenditures										
Benefit payments.....	\$5,215.2	\$5,243.8	\$5,229.5	\$5,288.7	\$5,395.8	\$5,536.1	\$5,637.9	\$5,835.8	\$6,107.6	\$6,243.7
Financial Interchange adjustment ⁷	52.9	(140.9)	(72.1)	(36.6)	137.4	85.9	45.7	100.0	104.6	13.1
Net transfers to administration.....	25.0	26.1	22.8	22.9	24.1	24.3	25.6	38.5	32.5	33.6
Transfers under financial interchange ¹⁰	469.7	424.7	426.3	418.6	444.9	471.5	483.3	525.7	524.3	535.1
Repayment of advances against financial interchange ⁴	3,222.2	3,385.3	3,342.4	3,409.9	3,399.6	3,419.7	3,418.7	3,410.8	3,564.8	3,837.6
Transfers to the National RR Investment Trust/RR Account ³....	.....	.....	1,438.0	223.0	149.0	38.0	181.0	147.0	.....	81.0
Balance at end of period.....	\$1,822.7	\$1,890.9	\$674.6	\$698.2	\$714.8	\$717.4	\$744.2	\$791.2	\$803.8	\$804.0

See footnotes at end of table.

Table A2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2001-2010 (In millions), cash basis - Continued

Item	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST¹²										
Cash and investment balance at end of period ¹³ .....	.....	\$1,420.7	\$23,016.5	\$25,019.7	\$27,636.6	\$29,327.9	\$32,631.4	\$25,271.5	\$23,330.8	\$23,770.4
RAILROAD RETIREMENT SUPPLEMENTAL ACCOUNT⁵										
Receipts										
Tax transfers ¹	\$67.8	\$23.5	.....	.....	.....	.....	.....	.....	.....	.....
Interest and profit on investments ²	3.1	2.9	.....	.....	.....	.....	.....	.....	.....	.....
Expenditures										
Benefit payments ⁶	\$68.8	\$16.8	.....	.....	.....	.....	.....	.....	.....	.....
Net transfers to administration.....	2.0	0.7	.....	.....	.....	.....	.....	.....	.....	.....
Transfers to the National RR Investment Trust ³ .....	.....	70.4	.....	.....	.....	.....	.....	.....	.....	.....
Transfer to Railroad Retirement Account.....	.....	0.1	.....	.....	.....	.....	.....	.....	.....	.....
Balance at end of period.....	\$61.7	.....	.....	.....	.....	.....	.....	.....	.....	.....
DUAL BENEFITS PAYMENTS ACCOUNT¹⁴										
Dual benefit transfers ¹⁵	\$160.0	\$146.0	\$131.1	\$118.3	\$107.1	\$97.0	\$88.0	\$79.0	\$72.0	\$64.0
Benefit payments.....	156.0	142.2	129.4	117.3	106.3	96.0	86.5	77.7	69.5	62.1
Balance at end of period ⁸	\$4.0	\$3.9	\$1.8	\$1.0	\$0.8	\$1.0	\$1.5	\$1.3	\$2.5	\$1.9

See footnotes at end of table.

Table A2.--Status of the Railroad Retirement Act accounts and trust funds, by fiscal year, 2001-2010 (In millions), cash basis - Continued

¹ Net of U.S. Treasury adjustments for payroll tax refunds to certain carriers and their employees for prior periods. Includes Federal income tax transfers under section 72(r) of the Internal Revenue Code as amended.

² Net of interest on U.S. Treasury adjustments for payroll tax refunds (see note 1).

³ Under the Railroad Retirement and Survivors' Improvement Act of 2001, as amended, the portion of the Railroad Retirement Account not needed to pay current administrative expenses is to be transferred to the National Railroad Retirement Investment Trust (Trust). The Trust may transfer funds back to the Railroad Retirement Account for payment of benefits. The balance of the Social Security Equivalent Benefit (SSEB) Account not needed to pay current benefits and administrative expenses is to be transferred to the Trust or to the Railroad Retirement Account. The SSEB Account transferred funds to the Trust in fiscal year 2003 and to the Railroad Retirement Account thereafter.

⁴ Includes interest.

⁵ Under the Railroad Retirement and Survivors' Improvement Act of 2001, the supplemental work-hour tax was repealed for years after 2001, and the separate Railroad Retirement Supplemental Account was eliminated. The balance remaining in the Railroad Retirement Supplemental Account was transferred to the Railroad Retirement Account.

⁶ Effective January 1, 2002, supplemental benefits are paid from the Railroad Retirement Account.

⁷ Adjustments in benefit payments charged to the Social Security Equivalent Benefit Account as compared to actual financial interchange benefits, with interest.

⁸ The Railroad Retirement Account balance reflects (a) the current net difference between Board payments of social security benefits and the receipt of reimbursements for such payments, (b) liabilities for uncashed check credits received from U.S. Treasury, and (c) credits for undistributed payment returns and recoveries. The Dual Benefits Payments Account balance does not carry over to the following year.

⁹ Established October 1, 1984, to keep track of the financing and payment of social security level portions of railroad retirement benefits.

¹⁰ Transfers to or from OASDHI Trust Funds under section 7(c)(2) of the 1974 Railroad Retirement Act.

¹¹ Advances, including interest, from U.S. Treasury to offset lag in receipt of financial interchange funds under section 7(c)(4) of the 1974 Railroad Retirement Act as amended.

¹² Established February 1, 2002, for investment of railroad retirement assets.

¹³ Source: National Railroad Retirement Investment Trust.

¹⁴ Established October 1, 1981, to keep track of the financing and payment of vested dual benefits.

¹⁵ Transfers from U.S. Treasury under section 15(d) of the Railroad Retirement Act of 1974 and Federal income tax transfers under section 72(r) of the Internal Revenue Code as amended.

Table A3.--Status of the financial interchange between the Railroad Retirement Accounts and the Old-Age and Survivors, Disability, and Hospital Insurance Trust Funds, by fiscal year, 2001-2010, on a cash basis (In millions)

Fiscal year	Taxes ¹	Benefit payments and administrative expenses ²	Amount due as of end of year to or (from) the Railroad Retirement Accounts ³	Transferred to or (from) the Railroad Retirement Accounts ⁴
OLD-AGE AND SURVIVORS INSURANCE				
2001.....	\$1,513.1	\$4,791.5	\$3,352.1	\$3,273.1
2002.....	1,504.7	4,817.7	3,452.5	3,493.3
2003.....	1,492.3	4,902.9	3,513.0	3,580.0
2004.....	1,568.8	4,926.3	3,477.2	3,628.1
2005.....	1,641.5	4,914.1	3,353.9	3,579.3
2006.....	1,702.4	5,063.8	3,460.4	3,458.0
2007.....	1,787.9	5,180.6	3,514.2	3,574.6
2008.....	1,803.4	5,294.2	3,581.5	3,632.3
2009.....	1,750.5	5,505.8	3,839.5	3,689.7
2010.....	.....	.....	.....	3,929.7
Cumulative 1937-2010.....	\$53,826.3	\$156,387.9	.....	\$111,411.1
DISABILITY INSURANCE				
2001.....	\$243.8	\$389.0	\$147.3	\$9.7
2002.....	243.5	399.8	161.4	153.5
2003.....	238.8	447.7	208.6	167.4
2004.....	251.2	554.5	328.3	215.4
2005.....	264.6	613.5	376.6	337.9
2006.....	274.1	683.0	431.0	388.3
2007.....	288.7	673.0	404.0	445.2
2008.....	292.2	711.3	434.5	417.6
2009.....	284.9	706.2	451.3	447.6
2010.....	.....	.....	.....	461.9
Cumulative 1937-2010.....	\$7,131.4	\$11,358.1	.....	\$4,796.2

See footnotes at end of table.

Table A3.--Status of the financial interchange between the Railroad Retirement Accounts and the Old-Age and Survivors, Disability, and Hospital Insurance Trust Funds, by fiscal year, 2001-2010, on a cash basis (In millions) - Continued

Fiscal year	Taxes ¹	Benefit payments and administrative expenses ²	Amount due as of end of year to or (from) the Railroad Retirement Accounts ³	Transferred to or (from) the Railroad Retirement Accounts ⁴
HOSPITAL INSURANCE				
2001	\$389.8	\$1.6	(\$407.5)	(\$469.7)
2002	398.3	2.6	(411.1)	(424.7)
2003	393.0	2.1	(405.3)	(426.3)
2004	418.4	2.5	(432.2)	(418.6)
2005	442.5	2.6	(457.3)	(444.9)
2006	459.1	4.4	(467.9)	(471.5)
2007	497.0	3.4	(508.6)	(483.3)
2008	499.5	3.5	(508.9)	(525.7)
2009	510.5	3.2	(522.8)	(524.3)
2010.....	.....	.....	.....	(535.1)
Cumulative 1937-2010	\$12,776.1	\$83.1	.....	(\$13,879.9)

¹ Beginning fiscal year 1984, Old-Age and Survivors Insurance and Disability Insurance include Federal income taxes. Hospital Insurance income taxes included beginning fiscal year 1994.

² Cumulative for Old-Age and Survivor Insurance and Disability Insurance is net of pre-1957 military service adjustments. For hospital insurance, administrative expenses only.

³ Includes interest at rate applicable to each trust fund.

⁴ Represents transfer of amount due at end of preceding year with interest from due date to date of transfer.

NOTE.--Under the financial interchange provision of the Railroad Retirement Act, the Board, the Commissioner of Social Security, and the Secretary of Health and Human Services make annual determinations of the amounts which would place the Federal Old-Age and Survivors, Disability, and Hospital Insurance Trust Funds in the same position in which they would have been if railroad employment had been covered by the Social Security Act. Transfers are to or from the Railroad Retirement Account in all years through fiscal year 1984; beginning fiscal year 1985, transfers are to or from the Social Security Equivalent Benefit Account. All figures are net after adjustment for changes in prior years.

Table A4.--Status of the Railroad Unemployment Insurance Account, by fiscal year, 2006-2010 (In thousands), cash basis

Item	Fiscal year				
	2006	2007	2008	2009	2010
RECEIPTS					
Taxes.....	\$65,725	\$65,995	\$67,074	\$69,600	\$75,298
Interest.....	5,387	3,963	6,838	4,688	1,354
Transfer from Administration fund under sec. 11(d) of the RUI Act.....	6,664	8,923	8,711	9,808	8,305
Undistributed recoveries of benefit payments ¹	(982)	1,405	(34)	(169)	354
Loans from the RR Account.....	....	....	....	....	46,500
Total.....	\$76,794	\$80,286	\$82,589	\$83,927	\$131,812
EXPENDITURES					
Benefit payments.....	\$72,812	\$74,004	\$80,068	\$149,555	\$139,392
Funding for Office of Inspector General.....	1,558	1,572	1,550	1,536	1,274
Total.....	\$74,370	\$75,577	\$81,618	\$151,091	\$140,666
Cash balance end of period.....	\$99,606	\$104,316	\$105,287	\$38,123	\$29,269
LOANS DUE RAILROAD RETIREMENT ACCOUNT					
Loans.....	....	....	....	....	\$46,500
Interest accrued.....	....	....	....	....	878
Due RR Account end of period.....	....	....	....	....	\$47,378

¹ Net of distributed payments.

Table A5.--Status of the RUIA Administration Fund, by fiscal year, 2001-2010 (In thousands), cash basis

Fiscal year	Taxes and interest	Administrative expenditures ¹	Transfer to Railroad Unemployment Insurance Account under Sec. 11d ²	Balance at end of period
2001	\$20,434	\$14,004	\$6,048	\$8,011
2002	20,032	13,266	6,734	8,043
2003	21,313	15,407	5,645	8,304
2004	20,787	15,846	6,608	6,637
2005	21,126	15,761	6,544	5,457
2006	21,980	10,610	6,664	10,163
2007	23,082	14,415	8,923	9,907
2008	23,945	14,713	8,711	10,427
2009	23,151	14,305	9,808	9,465
2010	22,990	15,729	8,305	8,421

¹ Expenditures for each year included encumbrances as of end of year. Fiscal years 2006-2009 reflect reallocation of prior period administrative expenses between the Railroad Retirement Act and Railroad Unemployment Insurance Act programs.

² Transfers to the Railroad Unemployment Insurance Account are based on the amount the accrual balance on the prior September 30 exceeded \$6,000,000.

**Table A6.--Retirement, survivor, unemployment, and sickness benefit payments, by class of benefit and state
of residence of beneficiary, fiscal year 2010 (In thousands), cash basis**

State	Total	Retirement benefits	Survivor ¹ benefits	Unemployment ² benefits	Sickness benefits
Alabama	\$200,469	\$159,846	\$38,029	\$1,697	\$898
Alaska	3,842	2,658	658	522	5
Arizona	190,007	149,528	37,278	2,707	494
Arkansas	207,430	173,003	32,145	1,495	787
California	549,863	424,712	111,874	10,009	3,269
Colorado	158,891	128,168	27,752	2,423	549
Connecticut	54,796	42,509	11,743	246	298
Delaware	39,135	30,799	7,880	178	278
Washington DC	6,898	5,138	1,598	114	48
Florida	583,704	477,668	101,480	3,499	1,056
Georgia	339,738	276,689	58,122	3,279	1,649
Hawaii	2,708	2,188	520	.....	.....
Idaho	95,600	76,596	17,578	1,073	354
Illinois	667,314	521,295	134,133	8,000	3,885
Indiana	327,847	256,556	65,552	3,709	2,030
Iowa	178,123	137,928	36,665	2,771	760
Kansas	289,907	234,902	51,343	2,856	806
Kentucky	300,865	240,726	56,636	2,105	1,398
Louisiana	153,447	119,949	30,832	1,897	770
Maine	52,040	38,922	12,513	435	170
Maryland	172,378	131,622	38,688	1,057	1,010
Massachusetts	76,397	56,925	18,119	648	705
Michigan	283,164	223,682	55,939	2,335	1,208
Minnesota	292,983	229,428	60,827	1,976	752
Mississippi	125,636	100,585	23,577	1,081	394
Missouri	380,276	302,467	71,230	5,205	1,374
Montana	120,538	95,503	22,622	1,995	418
Nebraska	262,948	214,901	40,288	5,739	2,020
Nevada	65,044	52,473	11,926	566	79
New Hampshire	15,904	11,816	3,893	123	71

Table A6.--Retirement, survivor, unemployment, and sickness benefit payments, by class of benefit and state of residence of beneficiary, fiscal year 2010 (In thousands), cash basis - Continued

State	Total	Retirement benefits	Survivor ¹ benefits	Unemployment ² benefits	Sickness benefits
New Jersey	\$175,788	\$132,680	\$40,049	\$1,200	\$1,859
New Mexico	87,032	67,664	18,023	1,075	269
New York	444,686	351,341	87,880	2,822	2,643
North Carolina	201,575	159,305	40,473	1,281	516
North Dakota	63,557	48,418	13,921	886	331
Ohio	531,895	402,161	122,275	5,302	2,157
Oklahoma	102,395	81,154	19,820	1,133	288
Oregon	164,666	130,117	32,624	1,429	495
Pennsylvania	680,456	502,367	171,807	2,766	3,515
Rhode Island	9,928	7,408	2,316	84	119
South Carolina	136,146	109,100	25,219	1,374	454
South Dakota	28,804	22,623	5,276	737	167
Tennessee	249,457	198,207	47,946	2,112	1,192
Texas	691,907	549,431	130,888	8,283	3,305
Utah	109,045	85,114	22,210	1,389	333
Vermont	13,647	9,838	3,703	85	20
Virginia	342,787	269,286	70,602	1,591	1,308
Washington	232,933	184,972	45,119	1,849	993
West Virginia	177,356	132,512	43,000	878	966
Wisconsin	193,833	150,250	40,415	2,172	996
Wyoming	68,931	56,243	10,776	1,418	494
Outside United States:					
Canada ³	23,190	12,628	10,548	.....	.....
Mexico	3,066	1,257	1,810	.....	.....
Other	8,808	5,359	3,449	.....	.....
Total	\$10,939,782	\$8,588,613	\$2,191,590	\$109,606	\$49,958

¹ Includes partition payments to spouses and divorced spouses where the employee is deceased or not otherwise entitled to an annuity.

² Includes \$20,171,000 in temporary extended unemployment benefits under the American Recovery and Reinvestment Act of 2009 and the Worker, Homeownership and Business Assistance Act of 2009.

³ Total includes \$14,000 for hospital insurance benefits for services in Canada.

NOTE.--Data partly estimated.