



## President's proposed budget would benefit Federal employees

**H**ailed as an historic budget for Federal employees, President Clinton's proposed budget would put an extra \$2,658 annually into the pocket of the average Federal employee. According to Office of Personnel Management Director Janice Lachance, "[The budget would move] the Federal workforce toward a more up-to-date compensation and benefits system that recognizes the vital role they play in the lives of Americans."

The budget proposes:

- ◆ A 3.7 percent Federal pay increase starting January 2001.
- ◆ To allow Federal employees to pay health insurance premiums out of pretax income, a benefit already

available to workers at large private-sector companies and many local governments.

- ◆ A legislative initiative to help control future increases in Federal health insurance premiums.
- ◆ To provide for parity in benefits for mental health and substance abuse by January 2001.
- ◆ To allow newly hired or rehired employees to immediately participate in the Thrift Savings Plan.
- ◆ To make long-term care insurance available to employees and their families.

The proposals amount to one of the most generous compensation packages included in a presidential budget request.

## Proposed FY 2001 budget a mixed bag

The President's FY 2001 proposed budget also includes \$206.4 million for Western operations, a 2.9 percent decrease from FY 2000. Of this, \$165.9 million is targeted for construction, rehabilitation, operations and maintenance activities.

The request also included \$35.5 for purchase power and wheeling, down 15.2 percent from FY 00. Originally, the budget request contained no funding for PPW. But the reinstatement is a temporary reprieve. The Administration has requested appropriation language that would phase out the amount of PPW funding by 2004.

As in FY 2000, \$5 million is included for Western's contribution to the Utah Reclamation Mitigation and Conservation account. A total of \$2.7 million is requested for Western's Falcon and Amistad Account. This represents a \$1.4 million (or 104 percent) increase, which will be used to purchase equipment and rehabilitate turbine structures, pen-

stocks and trash racks on the two dams located on the Rio Grande River between Texas and Mexico.

The proposal also requests \$114.7 in obligational authority for the Colorado River Basins Power Marketing Fund, a \$1.1 million (1 percent) increase. The increase is for Program Direction, including support services for interchange schedule tagging and power system accounting activities.

Operations and maintenance for the Boulder Canyon Project will continue to be financed through Colorado River Dam Fund receipts. Other activities for the Parker-Davis and Central Valley projects will be funded through customer advanced funding.

Western's budget proposal also forecasts that our revenues will total nearly \$792.9 million, an increase of about \$5 million from estimated FY 00 revenues. It also predicts energy sales will exceed 153 gigawatt-hours, or rough the same amount as FY 00 estimated sales.