The Governor released her proposed 2009 supplemental, 2009-11 operating, and 2009-11 capital budgets on December 18, 2008. The community-technical colleges received an early Holiday gift, when the Governor announced that the budget reduction for the CTC’s would be only 6%. The four year institutions were cut by 13%. The following statement by the Governor indicates that she appreciates the value of the CTC’s, and their mission. “The lower rate of reduction for the community and technical colleges is in recognition of their unique mission in job training and skills developments essential to the state’s economic recovery.” These are the highlights of the Governor’s proposed budget.

**2009 Supplemental Operating Budget Request for the CTC System (current fiscal year)**
- Governor recommends a **reduction** of $32.1 million, or approximately 4.3% for the current fiscal year. This is slightly more than the $30.5 million or 4.1% the system was previously directed to cut. The 4.3% reduction for the Seattle District is approximately $3.1 million
- Tuition rates remain unchanged for the current year
- Enrollment targets remain unchanged for the current year

**Governor’s Proposed 2009-11 Operating Budget for the CTC System**
- The Governor’s proposed **reduction** to the CTC systems operating budget is 6%. This cut includes the reductions already taken during the current fiscal year i.e. the $32.1 million stated above. **To clarify: Based on actual numbers, the State Board estimates the system’s total cut to be closer to 6.5%.** This fiscal year the System/District has been directed to cut 4.3% from the budget, with the balance of the 6.5% cut taken in the next biennium.
- Tuition increases are limited to 5% in the first year of the biennium, and another 5% increase in the second year for resident undergraduate students. This will increase tuition to $83.50 per credit.
- No fee increases for higher education are proposed.
- Enrollment targets remain the same for the next biennium.
- Three legislative provisos remain for next biennium. Worker Retraining, Job Skills, and a new proviso for Student Achievement Initiatives.
- No salary increases are provided to any employee groups. Health benefits are fully funded, where the employer pays 88% and the employee 12% of the costs.

**Capital Budget (this is the most complicated of all the budgets, based on the various funding sources)**
- Governor’s proposed capital budget is $477.3 million. The system request totaled $549.6 million. This proposed budget includes renovation of Wood Construction, the redesign of North’s Allied Health Technology building, and the redesign of the Seattle Maritime Academy.

- As part of a stimulus package, two Seattle District capital projects are on the accelerated project list. North’s Employment Resource Center and Central’s Wood Construction renovation.

**Other Information**
- These are the reduction percentages for other units of State Government:
  - K-12- 5.6%
  - Public Safety- 6.3%
  - Early Learning- 6.4%
  - Healthcare and Human Services- 12.2%
  - Natural Resources-12.2%
  - I-728 class size reduction funds for the K-12 system were cut by 21% for the 2009-11 biennium.

- Legislature begins its session on January 12, 2008. There could be significant changes made to the Governor’s proposed budget

- The next State revenue forecast is due in March.

- We don’t expect to have a final budget until late June.