

MINUTES

MONTANA HOUSE OF REPRESENTATIVES
51st LEGISLATURE - REGULAR SESSION

SUBCOMMITTEE ON LONG RANGE PLANNING

Call to Order: By Chairperson Connelly, on January 24, 1989, at
8:15 a.m.

ROLL CALL

Members Present: All

Members Excused: None

Members Absent: None

Staff Present: Claudia Montagne, Secretary; Carroll South,
Staff Researcher, Legislative Fiscal Analyst's Office

Announcements/Discussion: None

CULTURAL AND AESTHETICS GRANT PROGRAM

Tape 16:A:000

HAYNES FINE ARTS GALLERY, RANKING 89, (16:A:015), Operational Support. WILLEM VOLKERSZ, Director of the School of Art, Montana State University, Bozeman, testified on behalf of this grant application. He stated that the gallery was a constituent element of the School of Art, whose undergraduate program was one of two accredited art programs in the state of Montana. He said that the gallery aimed to bring in art work which would inform and stimulate students from all the various areas of study within the school. He said that the Gallery Director position would produce \$10,000 per year in grant money to bring in guest artists and speakers in the visiting artists series. He said that with University funding uncertain, and with MSU's inability to offer support to the gallery, he was urging the committee's support for the grant project. MR. VOLKERSZ distributed a synopsis of the grant application (EXHIBIT 1), and supporting materials (EXHIBITS 2 and 3).

REP. BARDANOUE asked why the university was cutting back, and MR. VOLKERSZ said that the position of Gallery Director was one of the few adjunct or non-tenured positions in his department. Therefore it was a place to cut back when budget cuts were needed.

SHAKESPEARE IN THE PARKS, RANKING 01 and 22, (16:A:131), Endowment and Operational Support, respectively. JOEL JAHNKE presented for both of the grant proposals as set forth in EXHIBIT 4.

REP. BARDANOUE (16:A:202) asked how much the organization had in its endowment at the present time. MR. JAHNKE said that their endowment was established last session with a grant of \$15,000, which they matched 4 to 1 for a total of \$60,000.

REP. THOFT (16:A:209) asked what level the endowment would have to reach in order for the organization to be self supporting. MR. JAHNKE said that, given inflationary increases and current income potential, total self sufficiency was not possible, and DAVID NELSON, Montana Arts Council (MCA), added that an organization could only receive 1/3 of its income from investments.

BILLINGS SYMPHONY SOCIETY, RANKING 2, (16:A:225), Billings Symphony Endowment Expansion. BRUCE ELLIS, President of the Billings Symphony Society, testified for the challenge grant application. He stated that he was confident that they could raise the matching funds in the amount of \$45,000, which together with the grant of \$15,000, would provide their fund with approximately \$175,000. The proceeds of the interest from the endowment would be used for the expense of a concert featuring young artist award winners and for general operating purposes. SEN. HIMSL asked how much was presently in their endowment. MR. ELLIS said that there was \$100,000 in the fund now.

HELENA FILM SOCIETY, RANKING 3, (16:A:280), Endowment for Myrna Loy Center. ARNIE MALINA, Executive Director of the Helena Film Society, testified for the challenge grant application. He said that they were renovating the historic Lewis and Clark County Jail into the Myrna Loy Center for the Media and Performing Arts, to be open by the end of the centennial year. He said that this endowment development grant was part of their planning process for the future of the Myrna Loy. With the expansion into the new facility, they expected an increase in operating costs of \$40,000, including additional staff, maintenance costs and expanded programming. MR. MALINA said that their budget plan was for an initial endowment of \$400,000 by 1993. This amount would be the cornerstone for the endowment. He stated that this endowment would enable them to ask them for less in the future.

YELLOWSTONE ARTS CENTER, RANKING 5, (16:A:380), The Time is Now: Endowment Campaign. DONNA FORBES, Director of the Yellowstone Arts Center, testified for the challenge grant concept in general. She distributed three brochures on the Yellowstone Arts Center, which provided background on the center (EXHIBIT 5). She spoke of the Arts Center's ability to collect more recent art of the region with the seed monies received from this grant program. She stated that with the expansion of exhibits, collections, and educational programming, its costs had grown. The Center's present budget was at \$500,000, and she stated that the endowment would stabilize its funding.

REP. BARDANOUE asked how much was in the endowment fund now. She said that there was presently \$75,000 in a trust fund which

would be transferred into the endowment fund, with verbal commitments for more.

PARMLY BILLINGS LIBRARY FOUNDATION, RANKING 6, (16:A:580), Endowment Development. REE THOMPSON, Member of the Parmly Billings Library Foundation in Billings, testified for their grant application for endowment development. She distributed brochures, EXHIBIT 6, which provided information and background on the library. She stated that local government revenues were down, and that their budget was less than half while their costs and interest rates were increasing. She said that monies for an endowment would yield money that would be used for cultural and aesthetic purposes only, and in those areas that could not be funded by local tax dollars. She said that 37% of all of their requests were in that area.

KUFM RADIO, RANKING 9 and 8, (16:B:014), Endowment Development and Local Programming Enhancement Project respectively. DAVID PURVIANCE testified for the grant applications as set forth in EXHIBITS 7 and 8. MR. PURVIANCE also distributed a copy of Quarter Notes, EXHIBIT 9.

SEN. HIMSL (16:B:225) asked about the relationship between KUFM and the University of Montana. MR. PURVIANCE said that they had autonomy with regards to their programming, and that their overseeing board was the Board of Regents. DAVID WILSON, Director of Telecommunications at KUFM, stated that the license for the station was held by the University of Montana, which is answerable to the Board of Regents. Therefore, the University was held accountable for the station in the eyes of the Federal Government. MR. WILSON said that the station served two of the three main thrusts of the University (teaching, research and community service). He said that KUFM was involved in the teaching process and community service.

REP. THOFT (16:B:249) asked about the programming hours, the location of the station, and the sale of advertising. MR. PURVIANCE and MR. WILSON replied that it was a licensed 24 hour FM station, and that they could not sell advertising but could solicit sponsorship.

JIM JENSEN (16:B:268) testified as a private citizen from Helena with concerns regarding the conduct of KUFM that had occurred over the last two years. He said that the station was publicly funded and should therefore be responsive to the public it served. He recounted his and the Friends of KUFM's difficulties in getting a copy of the operating budget of the station. He suggested that boiler plate language be inserted in the bill, requiring that a budget be provided to the public and members of the legislature on a regular basis, and that the planning process for the station be open to the public.

REP. THOFT (16:B:325) asked if this was Mr. Jensen's way of saying that he wanted to influence programming. MR. JENSEN replied that it was his way of voicing concern about the level of

service for Helena and the public in general, and the ability of the public to have input. REP. THOFT stated that he had seen this happen. He said that people would make a contribution to an organization, and then want to have it programmed in their fashion. He said this would not necessarily happen and should not. He noted that a person should make a contribution and accept what the recipient was doing. MR. JENSEN said that he did not want to run the station, but that it was a question of accountability and KUFM's attitude towards its public.

MR. WILSON (16:B:372) from KUFM replied that he had presented a budget with sources of funding to the president of the Last Chance Public Radio organization, a group in Helena that had decided to translate the KUFM signal to Helena. He said that he had not heard from them since. MR. WILSON stated that the station had a broad constituency and attempted to work with them in good faith. He added that they conducted surveys and solicited feedback.

GEORGE OCHENSKI (17:A:284), Helena, relayed information relative to KUFM's request and the structure of KUFM radio. He stated that the Citizens' Committee had expressed a concern in the grant review process that the station needed to be more explicit about their fundraising plans and were relying on current staff to fund raise without the involvement of a volunteer Board of Directors to identify and contact prospects. MR. OCHENSKI said that he served on the Board of Directors of Last Chance Public Radio in Helena. He said that upon contacting KUFM last year for the budget and minutes of their meetings to determine how policy was set, LCPR was told that the Board of Regents served as KUFM's Board of Directors. MR. OCHENSKI stated that, in his view, this board was removed from the business of the radio station. MR. OCHENSKI suggested that here or in the full appropriations Committee, a mandate be attached to Public Radio that there be a public board of directors to oversee the station's operations. He stated that what he specifically did not like was how hard it was to get information from the management of KUFM. He also stated that he had a problem with the station's programming. MR. OCHENSKI stated that there ought to be a decision making body that listeners could go to with suggestions that would then be put up to a vote.

SEN. HIMSL (17:A:341) stated that this really was not Public Radio, but was University of Montana broadcasting. The station was part of the University, he said, and was originally established for instructional purposes in the School of Journalism. MR. OCHENSKI said that he disagreed, and that KUFM was a public radio station run on donated public money, in addition to the tax dollars supporting the University. He said that LCPR had a public board, which was missing for KUFM, except for the Board of Regents. He added that if the station was going to reach 300,000 people, it should have a Board of Directors for the people to talk with instead of just a station manager and a faculty advisor.

REP. THOFT stated that the University System supported the station in the amount of \$100,000 annually, an amount that the public didn't come close to matching. He said that the station was responsible to the Board of Regents through the President of the University. Thus he did not have much sympathy for the complaint. MR. OCHENSKI replied that the public had raised \$160,000 in 1988, and did come close to matching those costs.

UM SCHOOL OF FINE ARTS, RANKING 10, (16:B:403), Permanent Endowment for Professional Touring. JIM KRILEY, Dean of the University of Montana School of Fine Arts, spoke of the value of the challenge grant program, and stated that they now had \$400,000 in their endowment. He said that in this grant application, they had applied for \$100,000 more, to be matched with \$300,000. He said that the fund was a positive incentive for potential contributors.

DR. KRILEY spoke of their primary objective, the outreach and service to the cultural resource in the state and the western region of the United States that the performing programs provided. He said that their professional performing programs would benefit by \$15,000- \$20,000 per year from the present endowment. He added that for every \$100,000 they raised, the spendable yield would be 5%, a rate of yield that had not lived up to the promises that were anticipated by all 4 years ago. He said that the endowment benefits would not be sufficient to sustain base operational budgets. Consequently, professional touring efforts were failing, and a need was developing for support for continued on-going programming. He said that the fear was that 20 years down the road, there would be great endowments without the organizations in place. Despite this note of pessimism, DR. KRILEY said that he did seek the committee's support for this challenge grant, since it enabled them to approach a wider range of potential donors.

SEN. MCLANE (16:B:525) asked what the program received during the past session, and DR. KRILEY said that they received \$60,000, which was matched with \$180,000.

SEN HIMSL asked about this use for the Coal Tax monies, the granting of money to raise additional monies, rather than to do cultural and arts projects. DR. KRILEY stated that the state would give \$60,000, but in order for the recipient to retain this money and to use the interest, the recipient would have to raise the \$180,000. He said that this interest would ultimately be used to support future outreach projects. He added that 50% of the interest was reinvested, while 50% was used for the programs. DR. KRILEY added that this grant of money, as partial match for other grants, would leverage additional money.

REP. THOFT suggested that the Montana Arts Council give a brief overview of the concept of Challenge Grants, stating that there were good reasons for this type of grant.

MONTANA COMMUNITY FOUNDATION, RANKING 11, (17:A:000), Establishment of an Arts and Cultural Fund. STEVE BROWNING, Secretary Treasurer for the Montana Community Foundation, described the history and background of the Montana Community Foundation (MCF) as well as its mission, and the specific application. See EXHIBIT 10. MCF was one year old, the product of a four year effort to establish a permanent and enduring foundation for the state. He said research indicated that the growth of these foundations was dependent upon the development of a minimum mass of funds available for philanthropic use, and that this minimum mass had been determined to be \$5,000,000.

The Montana Community Foundation planned to develop a foundation of \$5,500,000, with finely detailed designated funds and undesignated or field of interest funds. Having received challenge grants in the amount of \$2,000,000, MCF needed to raise \$3,500,000 by 1991. The grant application before the committee was to establish arts and cultural field of interest fund.

MR. BROWNING said that MCF was composed of volunteers with a Board of Directors representing all parts of the state. MR. BROWNING read the mission statement for the foundation, stating that MCF was a steward through which private assets entrusted to the foundation by donors were invested to meet the challenges of contemporary life. The board was committed to meeting the intent of their donors while maintaining its integrity and responsiveness as a community foundation. MCF sought to protect and enhance the unique resources of Montana, its people, and their needs; its diversity of culture; its richness of artistic creation and appreciation; and the beauty and quality of its land, air and water so that these resources could be enjoyed now and in the future. The mission statement continued.

SEN. MCLANE (17:A:103) asked a series of questions about the size of the foundation, the number of field of interest funds, and their uses. MR. BROWNING answered these questions, stating that the foundation would not supplant the activities of the committee or the Montana Arts Council. Only emergency infrastructure needs would be supported by these monies, needs that were not met by government.

REP. THOFT asked for clarification of the amount of money in the foundation at this time, and the administrative costs. MR. BROWNING said that the amount at present was slightly in excess of \$500,000, with an additional \$300,000 from the Billings Community Foundation. Regarding the administrative costs, MR. BROWNING said that they were detailed in the grant application, and were probably in the area of \$150,000 a year.

REP. THOFT expressed concern about the possible duplication of effort with MAC's activities. MR. NELSON said that the advantage of the Montana Community Foundation was the economy of scale with regards to assets, and the considerable savings in overhead. He added that overhead costs would be high initially due to start up costs, but that three years out, one would see these savings.

MR. NELSON said that this would not replace anyone or any other fund, but would provide more options for potential donors and leveraging of additional monies.

SEN. HIMSL (17:A:242) asked if MCF was not just a Super United Way, and if contributors could designate where their donation would go. MR. BROWNING replied that United Way was funded out of contributions from living people, while MCF would be funded by estates. He said that a community foundation would be compatible with local charities.

HUNTLEY PROJECT MUSEUM, RANKING 69, (17:A:397), Marketing of Endowment and Endowment Expansion Funds. MR. PRATT, MAC, said that the applicants had submitted testimony on grant applications 278A and 278B to the committee, EXHIBITS 11 and 12, and were unable to attend because of the cost of the travel.

ADJOURNMENT

Adjournment At: 10:15 a.m.



REP. CONNELLY, Chairperson

MEC/cm

2025.min

Long Range Planning

DATE _____

1-24-89

Form CS-30A
Rev. 1985

HAYNES FINE ARTS GALLERY

OPERATIONAL SUPPORT

CITY: BOZEMAN

GRANT CATEGORY: OPERATIONAL SUPPORT

PROJECT CATEGORY: ART

PEOPLE TO BENEFIT: 20,000

RANK: 89

APPLICATION NUMBER: 313

TOTAL EXPENSES:	86,670
EARNED INCOME:	0
PRIVATE REVENUE:	9,000
FEDERAL SUPPORT:	8,000
STATE SUPPORT:	3,000
CITY/COUNTY SUPPORT:	0
APPLICANT CASH:	26,100
TOTAL CASH REVENUE:	46,100
TOTAL IN-KIND CONTRIB.	22,470
TOTAL REVENUE:	68,570
GRANT REQUEST:	18,100
AMOUNT RECOMMENDED:	0

HISTORY DATA

YEAR	PROJECT	REQUESTED	GRANTED
1984/85	PERM COLLECITON TRAVEL	25,378	0
1986/87	A MONTANA COLLECTION: A PUBLIC TRUST	34,200	29,890
TOTAL AMOUNT GRANTED			29,890

PROJECT DESCRIPTION:

The Haynes Fine Arts Gallery is part of the MSU School of Art, a NASAD (National Association of Schools of Art and Design) accredited professional school. The Director of the School of Art appoints the Gallery Director, who is responsible for all curatorial activities, including: 1) planning the annual exhibition schedule; 2) the organizing and installation of all exhibitions; 3) the development of traveling exhibitions; 4) supervising students assistants; and 5) maintaining the gallery and its equipment. The Gallery Director functions as the chairman of the faculty's Special Events Committee and organizes and implements an annual visiting artist series for the School of Art. Another responsibility of the Gallery Director is as curator of the Permanent Collection of some 1,000 artifacts, including their care and maintenance and processing of loans to campus and state offices.

COMMITTEE RECOMMENDATIONS:

While recognizing the quality of the gallery's program and the recent effort it has made to outreach to the state, the Committee was reluctant to set a precedent of funding operational support for a gallery which is the responsibility of Montana State University. The Committee was concerned the gallery previously had a full-time director and over the past few years this commitment has been continually cutback. The request was ranked very low and funding not recommended.

EXP. DATE 2A
DATE 1-24-89
HB Cutland & Cretaceous
Grand Canyon 313.

DATE 1-24-89
HB Cecilia
313

R I T I C A L • I M A G E

Exploration of Political and Social Commentary in the Visual Arts

BARBARA KRUGER

October 3
Conceptual Art

DUGALD STERMER

October 20
Graphic Design

NED CARTLEDGE

November 17
Relief Sculpture

TILLY WOODWARD

January 19
Painting/Drawing

DAVID DUNLAP

February 15
Drawing/Environments

JEFF SCHLANGER

April 27
Ceramic Sculpture

Exhibit 2B

1/24/89

C: A Grants

#313



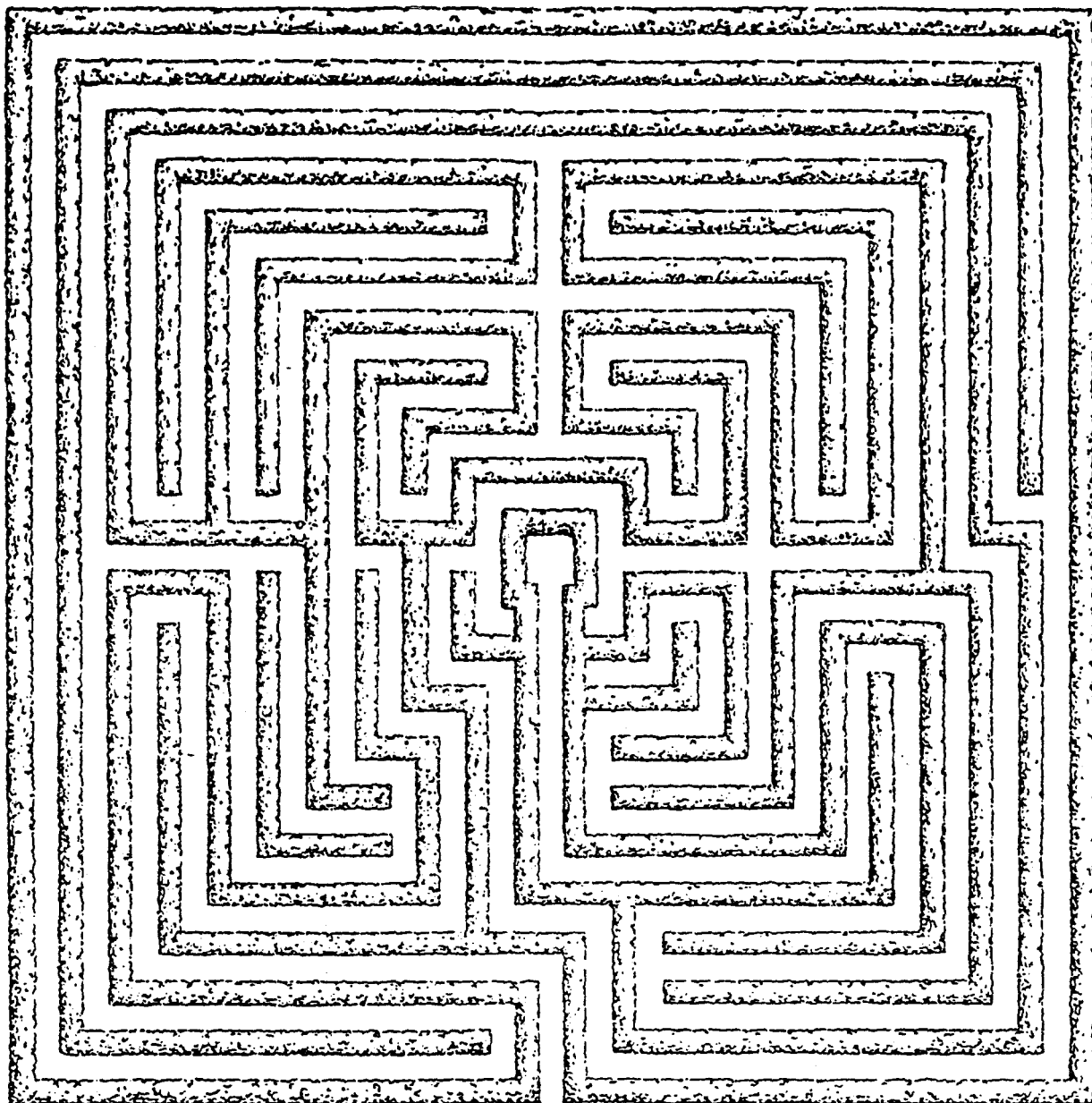
Environments Created & Related: In Pursuit of Subject Matter

Exhibit 2C

1/24/89

C & A Grants

#313



Gary Griffin - metalsmith

November 12 Department Head of metalsmithing
Academy of Art • NEA I

Pat Gorman - graphic design

February 4 Co-partner of Manhattan School of Art

HAYNES FINE ARTS GALLERY
1988-89 Exhibition Schedule

July 11 - August 5:
Montana Public Educators Exhibition

September 12 - October 14:
Paintings by Robert Smith

October 17 - November 11:
MSU Photography Faculty Exhibition

November 14 - December 16:
American Institute of Graphic Artists Portrait Exhibition

January 2 - January 19:
Prized Works: Art Collected by the Faculty of the School of
Art

January 23 - February 24:
Annual Faculty Exhibition

February 27 - March 17:
Annual Graduate Student Show

March 27 - April 21:
McKeeby Print Exhibition

April 24 - May 12:
Annual Juried Undergraduate Show

May 15 - June 15:
Graduate Student Thesis Shows

June 19 - July 14:
Paintings by F. E. Marshall

Exhibits 3B : 3C

1/24/89

C : A Grants

#313

Exhibit 3B is a collection of 5 photographs of artwork from the Haynes Fine Arts Gallery.

Exhibit 3C has 3 pamphlets about artwork from MSU School of Fine Art's permanent collection.

These exhibits can be seen at the Historical Society.



Montana State University
Bozeman, Montana 59717-0001

Department of Media and Theatre Arts

Motion Pictures/Video • Photography • Theatre
College of Arts and Architecture

EXHIBIT 4
DATE 1-24-89
HB C + 2 grants 271

Telephone (406) 994-2484

January 23, 1989

TO: Long Range Planning Committee

FR: Joel Jahnke, Producer/Artistic Director, Shakespeare in the Parks

RE: Prepared Statement to provide testimony in support of Cultural and Aesthetic
Project Grants #0271 and #0272

Madam Chairman, members of the committee, for the record, my name is Joel Jahnke. I am Producer/Artistic Director of Montana State University's Shakespeare in the Parks Company in Bozeman. In the interests of convenience and cost efficiency, I have requested to testify on behalf of both of our grant proposals at the same time even though we were scheduled for two different days. I would like to express my appreciation to the legislature for this opportunity to testify and more importantly for the continued support of the entire Cultural and Aesthetic Grant concept. In my opinion, there has not been any more single positive contribution made to the Arts in Montana than the creation of this important funding source and its positive, long range effects for all Montanans has been immeasurable.

My first testimony is provided on behalf of Grant #0271 submitted by Shakespeare in the Parks for a challenge grant for endowment development. We are flattered by the advisory committee's number one ranking and positive comments of our proposal and are in agreement with their recommendation for full funding. We take pride in our successful match of our previous challenge grant and based on our experience, feel that this grant amount is manageable and can realistically expect a complete three to one match during the grant period. Although this endowment does not eliminate our need for outside funding assistance, it does provide us with some stability and steadily carries us toward our ultimate goal of becoming more self-sufficient.

Secondly, I am testifying on behalf of grant #0272 submitted by Shakespeare in the Parks for operational support. On the advice of the Montana Arts Council and in anticipation of an increased number of quality proposals for a limited level of funding, we were very careful not to request any increase in our operational support grant. Over time, we have come to rely heavily on the Cultural & Aesthetic grant as a stable funding source for our organization. We feel that we are a perfectly appropriate recipient of these grants because we have continued to offer quality live theatre to all the people of Montana at an affordable cost. I have attached a map of our performance sites for the last ten years which clearly indicates that our productions have consistently been made available to the entire population. We were, therefore, disappointed to learn that we had been recommended for a decrease in funding of \$10,000.00 over the next two years. It would be less than honest if I were to say that this decrease will not represent a hardship for Shakespeare in the Parks. Our

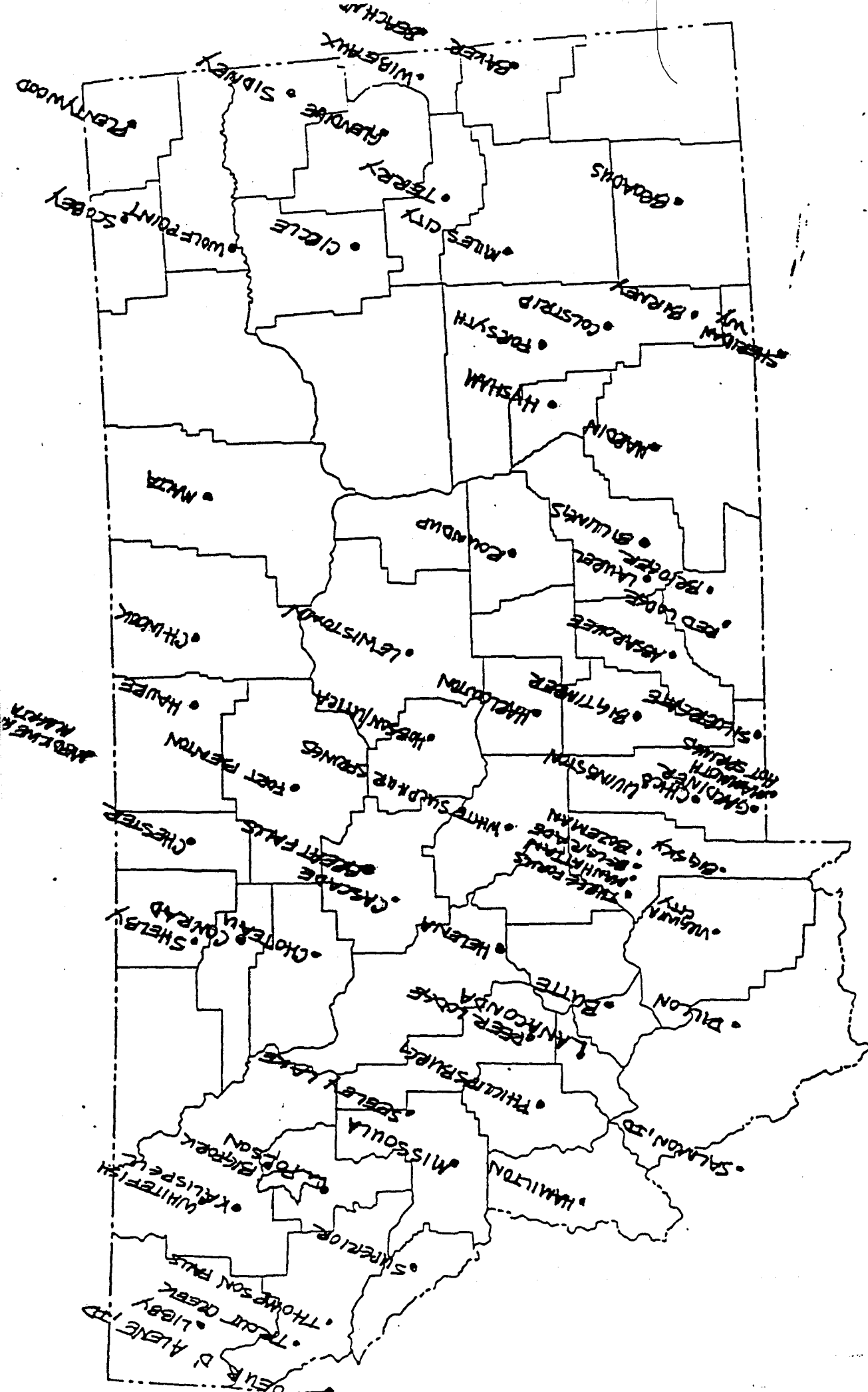
Long Range Planning Committee
Page Two
January 23, 1989

budgets are far from extravagant, the competition for funding from other sources continues to escalate and we will hopefully be involved in a fundraising campaign to match our endowment challenge grant. However, we are understanding of the situation faced by the Advisory Committee in making its recommendations and feel that they have faced the problem equitably and fairly. Their philosophy of asking all organizations requesting operational support to share the burden of decreased funding more or less equally is commendable and if it is adhered to for the entire funding process, we are inclined to accept the Advisory Committee's recommendation of \$30,000.00 for our operational support grant. On behalf of Shakespeare in the Parks, I thank you for your consideration of this testimony.

JJ/jcf

PERFORMANCE SITES

Score of 11100



5 A
1-24-89
C. A. Grant
325



RACING WEST

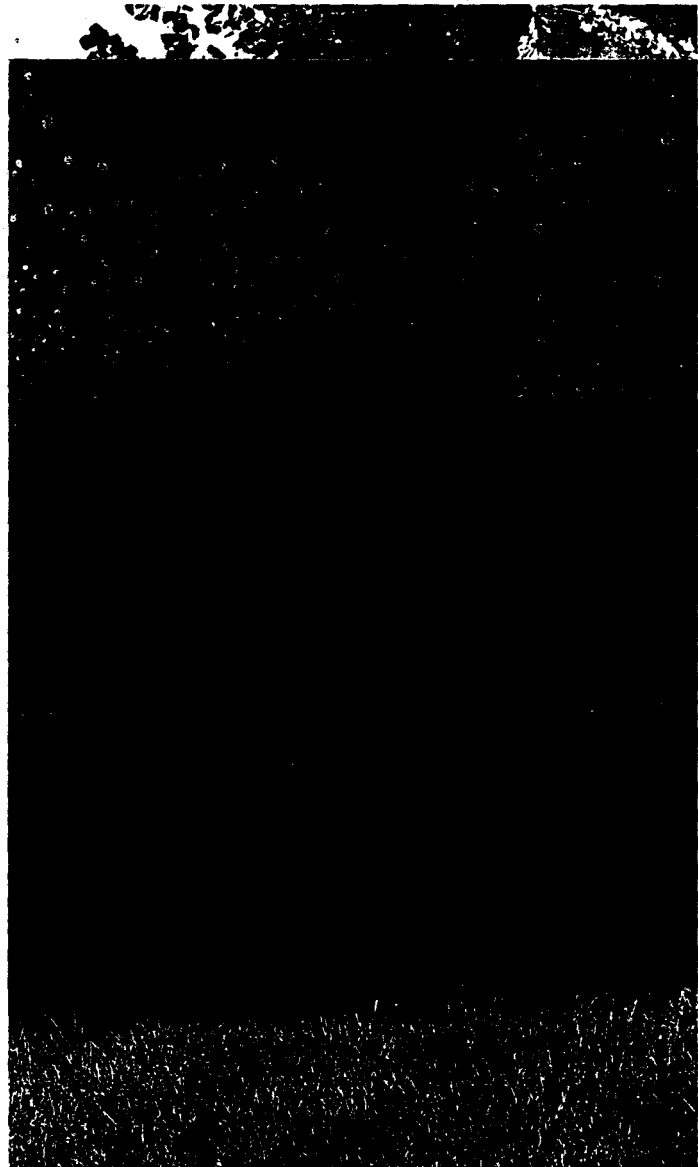
November 4—December 31, 1988

Presented by the Foundation for the Yellowstone Art Center

YELLOWSTONE ART CENTER

EXHIBIT 5B
DATE 1-24-89
HB C. A. Geste
325

More than
a museum



YELLOWSTONE ART CENTER

401 North 27th Street Billings, Montana 59101 (406) 255-6904

5C
1-24-89
C & A Grants
325

EXHIBIT 5C
DATE 1-24-89
HB Cultural
*Utah Indians
State House*



YELLOWSTONE ART CENTER

FACING WEST: THREE REGIONAL COLLECTIONS OF WESTERN ART
MONTANA WORKS ON PAPER
ORAH MOORE: STEWARDS OF THE LAND

NOVEMBER / DECEMBER 1988

6A
1-24-89
C & A Grant 288

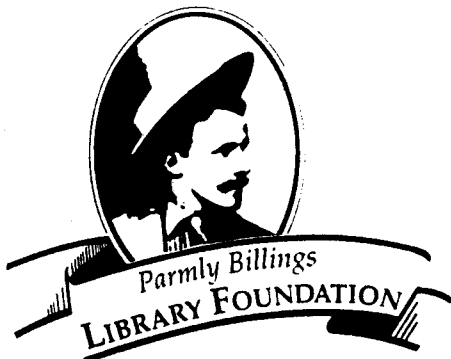
**READ
BETWEEN
THE LINES**

Parmly Billings
LIBRARY FOUNDATION

EXHIBIT 6B
DATE 1-24-89
HB C. A. Gustaf 288

OW
TO MAKE
A WILL
THAT WORKS

YOUR GUIDE
TO EFFECTIVE
GIVING
IN 1988



510 North Broadway
Billings, Montana 59101
406 657-8292



PARMLY BILLINGS LIBRARY
Headquarters — South Central Federation of Libraries

**Parmly Billings Library
Foundation, Inc.**
c/o Parmly Billings Library
510 N. Broadway
Billings, Montana 59101
(406) 657-8292

EXHIBIT 7
DATE 1-24-89
HB Cxa Grants
304,305

ENDOWMENT DEVELOPMENT PROJECT

Madam Chair, Senator Hemsil, Rep. Bardenow, Rep. Thoth, Rep. Manning, for the record, my name is David Purviance. I am the Development Director of KUFM in Missoula. I am testifying on behalf of two grants today. I will speak first on behalf of grant number 0305, Endowment Development.

Montana Public Radio, composed of sister stations KUFM in Missoula and KGPR in Great Falls, has been in existence for 24 years. Initially, KUFM was started as a student training facility within the University of Montana's School of Journalism. A raise in power in 1973 necessitated moving the transmitter to a mountaintop location on the outskirts of Missoula. This move effectively created a community station rather than a strictly campus facility. In the succeeding years KUFM has continued to move in the direction of serving a larger and larger portion of Montana's population.

Today, Montana Public Radio, with transmitters in Missoula and Great Falls, and translators in Helena, Butte, White Sulphur Springs and Swan Lake, serves an area containing an estimated 40 percent of the population of Montana, or 300,000 people.

The enclosed area within the red line defines our normal listening area. This is an area larger than fourteen of the states in the union. The blue dots represent some of the 130 communities from which we received calls during our last fundraiser. So we know that we have listeners in at least 130 Montana communities. As you see, due to geographical quirks, some communities outside our normal listening area are able to pick up our signal. In the future we hope to improve our reception in the Flathead Valley and along the Hi Line with the addition of transmitters near Whitefish and near Havre.

Letters and comments we receive from our listeners tell us that KUFM and KGPR are extremely important to them. We are the only radio source in Western and Central Montana for symphony orchestra broadcasts, opera, jazz, blues and folk programming, children's programs and extensive local and national news coverage. Local authors and musicians are often broadcast live on our airwaves. For some of these artists this is their only opportunity to perform before a regional audience. For many of our listeners, particularly those in remote communities, listening to KUFM/KGPR affords them the only opportunity they will have to hear these performers, or indeed, to hear much of the type of music we provide. We have had listeners from the northwest corner of the state tell us that we are their only available source of news during the winter months.

As a listener-supported station, Montana Public Radio relies on annual pledge contributions for approximately one-third of its operating income. We have a strong base of listener support which has steadily increased year after year. This past year our listeners pledged \$160,000 toward station support. However, we feel that under current economic conditions we may have reached a plateau in listener giving. Unfortunately, the same cannot be said for expenses, especially those involving purchases of nationally-produced programs from National Public Radio and American Public Radio. To help us meet future budget needs that may eclipse the revenue we receive from our listeners, we feel it is prudent to set up an endowment.

An endowment will insure stability in our service no matter whether our donor income dips, or state or federal monies drop.

Montana Public Radio will initiate an endowment campaign that will raise \$400,000 to be set aside as an endowment principal. The Cultural and Aesthetic Arts Advisory Committee has recommended that we receive \$25,000 toward this endowment goal. We would be very grateful to receive this amount.

Can we successfully make our goal? And, perhaps more important to this committee, can we make a 3-to-1 match in two years time? Yes, we are confident that we can.

Our confidence is rooted in a knowledge of who our listeners are. We know from a recent survey that our listenership is mature. 75 percent are over age 30. And we know that our listeners are in their peak earning years. Forty-six percent earn \$20,000 or more a year. We know also that public radio is important to them. Our listeners tune in an average of 26 hours a week. And they have been listening to Montana Public Radio for an average of eight years.

What these statistics tell us is that Montanans who listen to public radio are extremely loyal and, because of their maturity and financial situation, many of them are probably in a position to make a contribution toward an endowment.

We will use a Coal Tax grant both as a challenge for our listeners, and as a matching incentive for additional foundation grants. The Advisory Committee has recommended that we enlist a volunteer board of directors to assist in identifying and contacting prospective contributors. We think this is very sound advice and plan to establish an advisory board prior to launching our endowment campaign.

As a media organization, Montana Public Radio has an obvious built-in advantage in publicizing our endowment campaign. In addition to reaching Montanans with our broadcasting capability, we produce a program guide called "Quarter Notes" which is mailed to our 5,000+ donors four times a year. We will use both of these sources as well as newspaper announcements and special mailings to our donors to inform our listeners of the endowment project.

A Coal Tax grant would be a tremendous boost to our endowment plans. We appreciate your consideration of our request.

LOCAL PROGRAMMING ENHANCEMENT PROJECT

I would like to take the opportunity now to testify on behalf of a second grant proposal that is before you, grant number 304, Local Programming Enhancement Project.

Perhaps because our programming tries to be so much to so many, our original proposal was as broad as our varied programming format. The Advisory Committee has suggested that our proposal is too broad and would narrow its recommendation for funding to the fifth component of the proposal. That component involves improvement in the quality of our musical programming through the purchase of new compact disks.

Since the beginning of recorded sound earlier in this century, the technology for sound reproduction has remained essentially the same. You take a smooth plastic surface and scrape a sharp instrument across that surface.

The phonograph record has been the single most important tool of radio stations since the early 1950s. For the past forty years very little has changed about phonograph records. Certainly, we have seen shifts from LPs to 45 rpm and 33 1/3 rpm records, but the essential technology remained the same. And so did the one essential flaw. Records get scratched. Nothing is more irritating than a favorite piece of music that suddenly repeats the same refrain over and over. If you have a record collection, I suggest you hang on to them because they're about to become antiques.

Meet the new sound recording device of the future, the compact disk, often referred to as a "CD." This is the first real innovation in this field in 40 or 50 years and it's sweeping the land. Every radio station in the country is switching over to compact disks. What's the big deal with CDs? They carry a much better quality of sound and are virtually indestructible.

Let me briefly explain this new technology. When music is recorded on a CD, 44,000 times a second the music is sampled and turned into a digital symbol, a 0 or a 1, much like a computer. And tiny little pits or holes are made in the disk, 44,000 each second. For each second of music that we hear on a compact disk then, there is an opportunity for us to hear 44,000 different nuances within the music. Obviously this gives us an incredibly improved sound quality and one that lends itself especially to classical music performances with its involved instrumentation. Compact disks have other uses as well. For instance, it would be possible to store an entire encyclopedia set on one disk.

In addition to improved sound quality, the compact disk is nearly indestructible because when it is played there is no physical contact with the disk. The sound on a disk is read by a laser which never touches the disk. This is an incredible advancement in sound technology and you can see why radio stations are switching over to compact disks.

In fact, it is becoming more and more difficult to purchase record albums of many artists. They are available only on CD. Many of the old masterpieces, long stored in the vaults of CBS, Phillips and other recording companies are now being re-mastered and released on compact disks.

In the music library of KUFM we have approximately 15,000 record albums. Many are ten or fifteen years old and their quality is diminishing. By contrast, we have only 100 compact disks in our library. Many of these were free copies sent to us by record companies and are not necessarily the music our listeners wish to hear.

If we are granted the recommended \$10,000 for purchase of compact disks we will be able to add approximately 1,200 CDs to our library. This will be a tremendous improvement in the quality of our musical broadcasts and one that will certainly be appreciated by our listeners. We hope you will see fit to grant us this amount to enable Montana Public Radio to keep pace with this innovation in broadcasting.

I would like to direct your attention to the Project Description paragraph of this grant proposal. Toward the bottom of that paragraph you will see a number 3 followed by the sentence "remote recording of concerts, storytellers, and events of interest to children for broadcast during our children's programming."

If it please the committee I would like to request partial funding for this very worthwhile project even though it was eliminated in the advisory committee's recommendations.

Montana has the distinction of being home to the longest running children's program on public radio. For 14 years, KUFM has carried the "Pea-Green Boat" every afternoon and the expanded program, "The Children's Corner," every Saturday morning. Today, out of 330 public radio stations in the country, not one carries as much children's programming as does Montana Public Radio. We broadcast 468 hours per year. A great deal of the emphasis on these programs deals with books, storytelling and music of interest to children. It's a wonderful opportunity for children to exercise their imagination.

It is particularly important that we not forget our children when we discuss providing cultural opportunities to Montanans.

Because of the size of our state, Montana's musical and expressive artists have limited opportunities to present their talents to the public. Conversely, many of our residents, particularly those in rural areas, have little opportunity to benefit from the musical and cultural offerings of our artists. There are really only two ways to make the arts available to a large portion of our population. An artist or performing group can either tour or it can have its performance broadcast. Montana Public Radio has been providing the latter service to residents of this state for 24 years. Listeners in at least 130 communities have the opportunity to hear musical and literary offerings that they would not otherwise hear.

Over the past week you have heard from several organizations that plan to make an aspect of our culture and arts available to children. I am encouraged that we see this concern for our youth. But in a state our size it is impossible to reach all the children. Even touring around the state is not going to reach every community. But through public radio there is an opportunity to reach a substantial portion of our youth.

The host of our children's programs, Marcia Dunn, often records programs of interest to children that are performed in Missoula and broadcasts these during her program. But there are many performances of musicians, storytellers, authors, etc that occur in other areas of the state.

In order to enhance the wonderful work that such organizations as the Cascade Quartet and Young Audiences of Western Montana are doing with children, we respectfully request that the committee consider a grant of \$5,000 to allow recording, travel and salary expenses for our children's program host to travel to other areas of the state to record programs of interest to all children. In this way the efforts of other organizations which are seeking to bring the arts to our children can be multiplied a hundredfold. It should be noted also that funds which Montana Public Radio raises within the state are eligible for federal matching at a 3-to-1 ratio.

What we propose is the tape recording for later broadcast, of such things as storytelling programs at libraries, talking tours of our museums, and visiting artists who perform for schools. The symphony orchestras in Missoula and Great Falls occasionally have special performances for children. There is the possibility of recording Native American music or stories during their pow-wows. Schools sometimes compile oral histories of their students as a class project. National Park naturalists give special programs for children at many of our historical and natural places. There are many cultural offerings available in towns here and there throughout the state. We would like to make them available to the widest audience possible.

Thank you for your consideration of our request.

Quarter Notes

WINTER 1989

KUFM
MISSOULA
91.5 FM MISSOULA
89.1
Serves Rattlesnake Valley
and North Missoula

KGPR
GREAT FALLS
89.9

91.7 and 107.1 FM
HELENA
99.3 FM
BUTTE
98.3 FM
WHITE SULPHUR SPRINGS
91.1 FM
SWAN LAKE/BIGFORK

Candidates for Governor Answer Listeners' Questions

Just five nights before the general election in November, people from across Montana were invited to call in questions to the three candidates for Governor. It was the first time such a state-wide call-in was organized in Montana. The event was coordinated by Sally Mauk and Selena Schopfer of the KUFM news department, in conjunction with KEMC (Yellowstone Public Radio) in Billings.

Over 60 listeners called in questions to the KUFM studios during the two-hour program, but because of time limitations only 20 actually got on the air to question the candidates. But those calls covered quite a geographic area; Great Falls, Billings, Bozeman, Missoula, Helena, Boulder, Miles City, Stevensville, and many other towns were represented. Republican Stan Stephens, Democrat Tom Judge,

and Libertarian candidate William Dee Morris answered questions ranging from funding for day care to prison overcrowding.

We are very happy with the

results of the program, and hope to join forces with Yellowstone Public Radio again to provide a state-wide network for listener-participation public affairs programming.



Photo by
Michael
Gallacher/
Missoulian

Tom Judge (left) and Stan Stephens listen as a caller asks the candidates a question.

New Programs on Montana Public Radio

- Monday: 2:05 p.m. CHICAGO'S MUSIC OF THE BAROQUE IN CONCERT — This group has become known as the preeminent presenter of Baroque works.
- Tuesday: 7:30 p.m. L.A. PHILHARMONIC — The most listened-to orchestra on public radio returns to KUFM/KGPR.
- 10 p.m. N.P.R. PLAYHOUSE: "MADAME BOVARY" — This is a gripping tale of love and seduction, betrayal and death. (Starts Feb. 14)
- Wednesday: 1:05 p.m. MOZART'S HORN — Proving that good radio can be both interesting and informative, as well as entertaining. (Jan. 4-25)
- MUSIC OF HISPANO-AMERICA — The music of South and Central America, and Mexico. (Feb. 1-Mar. 8)
- THE CLEVELAND OCTET — This series features a number of attractive and unusual works for small ensemble. (Mar. 15-29)
- Saturday: 7:30 p.m. THISTLE AND SHAMROCK — Celtic music moves to Saturday evenings.

10

1-24-89

C. A. Grant

354

The MONTANA
COMMUNITY
FOUNDATION

Huntley Project Museum of Irrigated Agriculture

JAN 18 1989

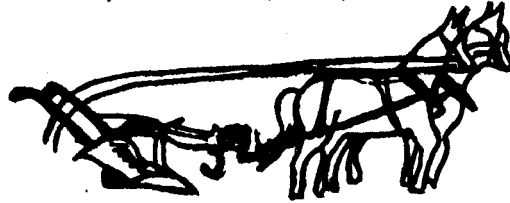


EXHIBIT 11
DATE 1-24-89
HB C+A Grants
278A

Ballantine, Mont.
Jan. 15, 1989

Mr. Wm. (Bill) Pratt:

We are unable to get to Helena at this time, would you please hand this inclosed letter of testimony to the chairman of the long range planning committee, of the legislature, the morning of thursday jan. 19, 1989

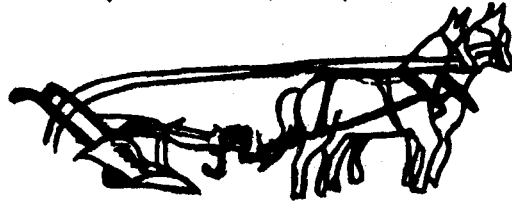
Yours truly, Huntley Project Museum.

By, Chas. A. Banderob
Chas.A.Banderob. coordinator

We plan to try to get to the hearing on grant no. 278B Jan. 24,

Huntley Project Museum of Irrigated Agriculture

278A



EXHIBIT

11

DATE

1-24-89

HB

C+A Grants

278A

Ballantine, Mont.
Jan. 15, 1989

To: The Long Range Planning Committee of the 51st. Montana Legislature.

Subject: Grant Application Number 278A.

Your Honor The Chairman and Members of the Committee:

For the record, my Name is Charles A. Banderob, of Ballantine, Montana. I am coordinator of The Huntley Project Museum inc., which is located on the Townsite, of the early day Town of Osborn, on the Huntley Irrigation Project.

I am testifying relative to a special project grant, This is a grant to assist us in the solisiting of contributions to our endowment fund the marketing of our endowment.

While the amount requested, \$440.00 is a very small amount, we feel that it is an amount which will provide the funds that we can team up with our community input, which will move our endowment much faster along on its way. We already have a beginning sum placed into our endowment. With additional contributions comming in to it through out the year.

We are also applying to The Cultural and Aesthetic Grant Funds, for an Endowment fund challenge grant.

We intend to do considerable more than what these funds indicate.

While the figures are not finalized for this past years activity and operation of the museum. They at this point indicate that we had over \$10,000.00 hard cash income and over \$14,000.00 in community input.

The Huntley Project Museum is entering its 17th. year of activity. The plant consists of eleven acres of area, 21 buildings, and over 3,500 display items.

We would have preferred to present this testimony in person, but due to money constraints are unable to do so. However when the hearing is held on our grant application no. 278B, set for Jan. 24, we will try and be there in person. To answer any questions.

Thank you for this prävilege.

Signed Huntley Project Museum
By Charles A. Banderob. Coordinator.

Huntley Project Museum of Irrigated Agriculture

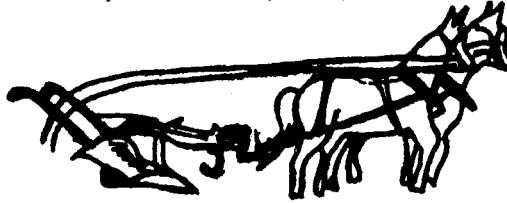


EXHIBIT 12
DATE 1-25-89
HB Ex Agents
278B

TESTIMONY, No. 278B, Application 278B. Ballantine, Mont.
Jan. 22, 1989

TO: The Long Range Planning Committee. Room 317,
Capitol Building, Helena, Montana.

For Hearing Jan. 24, 1989

Your Honor The Chairman: For the record I am Charles A. Banderob of Ballantine, Montana, I am the coordinator for The Huntley Project Museum, which is located 4 miles east of Huntley, Montana on the Osborn Public Park, just off U.S. 10.

We had planned to appear before you in person today. However due to the change in weather and the roads we chose not to undertake the drive. We are sorry.

This testimony is relative to our application for an Endowment Challenge Grant No. 278B, in the amount of \$1,000.00

We feel it is much better to undertake a grant of this size and accomplish it, than to undertake a larger grant and fail to develop it. We feel that it would be better to be able to raise more funds than what is required than to attempt a larger figure and fail to raise the amount. You might say that this will be a trial run.

Our records show that for the calendar year of 1988 we had cash receipts of \$13,214.35 that we paid out \$16,141.80 reaching into our carry over from previous years. In addition we have \$1,600.00 in our endowment account.

The community input in kind for the year is \$15,154.24

We restored 250 historic items for display, and preservation.

We had visitors from 4 Foreign countries, 2 Canadian Provinces, 24 states and Washington D.C., and from 27 counties of Montana.

We have no outstanding debts.

We sincerely trust that this committee will give their full approval for funding of these two grants, no. 278A and 278B.

We here with extend an invitation to all the folks in the room to come and visit The Huntley Project Museum.

We thank you for this privilege to present this testimony.

Yours Truly, *Charles A. Banderob*
Charles A. Banderob, coordinator

VISITORS' REGISTER

Long Range Plan COMMITTEE

BILL NO. _____

DATE

1-24-89

SPONSOR

A & A Grants

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Donna Forbes	Billings		
Debbie Schlegel	Helena	✓	
Joe Janke	BOZEMAN	✓	
Bruce S. Elli	Billings	✓	
WILLEM VOLKERSZ	BOZEMAN	✓	
DIANE CROSS	Billings	✓	
Annie Malina	Helena	✓	
Mavis Thompson	Boz	✓	
Jean R. Anderson	Billings	✓	
Richard Miller	Helena	✓	
Steve Browning	Helena	✓	
DAVID PURVIANLE	Missoula	✓	
GEORGE OCHENSKI	HELENA	✓	
Gloria Hermanon	MT Cultural Economy	✓	

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.