

EXHIBIT ~~10~~ 12
DATE 3-2-05
HB 417

Memorandum

To: Representative Monica Lindeen
CC: Robbie Carpenter, Melody Dobson, Clint Blackwood
Great Falls Delegation
From: Peggy Bourne
Date: 3/1/2005
Re: Testimony regarding HB417 and its impact on Explore! The Big Sky

First of all I would like to express our sincere appreciation to you for sponsoring this bill. Your work and understanding regarding these projects is encouraging and we are proud to work with you and provide you with the information you may need as we enter the next phase of this bill.

This intent of this memo is to provide you with information regarding the impact this bill will have on the success of our Nation's next National Lewis and Clark Bicentennial Signature Event- Explore! The Big Sky. As you know, Montana was selected to host two of the fifteen national Lewis and Clark Signature Events. The definition used by the National Council for the Lewis and Clark Bicentennial when weighing the many signature events proposals was: **A signature event is:** *A highly focused event capable of an extraordinary level of public awareness and (inter)national attention by virtue of its geography, historical significance, national media coverage and the capacity of the involved parties to develop funding and implement a strong, focused program of national stature.*

Financial Impact: Planners for Explore! The Big Sky worked hard over the past three years to live up to the spirit and intent of this definition. As we draw within three months of the event, the financial status of it is marginal. There are four financial variables that, if they don't come in at the levels we need them to, will force us to scale back the event – one with national significance – to one that is more local in nature. This would be tragic as not only have we marketed this event on a national and international scale, but so has Travel Montana and the National Council of the Lewis and Clark Bicentennial.

Please allow me to explain the financial variables. The overall budget can be summarized as follows:

Revenue	
Cash Received (including Grants/donations)	\$ 462,000
*Additional Grants (apps completed awaiting word)	\$ 332,500
*Additional Sponsors Needed	\$ 200,000
In-Kind	\$ 127,547

Participation Fees	\$ 165,000
Merchandising	\$ 25,000
*2000 for \$200	\$ 75,000
*Ticket Sales	\$1,409,977
Total	\$2,796,024

Expenses:

Admin	\$ 941,122
Tribal (Games, Art Market, Coolidge Concert, Encampments, Powwow)	\$ 644,317
Museum Exhibits	\$ 264,578
Academia Lectures	\$ 156,416
Musical Opportunities	\$ 287,793
Community Celebrations	\$ 315,298
Reenactments	\$ 15,380
Tours	\$ 80,687
VIP Events	\$ 86,487
Total:	\$2,796,024

Those revenue items marked with an asterisk represent the financial variables. If we are not successful in bringing in this revenue, then we will have to reduce the event budget by over \$500,000 (\$507,500 to be exact). This reduction equates to approximately 33 percent of the event budget. The impact with a forced reduction of this nature would reduce this event from one of a national stature to one that would be more local in character.

Let's examine this impact more thoroughly – what exactly does it mean?

- The traditional games will be reduced from a competition to a demonstration.
- Instead of 50 national speakers at the Symposium, we'll reduce it to primarily regional based speakers. Currently, Billy Mills and Ben Nighthorse Campbell are slated to speak along with many national speakers.
- The encampment representing all Montana Tribes will be reduced from 30 – 40 lodges to 8 lodges.
- The shuttle buses to transport our guests to the events will be reduced resulting in longer lines and missed events.
- The community celebrations (buffalo feasts, parades and fireworks) will be scaled back. For example: instead of an Olympic type fireworks display, it'll remain the same community type display we've had in years past.

NOTE: The admin budget could not be reduced much as most of it (\$500,000) has been spent on marketing.

Credibility: I've personally been interviewed by LA Times Traveler, NY Times Traveler, SkyWest Magazine, Horizon/Alaska Airline Magazine, and Newsweek Magazine (article to appear in March 2005) who have (or will) run articles promoting Explore! The Big Sky. People are expecting an event of a national caliber. If we are forced to reduce our budget by

33 percent, Montana's credibility is on the line. We've been marketing an event and promising certain activities that may have to be eliminated if the finances don't materialize.

Importance of Partnering: HB417 gives Explore! The Big Sky a leg-up on event planning. While we would continue to work on sponsorships and fundraising, we would also be able to focus most of our energies on the successful execution of hosting a national event. Currently, our time is spent fundraising rather than event planning. This partnership with the State of Montana would enable the shift in focus.

Over 280 volunteers are working on Explore! The Big Sky. Over the past three years, we have experienced the power of synergy – positive energy that is created when groups come together that in turn generate other opportunities and other partners. The one partner that has been missing from the equation is the State's partnership. Right now we have County's working with County's; City's working with City's; Tribes working with Tribes; Museum's working with Museum's, to pull this event together. One partnership has led to many others. We ask that the State to join in by providing the element that will put us over the top and ensure that the event we have promised the world materializes.

Thanks Monica for this opportunity – thanks for your leadership.