**TABLE OF CONTENTS**

**Forewords**
*Supporting Our Artists* (The McKnight Foundation) ..................2
*Our Artists in the World* (Sheila Smith) .................................2
*Valuing Our Artists* (Laura Zabel and Chris Osgood) ...............3
*Our Artists Over Time* (Dave Glenn) .......................................3

Introduction .......................................................................................4

**Section One:**
**Economic Impact of Minnesota’s Individual Artists**
A. Economic Impact of Artistic Expenditures ...............6
B. Artist’s Income .................................................................10

**Section Two:**
**Minnesota Artists’ Quality of Life**
A. Health Insurance ..............................................................14
B. Retirement Plans ...............................................................16
C. Volunteerism .......................................................................18
D. Civic Participation ............................................................18

**Section Three:**
**Six Regional Area Findings** .................................................19

**Section Four:**
**Conclusions** ...........................................................................32
**Endnotes** ...................................................................................33

**Appendices**
*Appendix A – In Appreciation* .................................................34
*Appendix B – Explanation of Process and Methodology* 38
*Appendix C – Regional and Statewide Extrapolations* 38

---

*Artists Count: The Economic Impact of Minnesota’s Individual Artists* is a statewide study conducted by lead organizations *Minnesota Citizens for the Arts* (MCA), *Springboard for the Arts*, and the *Minnesota Crafts Council* (MCC), in partnership with *Americans for the Arts*, and was primarily funded by *The McKnight Foundation*. Many additional partners assisted in the data collection and are listed in Appendix A.

The report’s partners work together to represent and serve artists and communities across Minnesota and the nation, and to create opportunities for every American to participate in and appreciate the arts.

This report and additional data are available for downloading on MCA’s website at www.mncitizensforthearts.org, where you can also find other studies of the economic impact of Minnesota’s arts organizations.

*Copyright 2007, Minnesota Citizens for the Arts. Printed in the United States.*
FOREWORDS...

SUPPORTING OUR ARTISTS

The McKnight Foundation

Support for artists is a good investment. The McKnight Foundation has provided funding for individual artists through fellowship programs and grants to the regional arts councils for 25 years, giving artists the time and capital to pursue their work. We believe that the energy, drive, and ideas that working artists bring to our state enrich our quality of life in myriad ways. These benefits are cultural, social, humanitarian, spiritual, intellectual—and economic. "Artists Count: The Economic Impact of Minnesota's Individual Artists" examines how the work of nearly 20,000 independent entrepreneurs affects the business of our state. This study, along with its predecessor "The Arts: A Driving Force in Minnesota’s Economy," tally the economic impact of Minnesota’s arts sector, and demonstrate the arts as a significant source of economic activity. It is our hope that all Minnesota communities will recognize the power and potential of creating an environment in which artists thrive.

OUR ARTISTS IN THE WORLD

Sheila Smith, Minnesota Citizens for the Arts

Artists Count is the second phase of a long-term effort to gain more information about the affect of Minnesota’s artistic community on our state’s economy. The evidence is piling up that artists and arts organizations are extremely important to Minnesota’s economic well-being. Between Minnesota’s individual artists, arts and culture organizations and for-profit arts industries, Minnesota benefits from well over a billion dollars in annual economic activity supporting over 86,340 jobs.

Minnesota Citizens for the Arts is proud to be a part of this effort to learn more about our state’s artist community. Many of Minnesota’s artists have moved here because they recognize that our state is a good place to be an artist. Richard Florida in his “The Rise of the Creative Class” would say that we are one of those places that draws the kind of worker we need in the modern age: creative, innovative thinkers. We draw these people through a community that provides a critical mix of high quality of life, a tradition of participating in and enjoying the arts, and steady, arts-focused philanthropy. Artists exist in every corner of Minnesota. Our artists help shape and build their communities through their art, their civic engagement and their volunteerism. Our artists, both home-grown and imported, are an important part of the best that Minnesota can offer to the world.

<table>
<thead>
<tr>
<th></th>
<th>Individual Artists</th>
<th>Non-Profit Arts and Culture Organizations</th>
<th>For-Profit Arts Businesses</th>
<th>Total Impact in Minnesota:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>19,676</td>
<td>1,584</td>
<td>10,427</td>
<td></td>
</tr>
<tr>
<td>Economic Impact</td>
<td>$205.2 million</td>
<td>$838.5 million</td>
<td>Unknown to date</td>
<td>$1 billion plus</td>
</tr>
<tr>
<td>Jobs provided</td>
<td>5,937</td>
<td>22,095 jobs</td>
<td>58,308 jobs</td>
<td>86,340 jobs</td>
</tr>
<tr>
<td>State and Local Government Revenue</td>
<td>$24 million</td>
<td>$94 million</td>
<td>Unknown to date</td>
<td>$118 million plus</td>
</tr>
</tbody>
</table>
Valuing Our Artists

Laura Zabel and Chris Osgood, Springboard for the Arts

*Artists Count* clearly demonstrates how individual artists make an enormous impact on the Minnesota economy by generating over $205 million dollars in activity annually. Combined with what we already know about the impact that artists have on our quality of life, $205 million speaks volumes about the importance of artists in our communities. Without a doubt, artists are vital to the culture, health, vitality and life of Minnesota. They contribute to neighborhoods and communities by sparking dialogue, engaging people both young and old, beautifying our surroundings and providing a way of understanding cultures different from our own. The study also shows how they contribute to their communities by voting and volunteering in numbers that far exceed those of the general population.

Despite being an engaged, vital part of our state, artists are twice as likely to lack health insurance than the average Minnesotan, while 35% of artists have no retirement plan at all. For a sector that offers so much to the quality of life for others, artists often go without the support and services necessary to improve their own quality of life.

At Springboard, we work diligently to help artists of all disciplines overcome these barriers and make a living and a life from their work. Along with many other dedicated artist service organizations (many of them partners in this study) we make every effort to continue to have a greater impact on the well being of such a significant part of the Minnesota community.

We hope you find this report to be enlightening and informative. And we hope that it inspires you to celebrate the economic and cultural life that individual artists create and to show your support of the artistic community of Minnesota.

Our Artists Over Time

Dave Glenn, Minnesota Craft Council

In 2001 Minnesota craft artists participated in a national economic impact study of craft artists conducted by the Craft Organization Directors Association (CODA). The survey measured artistic income for a single discipline of the individual artist population only—craft artists—measuring economic impact through the sale of crafts. In 2001 the economic impact of Minnesota craft artists on the national economy was $227,993,710. (This figure includes dollars spent by craft artists both inside and outside of Minnesota.)

Compared to the results of this earlier study, craft artist income in Minnesota has declined. In the CODA survey, average annual craft artist income was $25,494. By comparison, average artistic income for craft artists in *Artists Count* was only $23,125. In addition, the percentage of household income from craft related activities in 2001 was 41 percent and the percentage of income from craft activities in the 2006 *Artists Count* study was 28 percent.

Both comparisons demonstrate a significant downturn when inflation is factored for the five year time span, which correlates with the downturn of attendance at art festivals/sales events, which is the major source of income for this segment of artists.

It also correlates to the 32 percent reduction in Minnesota legislative support for the arts in recent years. While there are additional factors which contribute to these downturns, support for individual artists and the organizations that in turn support them is having a negative affect on their ability to continue contributing to Minnesota’s economy.

Using the 2001 CODA survey as a benchmark suggests that there is greater potential for individual artist’s economic impact than what is realized through this *Artists Count* study. An investment in artists and the organizations that support them will realize a great return, which will be felt throughout the entire state of Minnesota.
INTRODUCTION

Artists Count: The Economic Impact of Minnesota’s Individual Artists provides compelling new evidence that individual artists compose a significant industry in Minnesota—one that generates $205.2 million annually in statewide economic activity. This spending supports 5,937 full-time equivalent jobs, generates $171.8 million in household income to Minnesota’s residents, and delivers $24 million annually in local and state government revenue. This economic impact study shows that when we support individual artists, we not only enhance our quality of life, but also invest in strengthening Minnesota’s economy.

Every region in Minnesota is home to working artists and every region sees economic benefits from those artists’ work. While there are interesting regional differences, there are benefits from artist economic activity everywhere you look. However, one item of concern from our data is that artists are twice as likely as the rest of the population to go without health insurance.

This report presents the findings of a study measuring the economic impact of the spending by Minnesota’s individual artists during 2005. It is the second component of a statewide effort by Minnesota Citizens for the Arts to gather data on the economic impact of Minnesota’s arts and culture industry. The previous study, The Arts: A Driving Force in Minnesota’s Economy, done in partnership with the Forum of Regional Arts Councils of Minnesota, measured the economic impact of spending by Minnesota’s non-profit arts and cultural organizations as well as the economic impact of event-related spending by Minnesota’s arts audiences statewide, in eleven geographic regions, and in the cities of St. Paul and Minneapolis.

Americans for the Arts, the nation’s leading nonprofit organization for advancing the arts in America, was contracted to analyze the data collected by the Minnesota-based partners for all of these studies. In 2002, Americans for the Arts published Arts and Economic Prosperity, its second national study of the economic impact of the nonprofit arts and the first to include spending by arts audiences. Since 1994, Americans for the Arts has utilized its proven methodology to conduct economic impact studies in more than 150 communities and states.
SECTION ONE:
THE ECONOMIC IMPACT
OF MINNESOTA’S
INDIVIDUAL ARTISTS
A. ECONOMIC IMPACT OF ARTISTIC EXPENDITURES

The state of Minnesota is home to at least 19,676 individual artists. Artistic spending by these artists totaled $250.1 million during 2005. $205.2 million of those expenditures (82 percent) were made to merchants and businesses located within the state of Minnesota, and therefore have an impact on Minnesota’s economy. The impact of this spending is far-reaching: artists purchase supplies, contract for services, and acquire assets. These actions, in turn, support jobs, create income, and generate government revenue.

Data were collected from 1,047 individual artists in Minnesota. Each completed a survey that requested information about their artistic expenses and revenues for calendar year 2005. The section of the survey that collected expenditure data mirrored the 2005 IRS Schedule C, and therefore provided detailed information about twenty-three expenditure categories. These survey data were used to calculate average artistic expenditures for Minnesota’s individual artists; the average was then applied to the total universe of 19,676 individual artists that reside in Minnesota. No attempt was made to quantify the spending of non-respondents. (A detailed description of the study methodology is located in Appendix B of this report.)

Defining Economic Impact

In this study, economic impact is defined as the employment, resident household income, and government revenue that is supported or generated by the dollars spent in Minnesota by individual artists who reside in Minnesota.

Full-time equivalent (FTE) jobs describes the total amount of labor employed. Economists measure FTE jobs, not the total number of employees, because it is a more accurate measure that accounts for part-time employment.

Resident household income (often called personal income) includes salaries, wages, and entrepreneurial income paid to Minnesota residents. It is the money that residents earn and use to pay for food, mortgages, and other living expenses.

Revenue to local and state government includes all funds to city and county government, schools, and special districts. It’s not exclusively taxes (e.g., income, property, or sales); it also includes license fees, utility fees, filing fees, etc.
The Economic Impact of Artist Spending

Each time a dollar changes hands, there is a measurable economic impact. Direct economic impact is a measure of the economic effect of the initial expenditure within the community. However, when people and businesses receive money, they re-spend much of that money locally. Indirect economic impact measures this re-spending on jobs, household income, and local and state government.

Consider this example:

*When a Minnesota artist purchases $200 of paint from the local art supply store, the store owner uses some of the money to pay the sales clerk (that is a direct economic impact). The sales clerk then re-spends some of the money for groceries; the grocery store in turn uses some of the money to pay the cashier; the cashier uses some of the money to pay his utility bill; and so on (these are indirect economic impacts).*

Thus, the original $200 from the artist has been “re-spent” several times. The local expenditures will continue to have an economic impact on Minnesota’s economy until the money eventually “leaks out” of the state (i.e., is spent with merchants and individuals located outside Minnesota). The total economic impact is the combination of the direct and indirect impacts.

Minnesota’s individual artists collectively made artistic expenditures totaling $250.1 million during 2005. However, $44.9 million of those artistic expenditures were made to merchants and businesses located outside the State of Minnesota; therefore, those $44.9 million had no economic impact on Minnesota’s economy. The table below details the total economic impacts of the remaining $205.2 million in artistic expenditure—the expenditures made by Minnesota’s individual artists to Minnesota’s merchants and businesses.

---

**Total Economic Impact of Artistic Spending by Minnesota’s Individual Artists in 2005**

(Expenditures Made to Merchants and Businesses Located within Minnesota Only)

<table>
<thead>
<tr>
<th>Total Artistic Expenditures Made In Minnesota</th>
<th>$205,185,139</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent Jobs Supported</td>
<td>5,937</td>
</tr>
<tr>
<td>Resident Household Income Generated</td>
<td>$171,755,000</td>
</tr>
<tr>
<td>Local Government Revenue Generated</td>
<td>$5,247,000</td>
</tr>
<tr>
<td>State Government Revenue Generated</td>
<td>$18,784,000</td>
</tr>
</tbody>
</table>
Full-Time vs. Part-Time

Only 24 percent of Minnesota’s artists reported working full-time as artists (i.e., defined as supporting themselves entirely through their artistic work). Sixty percent of the survey respondents noted that they are part-time artists (i.e., they work outside of their art to support themselves). The remaining 16 percent put themselves into the “Other” category—the majority of these respondents specified that they are retired or consider their artistic work a hobby.

Discipline Differences in Employment Status

Craft (37 percent) and music artists (38 percent) are more likely to report that they work full-time as artists. Writers (12 percent) are least likely to report working full-time at their art. Visual artists were most numerous among the artists participating in the study, making up 37 percent of respondents.

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Number of Respondents</th>
<th>Full-time</th>
<th>Part-time</th>
<th>Other</th>
<th>Discipline as a percent of all artists responding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Music</td>
<td>133</td>
<td>38%</td>
<td>51%</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>Craft</td>
<td>93</td>
<td>37%</td>
<td>53%</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>71</td>
<td>28%</td>
<td>49%</td>
<td>23%</td>
<td>7%</td>
</tr>
<tr>
<td>Theater</td>
<td>158</td>
<td>24%</td>
<td>67%</td>
<td>9%</td>
<td>15%</td>
</tr>
<tr>
<td>Visual Arts</td>
<td>388</td>
<td>20%</td>
<td>61%</td>
<td>19%</td>
<td>37%</td>
</tr>
<tr>
<td>Dance</td>
<td>35</td>
<td>20%</td>
<td>57%</td>
<td>23%</td>
<td>3%</td>
</tr>
<tr>
<td>Media Arts</td>
<td>33</td>
<td>18%</td>
<td>61%</td>
<td>21%</td>
<td>3%</td>
</tr>
<tr>
<td>Writing</td>
<td>136</td>
<td>12%</td>
<td>67%</td>
<td>21%</td>
<td>13%</td>
</tr>
<tr>
<td>Total</td>
<td>1,047</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Average Artistic Expenditures, Full-Time vs. Part-Time

The average artist spent $13,572 per year on materials and services to create their art in 2005. Not surprisingly, the average artistic expenditure for full-time artists ($26,177) is more than twice the average expenditure for part-time artists ($9,842).

Craft artists, media artists, and visual artists reported the highest artistic expenditures during 2005. Not surprisingly, this is because these artistic disciplines require significant purchases of supplies and materials. Writers, dancers, and actors, however, all reported that their average annual expenditures were below the average for all Minnesota artists. Responding artists reported a range of artistic expenditures from $0 to $650,000.

### Average Artistic Expenditures of Minnesota’s Individual Artists During 2005 By Artistic Discipline

<table>
<thead>
<tr>
<th>Artistic Discipline</th>
<th>Artistic Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Craft</td>
<td>$21,740</td>
</tr>
<tr>
<td>Media Arts</td>
<td>$16,246</td>
</tr>
<tr>
<td>Other (Miscellaneous or Combined)</td>
<td>$15,843</td>
</tr>
<tr>
<td>Visual Arts</td>
<td>$14,531</td>
</tr>
<tr>
<td>Music</td>
<td>$13,993</td>
</tr>
<tr>
<td>All Minnesota Artists</td>
<td>$13,572</td>
</tr>
<tr>
<td>Writing</td>
<td>$9,946</td>
</tr>
<tr>
<td>Dance</td>
<td>$8,347</td>
</tr>
<tr>
<td>Theater</td>
<td>$8,026</td>
</tr>
</tbody>
</table>

### Average Artistic Expenditures of Minnesota’s Individual Artists During 2005 By Status of Artistic Employment

<table>
<thead>
<tr>
<th>Category of Expense</th>
<th>Full-Time Artists</th>
<th>Part-Time Artists</th>
<th>All Minnesota Artists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>$1,095</td>
<td>$264</td>
<td>$451</td>
</tr>
<tr>
<td>Business Use of Home</td>
<td>$1,899</td>
<td>$444</td>
<td>$813</td>
</tr>
<tr>
<td>Car/Truck Expenses</td>
<td>$1,856</td>
<td>$1,066</td>
<td>$1,149</td>
</tr>
<tr>
<td>Commissions/Fees</td>
<td>$2,150</td>
<td>$478</td>
<td>$846</td>
</tr>
<tr>
<td>Contract Labor</td>
<td>$1,415</td>
<td>$211</td>
<td>$512</td>
</tr>
<tr>
<td>Depletion</td>
<td>$40</td>
<td>$15</td>
<td>$23</td>
</tr>
<tr>
<td>Depreciation</td>
<td>$1,039</td>
<td>$162</td>
<td>$409</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>$139</td>
<td>$63</td>
<td>$82</td>
</tr>
<tr>
<td>Non-Health Insurance</td>
<td>$374</td>
<td>$189</td>
<td>$225</td>
</tr>
<tr>
<td>Mortgage Interest</td>
<td>$600</td>
<td>$472</td>
<td>$457</td>
</tr>
<tr>
<td>Other Interest</td>
<td>$202</td>
<td>$67</td>
<td>$100</td>
</tr>
<tr>
<td>Professional Services</td>
<td>$474</td>
<td>$156</td>
<td>$256</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>$825</td>
<td>$858</td>
<td>$770</td>
</tr>
<tr>
<td>Pension/Profit Sharing</td>
<td>$194</td>
<td>$53</td>
<td>$129</td>
</tr>
<tr>
<td>Rent/Lease (Vehicle)</td>
<td>$190</td>
<td>$138</td>
<td>$143</td>
</tr>
<tr>
<td>Rent/Lease (Other)</td>
<td>$1,473</td>
<td>$623</td>
<td>$801</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$320</td>
<td>$98</td>
<td>$151</td>
</tr>
<tr>
<td>Supplies</td>
<td>$1,839</td>
<td>$1,861</td>
<td>$1,795</td>
</tr>
<tr>
<td>Taxes/Licenses</td>
<td>$651</td>
<td>$121</td>
<td>$244</td>
</tr>
<tr>
<td>Travel</td>
<td>$1,514</td>
<td>$524</td>
<td>$886</td>
</tr>
<tr>
<td>Entertainment</td>
<td>$824</td>
<td>$285</td>
<td>$403</td>
</tr>
<tr>
<td>Utilities</td>
<td>$601</td>
<td>$224</td>
<td>$315</td>
</tr>
<tr>
<td>Wages</td>
<td>$3,603</td>
<td>$913</td>
<td>$1,581</td>
</tr>
<tr>
<td>Other Artistic Expenses</td>
<td>$2,862</td>
<td>$356</td>
<td>$1,033</td>
</tr>
<tr>
<td>Total Artistic Expenses</td>
<td>$26,177</td>
<td>$9,842</td>
<td>$13,572</td>
</tr>
</tbody>
</table>
B: ARTISTS’ INCOME

Collectively, Minnesota’s individual artists collected $242.6 million in income directly from their art only during 2005. This represents 29 percent of their total income of $842.8 million from all sources.
Average Artist Income Levels
By Employment Status

Full-time artists, of course, rely more on their artistic income for their living. Full-time artists reported that 78 percent of their total income was a result of their artistic work. Part-time artists, in contrast, reported that their artistic work was the source of only 11 percent of their total income.

<table>
<thead>
<tr>
<th>Type of Income</th>
<th>Full-Time Artists</th>
<th>Part-Time Artists</th>
<th>All Minnesota Artists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artistic Income Only</td>
<td>$34,342</td>
<td>$4,968</td>
<td>$12,049</td>
</tr>
<tr>
<td>Other Income</td>
<td>$9,862</td>
<td>$40,921</td>
<td>$30,303</td>
</tr>
<tr>
<td>Total Income</td>
<td>$44,204</td>
<td>$45,888</td>
<td>$42,352</td>
</tr>
</tbody>
</table>

Average income of Minnesota’s individual artists during 2005

Average Income Levels
By Artistic Discipline

On average, Minnesota’s craft artists reported the highest artistic income ($23,125) of all artistic disciplines, while media artists reported the least ($4,158).

However, for craft artists, artistic income accounted for only 28 percent of all income. By comparison, while making less in overall income, musicians (39 percent) and theater artists (34 percent) relied more on their artistic income to live on than did other types of artists.

Average Income of Minnesota’s Individual Artists During 2005 By Artistic Discipline

<table>
<thead>
<tr>
<th>Artistic Discipline</th>
<th>Artistic Income Only</th>
<th>Other Income</th>
<th>Total Income</th>
<th>Artistic Income as a Percent of Total Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Craft</td>
<td>$23,125</td>
<td>$59,928</td>
<td>$83,053</td>
<td>28%</td>
</tr>
<tr>
<td>Music</td>
<td>$15,487</td>
<td>$24,120</td>
<td>$39,607</td>
<td>39%</td>
</tr>
<tr>
<td>All Minnesota Artists</td>
<td>$12,049</td>
<td>$30,303</td>
<td>$42,352</td>
<td>28%</td>
</tr>
<tr>
<td>Visual Arts</td>
<td>$11,517</td>
<td>$33,474</td>
<td>$44,990</td>
<td>26%</td>
</tr>
<tr>
<td>Theater</td>
<td>$10,713</td>
<td>$21,264</td>
<td>$31,977</td>
<td>34%</td>
</tr>
<tr>
<td>Writing</td>
<td>$9,949</td>
<td>$27,366</td>
<td>$37,315</td>
<td>27%</td>
</tr>
<tr>
<td>Other</td>
<td>$8,032</td>
<td>$27,122</td>
<td>$35,154</td>
<td>23%</td>
</tr>
<tr>
<td>Dance</td>
<td>$7,856</td>
<td>$17,039</td>
<td>$24,895</td>
<td>32%</td>
</tr>
<tr>
<td>Media Arts</td>
<td>$4,158</td>
<td>$20,378</td>
<td>$24,536</td>
<td>17%</td>
</tr>
</tbody>
</table>
Median Income Levels By Artistic Discipline

The median\(^9\) artistic income of those employed full-time at their art is $21,841. Part time artists reported a median income from their art of $1,000. The median artistic income of all artists participating in the study was $2,000, which includes full-time, part-time, and people who do not get paid to create their art, such as retired artists and hobbyists. Musicians and theater artists have the highest median income from their art. The reported artistic income for full-time artists ranged from $0 to $900,000. The reported artistic income for part-time artists ranged from $0 to $167,789.

<table>
<thead>
<tr>
<th>Discipline</th>
<th>Median Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Music</td>
<td>$29,329</td>
</tr>
<tr>
<td>Theater</td>
<td>$28,787</td>
</tr>
<tr>
<td>Crafts</td>
<td>$22,346</td>
</tr>
<tr>
<td><strong>All Artists</strong></td>
<td><strong>$21,841</strong></td>
</tr>
<tr>
<td>Other</td>
<td>$19,025</td>
</tr>
<tr>
<td>Writing</td>
<td>$18,055</td>
</tr>
<tr>
<td>Dance</td>
<td>$16,361</td>
</tr>
<tr>
<td>Visual Arts</td>
<td>$14,000</td>
</tr>
<tr>
<td>Media Arts</td>
<td>$1,541</td>
</tr>
</tbody>
</table>

Employment by Minnesota’s Individual Artists\(^10\)

Some artists are doing well enough with their art to run small businesses employing others.

Three percent of Minnesota’s individual artists reported that they employ at least one person full-time through their artistic work (not including themselves). Those that do, employ an average of 2.4 full-time employees.

Fifteen percent of Minnesota’s individual artists reported that they employ at least one person part-time through their artistic work. Those that do, employ an average of 3.8 part-time employees.
SECTION TWO:
MINNESOTA ARTISTS’ QUALITY OF LIFE
A: HEALTH INSURANCE

Artists are nearly twice as likely than other Minnesotans to be without health insurance. Fourteen percent of Minnesota’s artists have no health insurance at all. This compares to 7.4 percent of the general public in Minnesota without health insurance. Those relying on family members for health insurance make up 23 percent of the artist population. This statistic moves us to conclude that more research needs to be done into why artists are so much less likely than the general public to be covered by health insurance. Is it because a higher level of artists are self-employed? Or is it because artist income levels are so low that they can’t afford the premiums?

Source of health insurance for Minnesota’s individual artists

- Individual plan: 28%
- Through an employer: 36%
- Through spouse, partner, or family: 23%
- No health insurance: 14%
It is not surprising that full-time artists are more than twice as likely to have their own individual plan (46 percent) than are part-time artists (20 percent). Conversely, part-time artists are more than twice as likely to have health insurance through an employer (47 percent) than are full-time artists (18 percent). There is little difference between full-time and part-time artists with regard to the likelihood of not having health insurance at all.

Source of health insurance of Minnesota’s individual artists by status of artistic employment

<table>
<thead>
<tr>
<th>Source</th>
<th>Full-Time Artists</th>
<th>Part-Time Artists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual plan</td>
<td>46%</td>
<td>20%</td>
</tr>
<tr>
<td>Through an employer</td>
<td>47%</td>
<td>18%</td>
</tr>
<tr>
<td>Through spouse, partner, or family</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>No health insurance</td>
<td>15%</td>
<td>13%</td>
</tr>
</tbody>
</table>
B: RETIREMENT PLANS

One individual artist in three in Minnesota reports that he/she does not have a retirement plan (35 percent). This is another area of concern. Clearly, a third of our artists are not preparing for or are not able to prepare for their future retirement. Again, is it because artists are more likely than the rest of the population to be self-employed? Or is it because income levels are too low to allow for savings? More research would be beneficial.
As expected, full-time artists are nearly twice as likely to have their own retirement plan (49 percent) than are part-time artists (28 percent). Conversely, part-time artists are much more likely to have a retirement plan through an employer (42 percent) than are full-time artists (16 percent). Surprisingly, there is no difference between full-time and part-time artists with regard to the likelihood to not have a retirement plan at all.
C: VOLUNTEERISM

Minnesota’s artists are much more active in their communities than most people and contribute a significant amount of their time to volunteering. Four Minnesota artists in five (81 percent) reported that they volunteer in their community at least once each month.

This is a much higher rate of volunteerism than we find in the Minnesota public (67 percent), and compared to all Americans, (27 percent). In fact, 20 percent of the artist survey respondents reported that they volunteer more than 10 hours each month).

In total, volunteerism by Minnesota’s individual artists represents a donation of time with a conservatively estimated value of $2.1 million (Independent Sector estimates the value of the average 2005 volunteer hour at $18.04). While artist volunteerism may not have an economic impact as defined by this study, it clearly has an enormous impact on the community.

D: CIVIC PARTICIPATION

Minnesota’s individual artists actively participate in their communities’ civic lives. Fully 82 percent reported that they “always” vote. An additional sixteen percent “sometimes” vote. Only two percent of survey respondents reported that they “never” vote. This is an extremely high rate of civic participation compared to the general Minnesota public, who generally have one of the highest voting participation rates in the country with 77 percent, and compared to all Americans, at 58 percent.

Minnesota’s individual artists’ likelihood to vote

- Always, 82%
- Sometimes, 16%
- Never, 2%
SECTION THREE: REGIONAL FINDINGS

Every region in Minnesota is home to working artists and every region sees economic benefits from those artists’ work. Sixty two percent of Minnesota’s artists live in the seven county Metro Area, while artists are a larger percentage of the population in the Arrowhead than in the rest of the state (other than the Metro Area). Unsurprisingly, the seven county Metro Area benefits most from the economic impact of the state’s artists because that area holds the greatest concentration of artists. However, there are interesting regional differences and there are benefits from artist economic activity throughout Minnesota.

Artists in the Arrowhead (Study Area B) make more money on a per capita basis both from their art and from other activity than do Metro artists, and the Arrowhead has the largest percentage of artists reporting that they work full time in the arts (30 percent). The Arrowhead also has the highest percentage of retired/hobbyist artists (26 percent). In contrast, nearly 70 percent of artists in Southwest Minnesota (Study Area D) work part-time as artists.

Southeast (Study Area E) and Central Minnesota (Study Area C) artists volunteer the most hours in their communities. These two areas also hold the highest voting participation rates. Central Minnesota’s artists are also most likely to be covered by health insurance (only 6 percent uninsured), while Southwest Minnesota’s artists are least likely to have health insurance (17 percent uninsured). Central Minnesota’s artists are least likely to have a retirement plan (39 percent not covered), while Northwest Minnesota’s (Study Area A) artists are most likely to be covered by a retirement plan (30 percent are not covered).
FINDINGS—STUDY AREA A:
NORTHWEST MINNESOTA

Area Includes: Arts Council Regions 1, 2, 4 and 5.


Northwest Minnesota is home to 1,820 individual artists. Artistic spending by these artists totaled $17.1 million during 2005. $13.2 million of those expenditures (77 percent) were made to merchants and businesses located within the state of Minnesota, and therefore have an impact on Minnesota’s economy. The table below details the total economic impacts of the $13.2 million in artistic expenditures that were made to Minnesota’s merchants and businesses. Average artistic expenditures of this area’s individual artists (full-time, part-time and hobbyist) during 2005 were $9,373 per artist, compared to the state average of $13,572. Median artist income for full-time artists in this area was $8,000 compared to the state median of $21,841.

Total Economic Impact of Artistic Spending by Individual Artists Who Reside in Northwest Minnesota During 2005
(Expenditures Made to Merchants and Businesses Located Within Minnesota Only)

<table>
<thead>
<tr>
<th>Total Artistic Expenditures Made In Minnesota</th>
<th>$13,159,666</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent Jobs Supported</td>
<td>490</td>
</tr>
<tr>
<td>Resident Household Income Generated</td>
<td>$9,423,000</td>
</tr>
<tr>
<td>Local Government Revenue Generated</td>
<td>$363,000</td>
</tr>
<tr>
<td>State Government Revenue Generated</td>
<td>$1,313,000</td>
</tr>
</tbody>
</table>

Artistic expenses by Northwest Minnesota’s individual artists totaled $17.1 million during 2005

<table>
<thead>
<tr>
<th>Artistic expenditures made to Minnesota merchants totaled</th>
<th>$13.2 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Artistic expenditures made to non-Minnesota merchants totaled</td>
<td>$3.9 million</td>
</tr>
</tbody>
</table>

77% 23%
Artistic employment status in Northwest Minnesota

- Part-Time (i.e., work outside of their art to support themselves): 56%
- Full-Time (i.e., support themselves entirely through their artwork): 25%
- Other (e.g., retired, art is my hobby): 19%

Source of health insurance for Northwest Minnesota's individual artists

- Through an Employer: 40%
- Through Spouse, Partner, or Family: 15%
- No Health Insurance: 13%

Income and revenue to Northwest Minnesota's individual artists totaled $50.7 million during 2005

- Income from artistic work only $10.1 million: 20%
- Income not related to artistic work $40.6 million: 80%

Source of retirement plan for Northwest Minnesota's individual artists

- Through an Employer: 34%
- No Retirement Plan: 30%
- Through Spouse, Partner, or Family: 42%

Monthly volunteerism of Northwest Minnesota's individual artists

- 0 Hours: 19%
- 1-5 Hours: 38%
- 6-10 Hours: 22%
- 11-20 Hours: 15%
- More than 20 Hours: 6%

Northwest Minnesota's individual artists averaged $27,848 in income during 2005

- Total Income: $5,568
- Artistic Income: $22,279
- Other Income: 0

Northwest Minnesota's individual artists likelihood to vote

- Always: 85%
- Sometimes: 13%
- Never: 2%

Artists Count: The Economic Impact of Minnesota's Individual Artists
Minnesota Citizens for the Arts
FINDINGS—STUDY AREA B: THE ARROWHEAD

Artists Count: An Economic Impact Study of Artists in Minnesota, 2007

**Area Includes:** Arts Council Region 3.

**Counties:** Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, and St. Louis.

**Key Cities:** Duluth, Cloquet, Ely, Grand Marais, Grand Rapids, Hibbing, International Falls, Moose Lake, Virginia.

The Arrowhead is second, behind only the seven county Metro Area, in most of the economic impact indicators including artistic expenditures, jobs created, and household income generated from artistic spending (see table at right). In local government revenue generated, it is third. It beats every other area, including the Metro Area, in the make-up of its artist population, in that it has the highest percentage of full-time artists (30 percent) and retired/hobbyist artists (26 percent). As a result, it has the lowest percentage of part-time artists (44 percent). This area’s artists also achieved the highest percentage of their income from their art (38 percent of their income) and highest average amount of income from their art ($29,808). This area’s artists must be doing something right, because even their non-artistic income is higher than anywhere else in the state ($48,795).

Unfortunately, the Arrowhead’s artists also have the second highest percentage without health insurance (16 percent) and without retirement plans (38 percent).

The Arrowhead is home to 1,990 individual artists. Artistic spending by these artists totaled $19.3 million during 2005. $13.8 million of those expenditures (71 percent) were made to merchants and businesses located within the State of Minnesota, and therefore have an impact on Minnesota’s economy. The table below details the total economic impacts of the $13.8 million in artistic expenditures that were made to Minnesota’s merchants and businesses. The average artistic expenditures of the Arrowhead’s individual artists (full-time, part-time and hobbyist) during 2005 were $9,680 per artist, compared to the state average of $13,572. Median artist income for full-time artists in this area was $18,000, compared to the state median of $21,841.

**Total Economic Impact of Artistic Spending by Individual Artists Who Reside in the Arrowhead During 2005**

(Expenditures Made to Merchants and Businesses Located Within Minnesota Only)

<table>
<thead>
<tr>
<th>Total Artistic Expenditures Made In Minnesota</th>
<th>$13,768,710</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent Jobs Supported</td>
<td>490</td>
</tr>
<tr>
<td>Resident Household Income Generated</td>
<td>$10,478,000</td>
</tr>
<tr>
<td>Local Government Revenue Generated</td>
<td>$371,000</td>
</tr>
<tr>
<td>State Government Revenue Generated</td>
<td>$1,198,000</td>
</tr>
</tbody>
</table>

**Artistic expenses by the Arrowhead’s individual artists totaled $19.3 million during 2005**

Artistic expenditures made to Minnesota merchants totaled $13.8 million

Artistic expenditures made to non-Minnesota merchants totaled $5.5 million

71%

29%
Artistic employment status in the Arrowhead

- Full-Time (i.e., support themselves entirely through their artwork) 30%
- 44%
- Part-Time (i.e., work outside of their art to support themselves)
- Other (e.g., retired, art is my hobby) 26%

Source of health insurance for the Arrowhead's individual artists

- Individual Plan 22%
- Through an Employer 32%
- Through Spouse, Partner, or Family 30%
- No Health Insurance 16%

Income and revenue to the Arrowhead's individual artists totaled $156.4 million during 2005

- 38% Income from artistic work only
- 62% Income not related to artistic work
- $59.3 million

Source of retirement plan for the Arrowhead's individual artists

- Individual Plan 32%
- Through an Employer 32%
- Through Spouse, Partner, or Family 16%
- No Retirement Plan 38%

Monthly volunteerism of Arrowhead’s individual artists

- 0 Hours 12%
- 1-5 Hours 32%
- 6-10 Hours 38%
- 11-20 Hours 8%
- More than 20 Hours 10%

The Arrowhead's individual artists averaged $76,603 in income during 2005

- $29,808 Artistic Income
- $48,795 Other Income

Arrowhead's individual artists likelihood to vote

- Always 84%
- Sometimes 12%
- Never 4%
Central Minnesota fell in the middle of almost all of the indicators in this study. It fell fourth of the six regions in most of the economic indicators such as artistic expenditures, jobs created, household income generated, and state government revenue. In local government revenue, it came in second. (see table at right). It also falls in the center of percentage of artists who work full-time at their art (19 percent), in the percentage of their income that comes from artistic work (21 percent), and average artistic income for full-time artists ($6,046).

Unfortunately, it lead the state in the percentage of artists who are paying for their own health care (39 percent of respondents), and who have no retirement plans (39 percent of respondents). Interestingly, this area’s artists also had the highest percentage of artists volunteering in their communities over 20 hours per week, and an unbelievable 91 percent of respondents who report that they “always” vote.

Central Minnesota is home to 1,846 individual artists. Artistic spending by these artists totaled $16.8 million during 2005. $12.1 million of those expenditures (72 percent) were made to merchants and businesses located within the state of Minnesota, and therefore have an impact on Minnesota’s economy. The table below details the total economic impacts of the $12.1 million in artistic expenditures that were made to Minnesota’s merchants and businesses. The average artistic expenditures of Central Minnesota’s individual artists (full-time, part-time and hobbyist) during 2005 were $9,083 per artist compared to the state average of $13,572. Median artist income for full-time artists in this area was $11,588, compared to the state median of $21,841.

Artistic expenses by Central Minnesota’s individual artists totaled $16.8 million during 2005

Artistic expenditures made to Minnesota merchants totaled $12.1 million

Artistic expenditures made to non-Minnesota merchants totaled $4.7 million

72%

28%

Total Economic Impact of Artistic Spending by Individual Artists Who Reside in Central Minnesota During 2005

(Expenditures Made to Merchants and Businesses Located Within Minnesota Only)

<table>
<thead>
<tr>
<th>Total Artistic Expenditures Made In Minnesota</th>
<th>$12,100,873</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent Jobs Supported</td>
<td>448</td>
</tr>
<tr>
<td>Resident Household Income Generated</td>
<td>$8,859,000</td>
</tr>
<tr>
<td>Local Government Revenue Generated</td>
<td>$429,000</td>
</tr>
<tr>
<td>State Government Revenue Generated</td>
<td>$1,083,000</td>
</tr>
</tbody>
</table>

Artists Count: An Economic Impact Study of Artists in Minnesota, 2007

Area includes: Arts Council Regions 7E and 7W.

Counties: Benton, Chisago, Isanti, Kanabec, Mille Lacs, Pine, Sherburne, Stearns, Wright.

Key Cities: Buffalo, Cambridge, Elk River, Monticello, Mora, North Branch, Princeton, St. Cloud, Sauk Centre, Taylors Falls.

Central Minnesota is home to 1,846 individual artists. Artistic spending by these artists totaled $16.8 million during 2005. $12.1 million of those expenditures (72 percent) were made to merchants and businesses located within the state of Minnesota, and therefore have an impact on Minnesota’s economy. The table below details the total economic impacts of the $12.1 million in artistic expenditures that were made to Minnesota’s merchants and businesses. The average artistic expenditures of Central Minnesota’s individual artists (full-time, part-time and hobbyist) during 2005 were $9,083 per artist compared to the state average of $13,572. Median artist income for full-time artists in this area was $11,588, compared to the state median of $21,841.

Artistic expenses by Central Minnesota’s individual artists totaled $16.8 million during 2005

Artistic expenditures made to Minnesota merchants totaled $12.1 million

Artistic expenditures made to non-Minnesota merchants totaled $4.7 million

72%

28%
Artistic employment status in Central Minnesota

- Part-Time (i.e., work outside of their art to support themselves): 57%
- Full-Time (i.e., support themselves entirely through their artwork): 19%
- Other (e.g., retired, art is my hobby): 24%

Source of health insurance for Central Minnesota’s individual artists

- Individual Plan: 39%
- Through an Employer: 33%
- Through Spouse, Partner, or Family: 22%
- No Health Insurance: 6%

Income and revenue to Central Minnesota’s individual artists totaled $52.4 million during 2005

- Income from artistic work only: 21%
- Income not related to artistic work: 79%

Source of retirement plan for the Central Minnesota’s individual artists

- Individual Plan: 24%
- Through an Employer: 31%
- Through Spouse, Partner, or Family: 13%
- No Retirement Plan: 39%

Monthly volunteerism of Central Minnesota’s individual artists

- More than 20 Hours: 19%
- 11-20 Hours: 13%
- 6-10 Hours: 19%
- 1-5 Hours: 38%
- 0 Hours: 11%
- 0 Hours: 11%

Central Minnesota’s individual artists averaged $28,394 in income during 2005

Central Minnesota’s individual artists likelihood to vote

- Always: 91%
- Sometimes: 9%
- Never: 0%

Artists Count: The Economic Impact of Minnesota’s Individual Artists
Minnesota Citizens for the Arts
Southwest Minnesota stood out in several ways. The artists in this area had the highest percentage (89 percent) of their artistic expenditures inside the state of Minnesota as opposed to spending outside of the state. This area also had the lowest percentage (6 percent) working full-time on their art, and the highest percentage (69 percent) of its artists indicating that they work part-time as artists. Perhaps as a result, this area’s artists also had the lowest percentage of their income coming from their art (10 percent), and the lowest average income from their art ($3,062). Unfortunately, this area’s artists were also least likely of all the artists in Minnesota to be covered by health care (17 percent without health insurance). A high level (33 percent) also had no retirement plan. Southwest Minnesota had the second highest level of volunteering by its artists over 20 hours per week.

Southwest Minnesota is home to 1,073 individual artists. Artistic spending by these artists totaled $8.1 million during 2005. $7.2 million of those expenditures (89 percent) were made to merchants and businesses located within the state of Minnesota, and therefore have an impact on Minnesota’s economy. The table below details the total economic impacts of the $7.2 million in artistic expenditures that were made to Minnesota’s merchants and businesses. Average artistic expenditures of Southwest Minnesota’s individual artists (full-time, part-time and hobbyist) during 2005 was $7,535 per artist, compared to the state average of $13,572. Median artist income for full-time artists in this area was $11,953 compared to the state median of $21,841.

Total Economic Impact of Artistic Spending by Individual Artists Who Reside in Southwest Minnesota During 2005
(Expenditures Made to Merchants and Businesses Located Within Minnesota Only)

<table>
<thead>
<tr>
<th>Total Artistic Expenditures Made In Minnesota</th>
<th>$7,162,933</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent Jobs Supported</td>
<td>252</td>
</tr>
<tr>
<td>Resident Household Income Generated</td>
<td>$4,849,000</td>
</tr>
<tr>
<td>Local Government Revenue Generated</td>
<td>$223,000</td>
</tr>
<tr>
<td>State Government Revenue Generated</td>
<td>$608,000</td>
</tr>
</tbody>
</table>

Artistic expenses by Southwest Minnesota’s individual artists totaled $8.1 million during 2005

Artistic expenditures made to Minnesota merchants totaled $7.2 million
89%

Artistic expenditures made to non-Minnesota merchants totaled $900,000
11%
Artistic employment status in Southwest Minnesota

<table>
<thead>
<tr>
<th>Employment Status</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part-Time (i.e., work outside of their art to support themselves)</td>
<td>69%</td>
</tr>
<tr>
<td>Full-Time (i.e., support themselves entirely through their artwork)</td>
<td>6%</td>
</tr>
<tr>
<td>Other (e.g., retired, art is my hobby)</td>
<td>25%</td>
</tr>
</tbody>
</table>

Income and revenue to Southwest Minnesota’s individual artists totaled $31.9 million during 2005

- 10% Income from artistic work only
- 90% Income not related to artistic work
- $3.3 million
- $28.6 million

Source of health insurance for Southwest Minnesota’s individual artists

<table>
<thead>
<tr>
<th>Source of Health Insurance</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Plan</td>
<td>25%</td>
</tr>
<tr>
<td>Through an Employer</td>
<td>29%</td>
</tr>
<tr>
<td>Through Spouse, Partner, or Family</td>
<td>31%</td>
</tr>
<tr>
<td>No Health Insurance</td>
<td>17%</td>
</tr>
</tbody>
</table>

Source of retirement plan for Southwest Minnesota’s individual artists

<table>
<thead>
<tr>
<th>Source of Retirement Plan</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual Plan</td>
<td>29%</td>
</tr>
<tr>
<td>Through an Employer</td>
<td>31%</td>
</tr>
<tr>
<td>Through Spouse, Partner, or Family</td>
<td>25%</td>
</tr>
<tr>
<td>No Retirement Plan</td>
<td>33%</td>
</tr>
</tbody>
</table>

Monthly volunteerism of Southwest Minnesota’s individual artists

- More than 20 Hours: 17%
- 11-20 Hours: 10%
- 6-10 Hours: 13%
- 1-5 Hours: 47%
- 0 Hours: 13%

Southwest Minnesota’s individual artists averaged $29,739 in income during 2005

- Total Income: $3,062
- Artistic Income: $26,677
- Other Income: $26,677

Southwest Minnesota’s individual artists’ likelihood to vote

- Always: 86%
- Sometimes: 12%
- Never: 2%
Southeast Minnesota is home to 691 individual artists. Artistic spending by these artists totaled $7.9 million during 2005. $6.5 million of those expenditures (82 percent) were made to merchants and businesses located within the state of Minnesota, and therefore have an impact on Minnesota's economy. The table below details the total economic impacts of the $6.5 million in artistic expenditures that were made to Minnesota's merchants and businesses. Average artistic expenditures of Southeast Minnesota's individual artists (full-time, part-time and hobbyist) during 2005 was $11,419 per artist, compared to the state average of $13,572. Median artist income for full-time artists in this area was $21,690 compared to the state median of $21,841.

### Total Economic Impact of Artistic Spending by Individual Artists Who Reside in Southeast Minnesota During 2005

(Expenditures Made to Merchants and Businesses Located Within Minnesota Only)

<table>
<thead>
<tr>
<th>Total Artistic Expenditures Made In Minnesota</th>
<th>$6,461,708</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent Jobs Supported</td>
<td>215</td>
</tr>
<tr>
<td>Resident Household Income Generated</td>
<td>$4,833,000</td>
</tr>
<tr>
<td>Local Government Revenue Generated</td>
<td>$200,000</td>
</tr>
<tr>
<td>State Government Revenue Generated</td>
<td>$578,000</td>
</tr>
</tbody>
</table>

Artistic expenses by Southeast Minnesota’s individual artists totaled $7.9 million during 2005

Artistic expenditures made to Minnesota merchants totaled $6.5 million

Artistic expenditures made to non-Minnesota merchants totaled $1.4 million

82%

18%
Artistic employment status in Southeast Minnesota

- Part-Time (i.e., work outside of their art to support themselves): 63%
- Full-Time (i.e., support themselves entirely through their artwork): 14%
- Other (e.g., retired, art is my hobby): 23%

Income and revenue to Southeast Minnesota’s individual artists totaled $21.7 million during 2005

- Income from artistic work only: 24%
- Income not related to artistic work: 76%
  - $16.6 million

Southeast Minnesota’s individual artists averaged $31,365 in income during 2005

- Artistic Income: $23,990
- Other Income: $7,375

Source of health insurance for Southeast Minnesota’s individual artists

- Individual Plan: 18%
- Through an Employer: 23%
- Through Spouse, Partner, or Family: 45%
- No Health Insurance: 14%

Source of retirement plan for Southeast Minnesota’s individual artists

- Individual Plan: 34%
- Through an Employer: 27%
- Through Spouse, Partner, or Family: 27%
- No Retirement Plan: 32%

Monthly volunteerism of Southeast Minnesota’s individual artists

- 0 Hours: 18%
- 1-5 Hours: 30%
- 6-10 Hours: 18%
- 11-20 Hours: 20%
- More than 20 Hours: 14%

Southeast Minnesota’s individual artists likelihood to vote

- Always: 89%
- Sometimes: 11%
- Never: 0%
Sixty-two percent of Minnesota’s artists live in the seven county Metro Area. Perhaps unsurprisingly then, this area leads by a wide margin every economic indicator including economic impact from artistic expenditures, jobs created, household income generated, and state and local government revenue (see table at right). Twenty-six percent of the Metro’s artists reported that they work full-time in the arts, which is second only to the Arrowhead’s 30 percent. This area also had the lowest percentage of artists reporting themselves to be retired/hobbyists (14 percent). While total income for artists in this area totaled $153.6 million per year, that represents only 29 percent of total individual income for these artists. Artistic income for artists in this area averages only $12,529. This area had among the highest percentage of respondents who fund their own retirement plans (34 percent). Fourteen percent had no health insurance.

The seven county Metro Area is home to 12,256 individual artists. Artistic spending by these artists totaled $181 million during 2005. $152.5 million of those expenditures (84 percent) were made to merchants and businesses located within the State of Minnesota, and therefore have an impact on Minnesota’s economy. The table below details the total economic impacts of the $152.5 million in artistic expenditures that were made to Minnesota’s merchants and businesses. Average artistic expenditures of this area’s individual artists (full-time, part-time and hobbyist) during 2005 were $14,773 per artist, compared to the state average of $13,572. Median artist income for full-time artists in this area was $23,000 compared to the state median of $21,841.

### Total Economic Impact of Artistic Spending by Individual Artists Who Reside in the seven county Metro Area During 2005
(Expenditures Made to Merchants and Businesses Located Within Minnesota Only)

<table>
<thead>
<tr>
<th>Total Artistic Expenditures Made In Minnesota</th>
<th>$152,531,249</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full-Time Equivalent Jobs Supported</td>
<td>4,402</td>
</tr>
<tr>
<td>Resident Household Income Generated</td>
<td>$133,312,000</td>
</tr>
<tr>
<td>Local Government Revenue Generated</td>
<td>$3,661,000</td>
</tr>
<tr>
<td>State Government Revenue Generated</td>
<td>$14,185,000</td>
</tr>
</tbody>
</table>

Artistic expenses by the Metro Area’s individual artists totaled $181 million during 2005.
Artistic employment status in the Metro Area

- Part-Time (i.e., work outside of their art to support themselves): 60%
- Full-Time (i.e., support themselves entirely through their artwork): 26%
- Other (e.g., retired, art is my hobby): 14%

Income and revenue to the Metro Area’s individual artists totaled $529.7 million during 2005

- 29% Income from artistic work only $153.6 million
- 71% Income not related to artistic work $376.1 million

The Metro Area’s individual artists averaged $43,219 in income during 2005

- $12,529 Artistic Income
- $30,690 Other Income

Source of health insurance for the Metro Area’s individual artists

- Individual Plan: 29%
- Through an Employer: 36%
- Through Spouse, Partner, or Family: 21%
- No Health Insurance: 14%

Source of retirement plan for the Metro Area’s individual artists

- Individual Plan: 34%
- Through an Employer: 33%
- Through Spouse, Partner, or Family: 8%
- No Retirement Plan: 36%

Monthly volunteerism of Metro Area’s individual artists

- 0 Hours: 20%
- 1-5 Hours: 43%
- 6-10 Hours: 18%
- 11-20 Hours: 11%
- More than 20 Hours: 8%

Metro Area’s individual artists likelihood to vote

- Always: 81%
- Sometimes: 17%
- Never: 2%
Artists have an impressive impact on Minnesota's economy. In total, individual artists are a $205.2 million industry in the state of Minnesota. This spending supports 5,937 full-time equivalent jobs, generates $171.8 million in household income to Minnesota's residents, and delivers $24 million in local and state government revenue.

Artists are also very engaged with their communities, volunteering and voting to a higher degree than the rest of the population. Our communities would be diminished without the many and varied contributions of our artists. Just as we look for ways to ensure that our communities are "hospitable" places for businesses to locate and thrive, we must make certain that our artistic resources are nurtured as well.

To retain this important community resource and attract more individual artists to live and work in Minnesota we need to improve the quality of life for individual artists and recognize them for the economic and cultural contributions they make to this state. We find that the artist population is twice as likely as the rest of the Minnesota population to go without health insurance. Partly, this reflects the problems America is having in providing health care to all its citizens. When non-arts policy makers are looking at ways to make sure that all Americans have access to health care and to a secure retirement, attention should be directed at why artists are so much less likely to be insured.

The data suggests the need for a concerted effort, already begun by Springboard for the Arts, to direct resources and our best thinking to closing that health insurance gap for artists. The data also suggested that more research is needed. For example, the age range of artists and the number of self-employed would be useful in looking at the issues of health care and retirement.

The cultural contributions of Minnesota artists are self-evident. Every time we participate in an art crawl or music festival, see an August Wilson play in our hometown, use a ceramic bowl made by Warren Mackenzie, see a Judy Onofrio sculpture, or enjoy a performance by Low or the St. Paul Chamber Orchestra we are reminded of Minnesota's contributions to America's cultural energy. Young people seeing that Minnesota artists have "made it" are provided role models to help them decide they can follow their individual dreams and live a full and creative life here and in the world.

An environment that supports artists is an environment that encourages bright, creative people to make a living and a life here in Minnesota.

How can we, as individuals, help artists thrive in Minnesota? Here are some things that we suggest:

- Support increased funding at the local, state and national level for individual artists and the organizations that employ and assist them.
- Demand that public art be a part of new building projects in your neighborhood, county and state.
- Attend local dance and theatre productions, buy local art and see local bands.
- Commission a piece of art or a song to commemorate events in your life.
- Enroll your child in art classes, music lessons, or an after school theatre program.
- Serve on a board of directors or volunteer for an organization that works with artists.
- Take a class or attend a workshop to create your own art and explore your own creative passions.

Artists Count: The Economic Impact of Minnesota's Individual Artists demonstrates that investment in the health and vitality of individual artists and their artwork yields significant economic benefits in every region of our state. Data from this study will be used to advocate for the arts and artists at all levels because this report shows conclusively that individual artists count as a significant contributor to Minnesota’s economy and to our quality of life.
ENDNOTES:

1 (page 2) *Artists Count: An Economic Impact Study of Artists in Minnesota*, 2007

2 (page 2) *The Arts: A Driving Force in Minnesota’s Economy*, Minnesota Citizens for the Arts, 2006

3 (page 2) *Creative Industries Report, Minnesota*, Americans for the Arts, 2006

4 (page 6) No single method of counting artists in Minnesota seems to be completely accurate because there are so many different types of artists in so many different disciplines at many different worksites working full-time, part-time, and as hobbyists. The total count of 19,676 individual artists in Minnesota was determined by combining the mailing lists of several key artist service organizations in the state and then removing duplicate entries. This accurate and verifiable count may differ from other estimates such as the U.S. Census Bureau. Ann Markusen, in her report *Artists’ Centers*, Feb. 2006 (page 107), states, “the Minnesota artistic workforce, including those self-employed, totaled 16,768 in 2000. These are conservative estimates, because they do not include those for whom artwork is a second or third occupation or who are spending time on their art and sharing it beyond their families but not doing it for pay.” She also points out that the U.S. Census undercounts artists, particularly artists “for whom artwork is a second occupation or a serious endeavor but for which they do not expect to earn income.”

5 (page 8) *Craft Artists* are typically artists working in the fine craft media of clay, wood, metal, glass, fiber and mixed media. Typically they are creating art objects that have function. They are potters, furniture makers, wood turners, sculptors, jewelers, hot and cold working glass artists (i.e. glass blowers, lamp workers, fused glass artists and stained glass artists), weavers, knitters, felters and clothing construction artists, paper makers and book artists.

*Media Artists* are typically artists working in electronic media formats, photography, computer graphics/design, video artists, and mixtures of electronic media.

*Visual Artists* can work with craft media, but more typically are involved in the “fine arts” media of painting, sculpture, printmaking, etc. Typically they include painters and drawers working in two dimensions such as oil, acrylic and/or watercolor painting, pastels and other drawing materials and three dimensional artists such as sculptors, working in fabricated or cast metals such as aluminum, steel, wood, bronze, pewter, stone, etc.

We hope that the other artist categories are self-explanatory.

6 (page 9) The **average** is: the sum of all samples divided by the number of samples.

7 (page 9) Includes the survey respondents who reported that they are full-time, part-time, or neither full-time nor part-time artists. The majority of the third type of respondents reported that they are retired or that art is a hobby.

8 (page 11) Includes the survey respondents who reported that they are full-time, part-time or neither full-time nor part-time artists. The majority of the third type of respondents reported that they are retired or that art is a hobby.

9 (page 12) The **median** is: the sample in the middle (There are an equal number of samples both larger than and smaller than the middle).

10 (page 12) Sample sizes were too small to calculate the average number of employees separately for full-time and part-time artists.


12 (page 14) The itemized percentages add to slightly more than 100 percent because a few responding artists reported that they are covered by health insurance from multiple sources.

13 (page 18) *2004 Minnesota State Survey*, Minnesota Center for Survey Research, University of Minnesota.


APPENDIX A:
IN APPRECIATION:

Artists Count: The Economic Impact of Minnesota’s Individual Artists (2007) is a statewide study conducted by lead organizations Minnesota Citizens for the Arts (MCA), Springboard for the Arts, and the Minnesota Crafts Council (MCC), and was primarily funded by The McKnight Foundation. Many additional partners assisted in the data collection and are listed below. The lead organizations contracted with Americans for the Arts to create the economic models for the statewide and six regional area studies, and to also provide secure web-based surveying tools.

LEAD ORGANIZATIONS:

Minnesota Citizens for the Arts
2233 University Ave. W. #355, St. Paul, MN 55114
651-251-0868  www.mncitizensforthearts.org
mca@mtn.org

Minnesota Citizens for the Arts is a statewide arts advocacy organization whose mission is to ensure opportunity for all people to have access to and involvement in the arts. MCA organizes the arts community and lobbies the Minnesota State Legislature and Congress on issues pertaining to the nonprofit arts and conducts original research. MCA works with over 42,000 arts advocates in Minnesota. For more information on MCA, this project or statistics about the arts in Minnesota, please contact MCA Executive Director Sheila Smith at the above number or view MCA’s website.

Springboard for the Arts
308 Prince Street, Suite 270, St. Paul, MN 55101
651-292-4381  www.springboardforthearts.org
info@Springboardforthearts.org

Springboard for the Arts’ mission is to cultivate a vibrant arts community by connecting artists with the skills, contacts, information and services they need to make a living and a life. For over 20 years, Springboard has served individual artists and their organizations with one-on-one consulting, workshops, resource guide, the Artist Loan Fund, Emergency Relief Fund and other resources. Springboard for the Arts is based in Saint Paul, MN and serves the 5-state upper Midwest.

Minnesota Craft Council
612-333-7789  www.mncraft.org  mncraft@mtn.org

The Minnesota Crafts Council, an artist member organization for over 30 years, has been responsible for the Minnesota Crafts Festival and the MCC Fall Show, two premier juried venues exhibiting the work of over 100 fine craft artists at these annual events. MCC published the Craft Connection, a quarterly magazine featuring fine craft artists and produced professional and aesthetic development workshops. MCC’s signature was programs for artists by artists.

PROJECT DIRECTORS:
Sheila Smith, Executive Director, Minnesota Citizens for the Arts
Laura Zabel, Executive Director, Springboard for the Arts
Chris Osgood, Director of Artist Services, Springboard for the Arts
Dave Glenn
Minnesota Crafts Council

PROJECT MANAGER:
Betsy Mowry

STAFF SUPPORT:
Katie Sabaka, Operations Manager, Minnesota Citizens for the Arts
Sara Shaylie, Research Intern, Minnesota Citizens for the Arts
Caly McMorrow, Office Manager, Springboard for the Arts

DESIGNER:
Barbara Keith

AMERICANS FOR THE ARTS:
Ben Davidson
Director of Field Research Services

From left to right, back row: Dave Glenn, Chris Osgood, Sara Shaylie, Sheila Smith. Front row: Betsy Mowry, Laura Zabel, Katie Sabaka.
MAJOR FUNDING:
The McKnight Foundation
710 South Second Street, Suite 400, Minneapolis, MN 55401
612-333-4220
www.mcknight.org

The McKnight Foundation, a Minnesota-based private philanthropic organization, seeks to improve the quality of life for present and future generations. Through grant making, coalition-building, and encouragement of strategic policy reform, we use our resources to attend, unite, and empower those we serve.

PARTNER ORGANIZATIONS:
American Composers Forum is committed to supporting composers and developing new markets for their music.
www.composersforum.org  mail@composersforum.org

American Association of Woodturners provides education, information, and organization to those interested in woodturning—the branch of woodworking centered around using the lathe to shape wood. 651-484-9094
www.woodturner.org  inquiries@woodturner.org

Americans for the Arts is the nation’s leading nonprofit organization for advancing the arts in America. With 45 years of service, we are dedicated to representing and serving local communities and creating opportunities for every American to participate in and appreciate all forms of the arts. Washington, DC 202-371-2830  www.artsusa.org

Art Educators of Minnesota promotes and advocates quality arts education for all learners through networking, sharing and collaborating with local, state and national resources and providing information and professional growth opportunities for all art educators in Minnesota. 612-789-3729  artmn@comcast.net

Bryant Lake Bowl strives to be our neighbors’ favorite restaurant, bowling alley, and theater. 612-825-3737
www.bryantlakebowl.com  askus@bryantlakebowl.com

CHAT (Center for Hmong Arts & Talent) nurtures and develops Hmong artists to enhance the community. 651-603-6971  www.aboutchat.org  info@aboutchat.org

COMPAS strengthens people and communities in Minnesota by engaging them in creating art. 651-292-3254  www.compas.org

Cornucopia Art Center showcases visual art, partners with others to promote the visual arts, and educates to empower creativity. Lanesboro, MN 507-467-2446  www.lanesboroarts.org

Illusion Theater creates theater that illuminates the myths and realities of our times and to catalyze personal and social change. 612-339-4944
www.illusiontheater.org  Info@illusiontheater.org

Intermedia Arts is a catalyst that builds understanding among people through art. 612-871-4444  www.intermediaarts.org  info@intermediaarts.org

Lake Elmo Regional Arts Center is a community, cultural resource, and arts center, showcasing artistic talent, inspiring artists to fulfill their dreams and strengthening the community through the appreciation of the arts. 651-256-1407  www.lakeelmoart.org  info@lakeelmoart.org

The Loft fosters a writing community, the artistic development of individual writers, and an audience for literature. 612-215-2575  www.loft.org

Lyric Center for the Arts provides artists and educational opportunities for children and adults while preserving the State Theater (Lyric Center for the Arts). 218-741-5577  www.lyriccenter.org  info@lyriccenter.org

MacPhail Center for Music offers instruction in more than 30 instrumental areas in the form of individual lessons, group classes and lessons, and ensembles as well as music therapy, Early Childhood Arts and Suzuki Talent Education. 612-321-0100  www.macphail.org

Minnesota Center for Book Arts engages diverse artists and learners in finding creativity, expression, and inspiration through the book arts. 612-215-2520  www.mnbookarts.org  mcb@mnbookarts.org

Minnesota Fringe Festival connects adventurous artists with adventurous audiences by creating open, supportive forums for free and diverse artistic expression. 612-872-1212  www.fringefestival.org  press@fringefestival.org

Minnesota State Arts Board ensures that all Minnesotans have the opportunity to participate in the arts. 651-215-1600  www.arts.state.mn.us  msab@arts.state.mn.us
Minnetonka Center for the Arts provides teaching excellence, quality exhibitions and cultural enrichment for people of all ages, interests and abilities in the belief that visual arts are indispensable to a healthy community. www.minnetonkaarts.org information@minnetonkaarts.org

MMEA (Minnesota Music Educators Association) provides high-quality music education for every student in Minnesota. 763-566-1460 www.mmea.org

mnartists.org is a program of the Walker Arts Center which improves the lives of Minnesota artists and provides access to and engagement with Minnesota's arts culture. 612-375-7611 www.mnartists.org info@mnartists.org

NAAO (National Association of Artist Organizations) is dedicated to serving and strengthening artist-driven groups and organizations. 651-294-0907 www.naaano.org info@naao.net

National Writer’s Union—Twin Cities Chapter is the trade union for freelance and contract writers. The Union works to defend the rights and improve the economic and working conditions of all writers. 612-722-8776 www.nwu-tc.org info@nwu-tc.org

Northern Clay Center focuses on the advancement of the ceramic arts. 612-339-8007 www.northernclaycenter.org nccinfo@northernclaycenter.org

Perpich Center for Arts Education improves K-12 education for all Minnesota students and educators through innovative programs and partnerships centered in the arts. 763-591-4726 www.mcaek12.mn.us

The Southern Theater cultivates artistic exploration by providing a vibrant home for performance, fostering a multiplicity of voices, and catalyzing connections among artists and audience. 612-340-1725 www.southerntheater.org boxoffice@southerntheater.org

St. Paul Art Collective (St. Paul Art Crawl) creates an artist-run venue which facilitates a mutually beneficial and meaningful interaction between the arts community and the public. 651-292-4373 www.stpaulartcrawl.org info@stpaulartcrawl.org

SteppingStone Theatre for Youth Development serves youth from diverse ethnic, social and economic backgrounds by teaching life skills through theatre. 651-225-9265 www.steppingstonetheatre.org

Textile Center is a national center for fiber art. Its mission is to honor textile traditions and promote excellence and innovation in fiber art. 612-436-0464 www.textilecentermn.org info@textilecentermn.org

Theatre in the Round Players produces excellent theatre in, with, and for the community. 612-333-2919 www.TheatreintheRound.org TRP@qwest.net

Thirst Theater provides premier professional theater artists a venue to gather together, practice their art and share their passion in an environment and manner that is more accessible to new and existing theater audiences than permitted by the traditional red-velvet theater model. thirst@mn.rr.com

Twin Cities Theater and Film strengthens, promotes and unifies the theatre and film communities of the Twin Cities. 651-485-4668 www.tctheatreandfilm.org info@tctheatreandfilm.org

Uptown Association/Uptown Art Fair brings art to the people, draws people to Uptown and provides a showcase and sales outlet for both professional and amateur artists. 612-823-4581 www.uptownminneapolis.com/art-fair info@uptownminneapolis.com

VSA Arts of Minnesota is a statewide arts organization that for the past 20 years has made the arts available and accessible to Minnesotans with disabilities. 612-332-3888 or 800-801-3883 www.vsaartsmn.org

Young Audiences of Minnesota inspires, empowers and unites children and communities through education, arts and culture. 651-292-3399 www.youngaudiencesofmn.org info@youngaudiencesofmn.org

The Forum of Regional Arts Councils of Minnesota serves as the voice and advocate for small arts organizations and community-based arts activities throughout Minnesota by working in partnership with the Minnesota State Arts Board, Minnesota Citizens for the Arts and others. The Forum’s Chair is Leslie Schumacher at 320-968-4290 or mail@centralmartsboard.org.

The Northwest Regional Arts Council (Region 1) serves Kittson, Marshall, Norman, Pennington, Polk, Red Lake and Roseau counties. 218-745-6733 www.nwrdc.org/arts.htm mara@nwrdc.org

The Region 2 Arts Council serves Beltrami, Hubbard, Clearwater, Lake of the Woods and Mahnomen counties. 218-751-5447 www.r2arts.org r2arts@paulbunyan.net

The Arrowhead Regional Arts Council (Region 3) serves Aitkin, Carlton, Cook, Itasca, Koochiching, Lake and St. Louis counties. 218-722-0952 www.aracouncil.org ARACouncil@aol.com

The Lake Region Arts Council (Region 4) serves Becker, Clay, Douglas, Grant, Otter Tail, Pope, Stevens, Traverse and Wilkin counties. 218-739-5780 www.charterinternet.com/lrac4 lrac4@charterinternet.com
The Five Wings Art Council (Region 5) serves Cass, Crow Wing, Morrison, Todd, and Wadena counties.
218-894-5485  www.fwac.org  mtturner@ncscmn.org

The Southwest Minnesota Arts and Humanities Council serves Big Stone, Chippewa, Cottonwood, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, McLeod,Meeker, Murray, Nobles, Pipestone, Redwood, Renville, Rock, Swift & Yellow Medicine counties. 507-537-1471
www.smahc.org  smahcinfo@iw.net

The East Central Arts Council (Region 7E) serves Chisago, Isanti, Kanabec, Mille Lacs, and Pine counties.
320-679-4065
www.region7erdc.org  extension 30 ecrdc@ecrdc.org

The Central Minnesota Arts Board (Region 7W) serves Benton, Sherburne, Stearns, and Wright counties.
320-968-4290  www.centralmnartsboard.org
mail@centralmnartsboard.org

The Prairie Lakes Regional Arts Council (Region 9) serves Blue Earth, Brown, Faribault, LeSueur, Martin, Nicollet, Sibley, Waseca and Watonwan counties.
507-833-8721  www.plrac.org  plrac@hickorytech.net

The Southeast Minnesota Arts Council Inc. (Region 10) serves Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, and Winona counties.
507-281-4848  www.semac.org  staff@semac.org

Metropolitan Regional Arts Council (Region 11) serves Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington counties. 651-645-0402
www.mrac.org  mrac@mrac.org
APPENDIX B—EXPLANATION OF PROCESS AND METHODOLOGY

Surveys of Individual Artists

Minnesota Citizens for the Arts, Springboard for the Arts, and the Minnesota Craft Council identified 19,676 unique individual artists that reside in the state of Minnesota by working with a large list of partner artist organizations. Several attempts were made to solicit participation in the survey from the universe of artists. First, the survey was sent to each individual artist for whom an e-mail address was available. Second, a postcard containing a URL link to the survey was distributed to every artist via the U.S. Postal Service. Third, the URL link to the survey was included in several publications (e.g. newsletters) that are distributed to individual artists by the partners. Finally, the survey was prominently mentioned at many meetings where artists and/or artist service organization representatives were present.

Studies of this kind don’t generally work because artists tend to be reluctant, like most people, to divulge personal financial information. This study was constructed in order to get across that barrier. The lead organizations conducting the study partnered with trusted artist service organizations from around the state that have close relationships with their artists and which urged them to participate. We also used a secure server provided by Americans for the Arts so that only the economists hired to do the data analysis saw the individual responses. The survey was short to make it more likely that the artists would complete it. Thus, the response rate was 5.3%, high for this type of study.

The survey requested detailed information about the artists’ 2005 artistic expenditures, as well as information about artistic income, artistic discipline, and artist quality of life indicators (the survey instrument can be found at www.mncitizensforthearts.org). To ease the reporting burden on survey respondents, the expenditure section of the survey mirrored exactly the 2005 IRS Schedule C used to report business expenses.

In total, 1,047 of the 19,676 individual artists identified for this study responded to the survey, a response rate of 5.3 percent. The responding artists reported a range of artistic expenditures from $0 to $650,000.

APPENDIX C—REGIONAL AND STATEWIDE EXTRAPOLATIONS

Average survey responses were used to extrapolate findings for the entire universe of 19,676 individual artists that were identified for this study. A regional approach was used to achieve these extrapolations. Minnesota’s 11 Regional Arts Council regions were combined into six Study Areas for the purposes of extrapolating the statewide findings. The six Study Areas are defined on pages 20-31.

Average survey findings were calculated for each Study Area, and those averages were then applied to the total number of individual artists that reside in each Study Area. The following table demonstrates how the total artistic expenditure estimates were calculated.

<table>
<thead>
<tr>
<th>Study Area</th>
<th>Number of Survey Respondents (n)</th>
<th>Average Artistic Expenditure of Survey Respondents</th>
<th>Total Number of Individual Artists</th>
<th>Total Estimated Artistic Expenditures of Artists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area A</td>
<td>53</td>
<td>$9,373</td>
<td>1,820</td>
<td>$17,058,723</td>
</tr>
<tr>
<td>Study Area B</td>
<td>50</td>
<td>$9,680</td>
<td>1,990</td>
<td>$19,263,041</td>
</tr>
<tr>
<td>Study Area C</td>
<td>54</td>
<td>$9,083</td>
<td>1,846</td>
<td>$16,767,799</td>
</tr>
<tr>
<td>Study Area D</td>
<td>52</td>
<td>$7,535</td>
<td>1,073</td>
<td>$8,084,993</td>
</tr>
<tr>
<td>Study Area E</td>
<td>44</td>
<td>$11,419</td>
<td>691</td>
<td>$7,890,812</td>
</tr>
<tr>
<td>Study Area F</td>
<td>794</td>
<td>$14,773</td>
<td>12,256</td>
<td>$181,052,285</td>
</tr>
<tr>
<td>State of Minnesota</td>
<td>1,047</td>
<td>$250,117,653</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In addition to providing their total artistic expenditures, survey respondents were also asked to provide an estimate of the portion of their total artistic expenditures that were made to merchants or businesses located within the state of Minnesota. These percentages were applied to their overall artistic expenditures, resulting in an estimate of the average artistic expenditures made by individual artists within the state. The following table demonstrates how the total artistic expenditure estimates made in Minnesota were calculated.
Total Estimated Artistic Expenditures of Minnesota’s Individual Artists
(Dollars Spent with Merchants and Businesses in Minnesota Only)

<table>
<thead>
<tr>
<th>Study Area</th>
<th>Number of Survey Respondents (n)</th>
<th>Average In-State Artistic Expenditure of Survey Respondents</th>
<th>Total Number of Individual Artists</th>
<th>Total Estimated In-State Artistic Expenditures of Artists</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area A</td>
<td>53</td>
<td>$7,231</td>
<td>1,820</td>
<td>$13,159,666</td>
</tr>
<tr>
<td>Study Area B</td>
<td>50</td>
<td>$6,919</td>
<td>1,990</td>
<td>$13,768,710</td>
</tr>
<tr>
<td>Study Area C</td>
<td>54</td>
<td>$6,555</td>
<td>1,846</td>
<td>$12,100,873</td>
</tr>
<tr>
<td>Study Area D</td>
<td>52</td>
<td>$6,676</td>
<td>1,073</td>
<td>$7,162,933</td>
</tr>
<tr>
<td>Study Area E</td>
<td>44</td>
<td>$9,351</td>
<td>691</td>
<td>$6,461,708</td>
</tr>
<tr>
<td>Study Area F</td>
<td>794</td>
<td>$12,445</td>
<td>12,256</td>
<td>$152,531,249</td>
</tr>
<tr>
<td>State of Minnesota</td>
<td>1,047</td>
<td>19,676</td>
<td></td>
<td>$205,185,139</td>
</tr>
</tbody>
</table>

Only the artistic expenditures made to merchants and businesses located within Minnesota have an economic impact on Minnesota’s economy. Therefore, the economic impact findings in this report are based on the $205.2 million of total in-state artistic expenditures calculated in the table above. The following table demonstrates how the total economic impact findings were calculated.

Total Economic Impact of Spending by Minnesota’s Individual Artists

<table>
<thead>
<tr>
<th>Study Area</th>
<th>Total Estimated In-State Artistic Expenditures of Artists</th>
<th>FTE Jobs</th>
<th>Resident Income</th>
<th>Local Govt. Revenue</th>
<th>State Gov. Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Study Area A</td>
<td>$13,159,666</td>
<td>490</td>
<td>$9,423,000</td>
<td>$363,000</td>
<td>$1,313,000</td>
</tr>
<tr>
<td>Study Area B</td>
<td>$13,768,710</td>
<td>490</td>
<td>$10,478,000</td>
<td>$371,000</td>
<td>$1,198,000</td>
</tr>
<tr>
<td>Study Area C</td>
<td>$12,100,873</td>
<td>448</td>
<td>$8,859,000</td>
<td>$429,000</td>
<td>$1,083,000</td>
</tr>
<tr>
<td>Study Area D</td>
<td>$7,162,933</td>
<td>252</td>
<td>$4,849,000</td>
<td>$223,000</td>
<td>$608,000</td>
</tr>
<tr>
<td>Study Area E</td>
<td>$6,461,708</td>
<td>215</td>
<td>$4,833,000</td>
<td>$200,000</td>
<td>$578,000</td>
</tr>
<tr>
<td>Study Area F</td>
<td>$152,531,249</td>
<td>4,042</td>
<td>$133,312,000</td>
<td>$3,661,000</td>
<td>$14,185,000</td>
</tr>
<tr>
<td>State of Minnesota</td>
<td>$205,185,139</td>
<td>5,937</td>
<td>$171,755,000</td>
<td>$5,247,000</td>
<td>$18,784,000</td>
</tr>
</tbody>
</table>
Studying Economic Impact Using Input/Output Analysis

To derive the most reliable economic impact data, economists used the method of input/output analysis to measure the impact of expenditures by the local nonprofit arts and culture industry and its audiences. This method is a standard procedure for demonstrating the impact of expenditures on communities (and has also been the basis for two Nobel Prize awards in economics). It is well suited for this study because the models can be customized specifically to each region to measure the industry directly and through the commerce that the industry creates. An input/output model is a system of mathematical equations that combines statistical methods and economic theory. It traces how many times a dollar is "re-spent" within the local economy and the economic impact of each of those rounds of spending (see the example of how a dollar can be re-spent on page 7 of this report).

The model for each region is customized by using detailed data on employment, incomes, and government revenues provided by the U.S. Department of Commerce (e.g., County Business Patterns, Regional Economic Information System, Survey of State and Local Finance), local tax data (sales taxes, property taxes, and other local option taxes), as well as the survey data collected from the 1,047 responding individual artists.

Population figures for Minnesota cited in the report are from the U.S. Census Bureau, 2005.

The Input/Output Process

The input/output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 1992 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to the 32 industries showing local sales and purchases. The input/output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 1992 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to the 32 industries showing local sales and purchases. The input/output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 1992 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to the 32 industries showing local sales and purchases. The input/output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 1992 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to the 32 industries showing local sales and purchases. The input/output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 1992 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to the 32 industries showing local sales and purchases. The input/output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 1992 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to the 32 industries showing local sales and purchases. The input/output model is based on a table of 533 finely detailed industries showing local sales and purchases. The local and state economy of each community is researched so the table can be customized for each community. The basic purchase patterns for local industries are derived from a similar table for the U.S. economy for 1992 (the latest detailed data available from the U.S. Department of Commerce). The table is first reduced to the 32 industries showing local sales and purchases.

The economic impact figures for the study were computed using what is called an "iterative" procedure. This process uses the sum of a power series to approximate the solution to the economic model. This is what the process looks like in matrix algebra:

\[ T = IX + AX + A^2X + A^3X + \ldots + A^nX \]

\(T\) is the solution, a column vector of changes in each industry's outputs caused by the changes represented in the column vector \(X\). \(A\) is the 33 by 33 direct-requirements matrix. This equation is used to trace the direct expenditures attributable to individual artists. A multiplier effect table is produced that displays the results of this equation. The total column is \(T\). The initial expenditure to be traced is \(IX\) (I is the identity matrix, which is operationally equivalent to the number 1 in ordinary algebra). Round 1 is \(AX\), the result of multiplying the matrix \(A\) by the vector \(X\) (the outputs required of each supplier to produce the goods and services purchased in the initial change under study). Round 2 is \(A^2X\), which is the result of multiplying the matrix \(A\) by Round 1 (it answers the same question applied to Round 1: “What are the outputs required of each supplier to produce the goods and services purchased in Round 1 of this chain of events?”). Each of columns 1 through 12 in the multiplier effects table represents one of the elements in the continuing but diminishing chain of expenditures on the right side of the equation. Their sum, \(T\), represents the total production required in the local economy in response to arts activities. Calculation of the total impact of expenditures by individual artists on the outputs of other industries \((T)\) can now be converted to impacts on the final incomes to local residents by multiplying the outputs produced by the ratios of household income to output and employment to output. Thus, the employment impact of changes in outputs due to arts expenditures is calculated by multiplying elements in the column of total outputs by the ratio of employment to output for the 32 industries in the region. Changes in household incomes, local government revenues, and state government revenues due to nonprofit arts expenditures are similarly transformed. The same process is also used to show the direct impact on incomes and revenues associated with the column of direct local expenditures.