



BUSINESS of the Arts

The Economic Impact of the Arts in Metropolitan Denver

A Survey of Arts, Cultural and Scientific Organizations
which receive funding from the
Scientific & Cultural Facilities District

by

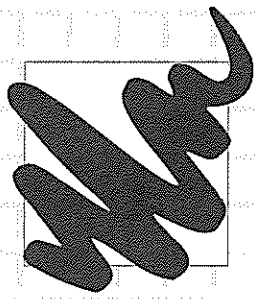


and

CBCA COLORADO BUSINESS
COMMITTEE FOR THE ARTS

November 1993

*Colorado Business Committee for the Arts
gratefully acknowledges the work of
Tim Davis, Matthew Burkley and Donna Croland
at Deloitte & Touche for the execution of the survey,
INVESCO Funds for the printing of the survey,
and Servoss Public Relations for its support.*



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I. EXECUTIVE SUMMARY

Purpose and Goals

Colorado Business Committee for the Arts (CBCA), an organization of businesses whose goal is to encourage business support for the arts, and Deloitte & Touche, an accounting and professional services firm, collaborated to develop an economic impact study of arts and science organizations in metropolitan Denver. The study develops an overview of scientific and cultural organizations by quantifying and describing the economic and social impacts of the institutions. The purpose of the study is to create a heightened awareness in the business and cultural communities of the relationship of the arts and sciences to the economy and the community.

The Survey

To collect the data for the overview of the scientific and cultural organizations and their economic impact, a survey was mailed to the 181 arts and science organizations that have received funds from the Scientific and Cultural Facilities District (SCFD)¹ at least once since 1989. The nonprofit organizations are all located within Adams, Arapahoe, Boulder, Denver, Douglas and Jefferson counties. The survey and resulting study provide the following information.

- Survey respondents reported five years of financial and employment information for their organizations. The survey covered the fiscal years ending in 1989 through 1993.
- Survey respondents also provided information on the type of organization, admissions from 1989-1992 and the involvement of the organization in education and outreach to children and underserved populations.
- The economic and social impacts of this study reflect the activity of survey respondents. The data was not extrapolated to any

organizations that did not complete the survey.

- The study provides information on the economic and non-economic activity of scientific and cultural institutions for the 1.9 million residents of metropolitan Denver. The economic impact quantifies the economic activity and does not distinguish between diversionary and new funds entering the regional economy.

Survey Respondents

Of the 181 organizations surveyed, 96 or 53% responded. All organizations with revenues over \$1 million responded. The respondents also account for over 95% of the SCFD funds distributed in 1992. The charts below illustrate the respondents by type of organization and county.

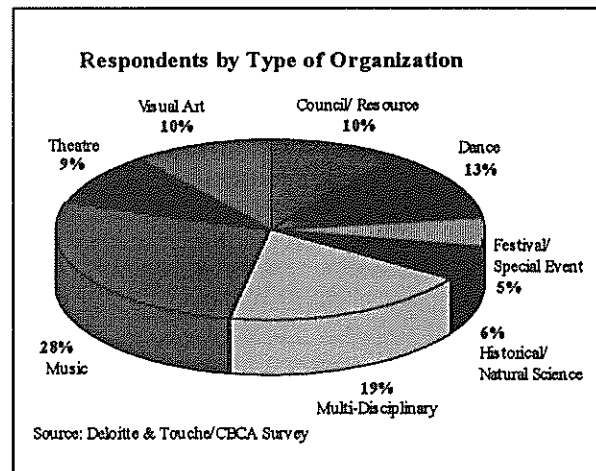


Figure 1.1

¹ The SCFD is the tax district for a one-tenth of one percent sales tax. The tax district encompasses parts of all six metropolitan counties. To receive SCFD funds, an organization must be a nonprofit organization with an artistic or scientific mission.

Survey Respondents (Continued)

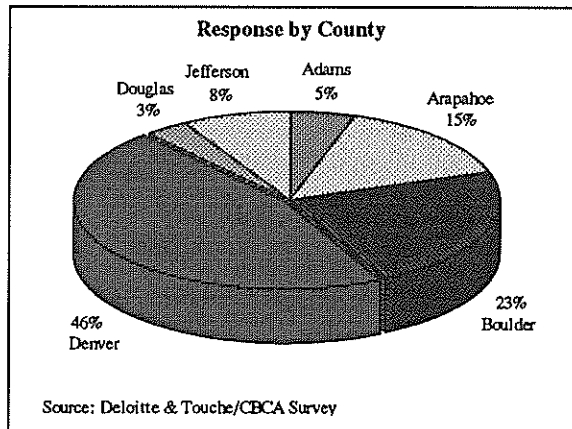


Figure I.2

Financial Information

The following 1992 financial data came from 96 survey respondents representing six metropolitan counties.

- The operating revenues of cultural and scientific organizations approached \$104 million.* Approximately \$57 million or 55% of the total revenue was "earned" while the remaining \$46.5 million or 45% was "contributed" by individuals, corporations, foundations and governments.
- The operating expenditures of scientific and cultural organizations totaled approximately \$97 million. At the end of fiscal year 1992, 57% or 55 organizations had surplus revenues totaling almost \$7.0 million. Surplus revenues are used to fund working capital, new programs and capital additions. Another six organizations or 6% reached break-even, 35 organizations or 36% ended the fiscal year with a deficit.
- In addition to operating expenditures, scientific and cultural organizations expended \$24 million in capital additions for the purchase of new equipment and the construction or remodeling of facilities.
- Ancillary spending by the 7.3 million patrons of scientific and cultural institutions was estimated to be \$80 million. The calculation used \$10.98² per person on non-ticket audience spending outside the scientific or cultural facility.

² Colorado Council on the Arts survey completed in 1990.

- Scientific and cultural institutions paid over \$6.5 million in payroll, seat and sales taxes in 1992.
- The 1992 payroll for scientific and cultural organizations totaled \$46.5 million. Scientific and cultural organizations employed a total of 3,940 people consisting of 808 full-time, 1,343 part-time and 1,789 contract personnel. Since 1989, total paid employment of scientific and cultural organizations has grown by 47%.
- Unpaid volunteers and board members provide critical administrative, artistic and technical expertise to scientific and cultural organizations. Over 1,151 board members and 17,160 volunteers provide their time and expertise to scientific and cultural organizations. Volunteer hours totaled 574,000 hours or about 285 full-time equivalent jobs.
- Since 1989, the number of volunteers has declined 3% while volunteer hours have increased by 62%. The number of board members has increased by 30%.

Economic Impact

- In 1992, the operating expenditures including operating surplus and capital expenditures and operating surplus of ninety-six scientific and cultural organizations and audience ancillary spending by patrons created an estimated \$461 million sales impact for businesses and industries. The sales impact measures the total regional impact on output (goods and services) attributable to the activity of scientific and cultural institutions.

Economic Impact of Cultural and Scientific Organizations (Millions)			
Expenditures	Sales Economic Impact		
	Direct	Indirect	Total
Operating (Including Surplus)*	\$104	\$125	\$229
Capital	24	32	56
Audience Ancillary	80	96	176
Total	\$208	\$253	\$461

Source: Deloitte & Touche/CBCA

Figure I.3

(*) The economic impact model assumes an equivalent dollar of expenditure for every dollar of revenue. See Figure IV.4.

The total economic sales impact is composed of the direct and indirect economic impacts of operating and capital expenditures of organizations and the audience ancillary spending of 7.3 million patrons.

The direct economic impact measures the initial operating, capital and audience ancillary expenditures. The original expenditures continue to generate additional sales as related industries make additional purchases from suppliers. This second wave of impacts is referred to as the indirect economic impact. To quantify both the direct and indirect economic impacts, this study uses data collected by the survey, other original research and the RIMS multiplier supplied by the U.S. Bureau of Economic Analysis.

In addition to the sales impact, the economic impact can be measured by the employment and earnings generated by scientific and cultural organizations. The employment impact measures the number of jobs created and the earnings impact quantifies the payroll or personal income generated.

- The sales impact generated an estimated 11,000 full-time, part-time and contract positions with a payroll of over \$161 million for the metropolitan economy. Figure I.4 depicts the composition of the employment impact.
- These 11,000 employees generated an estimated \$29 million in payroll taxes.

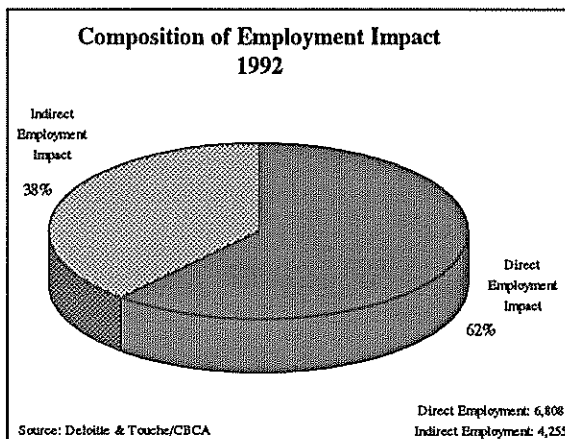


Figure I.4

Performances, Opportunities and Attendance

Inherent in the mission of the nonprofit scientific and cultural organizations surveyed is the goal of reaching out to the diversified population of metropolitan Denver. To capture the social impact of scientific and cultural organizations, survey respondents provided information on the number of performances and opportunities available to the public. Opportunities are defined as non-performance activities available to the public such as exhibit days, workshops and classes. By quantifying the performances, opportunities and attendance of scientific and cultural organizations, a more accurate picture is obtained of the contribution to all socio-economic groups.

In 1992, ninety-six scientific and cultural organizations offered over 10,600 performances and opportunities, an increase of 45% since 1989.

- Scientific and cultural organizations experienced close to 7.3 million visits in 1992. The visits consisted of approximately 4 million paid, 2.2 million unpaid, 350,000 member/subscribers and 750,000 reduced rate admissions.

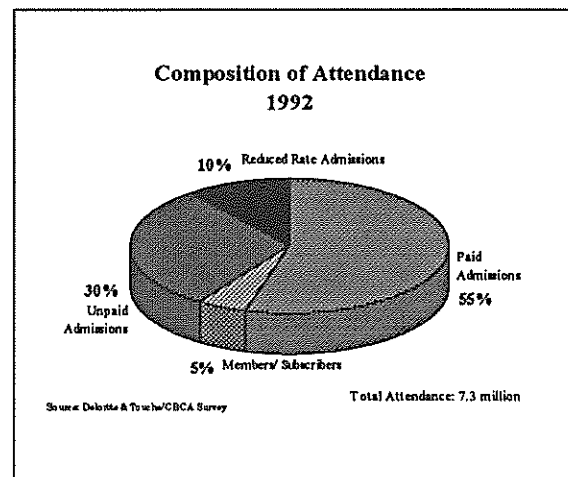


Figure I.5

- Total admissions have grown 44% since 1989. The greatest increases have come from unpaid admissions which increased 62% and reduced rate admissions which grew 69% over the same time period.
- The total attendance of scientific and cultural organizations exceeded the combined home game attendance for the 1992-93 Denver Nuggets and the Denver Broncos and the 1993 attendance at the Colorado Rockies.

Professional Sports and Scientific and Cultural Organizations 1992 -1993 Home Game Attendance	
Colorado Rockies*	4,483,350
Denver Broncos	730,968
Denver Nuggets	603,422
Total Sports	5,817,747
Scientific and Cultural Organizations	7,299,315
Source: Each organization supplied its attendance *1993 attendance	

Figure 1.6

- In 1992, scientific and cultural organizations provided 1,000 programs targeted to specific underserved populations including underserved children, people of color, elderly people and people with disabilities.

Educational Outreach

Scientific and cultural organizations offer unique, interactive learning experiences for children in kindergarten to grade twelve, training for artists and administrators and opportunities for life-long learning. These artistic and scientific programs complement the traditional classroom education and also offer additional educational opportunities to people of all ages.

- Approximately 42% of scientific and cultural organizations offer an educational outreach program.

- In 1992, ninety-six scientific and cultural organizations had over 1.1 million contacts with school children. The total enrollment in the metropolitan public school districts totaled 330,000 students and the entire state enrollment was 650,000 students. The number of student contacts has grown by 36% since 1989.
- Internships at scientific and cultural organizations have grown from 35 in 1989 to 112 in 1992.
- In 1992, over 88,000 people enrolled in paid and unpaid courses offered by scientific and cultural organizations. Free courses have increased from 53 in 1989 to 210 in 1992.

Conclusion

Scientific and cultural organizations are responsible for two types of impacts on the metropolitan Denver community. As an industry, scientific and cultural organizations create sales, employment and earnings for the regional economy. In the drive for artistic excellence and accessibility, the arts contribute to the quality of life in metropolitan Denver through performances, opportunities and outreach programs to children and underserved populations.

This Executive Summary provides a brief overview of the impact of scientific and cultural institutions in metropolitan Denver. From this information, both the business and cultural community can become aware of these facets of their relationship. The accompanying report more fully describes the economic and social impacts of scientific and cultural organizations on metropolitan Denver.

II. INTRODUCTION

*"The businessman and the artist
are like matter and mind. We can
never get either pure without some
alloy of the other."*

Samuel Butler(1835-1902) Notebook ed. Festing Jones, 1912, Chapter IX

For hundreds of years, business support has provided the resources needed for artistic excellence. The decision to support the arts traditionally came from an appreciation of the arts. The economic ramifications were rarely considered. However, with changing political and economic climates and new economic theory, the role of the arts in society is undergoing a re-examination. Recent research suggests that Samuel Butler used incredible foresight when he wrote those words. Besides intrinsic beauty, the arts and cultural organizations increasingly contribute to the health of an economy by providing employment, offering the amenities needed to attract new business and by serving as a catalyst for growth and redevelopment of other economic sectors.

For cooperation among business, government and cultural leaders, clear baselines of communication must be established. While the artist discusses quality, artistic expression and creativity, the businessperson deliberates over profitability, employment and sales. To bridge the gap, an economic impact study translates the world of culture into the language of business. By quantifying the arts as an industry, the business community becomes aware of the sales, jobs and income the cultural community generates. For the arts, the survey and study heighten awareness of how the arts are perceived through the eyes of the business community. Overall, this economic impact study illustrates how the combination of the two elements, business and the arts, produces an alloy stronger than the two component parts.

The interaction of the two communities is significant. During 1992, the business community contributed almost \$4.6 million dollars to the cultural community in metropolitan Denver. Meanwhile, the cultural community created a total employment impact of over 11,000 full-time, part-time and contract positions. To

fully understand the composition of the alloy, there needs to be a complete understanding of how the elements interact.

Acknowledgements

To develop the parameters of the relationship between business and the arts, Colorado Business Committee for the Arts (CBCA) and Deloitte & Touche, an accounting and professional services firm, collaborated to create an objective overview and impact study of the arts in metropolitan Denver. The survey would not have been possible without the assistance of advisory and working committees composed of local business, cultural, government and council leaders (Appendix B). For the logistics of the survey we are indebted to Anne Milliken, Terry Baxter and Beth Watson of the Scientific and Cultural Facilities District. Jim Westkott of the Colorado Division of Local Governments was instrumental in providing important factors for the calculation of the economic impact.

*The survey would
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government and
council leaders.*

Purpose and Goals

The Colorado Business Committee for the Arts, an organization of businesses whose goal is to educate, motivate and recognize business support for the arts in Colorado, conceived the economic impact study as part of its ongoing mission of fostering a better understanding of the significant economic role of the arts. Also, as part of a national network of business committees for the

arts, CBCA recognized the national interest in Denver's unique cultural sales tax. This economic impact study was designed to address the following points:

- Provide an overview of the size, types and diversity of the artistic community in metropolitan Denver.
- Inform the business and political communities of the identifiable benefits of the cultural community that go beyond their traditional intrinsic value.
- Analyze the symbiotic partnership between the cultural and business communities by quantifying the art as an industry.
- Provide information to the cultural community about how they are perceived by the business community and their role in the metropolitan economy.

Survey Overview

To narrow the definition of the "arts" to a manageable and realistic size, the known and accepted definition of the Scientific and Cultural Facilities District was used for the survey population. Established in 1987 by a vote in the state legislature and ratified by the electorate, the Scientific and Cultural Facilities District (SCFD) encompasses all or part of each metropolitan county.³ The definition for cultural or scientific facility includes any nonprofit or local government agency whose primary purpose is the advancement or preservation of art, music, theatre, dance, zoology, botany or natural history.

Any organization that received SCFD funding since 1989 became part of the survey population of 181 organizations. Each organization was sent a survey (Appendix I) designed by Deloitte & Touche and the Colorado Business Committee for the Arts to collect the following relevant information:

- Organization Type
- Income, Expense and Capital Expenditures from 1989 to 1993

- Opportunities and Attendance from 1989 to 1993
- Taxes and Expenditures 1989 to 1993
- Board, Staff and Artists from 1989 to 1993
- Education and Outreach from 1989 to 1993
- Community Participation and Integration
- Impact of the Scientific and Cultural Facilities District

The surveys were mailed in June and data collection was completed in August 1993. To increase the accuracy and number of respondents, workshops, individual meetings and a help line were available to all survey participants. As surveys were returned, organizations were contacted if clarification was needed, and then the information was tabulated and analyzed by Deloitte & Touche.

Survey Respondents

Out of 181 organizations surveyed, 96 or 53% responded. For a mail back survey of this type, the response was above average. All the larger organizations in the Denver metropolitan area completed the survey. The survey respondents received over 95% of the SCFD funds distributed in 1992. Respondents came from all types of organizations (II.1) and all six metropolitan counties (II.2) were represented as shown by the list of respondents on the pages that follow.

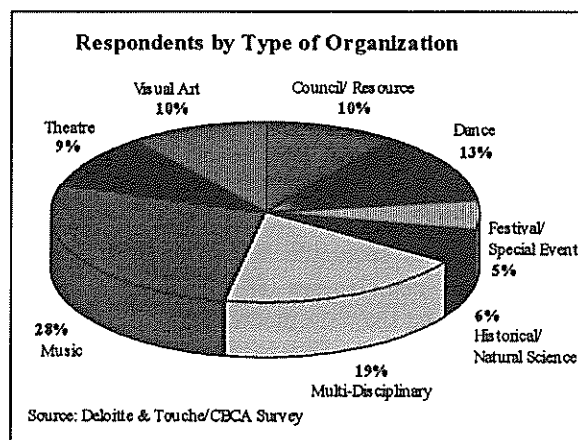


Figure II.1

³ Adams, Arapahoe, Boulder, Denver, Douglas, Jefferson counties

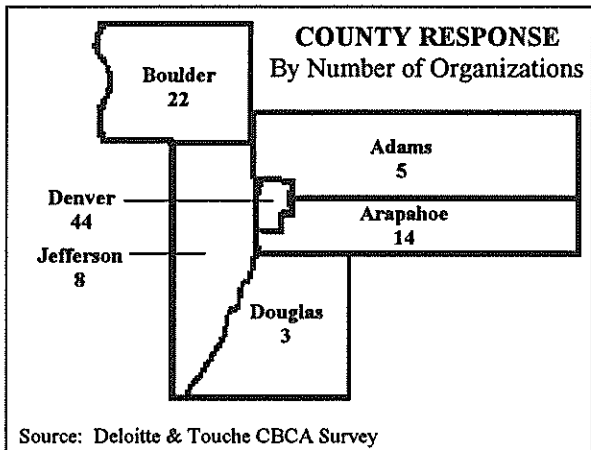


Figure II.2

Respondents by Size

The survey responses came from organizations in all revenue categories. Figures III.1 and III.2 illustrate the revenues of participating organizations. Numerically, the highest number of responses came from organizations with income of under \$250,000. However, organizations with revenues exceeding \$1,000,000 had a 100% response rate.

As a result of using the population of SCFD funded organizations, some large nonprofit scientific and cultural organizations were omitted. The list below illustrates some of the larger organizations not included in the survey because they do not meet the legislated SCFD criteria and therefore do not receive funding. While recognizing the additional cultural and economic contribution of these organizations to the arts and sciences, the SCFD definition was strictly adhered to because it is an accepted and known population of scientific and cultural organizations.

- Colorado History Museum
- Colorado Shakespeare Festival
- Historic Denver
- KBDI- Channel 12 Broomfield
- KRMA- Channel 6 Denver

SURVEY RESPONDENTS

Music (26)

Arapahoe Philharmonic
Boulder Bach Festival
Boulder Philharmonic
Boulder Youth Symphony Society
Broomfield Civic Chorus
Broomfield Civic Orchestra
Broomfield Piano Festival
Central City Opera House Association
Colorado Music Festival
Colorado Symphony Association
Colorado Symphony Guild
Colorado Wind Ensemble
Creative Music Works
Denver Brass
Denver Chamber Orchestra
Denver Young Artists Orchestra
Evergreen Chamber Orchestra
Evergreen Children's Chorale
Evergreen Chorale Inc.
Highlands Ranch Community Chorus
Jefferson Symphony Orchestra
Littleton Choral Society
Littleton Symphony
Northland Chorale
Opera Colorado
Swallow Hill Music Association

Dance (12)

Ballet Denver
Broomfield Children's Dance Theatre
Colorado Ballet
Colorado Celtic Dance
Colorado Dance Alliance
Colorado Repertory Dance
Community Dance Collective
David Taylor Dance Theatre
Hannah Kahn Dance Company
Jan Justis Dance Company
New Dance Theatre(Cleo Parker Robinson)
Postoley Dance Ensemble

Multi-Disciplinary (18)

ArtReach Inc.
Asian Cultural Center
City of Aurora-Cultural Arts Division
Collage Children's Museum
Colorado Artists and Musicians Participating
Colorado Children's Chorale
Colorado Isle of Mull/St. Andrew Pipes & Drums
Denver Center for the Performing Arts
Greenwood Village Arts & Humanities Council
Historic Paramount
Louisville Arts and Humanities Council
Moyo Nguvu Cultural Arts Center
Museum of Outdoor Arts

The Arvada Center for the Arts and Humanities
The Children's Museum of Denver
The Joey Favre Humanities Center
Very Special Arts Colorado
Westminster Community Artists Series

Council/Education/Resource (10)

Arts & Humanities Assembly of Boulder
Aurora Arts and Humanities Council
Broomfield Council on the Arts and Humanities
Commerce City Cultural Council
Douglas County Council for the Arts and Humanities
Evergreen Area Council for the Arts
Lakewood Arts Council
Parker Cultural Commission
Thornton Arts, Science and Humanities Council
Young Audiences Inc.

Historical/Natural Science (6)

Denver Audobon Society
Denver Botanic Gardens
Denver Museum of Natural History
Denver Zoo
Lafayette Historical Society
Scientific Facilities Agency-City of Littleton

Festival/Special Event (5)

Asian American Foundation of Colorado
Cherry Creek Arts Festival
Colorado Chautauqua Association
Crossover Project
Mountain Community Handbell Coalition

Theatre (9)

Boulder ACT for Young People
Changing Scene
Colorado Dramatists
Germinal Stage
Imagination Makers Theater Co.
Industrial Arts Theatre
Main Street Players
Teatro Latino de Colorado
The Upstart Crow

Visual Art (10)

Arts Students League of Denver
Arts Studio Inc.
Asian Art Coordinating Council
Boulder Art Association
Boulder Potter's Guild
Colorado Gallery of the Arts
Colorado Photographic Arts Center
Denver Art Museum
Denver International Film Society
Spark Gallery

NON- RESPONDENTS

Adams (7)

Adams County Historical Society
Colorado Bird Observatory
Northglenn Arts and Humanities Foundation
Paletteers Art Club
Rocky Mountain Brassworks
Westminster Area Historical Society
Yours, Mime & Ours

Arapahoe (7)

CSA Ballot & Performing Arts Foundation
City of Englewood Cultural Activities Division
Heritage Fine Arts Guild
Littleton Civic Ballet
Littleton Chamber Orchestra
Magic Moments Inc.
Stage Eleven

Boulder (29)

Actor's Ensemble
ARS Nova Chamber Singers
Birds of Prey Rehabilitation Foundation
Boulder Art Center
Boulder Civic Opera
Boulder Ballet Ensemble
Boulder Chapter-SPEBSQA
Boulder Concert Band
Boulder County Nature Association
Boulder Education Fund for the Arts
Boulder Native Plant Society
Boulder Repertory Co.
Boulder Theatre Producers Guild
Colorado Dance Festival
Colorado Educational Theatre Inc.
Colorado Mahlerfest
Frequent Flyers Productions Inc.
Helander & Co.
Images in Motion
Lafayette Cultural Arts Commission
Longmont Chorale
Longmont Council for the Arts
Longmont Symphony Orchestra
Longmont Theatre Co.
Lyons Arts & Humanities Council
Nederland Arts & Humanities Advisory Board
Nomad Players
Peanut Butter Players
Rocky Mountain Chorale

Denver (33)

American Guild of Organists-Denver Chapter
Black American West Museum
Centennial Philharmonic
Center for Creative Arts Therapy

Cherry Creek Chorale
Chicano Humanities and Arts Council
CityStage Ensemble
Colorado Chorale
Colorado Contemporary Dance
Colorado Lawyers for the Arts
Colorado New Music Association
Colorado Youth Symphony Orchestra
Columbine Chorale
Dance Advantage
Denver Black Arts Festival
Denver Chamber Choir
Denver Civic Theatre
Denver Concert Band
Denver March Powwow
Denver-Mile-High SPEBSQA
Denver Municipal Band
Denver Urban Forest
EDEN Theatrical Workshop
El Centro Su Teatro
Eulipions
Friends of Chamber Music
Friends of the Denver School of the Arts
Hunger Artists
Mizel Museum of Judaica
Rocky Mountain Women's Institute
Skyline Chorus
Theatre on Broadway
Victorian Bungalow Theatre Corporation

Douglas (2)

Historic Frankstown
Parker Area Historical Society

Jefferson (6)

Classical Dance Arts Foundation
Evergreen Players
Friends of Dinosaur Ridge
Foothills Art Center
Rocky Mountain Quilt Museum
Rocky Mountain Symphony

III. OVERVIEW OF SCIENTIFIC AND CULTURAL ORGANIZATIONS

Survey Findings

To begin understanding scientific and cultural organizations as businesses, the following section provides a brief financial overview of the industry surveyed. Scientific and cultural organizations reported the following information for the 1992 fiscal year.

- The total operating revenue for scientific and cultural organizations was approximately \$104 million. The organizations earned approximately \$57 million or 55% of total income. The remaining \$46.5 million or 45% was contributed by individuals, foundations, corporations and governments.
- Scientific and cultural organizations employ over 3,900 people with an approximate payroll of \$46.5 million.
- Scientific and cultural organizations had non-personnel operating expenses of approximately \$50.5 million. The total operating expenditures were approximately \$97 million.
- The capital expenditures for equipment, renovation or construction of new facilities totaled \$24 million.

Organization by Income

Among the arts and scientific organizations in Denver, different types of organizations are represented in all revenue categories. Of organizations with over \$1,000,000 in revenue, the multi-disciplinary organizations dominate. The survey suggests as organizations grow, their mission expands to cover several different types of activity. On the opposite end of the spectrum, all the theatre organizations that responded have budgets less than \$250,000.

With respect to income, the organizations as a whole earned more money than they received in contributions. Organizations with annual revenues under \$250,000 rely most heavily on contributions, with 48% receiving more revenues from contributions than earned sources. Of organizations with over \$1,000,000 in income, 75% earned more than they received in contributions.

Figures III.1 and III.2 illustrate the sizes of each type of scientific and cultural institutions.

Financial Overview of Organizations by Type (Rounded to Thousands of Dollars)			
Organization Type	Combined Operating Income	Combined Operating Expenses	Surplus (Deficit)
Council/Education/ Resource	\$718,000	\$699,000	\$19,000
Dance	3,196,000	3,227,000	(31,000)
Festival/Special Event	882,000	694,000	188,000
Historical/Natural Science	34,257,000	30,000,000	4,257,000
Multi-Disciplinary	35,622,000	35,908,000	(286,000)
Music	13,762,000	12,862,000	900,000
Theatre	352,000	410,000	(58,000)
Visual Art	14,921,000	13,195,000	1,726,000
Total	\$103,710,000	\$96,995,000	\$6,715,000

Source: Deloitte & Touche/CBCA Survey

Figure III.1

Responding Organizations Classified by Income and Type				
	Under \$250,000	\$250,000-\$500,000	\$500,000-\$1,000,000	Over \$1,000,000
Council/Education/Resource	9	1	0	0
Dance	9	1	1	1
Festival/Special Event	4	0	1	0
Historical/Natural Science	3	0	0	3
Multi-Disciplinary	10	1	3	4
Music	19	2	2	3
Theatre	9	0	0	0
Visual Art	8	1	0	1
Total	71	6	7	12
Percent of Respondents	74%	6%	7%	13%

Source: Deloitte & Touche/CBCA Survey

Figure III.2



IV. ECONOMIC IMPACT

Summary

Operating and construction expenditures of institutions combined with audience ancillary expenditures are the three components of the economic impact determined in this study. This impact is quantified by three separate economic indicators, sales, earnings and employment. The sales result in additional expenditures which in turn generate the employment and earnings impacts. It is estimated for 1992, metropolitan Denver scientific and cultural institutions contributed:

- A total sales impact of over \$461 million for businesses and organizations. Figure IV.1 illustrates the contribution from each expenditure component.

Economic Impact of Cultural and Scientific Organizations (Millions)			
Expenditures	<i>Sales Economic Impact</i>		Total
	Direct	Indirect	
Operating (Including Surplus)	\$104	\$125	\$229
Capital	24	32	56
Audience Ancillary	80	96	176
Total	\$208	\$253	\$461

Source: Deloitte & Touche/CBCA

Figure IV.1

The Three Economic Indicators Are:
Sales
Earnings
Employment

- The sales impact generates jobs in scientific and cultural institutions and the industries patronized by the institutions, audience and employees. In 1992, the employment impact was over 11,000 employees consisting of 7,900 full-time employees, 1,300 part-time positions and almost 1,800 contracted personnel.
- The jobs also create payroll for employees. In 1992, the earnings (payroll) impact for the employees of scientific and cultural organizations and related businesses was approximately \$161 million.
- Scientific and cultural institutions paid over \$6.5 million in taxes to the local, state and federal government.

Other Economic Benefits

This economic impact study of metropolitan Denver translates the operations of the arts into the language of business. By quantifying the arts as an industry and examining the regional impact, both businesspersons and artists can develop an awareness of the economic contribution of the arts. The additional insights about the economic contribution of scientific and cultural organizations complement the traditional artistic and intrinsic value perspectives normally considered when studying the arts.

In addition to the sales, earnings and jobs provided by these institutions, scientific and cultural organizations act as economic generators by attracting new funds to the economy and by retaining and encouraging spending in the metropolitan region. While not quantified in this study, economic theory and evidence from the survey suggest:

CALCULATING THE ECONOMIC IMPACT

- Exhibits and performances in Denver attract visitors from outside the metropolitan region and the spending associated with these visits represents additional resources in the form of new money entering the metropolitan economy.
- The quality of scientific and cultural organizations allows the citizens of the metropolitan region to enjoy top quality performances and exhibits in Denver. To the extent that these people do not travel and spend money outside the region to see top quality performances and exhibits, spending associated with these events represents money retained in the regional economy.
- The money saved by the individual who no longer finds it necessary to leave the region to see a performance or exhibit can also now be spent in the metropolitan region.

In determining the economic impact of scientific and cultural organizations, it is necessary to measure both direct and indirect economic factors. The direct economic impact is the sum of the initial operating, capital and audience ancillary expenditures. The indirect economic impacts are generated by the relationships between scientific and cultural organizations and other industries. When a business experiences an increase in sales due to the expenditures of scientific and cultural organizations, it makes additional purchases from other suppliers and businesses; starting another succession of economic activity. The waves of additional sales benefit many industries and lead to additional jobs and earnings in the region. The sales, earnings and employment impacts resulting from the initial increase in sales are referred to as indirect economic impacts.

To measure the regional indirect economic impact created by the direct expenditures of scientific and cultural organizations, the U.S. Bureau of Economic Analysis developed the Regional Input-Output Modeling System (RIMS). The modeling system is based on the 1982 input-output table which defines the relationships among industries in the matrix. For each expenditure type, a multiplier has been developed based upon the relationships among the industries in the input-output table. Each industry multiplier is a composite of every type of organization or firm within a particular industry. The RIMS adapts these relationships to a particular region based on 1989 sales, earnings and employment data. The Colorado Division of Local governments has provided the RIMS data for Colorado, Denver metropolitan and several other Colorado regions.

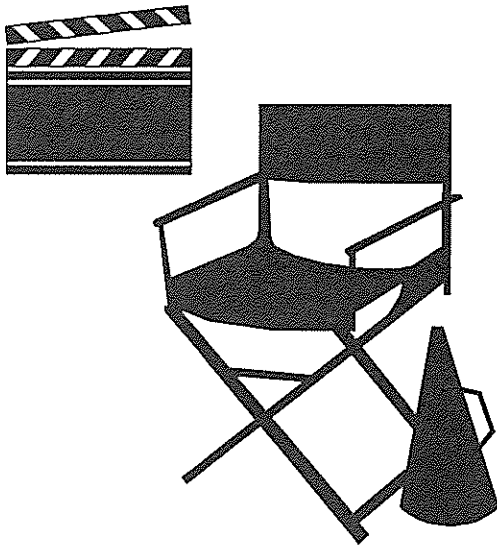


Figure IV.2 illustrates how the RIMS multiplier is used to calculate the final economic impact of scientific and cultural organizations.

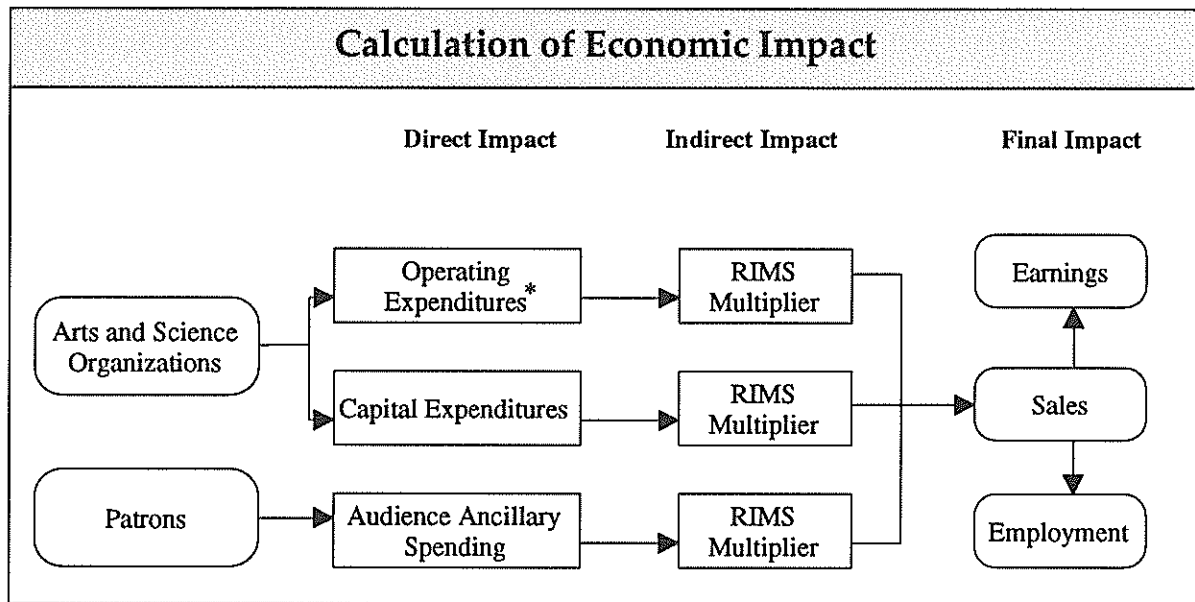


Figure IV.2

(*) The economic impact model assumes an equivalent dollar of expenditure for every dollar of revenue. See Figure IV.4.

DIRECT SALES IMPACT

In 1992, the direct economic sales impact totaled \$208 million. The contribution of each expenditure component is listed in Figure IV.3.

Direct Sales Impact (Millions)	
Expenditure	Impact
Operating (Including Surplus)	\$104
Capital	24
Audience Ancillary	80
Total	\$208
Source: Deloitte & Touche/CBCA	

Figure IV.3

Figure IV.4 illustrates how the direct sales impact is calculated.

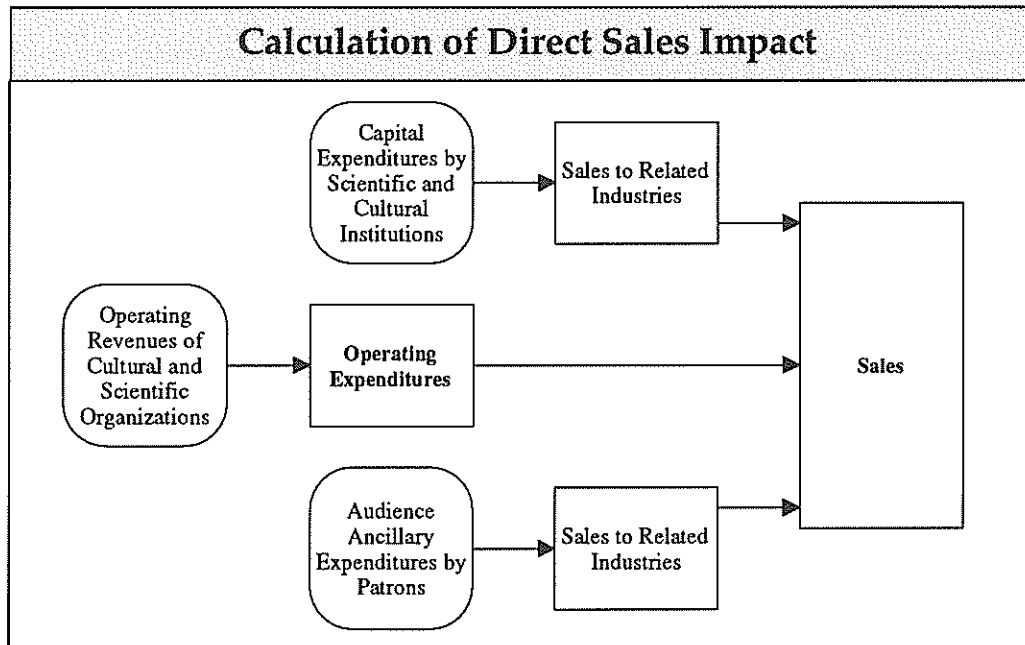


Figure IV.4

Operating Expenditures

Spending by scientific and cultural organizations causes the economic impact for these organizations on the economy. Operating expenditures such as labor, rent and utilities form the first component of the direct impact. To calculate operating expenditures, the RIMS model starts with the total revenue collected by the survey. The RIMS model assumes a certain level of expenditure for every dollar of revenue. These expenditures, in time, generate sales, employment and earnings in the industries these purchases were made. The model translates the revenue into operating expenditures and measures the impact of the spending on sales, earnings and employment.

Capital Expenditures

As organizations acquire assets and improve or construct facilities, an additional economic impact occurs. Because construction and asset acquisition are a different type of spending, the RIMS model uses different multipliers for capital expenditures. Using the data gathered in the

survey, the RIMS model is used to calculate the impact of capital expenditures on sales, earnings and employment.

Audience Ancillary Expenditures

When people attend an arts or science exhibit or performance, they spend money on non-ticket items such as food, lodging and transportation. As part of an economic impact study, audience ancillary spending or patron spending quantifies all the non-ticket costs associated with attending an arts or science institution. Unlike operating and capital expenditures, audience ancillary spending was not captured in the survey. In order to accurately reflect the total economic impact, audience ancillary spending has been estimated and added to operating and calculating expenditures.

This survey utilizes primary research of audience ancillary spending conducted by the Colorado Council on the Arts in their 1990 economic impact assessment. After surveys from patrons of

the Denver Center for the Performing Arts, The Changing Scene and Germinal Stage, were tabulated, \$10.98 per person was determined to be the ancillary spending of a patron outside an arts facility.⁴ This study uses this figure unadjusted for inflation and also assumes the majority of visitors are from the metropolitan region.⁵ The amount was chosen because it is the only authoritative data available and could be considered conservative, when compared to numbers used in economic impact studies conducted in other metropolitan areas (see Figure IV.5). Figure IV.6 lists the non-ticket items and illustrates the composition of the \$80 million in audience ancillary spending.

Ancillary Spending in Other Municipalities	
Municipality	Ancillary Spending Per Person
Aspen, Colorado	\$77.54
Orange County, California	36.68
St. Paul, Minnesota	22.55
San Antonio, Texas	21.00
Atlanta, Georgia	15.44
Houston, Texas	14.00
Denver, Colorado	\$10.98

Source: Various economic impact studies

Figure IV.5

Direct Impact of Ancillary Spending				
	Category	Per Person	Patrons (Millions)	Direct Impact (Millions)
Audience Spending	Food or Drink	\$6.80	7.299	\$49.63
	Retail Sales	1.49	7.299	10.88
	Public Transportation	0.02	7.299	0.15
	Gasoline	0.59	7.299	4.31
	Parking	0.27	7.299	1.97
	Baby-sitting	0.14	7.299	1.02
	Lodging	1.49	7.299	10.88
	Other	0.18	7.299	1.31
	Total		\$10.98	7.299

Source: Colorado Council on the Arts and Humanities, Patrons: Deloitte & Touche/CBCA Survey

Figure IV.6

MULTIPLIER

The multipliers measure two important effects of direct spending in the regional economy,

- Additional sales or indirect impact created by each dollar of direct spending,
- Both the direct and indirect impact on earnings and employment each additional dollar of sales creates

As a composite figure, each multiplier takes into account numerous variables about how the initial spending by an industry creates subsequent impacts on other related industries. The primary indicator of the impact is the additional sales the initial spending creates. As sales grow, both the employment and earnings impacts also grow. The multipliers used in this study were prepared by the U.S. Bureau of Economic Analysis and supplied by the Colorado Division of Local Governments.

For this study, the following RIMS multipliers for the Denver metropolitan region were used.

RIMS Categories		
Impact Measured	SIC Code	Multiplier Title
Operating Expenditures	76.02	Theatrical Producers, Bands, Entertainers
Capital Expenditures	11.02	New Educational Buildings
Audience Ancillary		
Food or Drink	74	Eating and Drinking Places
Retail Sales (Shopping)	69.02	Retail Trade
Public Transportation	76.02	Other Amusement & Recreational Services
Gasoline	75	Auto Repair and Services
Parking	76.02	Other Amusement & Recreational Services
Baby-sitting	77.07	Child Day Care Services
Lodging	72.01	Hotels and Lodging
Other	76.02	Other Amusement & Recreational Services

Source: US Bureau of Economic Analysis and the Colorado Division of Local Governments
The SIC Code allows for reference to government publications

Figure IV.7

⁴ Of 750 surveys sent out, 122 or 16% were returned. *Economic Impact of Nonprofit Arts Organizations in Colorado*, Colorado Council on the Arts, August 1990, 91-95.

⁵ The Metro Denver Metro Convention and Visitors Bureau estimates a rate of \$37.82 per day for out of town tourists in Denver.

TOTAL SALES IMPACT

Figure IV.8 summarizes the 1992 sales impact of ninety-six cultural and scientific organizations.



Sales Impact Summary (Millions)			
Expenditures	Direct	Indirect	Total
Operating (Including Surplus)	\$104	\$125	\$229
Capital	24	32	56
Audience Ancillary	80	96	176
Total	\$208	\$253	\$461

Source: Deloitte & Touche/CBCA

Figure IV.8

The sales impact is the primary economic indicator of the RIMS multiplier. It measures the sales generated by scientific and cultural institutions in regional industries. For example, the \$24 million spent on capital expenditures by scientific and cultural organizations represents sales for the construction industry. The construction industry then purchases labor and materials creating additional sales for related industries. The sales impact measures both the direct \$24 million impact and also the \$32 million indirect impact.

While operating expenditures remain relatively steady, the capital expenditures fluctuate widely based on current projects and as such, have a varying influence on the economy. Therefore, it is prudent to view the capital expenditures as a one-time economic impact dependent on current capital projects. In 1992, the capital construction impact was significant because of continued capital expenditures at the Denver Art Museum and the Denver Zoo.

Calculation of Sales Impact (Millions)						
Expenditure Type	Direct Multiplier	Indirect Multiplier	Total Expenditures	Direct Impact	Indirect Impact	Total Impact
Operating (Including Surplus)	1	1.2	\$103.71	\$103.71	\$124.56	\$228.27
Capital	1	1.35	24.06	24.06	32.36	56.42
Audience Ancillary						
Food or Drink	1	1.23	49.63	49.63	61.19	110.82
Retail Sales	1	1.3	10.88	10.88	14.08	24.96
Public Transportation	1	0.95	0.15	0.15	0.14	0.29
Gasoline	1	0.91	4.31	4.31	3.91	8.22
Parking	1	0.95	1.97	1.97	1.88	3.85
Baby-sitting	1	0.79	1.02	1.02	0.81	1.83
Lodging	1	1.16	10.88	10.88	12.63	23.51
Other	1	0.95	1.31	1.31	1.25	2.56
Total Sales Impact				\$207.92	\$252.81	\$460.73

Source: RIMS multiplier supplied by the Colorado State Division of Local Government
Total Sales calculated from survey

Figure IV.9

EARNINGS IMPACT

As a component of the sales impact, the earnings impact quantifies the payroll or personal income for employees generated by ninety-six scientific and cultural organizations. Figure IV.10 illustrates the contribution of each expenditure type to the total earnings impact.

Earnings (Payroll) Impact Summary (Millions)			
Expenditures	Direct	Indirect	Total
Operating Payroll	\$46.50	\$42.62	\$89.12
Capital Payroll	7.84	10.63	18.47
Audience Ancillary Payroll	26.11	27.28	53.39
Total	\$80.45	\$80.53	\$160.98

Source: Deloitte & Touche/CBCA

Figure IV.10

Compared to the sales impact discussed in the previous section of this study, the earnings impact usually is a better measure of the regional (metropolitan Denver) economic impact of scientific and cultural organizations. Earnings (payroll) represent the local value added by regional labor to the total sales and therefore measure the personal income of the regional labor. For example, \$161 million of the total sales impact went to the payroll of workers living predominately in the Denver metropolitan region. The employees in turn, tend to spend their earnings in the same region they are employed; so the earnings impact reflects not only the value added to sales by local labor, but also provides another measure of the regional economic impact.

For 1992, the total earnings impact created by the operating, capital, and audience ancillary expenditures was almost \$161 million for the Denver metropolitan region. The total earnings impact is composed of both the direct and indirect impacts. Since the multiplier represents the amount of earnings generated by each dollar of sales, the direct and indirect impact are a function of sales and the appropriate multiplier.

Calculation of Earnings Impact (Payroll) (Millions)						
Type of Expenditure	Direct Multiplier	Indirect Multiplier	Total Expenditures	Direct Impact	Indirect Impact	Total Impact
Operating	Not Used	0.41	\$103.71	*\$46.50	\$42.62	\$89.12
Capital	0.33	0.44	24.06	7.84	10.63	18.47
Audience Ancillary						
Food or Drink	0.3	0.34	49.63	15.04	16.87	31.91
Retail Sales	0.47	0.39	10.88	5.14	4.21	9.35
Public Transportation	0.3	0.28	0.15	0.04	0.04	0.08
Gasoline	0.28	0.29	4.31	1.22	1.25	2.47
Parking	0.3	0.28	1.97	0.59	0.54	1.13
Baby-sitting	0.24	0.23	1.02	0.24	0.23	0.47
Lodging	0.31	0.35	10.88	3.45	3.78	7.23
Other	0.3	0.28	1.31	0.39	0.36	0.75
Total Earnings Impact			\$207.92	\$80.45	\$80.53	\$160.98

Source: RIMS multipliers from the Colorado Division of Local Governments
Total Sales calculated from survey
*Actual payroll from survey-1992

Figure IV.11

EARNINGS IN SCIENTIFIC AND CULTURAL ORGANIZATIONS

The 1992 payroll for ninety-six scientific and cultural organizations totaled approximately \$46.5 million. While administration was the largest single payroll expense at \$16.5 million or about 35% of the total payroll, most administrators in smaller organizations are categorized as administration even though they also perform many artistic roles. The ratio of administration payroll to artistic and technical payroll is consistent with scientific and cultural communities across the nation.⁶

Figure IV.12 illustrates how the \$46.5 million dollar payroll of scientific and cultural organizations is divided between administrative, artistic and technical/production personnel.

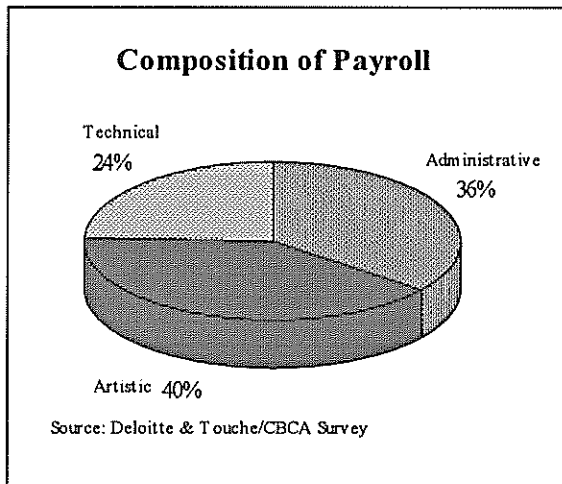


Figure IV.12

EMPLOYMENT IMPACT

In 1992, ninety-six scientific and cultural organizations generated over 11,000 full-time, part-time and contract positions for the Denver metropolitan region. Figure IV.13 summarizes the impact on employment.

Employment Impact			
	Direct	Indirect	Total
Operating : Full Time	808	2,359	3,167
Part Time & Contract	3,132		3,132
	3,940		
Capital	350	508	858
Audience Ancillary	2,518	1,388	3,906
Total	6,808	4,255	11,063

Source: Deloitte & Touche/CBCA

Figure IV.13

The RIMS multiplier calculates the employment generated by each million dollars of sales. For example, to calculate the direct employment impact of capital expenditures, the capital expenditure of \$24.06 million is first divided by one million and then multiplied by the direct multiplier of 14.531 to determine a direct employment of 350 full-time equivalent employees employed due to capital expenditures. Figure IV.14 illustrates the calculation of employment impacts.



⁶ The National Assembly of Local Arts Assemblies study Arts in Local Economies (Second Interim Report) in a study of 33 communities nationally found administrative payroll is generally 34 % of total payroll.

Calculation of Employment Impact						
Expenditure Type	Direct Multiplier	Indirect Multiplier	Total Expenditures	Direct Impact	Indirect Impact	Total Impact
Operating	Not Used	22.75	\$103.71	**808	2,359	3,167
Capital	14.53	21.1	24.06	350	508	858
Audience Ancillary						
Food or Drink	34.58	16.99	49.63	1,716	843	2,559
Retail Sales	32.43	20.17	10.88	353	219	572
Public Transportation	27.64	14.84	0.15	4	2	6
Gasoline	13.65	15.79	4.31	59	68	127
Parking	27.64	14.84	1.97	54	29	83
Baby-sitting	30.66	11.78	1.02	31	12	43
Lodging	24.35	18.01	10.88	265	196	461
Other	27.64	14.84	1.31	36	19	55
Part-Time & Contract Operating				** 3,132		3,132
Total Employment			* 207.92	6,808	4,255	11,063

Source: RIMS multipliers supplied by the Colorado Division of Local Governments
Total Sales calculated from survey
* Millions
** Actual employment from survey = 3,940 full time, part time and contract

Figure IV.14

EMPLOYMENT IN SCIENTIFIC AND CULTURAL ORGANIZATIONS

In 1992, ninety-six scientific and cultural organizations relied heavily on volunteers for their staffing needs. Consider the following statistics from the survey,

- 66% of the organizations surveyed do not have a full-time paid position.
- 45% of the organizations do not have a part-time paid position.
- 20% of the respondents are "all volunteer organizations".
- In 1992, volunteers contributed approximately 574,000 hours.

From the survey, it appeared that every organization relied on a local employment base for administration and production personnel. Of the 41 organizations reporting the origins of employees, 79% percent of the artistic talent came from the metropolitan Denver area. A total of 11 organizations or 26% reported that all of their artistic talent came from the six county region.

The survey provided detailed data on the employment patterns of the arts and science industry. Most of the full-time and part-time positions originate from organizations with revenues over \$1 million. Of the organizations surveyed, 66% do not have a full-time paid position in the organization and 45% do not have a part-time paid position. Figure IV.15 illustrates how the paid positions are distributed by the revenues of organizations.

Employment by Revenue Category							
Organizations		Employment					
Revenues	Number	Full-time		Part-time		Contract	
		Number	Percent	Number	Percent	Number	Percent
less \$250,000	71	16	2%	85	6%	460	26%
\$250,000-500,000	6	22	3%	34	2%	396	22%
\$500,000-1,000,000	7	43	5%	129	10%	175	10%
over \$1 Million	12	727	90%	1,095	82%	758	42%
Total	96	808	100%	1,343	100%	1,789	100%

Source: Deloitte & Touche/CBCA Survey

Figure IV.15

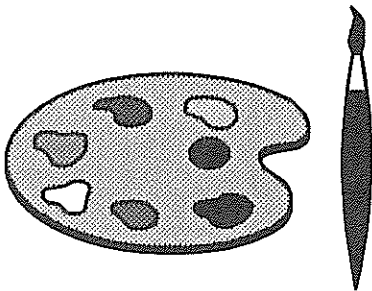
COMPARISON TO REGIONAL EMPLOYERS

If the ninety-six scientific and cultural institutions were counted as one organization, they would be the twelfth largest non-government employer in metropolitan Denver. Figure IV.16 illustrates the largest private employers in metropolitan Denver.

Largest Employers in Metropolitan Denver		
Rank	Company	Colorado Employees
1	US West Inc.	15,802
2	AT & T	8,500
3	Martin Marietta	7,570
4	EG & G Rocky Flats Plant	7,000
5	Continental Air Lines	6,900
6	United Airlines Inc.	6,700
7	Adolph Coors Company	6,500
8	Public Service of Colorado	6,200
9	Storage Technology	4,948
10	King Soopers Inc.	4,730
11	Safeway Inc.	4,335
12	Scientific and Cultural Institutions	*3,940
13	Provenant Health Partners	3,800
14	Presbyterian/St. Luke's Health Care Center	3,600
15	IBM	3,600

Source: Business Development Group of the Chamber of Commerce and Deloitte & Touche/CBCA Survey, 1992
*Includes full-time, part-time and contract positions.

Figure IV.16



VOLUNTEERS

The efforts of over 17,160 volunteers and 1,150 board members often serve as the greatest resource for administrative, technical and artistic expertise, especially for smaller organizations. In 1992, 20% of the survey respondents were "all volunteer organizations". Converted into full-time positions, the approximately 574,000 volunteer hours would equal almost 285 full-time equivalent jobs.

The Historical/Natural Science category receives the most hours of volunteer support. However, Figure IV.18 illustrates the number of volunteer hours per volunteer. This chart better illustrates the contribution of individual volunteers in each of the organization types.

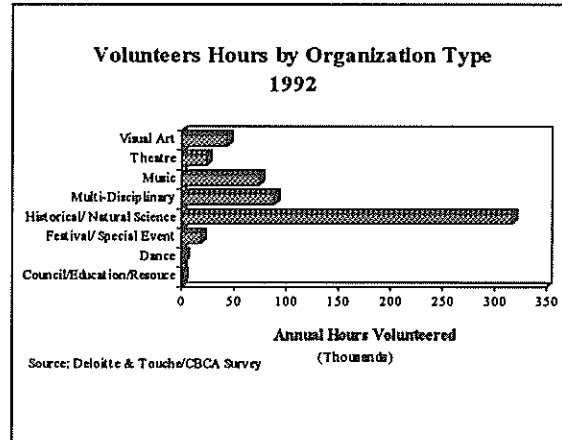


Figure IV.17

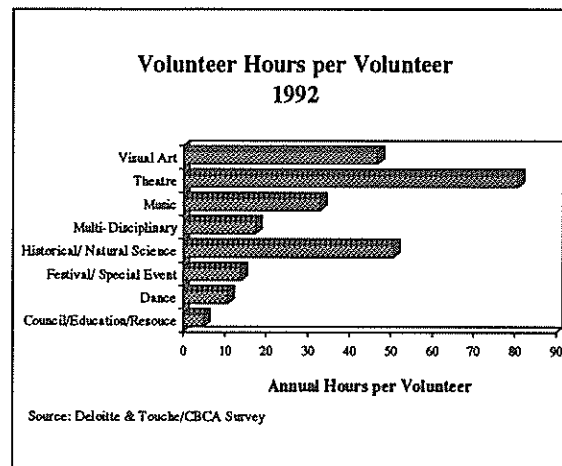


Figure IV.18

TAXES

Employer Seat, Sales and Payroll Taxes

From the survey results, ninety-six scientific and cultural organizations paid approximately \$6.5 million in payroll, seat and sales taxes. This consists of almost \$4.2 million in local, state and federal payroll taxes and approximately \$2.3 million in sales and seat taxes. As Figure IV.19 indicates, scientific and cultural organizations continue to increase their annual tax contribution.

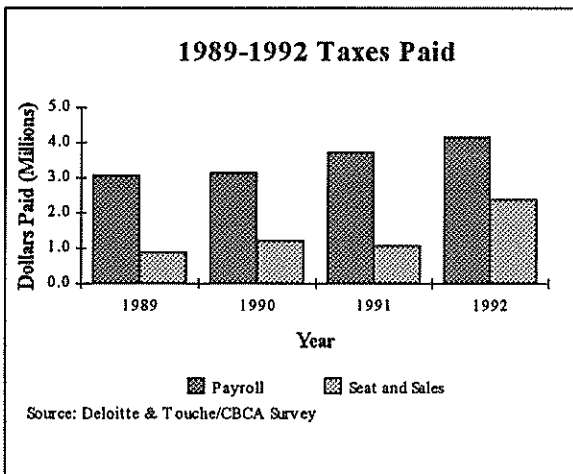


Figure IV.19



Employee State and Local Taxes

In 1992, state and local governments and the SCFD contributed approximately \$21 million to scientific and cultural organizations. For the same period, employees of scientific and cultural organizations and related industries paid approximately \$29 million in taxes to state and local governments.

The tax impact is based on the following assumptions.

- The only source of income for a household is from a scientific and cultural organization.
- The \$161 million in direct and indirect payroll earnings for all 11,063 employees was approximately \$80.5 million for each category. The average income per employee of the total impact was estimated to be \$14,551. The average income for an employee as a result of the direct impact was estimated to be \$11,816.

To calculate the employee tax impact, statistics prepared by the Colorado Department of Revenue-Office of State Planning and Budgeting were used⁷. For each income category, the percentage of income needed to pay each major state and local tax is listed. Figure IV.20 illustrates the calculation of both the direct and total tax impact. For the direct impact, the average income was estimated to be \$11,816 and for the total tax impact the average income was estimated to be \$14,551.

⁷ Colorado State and Local Finance Study, Part I: State Revenues, Office of State Planning and Budgeting, March 10, 1992, pp. 44-45.

Tax Impact Based on Taxes Paid per Employee (For Income Range of \$10,000-14,999)					
	Percentage Of Income	Avg. Income Direct	Taxes Paid Direct	Avg Income Direct/ Indirect	Taxes Paid Direct/ Indirect
Direct Taxes					
<i>State</i>					
Individual Income	1.2%	\$11,816	\$142.00	\$14,551	\$175.00
Sales and Use	1.4	11,816	165.42	14,551	203.71
HUTF*	.9	11,816	106.34	14,551	130.96
Alcoholic Beverage	.1	11,816	11.82	14,551	15.55
Cigarette and Tobacco	.3	11,816	35.45	14,551	43.65
<i>Local Taxes</i>					
Residential Property	5.2%	11,816	614.43	14,551	756.65
Sales and Use	1.5	11,816	177.24	14,551	218.27
Specific Ownership	.2	11,816	23.63	14,551	29.1
Indirect Taxes					
Indirect State Taxes	2.8%	11,816	330.85	14,551	407.43
Indirect Local Taxes	4.5	11,816	531.72	14,551	654.8
Total Taxes/Taxpayer	18.1%		\$2,139		\$2,634
Source: Office of State Planning and Budgeting, Colorado Legislative Council and Deloitte & Touche/ CBCA Survey *HUTF-Highway and fuel taxes					

Figure IV.20

With each employee paying an estimated \$2,634, the total tax impact is 11,063 (direct and indirect employees) multiplied by \$2,634 for a tax impact of approximately \$29 million. The direct tax impact of scientific and cultural organizations is approximately \$2,139 per employee for a total impact approaching approximately \$15 million.

OTHER ECONOMIC IMPACTS

While this study allows for a large part of the region's economic impact resulting from scientific and cultural organizations to be quantified, other intangible contributions of the arts and sciences remain. When studying the significance of the scientific and cultural organizations, it is important to recognize the full context and ramifications of their impact on the community. The following section describes how the intangible and previously quantified segments of the arts and sciences merge together to form a complete economic and social impact.

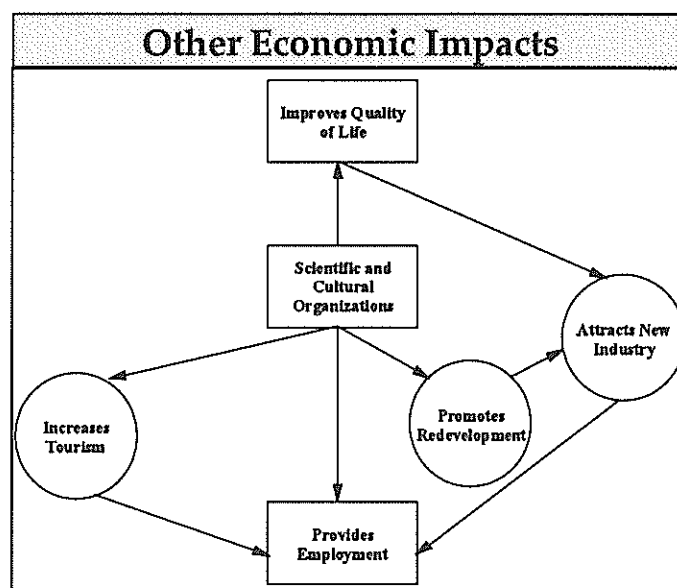


Figure IV.21

The role the arts play in *redevelopment*

Scientific and cultural organizations provide a positive amenity to any community. Because of limited funding, scientific and cultural organizations seek locations in less expensive and often underdeveloped sections of town. As a positive amenity, the presence of scientific and cultural organizations often attracts new businesses and leads to redevelopment. For metropolitan Denver, the arts have been instrumental in the development of Lower Downtown Denver and the South Broadway neighborhoods.

The *increased tourism* associated with the arts and sciences

Both as a generator of new tourism and a support to conventions and all tourism, scientific and cultural organizations contribute to metropolitan Denver's tourism industry. Six of the top twenty tourist destinations in Denver are included in the Survey.⁸ Tourists from outside the Denver metropolitan area represent an influx of new revenues to the economy. Of the organizations with the resources to track audiences, the following 1992 attendance figures demonstrate the ability of scientific and cultural organizations to act as generators of new sales and growth in the economy.

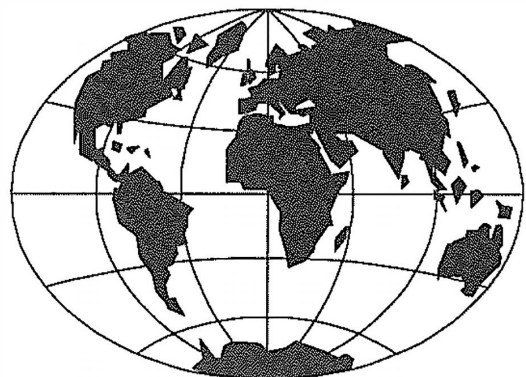
- 32% of the visitors to the Denver Zoo in 1992 were from outside the metropolitan area.⁹
- In 1992, 21% of the visitors to *Phantom of the Opera* at the Denver Center for the Performing Arts were from out of town¹⁰.
- 30% of the visitors to the Children's Museum in 1992 were from outside the Denver metropolitan area.¹¹
- 23% of the people who viewed the Central City Opera during the 1992 season were from outside the metropolitan region.¹²

Influencing decision-making and attracting new industry

Amenities such as scientific and cultural organizations contribute to the quality of life and help to influence the decision to relocate a business or home or hold a convention in the region. It is extremely difficult to attribute a part of relocation decision to scientific and cultural institutions, but a strong scientific and cultural community is believed to contribute to the overall strength of metropolitan Denver's image as an attractive place to live and work.

Building *civic pride* and *national recognition*

From local volunteers and grass roots organizations to the national and international tours of Denver's scientific and cultural communities, these organizations build community pride, ethnic harmony and the cohesiveness needed to bond the community together.



⁸ "Convention and Tourism Business in Denver", Denver Business Journal, p.2.

⁹ "Denver Zoo Visitor Study", a study by Ciruli Associates, p. 20.

¹⁰ "Economic Impact of Phantom of the Opera", released by the Denver Center for the Performing Arts

¹¹ "Community Awareness Project" data compiled by Browne, Bortz & Coddington, Inc., 1992, p. 23.

¹² *ibid.*

V. PERFORMANCES, OPPORTUNITIES AND ATTENDANCE

As nonprofit entities, scientific and cultural organizations focus on providing accessible, high quality, artistic and scientific experiences to the metropolitan Denver community. By quantifying attendance, performances and opportunities of scientific and cultural organizations, the contributions to the community and the accessibility of the institutions is made available to business, community and political leaders. In 1992, ninety-six scientific and cultural organizations,

- experienced almost 7.3 million visits;
- offered over 10,600 performances and opportunities and
- had an average attendance at each performance or opportunity of approximately 730 people.

The scientific and cultural organizations of metropolitan Denver provide diverse types of artistic and scientific experiences. To capture all the different experiences available, the survey collected data on the number of performances and opportunities. "Performances" is defined as the annual number of presentations to an audience. "Opportunities" is defined as the number of occasions the public had the opportunity to visit the organization. This includes exhibit days, classes, and workshops. However, the survey did not capture the additional classes, rehearsals and access to the facility available to members in most participatory organizations.

In 1992, scientific and cultural organizations offered 4,466 performances and 6,194 opportunities. From large public outdoor festivals to the local science and arts councils who primarily sponsor events, the scientific and cultural organizations can be experienced in many different forms. The chart below illustrates the number of performances and opportunities available by organization type. When reviewing the chart, it is important to consider the following example. A total of 107 festival/special event performances and opportunities were

recorded, with attendance greater than 270,000 people. To help clarify Figure V.1, a graph of the average attendance also follows, describing the size and type of each performance and opportunity.

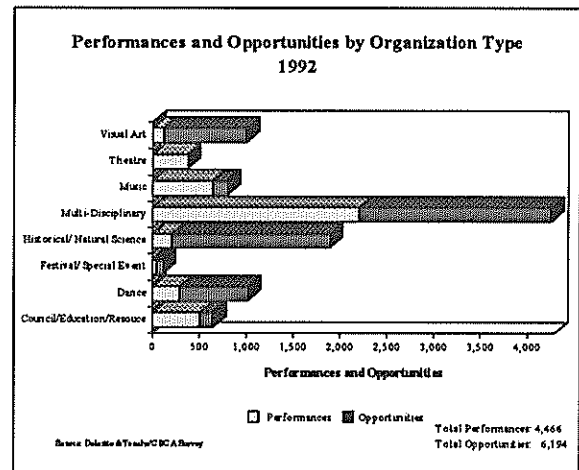


Figure V.1

Figure V.2 illustrates how different types of organizations have varied audience sizes. Festivals and special events tend to be large events that are free to the public, while the average attendance for the Council category is only 35 people because these organizations usually sponsor events and are not producer organizations.

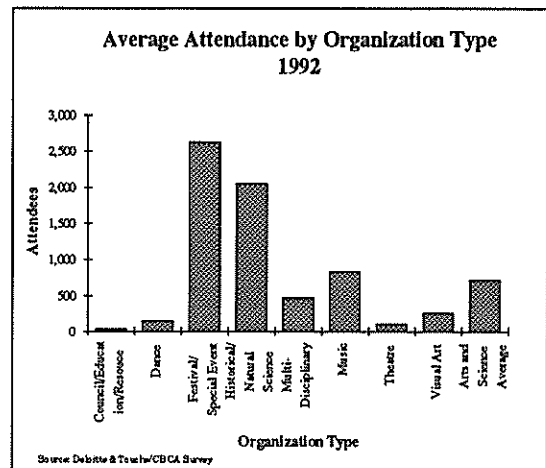


Figure V.2

The total attendance of approximately 7.3 million visits consisted of almost 4 million paid admissions, 350,000 member/subscribers, 2.2 million unpaid admissions and 750,000 reduced rate admissions. Figure V.3 illustrates the composition of attendance by visitor type. One third of the total admissions are free and an additional ten percent are at reduced rates. These figures would indicate scientific and cultural organizations try to reach all socio-economic groups of metropolitan Denver.

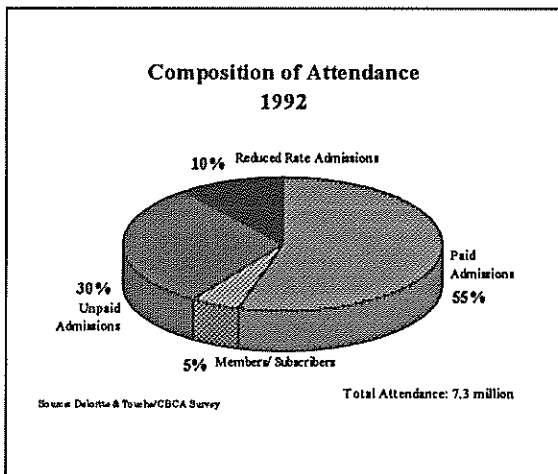


Figure V.3

The performances and opportunities of scientific and cultural organizations originate from all six metropolitan counties. Each organization may hold performances in many different counties further enhancing access to each institution. Figure V.4 illustrates the number of performances and opportunities by the county of origin of the institution.

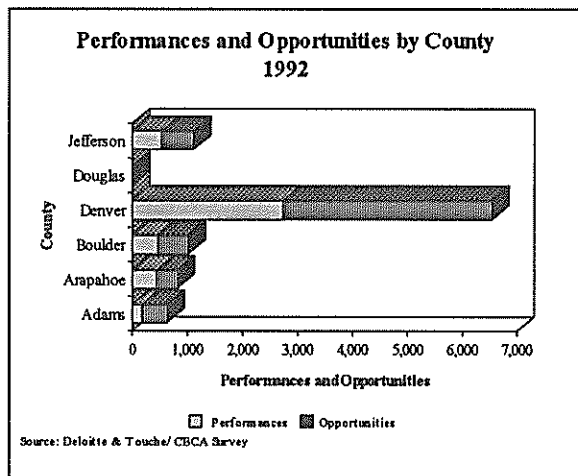


Figure V.4

COMPARISON OF SCIENTIFIC AND CULTURAL VISITS TO OTHER MAJOR EVENTS

Scientific and cultural organizations contribute in both diversity and opportunity to Denver's public entertainment opportunities. Figure V.5 compares attendance at Denver's public sporting events and the aggregate attendance at scientific and cultural organizations. Even if the home game attendance of all Denver's professional sports teams were combined, attendance at scientific and cultural organizations would still be greater by over 1.5 million visits.

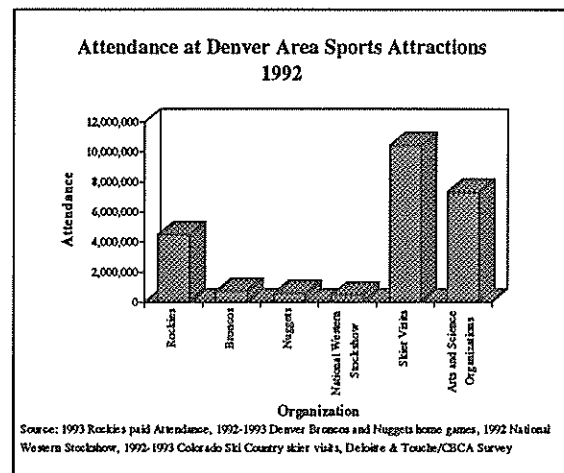


Figure V.5

OUTREACH TO UNDERSERVED POPULATIONS

Inherent in the mission of most scientific and cultural organizations is the goal of reaching out to the diversity of the metropolitan Denver community. Performances and exhibits are open to everyone. Many of the organizations surveyed indicated they complied with the Americans with Disabilities Act (ADA). In addition, they offered performances and exhibits appealing to a wide variety of tastes and provided free tickets, enabling everyone to experience the benefits of each institution. In addition to making the facilities and performances accessible, scientific and cultural organizations offer programming featuring the arts of cultures from around the world. However, perceived and real economic, geographic and cultural barriers persist. To

overcome these obstacles, scientific and cultural organizations have developed programs which target underserved groups.

In 1992, scientific and cultural organizations provided 1,000 programs specifically targeted to underserved populations. A "program" was defined as one performance or opportunity specifically targeted to an underserved group. Included in the survey were the following underserved groups: people of color, elderly people, underserved children, and people with disabilities. Figure V.6 illustrates how the on-site and off-site outreach was divided among the underserved populations.

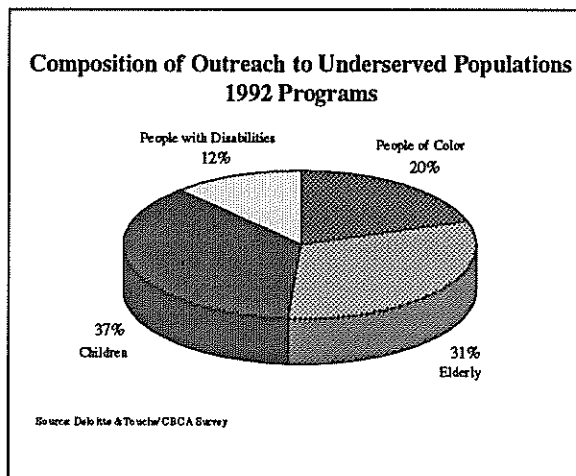


Figure V.6

Figure V.7 and V.8 illustrate how organizations reach underserved populations. The majority of the outreach is performed off-site or at another facility. By going off-site, organizations increase the accessibility of the institution.

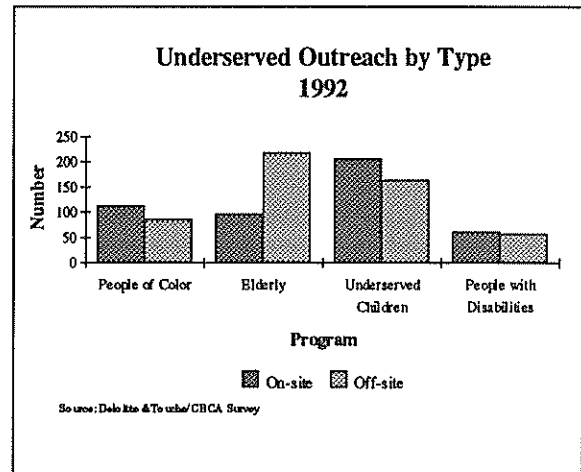


Figure V.7

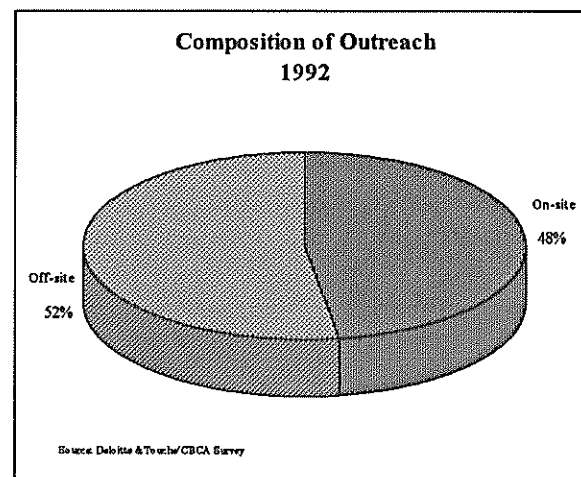


Figure V.8

Besides specific programs, scientific and cultural organizations were asked to illustrate how they reach out to the diversity of metropolitan Denver. The responses were grouped into the following categories.

- **Accessible to People with Disabilities** - Besides compliance with ADA regulations, many organizations offer special assistance at performances for people with disabilities.
- **Cooperation with other Organizations** - By working with other organizations such as churches, city governments and community centers, scientific and cultural organizations collaborate with each other and outside agencies to bring performances and opportunities to the entire community.
- **Alternative/Varied/Multi-Cultural Programming** - Scientific and cultural organizations continually strive to expand their appeal and audiences by offering more ethnically diverse and alternative performances and opportunities.

- **Target Youth and Elderly** - By targeting the youth and elderly, appreciation for scientific and cultural organizations can be experienced for a lifetime. The additional educational benefits to children are also important to the institutions.
- **Reduced Prices/Free Performances** - By eliminating or reducing admission fees, one of the perceived economic barriers to the scientific and cultural organizations is reduced or eliminated.
- **Open Membership** - In participatory organizations, memberships are open to everyone. If there are requirements, they are for artistic or scientific ability only.
- **Advertising and Location** - Scientific and cultural organizations advertise in alternative and mainstream media sources to reach most socio-economic segments of the population. Also by performing in many different counties and neighborhoods, an abundance of opportunities exist to attend a performance.

Figure V.9 illustrates how scientific and cultural organizations believe they reach out to the diversity of the metropolitan Denver community.

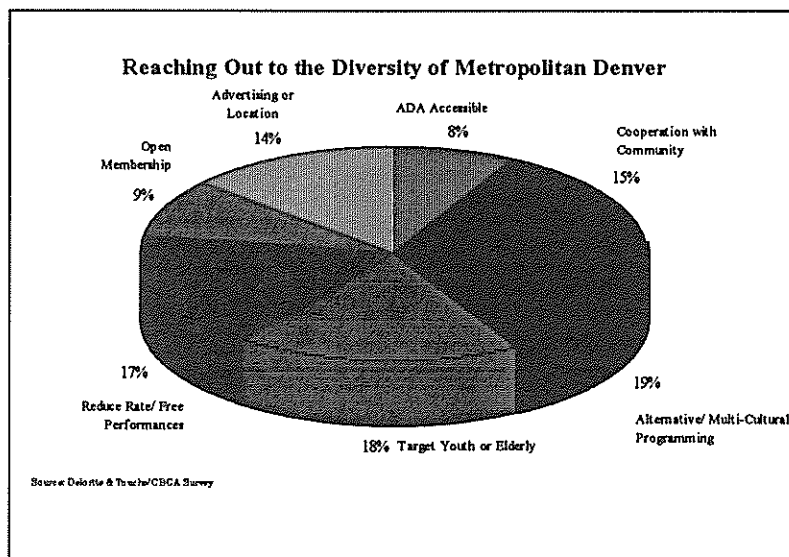


Figure V.9

VI. EDUCATIONAL OUTREACH

Scientific and cultural organizations also serve as classrooms for children of the metropolitan region. Scientific and cultural organizations provide unique interactive learning experiences which complement the traditional classroom education for all children in kindergarten to grade twelve. Scientific and cultural organizations also provide education beyond grade school through internships, courses and other opportunities for life-long learning. The following summarizes the involvement of scientific and cultural organizations in education.

- In 1992, approximately 40 or 42% of scientific and cultural organizations had either an on-site or off-site educational outreach program.
- Scientific and cultural organizations had contact with over 1.1 million school children in 1992.
- In 1992, over 100 people had an internship with an arts or science organization.
- Over 88,000 people enrolled in paid and unpaid courses offered by scientific and cultural organizations.

In 1992, 40 organizations had a total of 56 on-site and off-site educational outreach programs. The contact with school children varied from all day class field trips to demonstrations or performances at school assemblies. Figure VI.1 illustrates how scientific and cultural organizations are reaching children.

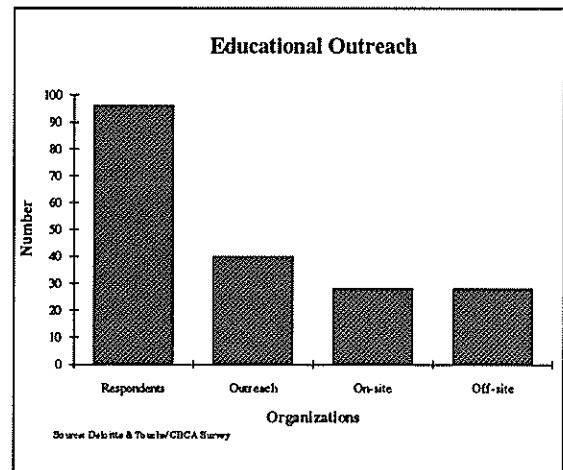


Figure VI.1

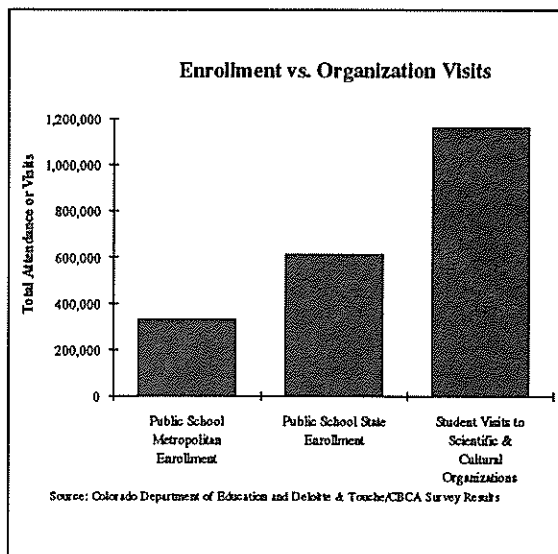


Figure VI.2

COMPARISON OF VISITS AND ENROLLMENT

In 1992, organizations recorded over 1.1 million school children visits. For comparison, the enrollment in Denver metropolitan public school districts totaled 330,000 students in the fall of 1992¹³. The entire state enrollment was 650,000 students. If evenly distributed, each child enrolled in a metropolitan Denver public school would encounter a scientific and cultural organization about three times a year. Of the 45 organizations reporting a geographic assessment of outreach and on-site visits, 68% reached children in more than three metropolitan counties while 28% reached not only all six metropolitan counties but also other Colorado counties.

¹³ Colorado Department of Education, *Pupil Membership and Related Information, Fall 1992*, pp. 1-4.

ATTENDANCE COST OF EDUCATIONAL OUTREACH

The cost of the educational outreach is largely absorbed by the scientific and cultural organizations. As Figures VI.3 and VI.4 illustrate, over half of the 56 on-site and off-site outreach programs were offered at no charge.

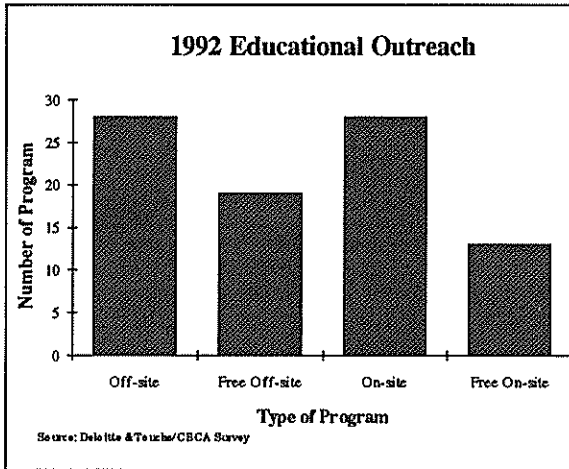


Figure VI.3

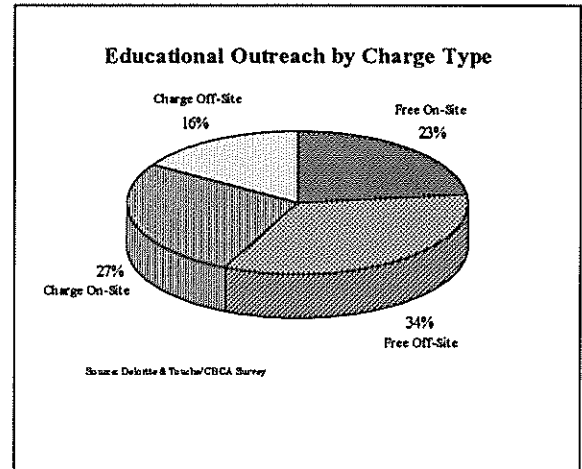


Figure VI.4

Figure VI.5 illustrates the average charge for outreach programs. When a fee was charged, the maximum on-site rate was \$8.00 per child and the average was \$1.50. For off-site programs the maximum rate was \$10.00 per child and the average charge was \$1.07.

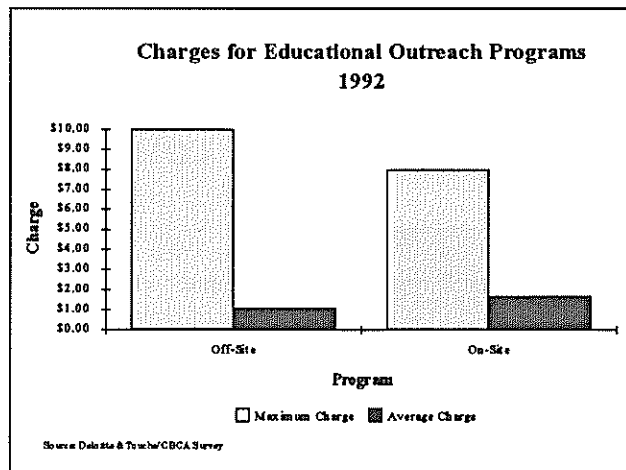


Figure VI.5

INTERNSHIPS

For students interested in pursuing a career or field of study associated with scientific and cultural organizations, 16% of the organizations have established paid and unpaid internships. Since 1989, the number of internships available has grown from 35 to 112 in 1992. Of the 112 internships in 1992, 50 were paid. As Figure VI.6 illustrates, the interns are from many different educational backgrounds.

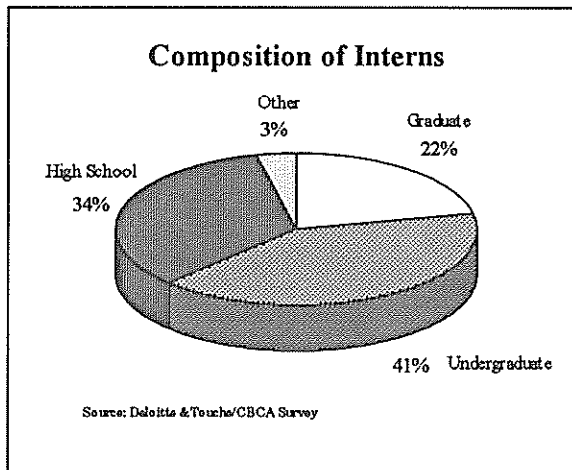


Figure VI.6

COURSES

In 1992, over 88,000 people enrolled in paid and free courses offered by scientific and cultural organizations. With 2,500 paid courses and a total enrollment of 61,000, an average of 24 people attended each paid course. The average cost was approximately \$80. There were 210 free courses offered and the 1992 enrollment was approximately 27,500 people. The average enrollment of a free course was 131 people. Figure VI.7 illustrates the enrollment of paid and free courses.

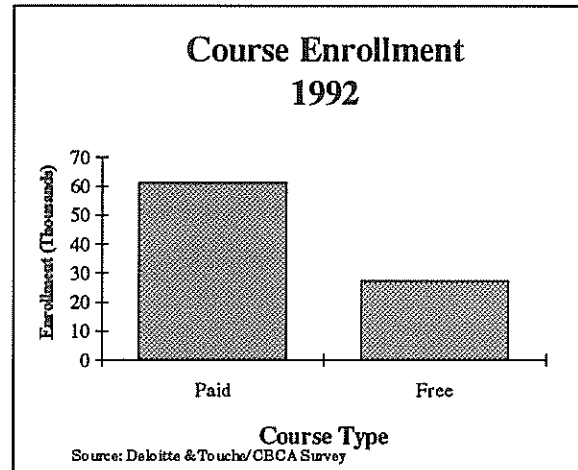


Figure VI.7

VII. TRENDS

Since 1989, 14 new scientific and cultural organizations were started reflecting an overall trend in the growth of the entire industry. Of all the time series information reported, only the number of volunteers declined between 1989 and 1992.

- In the past four years, revenues for scientific and cultural organizations have increased significantly. Total income for the 55 organizations who supplied revenue data for all four years rose from \$61 million in 1989 to \$96 million in 1992.
- Scientific and cultural organizations continually rely on volunteers, part-time and contract personnel to meet their staffing needs. While full-time positions rose 7% since 1989, part-time positions rose 71% and contracted positions have risen 59% in the same time period.
- Scientific and cultural institutions continue to reach out to the community, through increased performances, attendance and outreach. From 1989 to 1992, performances have almost doubled to approximately 4,466 in 1992. Opportunities for the public also rose 30% to 6,194 exhibit days, classes and workshops.

TRENDS IN INCOME

Scientific and cultural organizations experienced a dramatic increase in revenue. Of the 55 organizations that supplied financial information from 1989 to 1992, total income grew by approximately \$35 million. Figure VII.1 illustrates the growth of contributed, earned and total income. Even with steady increases in contributed income, earned income increased from 52% of total income in 1989 to 54% of total income in 1992.

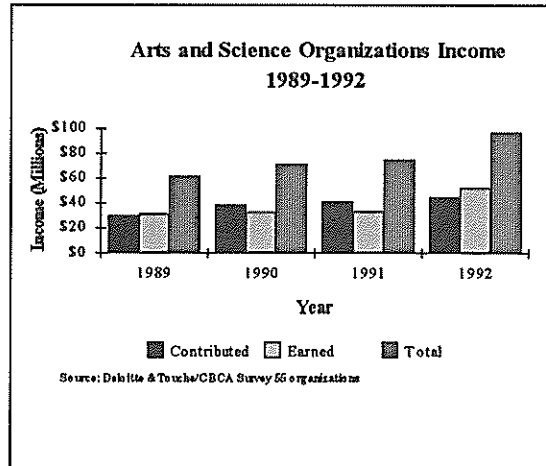


Figure VII.1

Since 1989, contributions to the operating revenues of scientific and cultural organizations have grown from \$29 million to \$46 million. In 1992, the SCFD was responsible for \$16.1 million or 34% of all contributed operating income. The survey asked scientific and cultural organizations to evaluate the impact, if any, of a loss of SCFD funds. The responses to the survey question were grouped into the following 7 major categories.

Price Increases -- Without SCFD funds, many organizations felt they would have to increase prices to compensate for the loss of revenue.

Outreach - Scientific and cultural organizations usually subsidize the cost of their outreach programs. Without SCFD support, many organizations felt outreach programs would have to be eliminated or cut-back. Charging for outreach often defeats the purpose of outreach so most organizations indicated that outreach would be eliminated, not just cut-back.

Performances - Scientific and cultural organizations also subsidize their performances with contributed income. For most organizations, an elimination of SCFD funds or contributed income effectively eliminates all free performances. Paid performances would also be reduced or eliminated.

Administration - The elimination of SCFD funds would cause two fundamental changes in the administration of an organization. First, volunteers and other resources would be redirected towards fundraising. Secondly, the organization would lose much of its ability to maintain the marketing campaign needed to build audiences. Organizations indicated that newsletters and other informational publications would be eliminated.

Pay cuts or jobs eliminated -- The loss of SCFD funds would reduce or eliminate money available for contract and administrative positions.

Artistic Quality - With a decrease in professional paid staff and reduced budgets for equipment and props, the loss of SCFD funds would force organizations to sacrifice artistic quality.

Diversity of Performances - SCFD funds are used to pay for additional artists or royalties for music and plays. Without the money, many organizations would reduce the selection and types of performances and exhibits they offer.

While nine organizations did not think they would continue to exist if SCFD funds were eliminated, four organizations felt an elimination of SCFD funds would have no significant impact on their operations. Figure VII.2 illustrates how the survey respondents perceive the impact if SCFD funds were eliminated.

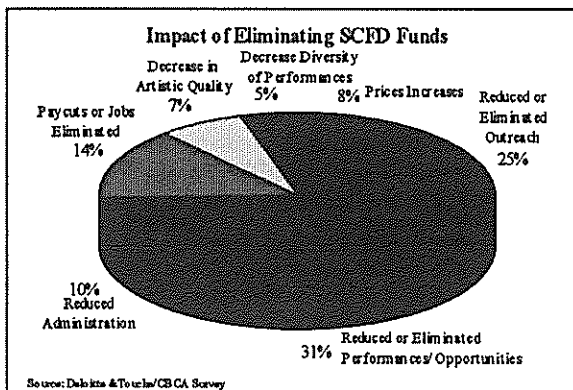


Figure VII.2

TRENDS IN EMPLOYMENT

Scientific and cultural organizations increasing rely on volunteers and part-time or contract employees for their staffing needs. While full-time employment only grew 7%, part-time employment grew by 71% and volunteer hours grew by 62%. Figure VII.3 illustrates the changes in both paid employment and volunteer activity.

	Employment (1989-1992)				Change
	1989	1990	1991	1992	
Full-time	757	724	778	808	7%
Part-time	784	862	1,043	1,343	71%
Contracted	1,126	1,019	1,209	1,789	59%
Volunteers	17,717	11,061	12,619	17,160	-3%
Volunteer Hours	353,517	409,267	465,057	574,035	62%
Board Members	883	914	960	1,151	30%

Source: Deloitte & Touche/CBCA Survey

Figure VII.3

With the growth of part-time and contract labor exceeding the increase in full-time positions, the composition of paid labor has changed. Figures VII.4 and VII.5 depict the shift away from full-time labor.

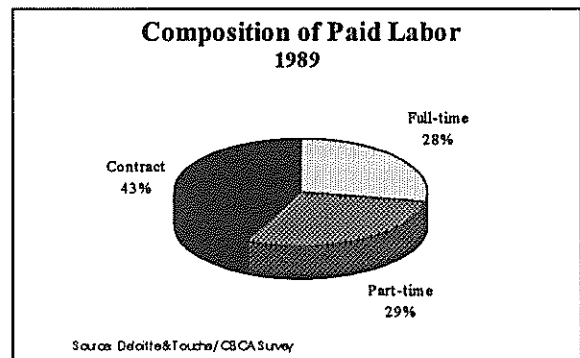


Figure VII.4

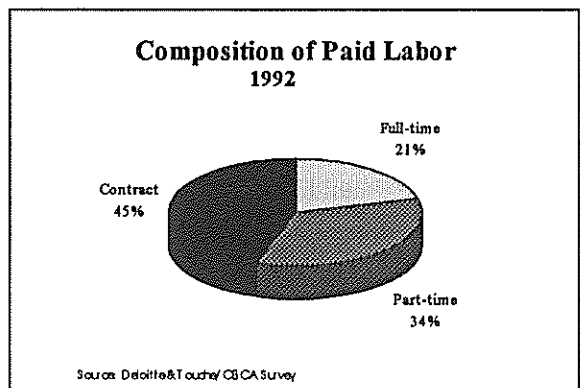


Figure VII.5

TRENDS IN PERFORMANCES, OPPORTUNITIES AND ATTENDANCE

From 1989 to 1992 scientific and cultural organizations expanded the number of performances and opportunities available to the public. Figures VII.6 and VII.7 presented below illustrate the growth in performances and opportunities and the corresponding growth in admissions.

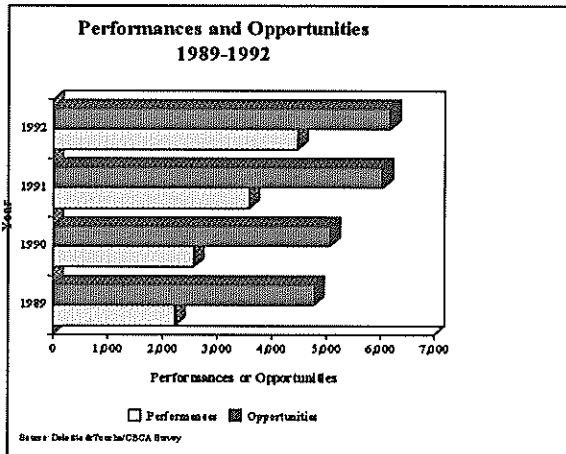


Figure VII.6

Figures VII.8 and VII.9 illustrate the slight shift in the composition of attendance at scientific and cultural institutions. The share of reduced rate and unpaid admissions have both increased at the expense of paid admissions. Member/Subscribers have maintained a steady 5% of the total attendance.

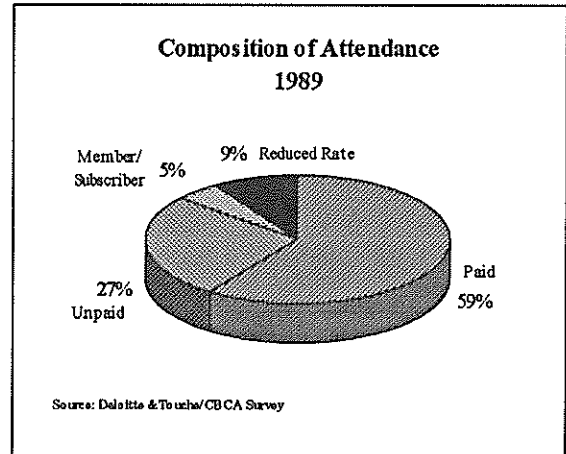


Figure VII.8

The table below illustrates the increase in attendance between 1989 and 1992.

Composition of Admissions (In Millions)					% Change 1989- 1992
1989	1990	1991	1992		
Paid	3.03	2.93	3.32	3.98	31%
Unpaid	1.35	1.34	2	2.2	62%
Member/ Subscriber	0.24	0.16	0.30	0.36	50%
Reduced Rate	0.45	0.54	0.64	0.76	69%
Total Admissions	5.07	4.97	6.26	7.30	44%

Figure VII.7

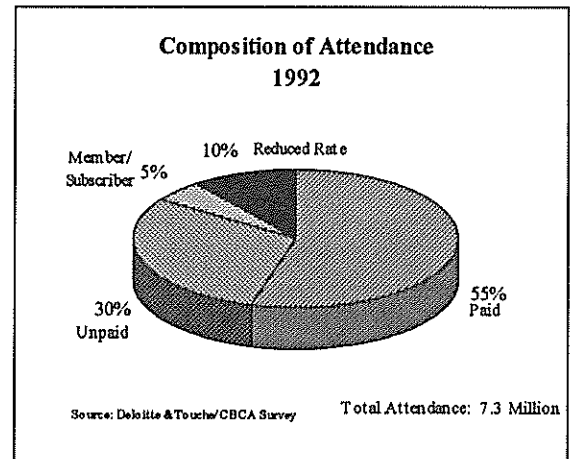


Figure VII.9

The greatest growth in scientific and cultural organizations has been in the number of outreach programs to underserved populations. Figure VII.10 depicts the annual outreach programs to different underserved populations.

Outreach Programs to Underserved Populations (1989-1992)					
	1989	1990	1991	1992	% Change 1989-1992
People of Color	71	163	174	199	180%
Elderly	48	216	242	314	554%
Underserved Children	47	131	237	369	685%
People with Disabilities	44	43	118	118	168%
Total	210	553	771	1,000	376%

Source: Deloitte & Touche/CBCA Survey

Figure VII.10

TRENDS IN EDUCATIONAL OUTREACH

Scientific and cultural organizations reported consistent growth in all aspects of educational outreach. From 1989 to 1992, child contacts has grown by 300,000. Figure VII.11 illustrates the growth of both on-site and off-site children contacts.

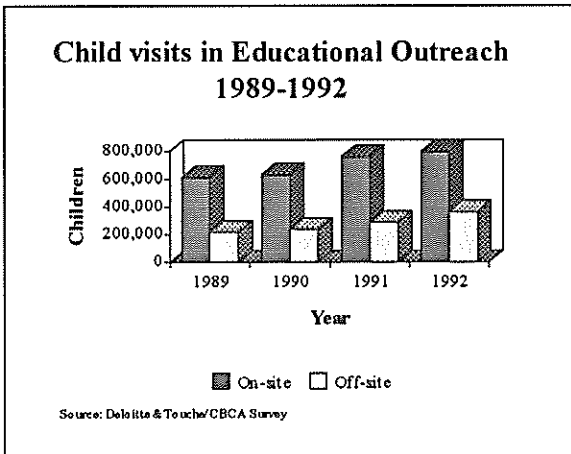


Figure VII.11

Scientific and cultural organizations more than tripled the number of internships between 1989 and 1992. Figure VII.12 illustrates the growth in paid and unpaid internships.

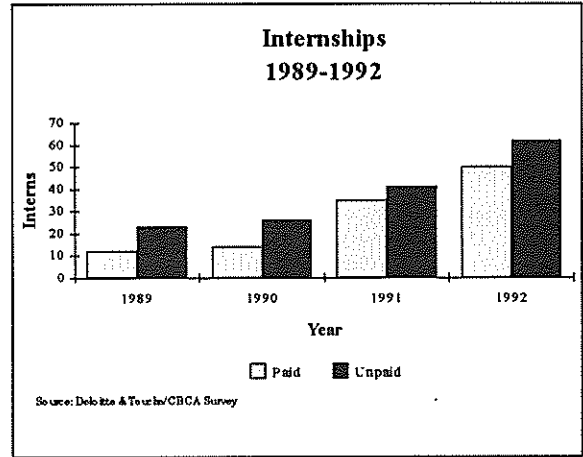


Figure VII.12

Figure VII.13 depicts the growth of attendance and classes at scientific and cultural institutions.

Paid and Free Courses (1989-1992)					
	1989	1990	1991	1992	% Change 1989-1992
Paid Courses	1,867	2,165	2,163	2,500	34%
Paid Course Enrollment	27,849	32,432	36,327	61,213	120%
Average Price	\$71	\$75	\$76	\$81	14%
Average Paid Enrollment	15	15	17	24	64%
Free Courses	53	58	133	210	296%
Free Course Enrollment	2,280	2,976	6,778	27,520	1107%
Average Free Enrollment	43	51	51	131	205%

Source: Deloitte & Touche/CBCA Survey

Figure VII.13

VIII. *APPENDIX A*

The Economic Impact of the Scientific & Cultural Facilities District on Metropolitan Denver

Sponsored by the Colorado Business Committee for the Arts and Deloitte & Touche

Please return by July 23, 1993 to

Deloitte & Touche
1560 Broadway, Suite 1800
One Civic Center Plaza
Denver, CO 80202-9985
Attention: Matthew Burkley

ALL FINANCIAL INFORMATION PROVIDED WILL BE HELD IN CONFIDENCE. It will be used only to develop basic information on programs and activities of arts organizations and to collect detailed information on income and expenditures needed for an assessment of the impact of non-profit/non governmental organizations on the metropolitan Denver¹ economy. The information will be used only for the purpose stated in this survey and will be published in statistical aggregates that will not permit the identification of any individual organization.

Organization:

Organization Name: _____

Address: _____

City: _____ Zip: _____

County: _____ Year Founded: _____

Person Completing Survey:

Name: _____

Title: _____

Phone: _____ Extension: _____ Fax: _____

Which category best describes this organization? (Check One)

For help with the categories, see definition sheet attached.

- | | | | |
|-------------------------------------|---|----------------------------------|---|
| <input type="checkbox"/> Visual Art | <input type="checkbox"/> Councils/Resources/Education | <input type="checkbox"/> Music | <input type="checkbox"/> Festivals/Special Events |
| <input type="checkbox"/> Dance | <input type="checkbox"/> Historical/Natural Science | <input type="checkbox"/> Theatre | <input type="checkbox"/> Multi-Disciplinary* |

*If "Multi-Disciplinary" please describe what your organization does.

What Tier is your organization in? _____ What month does your fiscal year end? _____

¹Metropolitan Denver refers to Adams, Arapahoe, Boulder, Denver, Douglas and Jefferson counties.
If a question is not applicable, please write "N/A" in the space provided.

Income, Expenses, and Capital Improvements:

I. Operating Income

^Please itemize your operating income sources as indicated below.

^Do not include in-kind contributions or revenue for capital improvements.

^Round off all figures to the nearest dollar

^For fiscal year 1993, include a full twelve months of operations, estimate any remaining months of business.

^Definitions pertaining to this form are provided as an attachment.

<u>Income</u>	For Fiscal Year Ending ² :				Actual or Estimated 1993
	Actual 1989	Actual 1990	Actual 1991	Actual 1992	
A. Contributed					
Contributions					
1. Individuals/Private	_____	_____	_____	_____	_____
2. Corporations	_____	_____	_____	_____	_____
3. Foundations	_____	_____	_____	_____	_____
Government Grants					
4. Federal	_____	_____	_____	_____	_____
5. State/Regional	_____	_____	_____	_____	_____
6. Local	_____	_____	_____	_____	_____
7. SCFD	_____	_____	_____	_____	_____
8. Endowments	_____	_____	_____	_____	_____
Other					
9. _____	_____	_____	_____	_____	_____
Sub-Total Contributed (sum of items 1 through 9)	_____	_____	_____	_____	_____
B. Earned					
10. Admissions	_____	_____	_____	_____	_____
11. Memberships	_____	_____	_____	_____	_____
12. Contracted Services	_____	_____	_____	_____	_____
13. Tuition/Class/ Workshop Fees	_____	_____	_____	_____	_____
14. Auxiliary Activities	_____	_____	_____	_____	_____
15. Interest and other Investment Income	_____	_____	_____	_____	_____
Other(itemize)					
16. _____	_____	_____	_____	_____	_____
17. _____	_____	_____	_____	_____	_____
18. Sub-Total Earned (sum of items 10 through 17)	_____	_____	_____	_____	_____
19. Total Income (sum of Contributed and Earned)	_____	_____	_____	_____	_____

Please fill out the section as completely and accurately as possible. If you don't have the specific breakdown, please provide totals or any partial information you may have.

² Use the fiscal year that ended in the year requested

II. Expenses

- ^Please itemize your expenses under the following categories
- ^Do not include expenses for capital improvements
- ^Round off all figures to the nearest dollar.
- ^For fiscal year 1993, include a full twelve months of operations, estimate any remaining months of business.

<u>Expenses</u>	For Fiscal Year Ending:				Actual or Estimated 1993
	Actual 1989	Actual 1990	Actual 1991	Actual 1992	
A. Personnel					
Full-Time Personnel (salaries and benefits)					
20. Artistic	_____	_____	_____	_____	_____
21. Administration	_____	_____	_____	_____	_____
22. Technical/Production	_____	_____	_____	_____	_____
Part-Time and/or Contract Personnel					
23. Artistic	_____	_____	_____	_____	_____
24. Administration	_____	_____	_____	_____	_____
25. Technical Production	_____	_____	_____	_____	_____
26. Sub-Total Personnel (sum up items 20 through 25)	_____	_____	_____	_____	_____
B. Operating					
27. Space Rental	_____	_____	_____	_____	_____
28. Equipment Rental	_____	_____	_____	_____	_____
29. Other Rentals	_____	_____	_____	_____	_____
30. Marketing/Promotions	_____	_____	_____	_____	_____
31. Supplies/Materials	_____	_____	_____	_____	_____
32. Telephone/Utilities	_____	_____	_____	_____	_____
33. Travel	_____	_____	_____	_____	_____
34. Shipping	_____	_____	_____	_____	_____
35. Insurance	_____	_____	_____	_____	_____
36. Fundraising	_____	_____	_____	_____	_____
Other					
37. _____	_____	_____	_____	_____	_____
38. _____	_____	_____	_____	_____	_____
39. Sub-Total Operations (sum up items 27 through 38)	_____	_____	_____	_____	_____
40. Total Expenses (Sum of items 26 and 39)	_____	_____	_____	_____	_____
C. Surplus(Shortfall) (Total income [item 19] minus total expense [item 40])	_____	_____	_____	_____	_____

Please fill out the section as completely and accurately as possible. If you don't have the specific breakdown, please provide total or any partial information you may have.

III. Capital Improvements

^Please itemize your capital improvement investments, income and expenses under following categories.

^Round off all figures to the nearest dollar.

^For fiscal year 1993, include a full twelve months of operations, estimate any remaining months of business.

<u>Capital</u>	For Fiscal Year Ending:				Actual or Estimated 1993
	Actual 1989	Actual 1990	Actual 1991	Actual 1992	
A. Capital Improvements					
Contributions and/or Grants					
Contributions					
41. Individuals	_____	_____	_____	_____	_____
42. Corporations	_____	_____	_____	_____	_____
43. Foundations	_____	_____	_____	_____	_____
Government Grants					
44. Federal	_____	_____	_____	_____	_____
45. State	_____	_____	_____	_____	_____
46. Local	_____	_____	_____	_____	_____
47. SCFD	_____	_____	_____	_____	_____
48. Endowments	_____	_____	_____	_____	_____
Other(itemize)					
49. _____	_____	_____	_____	_____	_____
50. Sub-Total Contributed (sum of items 41 through 49)	_____	_____	_____	_____	_____
B. Existing Facilities					
Capital Expenditures					
51. Improvement/Expansion of existing structure(s)	_____	_____	_____	_____	_____
52. Improvement/Expansion of existing amenities	_____	_____	_____	_____	_____
53. Sub-Total Existing (sum of items 51 and 52)	_____	_____	_____	_____	_____
C. New Facilities					
54. Structural	_____	_____	_____	_____	_____
55. Amenities	_____	_____	_____	_____	_____
56. Total Capital Expenditures (sum of items 53 through 55)	_____	_____	_____	_____	_____
D. Capital Improvement					
Operating Expenses					
57. Total Expenses	_____	_____	_____	_____	_____

Please fill out the section as completely and accurately as possible. If you don't have the specific breakdown, please provide totals or any partial information you may have.

Opportunities and Attendance:

1. Please fill in the following table concerning attendance at your organization.*

Opportunities	1989	1990	1991	1992	1993³
Total performances held					
Total Audience Opportunities					
Attendances(total people)					
Total paid admissions					
Total number of members/subscribers					
Total number of unpaid admissions					
Total reduced rate admissions					

2. What percentage of your visitors are from outside Colorado? _____
 (If your organization does not track this type of information but an estimate can be made, please include your estimated figures and check the box marked estimate) _____ Estimate

3. Of your visitors from Colorado what percentage come from the following counties:
 (If your organization does not track this type of information but an estimate can be made, please include your estimated figures and check the box marked estimate) _____ Estimate

_____ Adams _____ Arapahoe _____ Boulder _____ Denver
 _____ Douglas _____ Jefferson _____ Other Colorado Counties

Economic Impact

4. Please answer the following questions.

	1989	1990	1991	1992	1993
How much total <u>tax revenue</u> does your organization generate?(i.e. seat and sales)					
How much total <u>payroll taxes</u> does your organization pay?(State, Federal, Occupational Privilege)					
What percentage of your total <u>operating expenses</u> is spent on businesses and organizations in metropolitan Denver?					
What percentage of your total <u>capital outlays</u> is spent on businesses and organizations in metropolitan Denver?					
What percentage of your <u>capital and operating expenditures</u> is spent on businesses and organizations in <u>Colorado</u> ?					

* If the question is not applicable, please write "NIA" in the space provided.

³ For 1993, please provide a full 12 months of operations, estimate any remaining months of business.

Board, Staff and Artists:

5. Please answer the following questions about your organization's personnel.*

	1989	1990	1991	1992	1993 ²
Total full-time paid positions					
Total part-time paid positions					
Average hours a week worked in a part-time paid position					
Total contracted positions					
Total volunteers (ushers, clerical, tour guides etc.)					
Total volunteer hours (exclude board members)					
Total number of paid interns					
Total number of unpaid interns					
Total board of trustee members					

6. Of the following classifications of employees, what percentage come from the following Colorado counties:

	Full-time	Part-time	Contract (artists & others)	Volunteer	Interns	Board
Adams						
Arapahoe						
Boulder						
Denver						
Douglas						
Jefferson						
Other Colorado Counties						

7. Please indicate the number of interns at the following educational levels.

_____ Graduate _____ Undergraduate _____ High School _____ Other

8. If you employed artists or performers, what percentage live within metropolitan Denver? _____

9. If you employed artists or performers, what percentage live within Colorado? _____

10. If you employed artists or performers, what percentage live outside Colorado? _____

* If the question is not applicable, please write "N/A" in the space provided.

² For 1993, please provide a full 12 months of operations, estimate any remaining months of business.

Education and Outreach programs:

11. Please respond to the following questions with respect to the designated populations.*

Education Outreach	1989	1990	1991	1992	1993²
School children(K-12) on-site					
Charge per child on-site					
School children off-site					
Charge per child off-site					
Underserved Community Outreach					
On-site programs for people of color					
On-site programs for elderly					
On-site programs for underserved children					
On-site programs for people with disabilities					
Off-site programs for people of color					
Off-site programs for elderly					
Off-site programs for underserved children					
Off-site programs for people with disabilities					
Training and Courses					
Number of paid courses					
People enrolled in paid courses					
Average price paid for a course					
Number of free courses					
People enrolled in free courses					

12. Please breakdown the percentage of school children who visited from the following Colorado counties: (If your organization does not track this type of information but an estimate can be made, please include your estimated figures and check the box marked estimate) _____ Estimate
 _____ Adams _____ Arapahoe _____ Boulder _____ Denver
 _____ Douglas _____ Jefferson _____ Other Colorado Counties

13. During your outreach program visits, what percentage were in the following Colorado counties: (If your organization does not track this type of information but an estimate can be made, please include your estimated figures and check the box marked estimate) _____ Estimate
 _____ Adams _____ Arapahoe _____ Boulder _____ Denver
 _____ Douglas _____ Jefferson _____ Other Colorado Counties

* If the question is not applicable, please write "N/A" in the space provided.

² For 1993, please provide a full 12 months of operations, estimate any remaining months of business.

Survey Definitions
Economic Impact Study
The Arts of Metropolitan Denver

Sponsored by:

The Colorado Business Committee for the Arts
and
Deloitte & Touche

Examples of Organization Categories

Council/Resource/Education

Boulder Education Fund for the Arts
Colorado Lawyers for the Arts
Commerce City Cultural Council

Dance

Colorado Dance Festival
Community Dance Collective
CSA Ballet and Performing Arts Foundation
Jan Justis Dance Company

Festivals/Special Events

Cherry Creek Arts Festival
Denver Black Arts Festival
Denver International Film Festival
Denver March Powwow

Historical/Natural Science

Adams County Historical Society
Colorado Bird Observatory
Denver Museum of Natural History
Denver Botanical Gardens
Westminster Area Historical Society

Multi-Disciplinary

Arvada Center for the Arts & Humanities
Eulipians

Music

Boulder International Chamber Players
Centennial Philharmonic
Colorado Symphony Association
Denver Chamber Choir

Theatre

Denver Civic Theatre
Germinal Stage
Imagination Makers Theatre Co.
Main Street Players
The Upstart Crow Theatre Co

Visual Arts

Asian Art Coordinating Council
Boulder Art Center
Denver Art Museum
Rocky Mountain Quilt Museum
Spark Gallery

Selected Survey Definitions

Audience Opportunity- If your organization does not have performances, the audience opportunity measures the days you are open or have exhibits. If you are a museum open 360 days a year, your total audience opportunities is 360. For films or festivals, count each day the audience can attend as one opportunity.

Courses- The total course titles multiplied by the number of times offered. For example, an organization offers the same pottery course three times a year, their total number of courses would be three. **If the course meets multiple times but is still the same course, please only count it as one course.** For example, a painting course that has six classes is still only one course.

Outreach- A program targeted to a specific underserved audience or school children. Examples of outreach programs are visits to schools, hospitals and nursing homes. **Please count each appearance as one outreach program.** For example, an organization has a program that made ten visits to different schools, even though it is under the same program title, the organization executed ten outreach programs.

I. Definitions-Operating Income A1-A19

A1-A3.Contributions:

Individual/Private/Corporate/Foundation contributions given on the condition that they be used for specific programs or activities in the operating budget.

A4-A7. Government Grants:

Federal (NEA, NEH, IMS and other)

State/Regional(Colorado Council for the Arts, Western States Art Federation, CEH)

Local(School Districts, City Commissions, Mayor's Office of Arts, Culture and Film)

SCFD-Scientific and Cultural Facilities District

A8. Endowments:

Distribution of your organization's own endowment funds if used in the operating budget.

A9. Other Income:

Money earned in fundraising activities including revenues from galas and benefits. Please itemize by corporation, individual and foundation.

A10. Admissions:

Monies earned from subscriptions, group and single ticket sales.

A11. Memberships:

Monies earned form services provided to members.

A12. Contracted Services:

Monies earned from sponsor fees for performances,royalties, touring, exhibitions, residencies, optional services, consultations etc.

A13. Tuition/Class/Workshop Fees:

Monies earned from students receiving instruction.

A14. Auxiliary Activities:

Monies earned from concessions, gift shop sales, parking, publications, rentals, advertisers, etc.

A15. Interest and Other Investment Income:

Revenues from interest earning accounts or investments.

II. Definitions- Operating Expenses A20-B40

A20-A25. Personnel Salaries- Full or part-time employees of the organization. Please include in the totals any employer paid health insurance, matching of Social Security etc.

-Administrative:

Monies paid to such employees as executive director, program coordinator, managers, developmental staff, clerical staff (secretaries, bookkeepers, data managers, typists, etc.), support personnel (box office security) etc.

-Artistic:

Monies paid to such employees as curators, artistic directors, conductors, choreographers, composers, writers, graphic artists, actors, dancers, singers musicians, instructors, designers, video artists, filmmakers, etc.

-Technical/Professional:

Monies paid to technical management staff and such employees as technical directors, lighting crew members, sound crew members, stitchers, preparators, video and film technicians, stage crew, etc.

B27. Space Rental:

Includes offices, rehearsal, theater, gallery, hall, warehouse, or any other fees paid for use of buildings.

B28. Equipment Rental:

Costs for office equipment (typewriters, data processing equipment, photocopying machines, etc.) production equipment, cameras, lighting, etc. rented by organization.

B29. Other Rentals:

Rental of visual arts touring exhibitions, films, etc.

B30. Marketing/Promotion:

Fees for the printing and mailing (including postage and mailing service costs) of announcements, mailers, brochures, catalogs, tickets, programs, etc. and/or costs for newspaper and broadcast advertising etc. used to encourage earned or unearned income. Do not include payments to individuals which belong under "Personnel Salaries". Do not include food, drink, and space rental when directly connected to fund raising or promotion.

B31. Supplies/Materials:

Cost of office supplies, scripts, scores, photographic supplies, materials for sets/props/costumes, food and maintenance supplies, etc.

B32. Telephone and Utilities:

Fees for local and long distance calls, electricity, gas water and sewer charges and costs for installation, repairs, etc.

B33. Travel:

All costs directly related to the travel of the organization's personnel, guest artists, consultants, etc. Include fares, hotel and other lodging expenses, food, taxis, gratuities, per diem payments, toll charges, parking, mileage, allowances on personal vehicles, car rental costs, etc.

B34. Shipping:

Freight charges for visual arts exhibits, performance related materials/items, etc.

B35. Insurance:

Self-explanatory.

B36. Fundraising

Expenses incurred in the process of fundraising.

B37-A38. Other:

Any operational expenses not covered in above categories. For organizations using cash based accounting, non-capital debt reduction and interest should be reported here.

III. Definitions-Capital Improvements A41-D57

A41-A43 Contributions:

Individual/Private/Corporate/Foundation contributions given without the condition that they be used for specific construction and/or expansion programs/activities in the capital improvement budgets.

A44-A47. Government Grants:

Federal (NEA, NEH, IMS and other)
State/Regional(Colorado Council for the Arts, Western States Art Federation, CEH)
Local(School Districts, City Commissions, Mayor's Office of Arts, Culture and Film)
SCFD-Scientific and Cultural Facilities District

A48. Endowments:

Distribution of your organization's own endowment funds if used in capital improvement budget.

A49. Other Income:

Grants from civic/community organizations in support of capital improvements in the arts including revenue from galas and sources other than listed above. Please itemize.

B51. Improvement/Expansion of Existing Structure(s):

Capital funds utilized for improvements to the existing arts facility including structural enhancements and expansions.

B52. Improvements/Expansion of Existing Amenities:

Capital funds utilized for improvements to the existing arts facility amenities including improvements to parking, driveways, landscape or ancillary support facilities and grounds not utilized in the provision of services.

C54. New Facilities-Structural:

Capital funds utilized for construction of new arts structures and primary arts facilities.

C55. New Facilities-Amenities:

Capital funds utilized for construction of new arts facility amenities including parking, driveways, landscape or ancillary support facilities and grounds not utilized directly for the provision of services.

D57. Capital Improvement Operating Expenses:

Direct and allocated expenses associated with capital improvement projects including costs for items such as:

- Personnel Salaries-full or part-time employees of the organization.
- Marketing and promotion
- Telephone and Utilities
- Travel
- Other-note: for organizations using cash based accounting systems capital debt reduction and interest should be reported here.

IX. APPENDIX B

The Economic Impact of the Arts in Metropolitan Denver **WORKING & ADVISORY COMMITTEES**

WORKING COMMITTEE

Bruce Alexander	Bank One
Julie Bender	Aurora Economic Development Council
Matt Burkley	Deloitte & Touche
Floyd Ciruli	Ciruli & Associates
Tom Clark	Greater Denver Chamber of Commerce
Kristi Corash	Greater Denver Chamber of Commerce
Tim Davis	Deloitte & Touche
Robert Friedman	Deloitte & Touche
Jane Hansberry	SCFD
R. Bruce Hutton	University of Denver School of Business
Kent Krudwig	Denver Museum of Natural History
Laura Loyacono	National Conference of State Legislatures
Nancy McCallum	Colorado Legislatures Council
Steve Metcalf	Metro Denver Visitors Bureau
Barbara Neal	Colorado Council on the Arts
Joyce Oberfeld	Mayor's Office of Art, Culture and Film
Patricia Barela Riviera	Department of Local Affairs
Gully Stanford	DCEPA
John Yeager	INVESCO Funds Group, Inc.

ADVISORY COMMITTEE

Larry Adler	Greater Denver Chamber of Commerce
Jim Copenhaver	Colorado Symphony
A. Barry Hirschfeld	A.B. Hirschfeld Press, Inc.
Robert E. Lee	Denver Foundation
John Mullins	Office of Business Development
Roger Ogden	KCNC-TV, News4
Roger Page	Deloitte & Touche
Marcus Servoss	Servoss Public Relations
Honorable Wellington E. Webb	City & County of Denver
John Welles	Denver Museum of Natural History

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