

# BUSINESS IN NEBRASKA

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## NEBRASKA RETAIL SALES, 1983-1984

Nebraska's 1984 net taxable retail sales totaled \$9,073 million, down \$116 million from the 1983 amount of \$9,189 million (Table 2, page 2). The primary reason for this decline is the difference in the tax bases between 1983 and 1984. Without this change, sales would likely have shown an increase.

The net taxable sales figures presented in this article are derived from general sales tax figures compiled by the Nebraska Department of Revenue. The sales tax applies to most retail sales and is complemented with a general use tax. Beginning in October 1983, however, the tax base was altered considerably when food items for home consumption were exempted from the sales tax. Although no precise measure of this impact has been made, it is estimated that taxable non-vehicle sales were reduced approximately 13.0 percent at the state level. Obviously this percentage varies from county to county, as more populous counties with a more diversified sales base are affected less than smaller counties. The sales figures contained in this article are the actual sales recorded and have not been adjusted to account for the difference in bases. This caveat should be kept in mind when reading the remainder of the article.

The previously mentioned loss of \$116 million dollars in total sales represents a decline of 1.3 percent. Motor vehicle sales were \$1,123 million in 1984, an increase of \$124 million (12.4 per-

cent) from 1983; non-vehicle sales in 1984 amounted to \$7,950 million, down \$240 million (2.9 percent). To compensate for price changes that occurred between 1983 and 1984, the dollar volumes of net taxable sales were adjusted by appropriate components of the consumer price index—non-vehicle sales by the commodity component and vehicle sales by the vehicle component. After adjustment for price changes, vehicle sales were up 0.9 percent, non-vehicle sales were down 6.1 percent, and total sales fell 5.3 percent.

It is possible to make a simple adjustment to the 1983-1984 percent changes to approximate the annual changes if the tax base had been the same in 1983 and 1984. To account for the effect of the elimination of food sales on total sales, 9.4 percentage points could be added to the dollar volume percent changes in Table 2, and 8.9 points could be added to the price-adjusted percent changes. The adjustments imply that with similar tax bases, total sales may have grown 8.1 percent in current dollar terms, or they might have increased 3.6 percent on a price-adjusted basis.

In a like manner, the non-vehicle changes in Table 1 could be adjusted by adding 10.4 percentage points to the dollar volume percent changes and 10.1 points to the price-adjusted (continued on page 3)

Table 1  
Net Taxable Retail Sales<sup>1</sup> in Selected Nebraska Trading Centers  
1984 and 1983

| Region and County | 1984<br>(\$000) | 1983<br>(\$000) | Percent<br>Change | Price<br>Adjusted<br>Percent<br>Change <sup>2</sup> | Region and County        | 1984<br>(\$000) | 1983<br>(\$000) | Percent<br>Change | Price<br>Adjusted<br>Percent<br>Change <sup>2</sup> |
|-------------------|-----------------|-----------------|-------------------|---|--------------------------|-----------------|-----------------|-------------------|---|
| Alliance          | 56,801          | 63,547          | -10.6             | -13.5   | McCook                   | 73,824          | 80,306          | -8.1              | -11.1   |
| Beatrice          | 74,276          | 85,013          | -12.6             | -15.5   | Nebraska City            | 39,814          | 44,364          | -10.3             | -13.2   |
| Bellevue          | 121,789         | 111,212         | 9.5               | 5.9   | Norfolk                  | 160,819         | 172,529         | -6.8              | -9.8  |
| Blair             | 38,280          | 41,350          | -7.4              | -10.5   | North Platte             | 150,685         | 170,433         | -11.6             | -14.5   |
| Broken Bow        | 32,553          | 38,840          | -16.2             | -18.9   | O'Neill                  | 38,106          | 42,732          | -10.8             | -13.7   |
| Chadron           | 29,431          | 33,650          | -12.5             | -15.4   | Ogallala                 | 47,969          | 51,377          | -6.6              | -9.7  |
| Columbus          | 138,565         | 144,261         | -3.9              | -7.1  | Omaha                    | 2,639,080       | 2,562,833       | 3.0               | -0.4  |
| Fairbury          | 28,976          | 36,127          | -19.8             | -22.4   | Scottsbluff/Gering       | 164,565         | 183,212         | -10.2             | -13.1   |
| Falls City        | 25,917          | 30,442          | -14.9             | -17.7   | Seward                   | 33,968          | 37,435          | -9.3              | -12.2   |
| Fremont           | 142,546         | 154,160         | -7.5              | -10.6   | Sidney                   | 38,477          | 41,163          | -6.5              | -9.6  |
| Grand Island      | 314,493         | 334,622         | -6.0              | -9.1  | South Sioux City         | 37,134          | 37,424          | -0.8              | -4.0  |
| Hartington        | 14,807          | 17,109          | -13.5             | -16.3   | Wayne                    | 28,292          | 33,341          | -15.1             | -17.9   |
| Hastings          | 151,172         | 159,174         | -5.0              | -8.1  | West Point               | 24,696          | 30,059          | -17.8             | -20.5   |
| Holdrege          | 49,338          | 54,008          | -8.6              | -11.6   | York                     | 63,489          | 69,751          | -9.0              | -12.0   |
| Kearney           | 164,892         | 172,917         | -4.6              | -7.8  |                          |                 |                 |                   |   |
| Kimball           | 25,906          | 28,498          | -9.1              | -12.1   | Total 32 Centers         | 6,034,785       | 6,154,082       | -1.9              | -5.2  |
| Lexington         | 53,280          | 60,324          | -11.7             | -14.6   | TOTAL STATE <sup>3</sup> | 7,950,068       | 8,190,373       | -2.9              | -6.1  |
| Lincoln           | 1,030,845       | 1,031,869       | -0.1              | -3.4  |                          |                 |                 |                   |   |

<sup>1</sup>Excluding motor vehicle sales, and after October 1983 excluding food sales

<sup>2</sup>Current dollar sales adjusted (deflated) for price changes using commodity price component of the Bureau of Labor Statistics' Consumer Price Index

<sup>3</sup>Total state sales include some sales that cannot be allocated to cities, counties, or regions

Source: compilations by Bureau of Business Research from special tabulations provided by Nebraska Tax Commissioner

Table 2  
Net Taxable Retail Sales<sup>1</sup> of Nebraska's Planning and Development Regions and Counties, 1984 and 1983

| Region and County | 1984<br>(\$000) | 1983<br>(\$000) | Percent<br>Change | Price<br>Adjusted<br>Percent<br>Change <sup>2</sup> | Region and County        | 1984<br>(\$000) | 1983<br>(\$000) | Percent<br>Change | Price<br>Adjusted<br>Percent<br>Change <sup>2</sup> |
|-------------------|-----------------|-----------------|-------------------|---|--------------------------|-----------------|-----------------|-------------------|---|
| Region 1          | 3,323,932       | 3,185,311       | 4.4               | 0.1   | Region 16                | 156,268         | 178,625         | -12.5             | -16.3   |
| Douglas           | 3,016,795       | 2,883,349       | 4.6               | 0.5   | Dawson                   | 117,080         | 130,104         | -10.0             | -13.8   |
| Sarpy             | 250,906         | 242,120         | 3.6               | -1.9  | Frontier                 | 8,578           | 10,460          | -18.0             | -22.3   |
| Washington        | 56,231          | 59,842          | -6.0              | -10.5   | Furnas                   | 24,051          | 29,429          | -18.3             | -21.9   |
| Region 2          | 1,181,035       | 1,160,529       | 1.8               | -2.4  | Gosper                   | 6,559           | 8,632           | -24.0             | -27.7   |
| Lancaster         | 1,181,035       | 1,160,529       | 1.8               | -2.4  | Region 17                | 88,473          | 99,883          | -11.4             | -15.3   |
| Region 3          | 56,284          | 58,154          | -3.2              | -7.6  | Franklin                 | 12,934          | 16,063          | -19.5             | -23.4   |
| Dakota            | 56,284          | 58,154          | -3.2              | -7.6  | Harlan                   | 14,080          | 17,218          | -18.2             | -22.2   |
| Region 4          | 170,527         | 186,894         | -8.8              | -13.1   | Phelps                   | 61,459          | 66,602          | -7.7              | -11.6   |
| Cass              | 54,217          | 57,936          | -6.4              | -11.3   | Region 18                | 191,515         | 212,317         | -9.8              | -13.6   |
| Otoe              | 63,455          | 70,762          | -10.3             | -14.2   | Hooker                   | 3,204           | 3,767           | -14.9             | -18.7   |
| Saunders          | 52,855          | 58,196          | -9.2              | -13.7   | Lincoln                  | 182,296         | 201,817         | -9.7              | -13.4   |
| Region 6          | 275,995         | 304,621         | -9.4              | -13.3   | Logan                    | 1,965           | 2,077           | -5.4              | -11.1   |
| Burt              | 29,614          | 35,710          | -17.1             | -20.8   | McPherson                | 747             | 625             | 19.5              | 9.3   |
| Cuming            | 46,975          | 55,219          | -14.9             | -18.6   | Thomas                   | 3,303           | 4,031           | -18.1             | -21.9   |
| Dodge             | 188,181         | 200,442         | -6.1              | -10.0   | Region 19                | 108,047         | 116,261         | -7.1              | -11.0   |
| Thurston          | 11,225          | 13,250          | -15.3             | -19.4   | Arthur                   | 1,051           | 1,135           | -7.4              | -12.8   |
| Region 7          | 93,625          | 105,124         | -10.9             | -14.9   | Chase                    | 25,908          | 29,096          | -11.0             | -14.9   |
| Johnson           | 16,104          | 18,858          | -14.6             | -18.5   | Grant                    | 3,728           | 3,645           | 2.3               | -3.2  |
| Nemaha            | 28,557          | 30,810          | -7.3              | -11.5   | Keith                    | 58,274          | 63,565          | -8.3              | -12.0   |
| Pawnee            | 8,609           | 10,041          | -14.3             | -18.3   | Perkins                  | 19,086          | 18,820          | 1.4               | -3.1  |
| Richardson        | 40,355          | 45,415          | -11.1             | -14.9   | Region 20                | 111,811         | 121,279         | -7.8              | -11.8   |
| Region 8          | 136,198         | 149,013         | -8.6              | -12.6   | Dundy                    | 10,206          | 11,979          | -14.8             | -19.0   |
| Butler            | 25,513          | 28,197          | -9.5              | -13.7   | Hayes                    | 1,687           | 2,200           | -23.3             | -29.3   |
| Saline            | 54,018          | 58,433          | -7.6              | -11.6   | Hitchcock                | 10,864          | 11,904          | -8.7              | -13.6   |
| Seward            | 56,667          | 62,383          | -9.2              | -13.2   | Red Willow               | 89,054          | 95,196          | -6.5              | -10.3   |
| Region 9          | 139,478         | 151,384         | -7.9              | -11.8   | Region 21                | 91,566          | 96,879          | -5.5              | -9.7  |
| Fillmore          | 32,576          | 36,547          | -10.9             | -14.8   | Cheyenne                 | 50,794          | 52,279          | -2.8              | -7.1  |
| Polk              | 22,915          | 24,719          | -7.3              | -11.6   | Deuel                    | 9,661           | 11,163          | -13.5             | -17.7   |
| York              | 83,987          | 90,118          | -6.8              | -10.6   | Kimball                  | 31,111          | 33,437          | -7.0              | -11.0   |
| Region 10         | 250,473         | 269,567         | -7.1              | -11.0   | Region 22                | 241,066         | 263,182         | -8.4              | -12.3   |
| Boone             | 29,204          | 33,298          | -12.3             | -16.2   | Banner                   | 1,256           | 1,438           | -12.7             | -20.8   |
| Colfax            | 32,406          | 40,056          | -19.1             | -22.7   | Garden                   | 9,039           | 9,834           | -8.1              | -12.7   |
| Nance             | 12,581          | 14,049          | -10.4             | -14.8   | Morrill                  | 24,783          | 27,769          | -10.8             | -14.8   |
| Platte            | 176,282         | 182,164         | -3.2              | -7.2  | Scotts Bluff             | 205,988         | 224,141         | -8.1              | -11.9   |
| Region 11         | 302,152         | 333,168         | -9.3              | -13.1   | Region 23                | 149,554         | 164,975         | -9.3              | -13.3   |
| Antelope          | 27,289          | 35,065          | -22.2             | -25.8   | Box Butte                | 71,463          | 76,586          | -6.7              | -10.8   |
| Madison           | 205,947         | 219,164         | -6.0              | -9.8  | Dawes                    | 39,991          | 44,013          | -9.1              | -13.0   |
| Pierce            | 23,778          | 27,383          | -13.2             | -17.2   | Sheridan                 | 34,736          | 40,916          | -15.1             | -18.7   |
| Stanton           | 10,592          | 11,393          | -7.0              | -12.4   | Sioux                    | 3,364           | 3,460           | -2.8              | -9.3  |
| Wayne             | 34,546          | 40,163          | -14.0             | -17.6   | Region 24                | 128,175         | 147,933         | -13.4             | -17.1   |
| Region 12         | 441,116         | 467,045         | -5.6              | -9.4  | Boyd                     | 7,495           | 9,334           | -19.7             | -23.3   |
| Hall              | 359,831         | 378,383         | -4.9              | -8.7  | Brown                    | 19,825          | 22,679          | -12.6             | -16.2   |
| Hamilton          | 33,945          | 36,190          | -6.2              | -10.6   | Cherry                   | 30,140          | 35,057          | -14.0             | -17.7   |
| Howard            | 20,130          | 22,432          | -10.3             | -14.5   | Holt                     | 61,062          | 69,349          | -11.9             | -15.7   |
| Merrick           | 27,210          | 30,040          | -9.4              | -13.6   | Keya Paha                | 2,168           | 2,441           | -11.2             | -16.3   |
| Region 13         | 249,949         | 268,823         | -7.0              | -10.9   | Rock                     | 7,485           | 9,073           | -17.5             | -21.4   |
| Adams             | 178,118         | 185,130         | -3.8              | -7.7  | Region 25                | 79,241          | 94,361          | -16.0             | -19.8   |
| Clay              | 27,739          | 31,159          | -11.0             | -15.1   | Cedar                    | 3,3034          | 39,985          | -17.4             | -21.0   |
| Nuckolls          | 30,408          | 35,457          | -14.2             | -17.9   | Dixon                    | 12,987          | 15,006          | -13.5             | -18.0   |
| Webster           | 13,684          | 17,077          | -19.9             | -23.6   | Knox                     | 33,220          | 39,370          | -15.6             | -19.3   |
| Region 14         | 171,227         | 196,559         | -12.9             | -16.6   | Region 26                | 111,044         | 129,866         | -14.5             | -18.2   |
| Gage              | 100,320         | 113,832         | -11.9             | -15.7   | Blaine                   | 1,506           | 1,704           | -11.6             | -16.6   |
| Jefferson         | 42,288          | 50,074          | -15.5             | -19.1   | Custer                   | 53,243          | 62,473          | -14.8             | -18.4   |
| Thayer            | 28,619          | 32,653          | -12.4             | -16.1   | Garfield                 | 10,228          | 11,840          | -13.6             | -17.2   |
| Region 15         | 238,859         | 251,350         | -5.0              | -8.9  | Greeley                  | 8,805           | 10,890          | -19.1             | -22.9   |
| Buffalo           | 214,849         | 222,353         | -3.4              | -7.3  | Loup                     | 1,201           | 1,551           | -22.6             | -27.7   |
| Kearney           | 24,010          | 28,997          | -17.2             | -21.1   | Sherman                  | 9,407           | 11,547          | -18.5             | -22.4   |
|                   |                 |                 |                   |   | Valley                   | 24,835          | 27,717          | -10.4             | -14.0   |
|                   |                 |                 |                   |   | Wheeler                  | 1,819           | 2,144           | -15.2             | -21.2   |
|                   |                 |                 |                   |   | STATE TOTAL <sup>3</sup> | 9,073,422       | 9,189,408       | -1.3              | -5.3  |

<sup>1</sup> Motor vehicle sales are recorded as in counties in which the vehicles were first registered, regardless of point of sale.  
<sup>2</sup> Current dollar sales adjusted (deflated) for price changes using commodity price component of the Bureau of Labor Statistics' Consumer Price Index  
<sup>3</sup> Total state sales include some sales that cannot be allocated to cities, counties, or regions  
Source: compilations by Bureau of Business Research from special tabulations provided by Nebraska Tax Commissioner



(continued from page 1)

percent changes. From this, it can be seen that the change in the state's non-vehicle sales would increase from a 2.9 percent loss to a 7.5 percent gain; on a price-adjusted basis, a 6.1 percent loss would become 4.0 percent growth. It is important to remember that the above adjustments are for illustration only, as there is no way of determining the actual adjustments necessary. For the remainder of the article, however, comparisons will be made for those counties with total sales declines of 9.4 percent or less and those with losses exceeding 9.4 percent.

The geographic distribution of net taxable retail sales by planning region and county, with respective changes that occurred between 1983 and 1984, can be found in Table 2. Again, it should be noted that the 1983 and 1984 sales data have not been adjusted to account for the loss of food sales.

Of the twenty-five state planning regions, only two recorded gains in the dollar volume of sales in 1984. These regions were Region 1, +4.4 percent, and Region 2, +1.8 percent. An additional fourteen areas reported losses in sales of less than 9.4 percent. On a price-adjusted basis, only Region 1 experienced an increase in sales.

Map 1 shows that eight regions recorded losses in net taxable sales greater than 9.4 percent. These regions generally were located in the central third of the state, with the exceptions of Regions 7 and 14 in the southeast and Region 25 in the northeast. The state's largest drop in sales occurred in Region 25, with a decline of 16.0 percent.

Table 2 and Map 2 illustrate how Nebraska's counties fared between 1983 and 1984. Six of the state's ninety-three counties recorded net taxable sales in 1984 above those of 1983, with an additional thirty-one with losses of less than 9.4 percent. The growing counties were concentrated in the metropolitan areas of eastern Nebraska and in some of the more sparsely populated counties in western Nebraska. Counties with the increases in sales were McPherson, +19.5 percent; Douglas, +4.6 percent; Sarpy, +3.6 percent; Grant, +2.3 percent; Lancaster, +1.8 percent; and Perkins, +1.4 percent.

Of the counties with losses in taxable sales in 1984, twenty-three had losses of more than 15 percent, including four with losses over 20 percent. These counties generally were located

throughout the central portion of the state, with concentrations in the northeast and south central areas. The largest declines were Gosper, -24.0 percent; Hayes, -23.3 percent; Loup, -22.6 percent; and Antelope, -22.2 percent.

Data on retail sales for thirty-two Nebraska cities are found in Table 1 on page 1. These sales exclude motor vehicle sales, which are counted at the county in which the vehicle is registered. The state total in Table 1, therefore, is for non-vehicle sales and differs from the total in Table 2, which is for both motor vehicle and non-vehicle sales.

Statewide, non-vehicle sales fell 2.9 percent in 1984, but for the aggregate of the thirty-two cities, the loss was 1.9 percent. Again, it should be remembered that the reason for this decline is the diminished sales tax base in 1984.

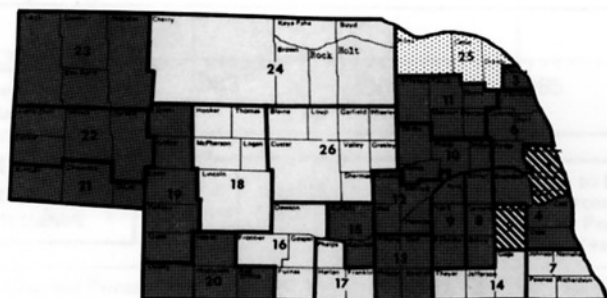
Of the thirty-two communities listed in Table 1, only two reported increases in their dollar volume of sales in 1984. These cities were Bellevue, +9.5 percent, and Omaha, +3.0 percent. Eighteen of the remaining cities reported losses of less than 10.4 percent (the estimated impact of the loss of food sales from the tax base). Some of these cities are Lincoln, -0.1 percent; South Sioux City, -0.8 percent; Columbus, -3.9 percent; Kearney, -4.6 percent; and Hastings, -5.0 percent.

Twelve of the thirty-two cities in Table 1 reported losses greater than 10.4 percent. Those with the largest losses were Fairbury, -19.8 percent; West Point, -17.8 percent; Broken Bow, -16.2 percent; and Wayne, -15.1 percent.

In summary, it appears that without the change in the tax base, Nebraska's net taxable retail sales would have shown a moderate increase of approximately 3 to 4 percent in real terms in 1984 compared to 1983. As it stands, however, the actual change will never be known. The strongest areas of sales were the metropolitan counties and larger cities of the state. In addition, concentrations of relative strength could be found in east-central and northwest Nebraska. The weakest counties were concentrated in the central and northeastern part of the state. Looking to 1985, it appears that sales are running ahead of their 1984 pace and should finish the year with moderate growth. Because the tax bases should be the same in 1984 and 1985, more accurate year-to-year comparisons can be made.

(continued on page 6)

Map 1  
Percentage Change in Net Taxable Retail Sales by Region, 1983-1984



Legend for Map 1:  
- Diagonal lines (top-left to bottom-right): 0.0 % or greater  
- Solid black: -0.1% to -9.4%  
- White: -9.5% to -15.0%  
- Dotted: less than -15.0%

State -1.3%

Map 2  
Percentage Change in Net Taxable Retail Sales by County, 1983-1984



Legend for Map 2:  
- Diagonal lines (top-left to bottom-right): 0.0 % or greater  
- Solid black: -0.1% to -9.4%  
- White: -9.5% to -15.0%  
- Dotted: less than -15.0%

State -1.3%

# Review and Outlook

Nebraska's nonagriculture economy edged up 0.5 percent March-April 1985. Once again, cash farm marketings were not available from the United States Department of Agriculture. Prices received by Nebraska farmers and ranchers were disheartening—they declined 3.5 percent on a month-to-month basis in April 1985 to a level 11.5 percent below one year ago.

Construction led the nonagriculture segment of Nebraska's economy. This component of the Bureau of Business Research's index increased 5.6 percent on a monthly basis. Manufacturing, distributive trade (which includes wholesale and retail trade and services), and government recorded small monthly changes.

Charles Bare, Research Associate at the Bureau of Business Research, has designed a series of leading economic indicators for Nebraska. The most recent reading of this index showed an upturn in economic activity. The chart below shows a peak late in 1985 followed by a slow downward drift. If the index continues to improve over the next two months or if no new low is established over the next three months, this could indicate an upswing in the Nebraska economy in the third and fourth quarters which could carry into the first half of 1986.

The national economy is expected to show renewed vigor during the last half of 1985 and the first half of 1986, so it (continued on page 5)

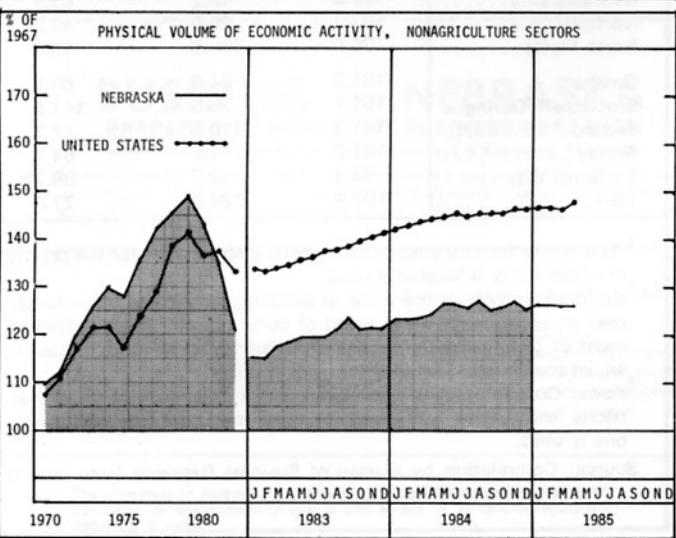
Notes for Tables 1 and 2: (1) The "distributive" indicator represents a composite of wholesale and retail trade; transportation, communication and utilities; finance, insurance, and real estate; and selected services. (2) The "physical volume" indicator and its components represent the dollar volume indicator and its components adjusted for price changes using appropriate price indexes—see Table 5, page 5.

| ECONOMIC INDICATORS: NEBRASKA AND UNITED STATES |  |       |   |       |
|---|--|-------|---|-------|
| 1. CHANGE FROM PREVIOUS YEAR                    |  |       |   |       |
| April 1985                                      | Current Month as Percent of Same Month Previous Year |       | 1985 to date as percent of 1984 to date |       |
|   | Nebraska   | U.S.  | Nebraska                                | U.S.  |
| Indicator                                       |  |       |   |       |
| Dollar Volume                                   | na   | na    | na                                      | na    |
| Agricultural                                    | na   | na    | na                                      | na    |
| Nonagricultural                                 | 105.1  | 105.8 | 106.0                                   | 106.2 |
| Construction                                    | 91.4   | 105.5 | 97.0                                    | 107.3 |
| Manufacturing                                   | 100.7  | 100.7 | 102.8                                   | 102.2 |
| Distributive                                    | 105.4  | 107.3 | 105.8                                   | 107.4 |
| Government                                      | 114.8  | 107.6 | 114.6                                   | 106.8 |
| Physical Volume                                 | na   | na    | na                                      | na    |
| Agricultural                                    | na   | na    | na                                      | na    |
| Nonagricultural                                 | 101.7  | 102.4 | 102.4                                   | 102.8 |
| Construction                                    | 88.6   | 102.3 | 93.2                                    | 103.1 |
| Manufacturing                                   | 101.2  | 100.4 | 102.7                                   | 101.6 |
| Distributive                                    | 101.7  | 103.5 | 102.0                                   | 103.6 |
| Government                                      | 105.6  | 101.3 | 105.7                                   | 101.3 |

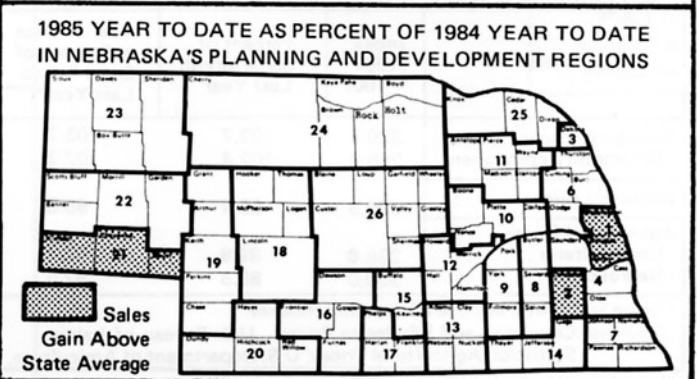
  

| 2. CHANGE FROM 1967 |                         |       |
|---------------------|-------------------------|-------|
| Indicator           | Percent of 1967 Average |       |
|                     | Nebraska                | U.S.  |
| Dollar Volume       | na                      | na    |
| Agricultural        | na                      | na    |
| Nonagricultural     | 377.0                   | 447.2 |
| Construction        | 293.9                   | 433.7 |
| Manufacturing       | 370.1                   | 326.7 |
| Distributive        | 382.2                   | 513.5 |
| Government          | 416.5                   | 455.9 |
| Physical Volume     | na                      | na    |
| Agricultural        | na                      | na    |
| Nonagricultural     | 126.7                   | 147.6 |
| Construction        | 82.1                    | 121.1 |
| Manufacturing       | 148.9                   | 128.2 |
| Distributive        | 119.4                   | 160.4 |
| Government          | 151.6                   | 149.8 |

| 3. NET TAXABLE RETAIL SALES OF NEBRASKA REGIONS AND CITIES |                                     |                                     |   |
|--|-------------------------------------|-------------------------------------|---|
| Region Number <sup>1</sup> and City                        | City Sales <sup>2</sup>             | Sales in Region <sup>2</sup>        |   |
|  | April 1985 as percent of April 1984 | April 1985 as percent of April 1984 | 1985 to date as percent of 1984 to date |
| <i>The State</i>   | 101.5                               | 99.9                                | 103.3                                   |
| 1 Omaha  | 109.7                               | 107.2                               | 110.7                                   |
| Bellevue   | 114.2                               |                                     |   |
| Blair  | 99.7                                |                                     |   |
| 2 Lincoln  | 106.5                               | 105.2                               | 106.2                                   |
| 3 So. Sioux City   | 96.7                                | 92.9                                | 102.8                                   |
| 4 Nebraska City  | 99.2                                | 93.9                                | 93.7                                    |
| 6 Fremont  | 98.5                                | 91.7                                | 96.8                                    |
| West Point   | 81.0                                |                                     |   |
| 7 Falls City   | 99.9                                | 93.0                                | 94.0                                    |
| 8 Seward   | 91.7                                | 89.7                                | 89.5                                    |
| 9 York   | 102.3                               | 96.2                                | 94.9                                    |
| 10 Columbus  | 92.4                                | 87.0                                | 94.9                                    |
| 11 Norfolk   | 92.6                                | 90.5                                | 98.6                                    |
| Wayne  | 79.7                                |                                     |   |
| 12 Grand Island  | 97.4                                | 95.1                                | 100.0                                   |
| 13 Hastings  | 95.9                                | 89.6                                | 96.3                                    |
| 14 Beatrice  | 107.1                               | 99.7                                | 93.9                                    |
| Fairbury   | 102.8                               |                                     |   |
| 15 Kearney   | 96.5                                | 93.2                                | 94.4                                    |
| 16 Lexington   | 98.6                                | 90.7                                | 94.2                                    |
| 17 Holdrege  | 92.1                                | 91.4                                | 92.2                                    |
| 18 North Platte  | 97.8                                | 94.7                                | 92.7                                    |
| 19 Ogallala  | 95.5                                | 96.0                                | 89.7                                    |
| 20 McCook  | 95.6                                | 90.3                                | 95.4                                    |
| 21 Sidney  | 100.8                               | 100.6                               | 103.1                                   |
| Kimball  | 104.4                               |                                     |   |
| 22 Scottsbluff/Gering                                      | 97.8                                | 95.7                                | 98.3                                    |
| 23 Alliance  | 100.4                               | 97.6                                | 99.1                                    |
| Chadron  | 93.6                                |                                     |   |
| 24 O'Neill   | 96.9                                | 89.6                                | 92.9                                    |
| 25 Hartington  | 86.3                                | 90.0                                | 93.5                                    |
| 26 Broken Bow  | 98.4                                | 97.5                                | 94.4                                    |



<sup>1</sup>See region map below.  
<sup>2</sup>Sales on which sales taxes are collected by retailers located in the state. Region totals include motor vehicle sales; city totals exclude motor vehicle sales.  
 Compiled from data provided by Nebraska Department of Revenue.



(continued from page 4)

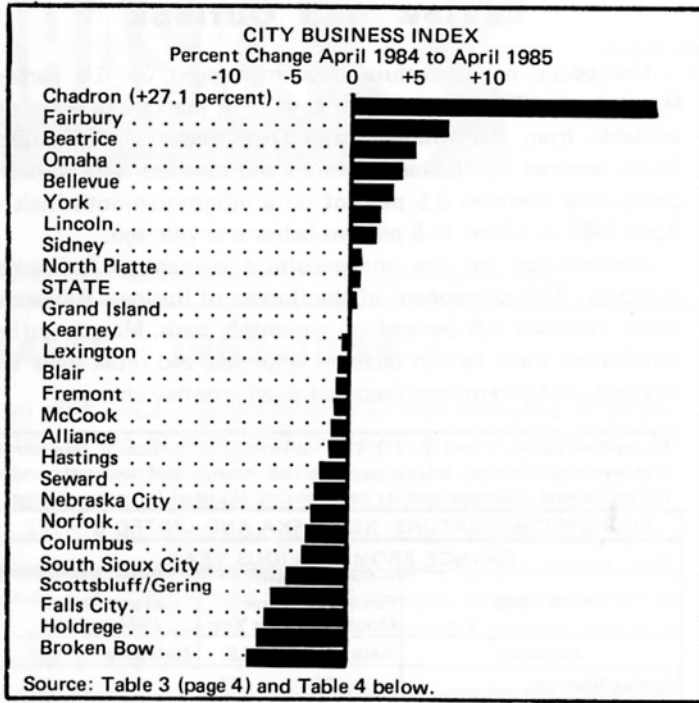
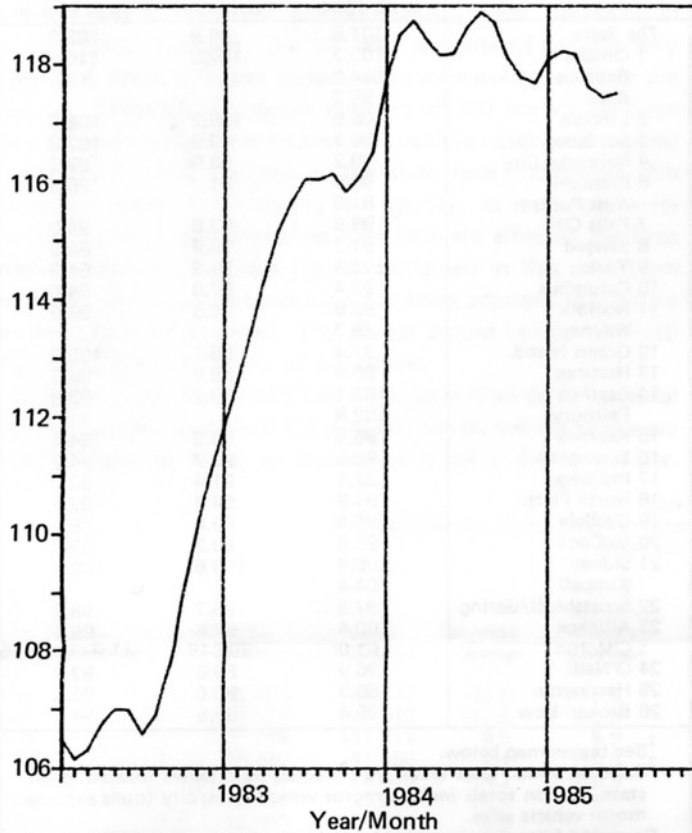
would not be outside the realm of likely events if the state economy were also to improve. Lower interest rates are now beginning to stimulate the economy and are expected to boost the economy over the next few quarters.

Retail sales in Nebraska slumped in April. Total retail sales were down 2.6 percent on a price adjusted basis compared with one year earlier. Motor vehicle sales dropped 13.5 percent on a price adjusted basis, while nonmotor vehicle sales fell 0.8 percent on a price adjusted basis. The April 1985 sales changes should be viewed in the context of exceptionally strong April 1984 motor vehicle sales.

Chadron led all Nebraska cities with a large increase in its city business index. Chadron's improvement reflects a rise in building activity. Fairbury ranked second, and Beatrice third. Omaha followed Beatrice with a 3.6 percent gain in its city business index. Both Omaha and Lincoln have consistently outperformed the state's economy and continue to lead in economic growth.

DONALD E. PURSELL

Nebraska Composite Leading Index



Source: Table 3 (page 4) and Table 4 below.

**4. April 1985 CITY BUSINESS INDICATORS**

| The State and Its Trading Centers | Percent of Same Month a Year Ago |                                |                                |
|-----------------------------------|----------------------------------|--------------------------------|--------------------------------|
|                                   | Employment <sup>1</sup>          | Building Activity <sup>2</sup> | Power Consumption <sup>3</sup> |
| <i>The State</i> .....            | 102.2                            | 92.7                           | 88.0                           |
| Alliance .....                    | 101.8                            | 79.2                           | 95.3                           |
| Beatrice .....                    | 100.1                            | 172.3                          | 78.2                           |
| Bellevue .....                    | 101.5                            | 54.4                           | 76.7                           |
| Blair .....                       | 101.5                            | 100.7                          | 90.4*                          |
| Broken Bow .....                  | 102.6                            | 17.3                           | 87.0                           |
| Chadron .....                     | 114.6                            | 15,957.6                       | 82.9                           |
| Columbus .....                    | 99.8                             | 94.0                           | 78.4                           |
| Fairbury .....                    | 101.4                            | 408.5                          | 88.6                           |
| Falls City .....                  | 104.3                            | 15.9                           | 83.7                           |
| Fremont .....                     | 103.6                            | 88.9                           | 114.7*                         |
| Grand Island .....                | 101.1                            | 142.9                          | 84.1                           |
| Hastings .....                    | 100.7                            | 107.4                          | na                             |
| Holdrege .....                    | 102.8                            | 33.8                           | 78.9                           |
| Kearney .....                     | 105.2                            | 99.5                           | 79.2                           |
| Lexington .....                   | 103.5                            | 93.6                           | 90.1                           |
| Lincoln .....                     | 102.0                            | 88.8                           | 86.9                           |
| McCook .....                      | 99.6                             | 154.7                          | 79.8                           |
| Nebraska City .....               | 103.2                            | 48.2                           | 62.7                           |
| Norfolk .....                     | 103.7                            | 66.0                           | 89.7                           |
| North Platte .....                | 105.5                            | 101.5                          | 79.4                           |
| Omaha .....                       | 101.5                            | 94.6                           | 89.5                           |
| Scottsbluff/Gering .....          | 101.1                            | 26.8                           | 141.9                          |
| Seward .....                      | 103.1                            | 110.4                          | 77.3                           |
| Sidney .....                      | 101.3                            | 115.5                          | 84.3                           |
| So. Sioux City .....              | 98.3                             | 52.7                           | 88.7*                          |
| York .....                        | 102.4                            | 128.2                          | 77.6                           |

<sup>1</sup> As a proxy for city employment, total employment for the county in which a city is located is used.  
<sup>2</sup> Building Activity is the value of building permits issued as spread over an appropriate time period of construction. The U.S. Department of Commerce Composite Construction Cost Index is used to adjust construction activity for price changes.  
<sup>3</sup> Power Consumption is a combined index of consumption of electricity and natural gas except in cases marked \* for which only one is used.  
 Source: Compilation by Bureau of Business Research from reports of private and public agencies.

**5. PRICE INDEXES**

| April 1985             | Index (1967 = 100) | Percent of Same Month Last Year | Year to Date as Percent of Same Period Last Year* |
|------------------------|--------------------|---------------------------------|---|
| Consumer Prices .....  | 320.1              | 103.7                           | 103.7   |
| Commodity component    | 286.8              | 102.4                           | 102.2   |
| Wholesale Prices ..... | 309.3              | 99.4                            | 99.8  |
| Agricultural Prices    |                    |                                 |   |
| United States .....    | 238.0              | 89.8                            | 92.3  |
| Nebraska .....         | 230.0              | 88.5                            | 92.6  |

\*Using arithmetic average of monthly indexes.  
 Sources: Consumer and Wholesale Prices: U.S. Bureau of Labor Statistics; Agricultural Prices: U.S. Department of Agriculture.



## HOUSING UNITS AUTHORIZED

The fact that residential construction has experienced hard times in recent years should surprise no one. What is not so well known is the extent of the decline and the extent to which construction has rebounded in the last year or so. Listed in the table below are the numbers of new privately owned housing units authorized by building permits as released by the U.S. Bureau of the Census. Data are presented for the state and for selected areas. Although these data do not translate directly into private housing units built in any given year, they are likely to be close estimates. Caution should be used when interpreting percentage changes where the total number of permits issued is small; small absolute changes may result in large percentage changes.

The data presented are for 1977 (the most recent peak at the state level) and 1982-1984. From the table, it can be seen that

the 6,053 units authorized in Nebraska represent a decline of 46.5 percent from 1977, but an increase of 67.5 percent from the low of 1982 and a 10.8 percent increase from 1983. Despite the general decline in the number of authorized units between 1977 and 1984, Papillion was up 262.8 percent, unincorporated Sarpy County added 29.5 percent, McCook was unchanged, and Omaha dropped only 1.2 percent.

Comparing 1982 to 1984, the strongest areas in terms of percentage change were Lincoln, Nebraska City, Fremont, Norfolk, North Platte, and Plattsmouth. The weakest areas over the same period were LaVista, Beatrice, Chadron, unincorporated Hall County, Scottsbluff, Grand Island and Lexington.

JEROME A. DEICHERT

### NUMBER OF NEW PRIVATELY OWNED HOUSING UNITS AUTHORIZED BY BUILDING PERMITS IN PERMIT-ISSUING PLACES

|                                |               |              |              |              | Percentage Change |              |              |
|--------------------------------|---------------|--------------|--------------|--------------|-------------------|--------------|--------------|
|                                | 1977          | 1982         | 1983         | 1984         | 1977 to 1984      | 1982 to 1984 | 1983 to 1984 |
| Adams County (unincorporated)* | 194           | 42           | 41           | 34†          | -82.5             | -19.0        | -17.1        |
| Alliance                       | 288           | 5            | 12           | 5            | -98.3             | 0.0          | -58.3        |
| Beatrice                       | 134           | 67           | 41           | 9            | -93.3             | -86.6        | -78.0        |
| Bellevue                       | 428           | 221          | 328          | 247          | -42.3             | 11.8         | -24.7        |
| Blair                          | 59            | 24           | 19           | 27           | -54.2             | 12.5         | 42.1         |
| Chadron                        | 26            | 22           | 6            | 4†           | -84.6             | -81.8        | -33.3        |
| Columbus                       | 329           | 68           | 87           | 79           | -76.0             | 16.2         | -9.2         |
| Fremont                        | 202           | 12           | 17           | 32†          | -84.2             | 166.7        | 88.2         |
| Gering                         | 149           | 13           | 13           | 10           | -93.3             | -23.1        | -23.1        |
| Grand Island                   | 461           | 152          | 91           | 61           | -86.8             | -59.9        | -33.0        |
| Hall County (unincorporated)   | 133           | 45           | 46           | 9            | -93.2             | -80.0        | -80.4        |
| Kearney                        | 317           | 162          | 153          | 187          | -41.0             | 15.4         | 22.2         |
| La Vista                       | 154           | 62           | 32           | 5            | -96.8             | -91.9        | -84.4        |
| Lexington                      | 181           | 23           | 24           | 11           | -93.9             | -52.2        | -54.2        |
| Lincoln                        | 2,343         | 234          | 1,000        | 1,279        | -45.4             | 446.6        | 27.9         |
| McCook                         | 38            | 52           | 75           | 38           | 0.0               | -26.9        | -49.3        |
| Nebraska City                  | 61            | 4            | 4            | 20           | -67.2             | 400.0        | 400.0        |
| Norfolk                        | 299           | 37           | 80           | 86           | -71.2             | 132.4        | 7.5          |
| North Platte                   | 223           | 14           | 28           | 29           | -87.0             | 107.1        | 3.6          |
| Ogallala                       | 56            | 25           | 37           | 21           | -62.5             | -16.0        | -43.2        |
| Omaha                          | 2,151         | 1,103        | 1,776        | 2,125        | -1.2              | 92.7         | 19.7         |
| Papillion                      | 78            | 174          | 295          | 283          | 262.8             | 62.6         | -4.1         |
| Plattsmouth                    | 48            | 11           | 34           | 22           | -54.2             | 100.0        | -35.3        |
| Sarpy County (unincorporated)  | 224           | 215          | 299          | 290          | 29.5              | 34.9         | -3.0         |
| Scottsbluff                    | 78            | 39           | 31           | 14           | -82.1             | -64.1        | -54.8        |
| South Sioux City               | 182           | 14           | 19           | 26           | -85.7             | 85.7         | 36.8         |
| <b>NEBRASKA</b>                | <b>11,322</b> | <b>3,614</b> | <b>5,465</b> | <b>6,053</b> | <b>-46.5</b>      | <b>67.5</b>  | <b>10.8</b>  |

\*Includes Hastings

†Eleven months

Source: U.S. Department of Commerce, Bureau of the Census, *Housing Units Authorized by Building Permits and Public Contracts: Annual 1980-1983 and December 1984*, Construction Reports, C40 series

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