

Economic Importance of and Economic Impacts Associated with Livestock Production in Dixon County

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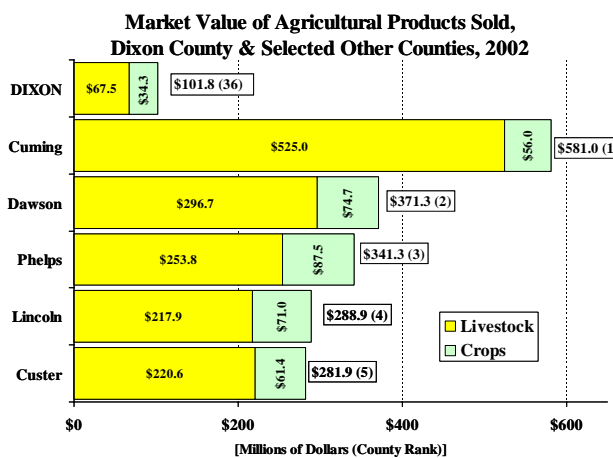
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Executive Summary

Information provided in this report focuses on the economic importance of the livestock sector in Dixon County, Nebraska (Dixon County). The first part of the report reviews agriculture data from the *2002 Census of Agriculture*. These data provide information on the importance of agriculture and the livestock sector in Dixon County. The second part of the report analyzes the direct, indirect, and total economic impacts associated with livestock operations in Dixon County. This analysis utilizes an IMPLAN input-output (I-O) database and model developed specifically for Dixon County.

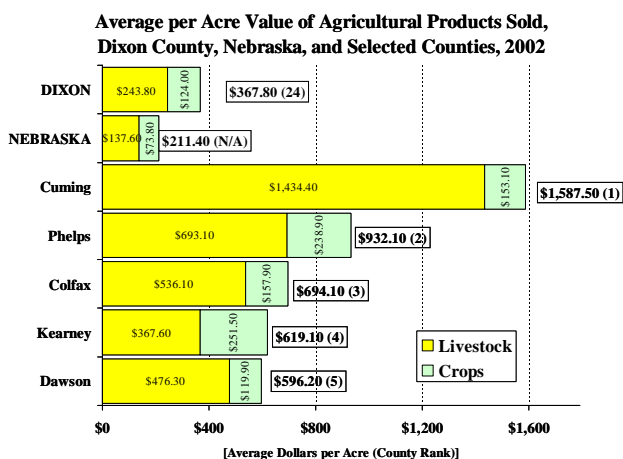
Livestock and Agricultural Production in Dixon County, Nebraska

The *2002 Census of Agriculture* provides data showing the importance of agriculture and the livestock sector in Dixon County. The data presented in the chart indicate the market value of agricultural products sold in Dixon County totaled \$101.8 million in 2002. Considering the per farm value of agricultural products sold, Dixon County's average of \$154,224 ranked 58th among Nebraska's 93 counties and was 78.4 percent of the state per farm average of \$196,609.



Note: Parts may not sum to totals due to rounding.
Source: USDA, National Agricultural Statistics Service, 2002 Census of Agriculture.

The average market value of agricultural products sold per acre is shown in the current chart and includes the data for Dixon County and for the leading five counties in terms of this measure, along with the Nebraska data.



*Note: Parts may not sum to totals due to rounding.
Source: USDA, National Agricultural Statistics Service, 2002 Census of Agriculture.

Dixon County, with a value of \$367.80, ranks 24th among the Nebraska counties in terms of the market value of agriculture products per acre, with \$243.80 of that amount accounted for by livestock and livestock products. Dixon County's per acre average for all agricultural products is 174.0 percent of the state per acre average of \$211.40.

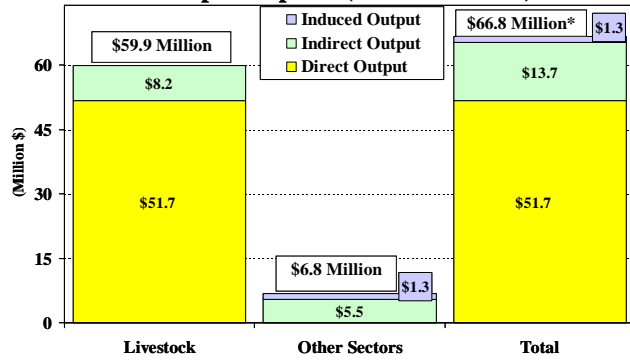
Data provided in this report indicate that livestock and livestock products are a significant source of income for Dixon County farmers. The per farm market value of livestock and livestock products sold averaged \$102,235 (66.3 percent of the total market value of all agricultural products sold) for Dixon County, ranking the county 53rd among the Nebraska counties in terms of this measure. The average Dixon County per farm value for livestock and livestock products sold was 79.9 percent of the average per farm value of \$127,959 for Nebraska as a whole.

Economic Impacts Associated with Livestock Production in Dixon County, Nebraska

The second part of the report provides an assessment of the positive employment and other economic effects associated with the production of livestock and livestock products in Dixon County. The analysis utilizes an IMPLAN input-output (I-O) model developed for Dixon County. The major positive employment and other economic effects associated with the production of livestock and livestock products are summarized in the continuing portion of the Executive Summary.

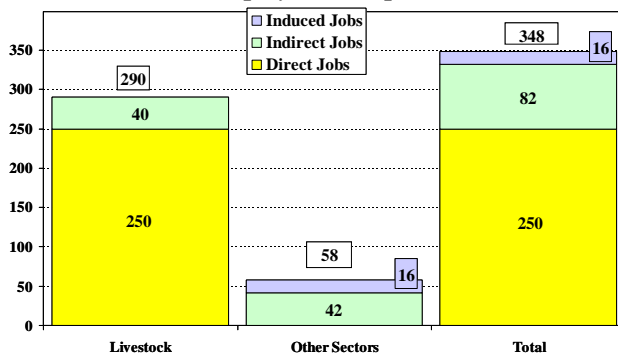
- Total Output Effects: The total value of output directly associated with sales to final demand by the livestock sector in Dixon County is estimated to be \$51.7 million. When the secondary output effects (indirect and induced output) are added, the total output effects associated with the production of livestock and livestock products in Dixon County are estimated to be \$66.8 million. Of this total, 89.7 percent (\$59.9 million) is accounted for by output (direct, indirect, and induced) produced by the livestock sector and the indirect and induced effects in other sectors represent an additional \$6.8 million of output.

Livestock Sector Economic Impacts in Dixon County
Output Impacts (Million Dollars)



*Note: Impact components may not sum to total due to rounding.
 Source: Computed using 2004 IMPLAN Input-Output Model and Database for Dixon County.

Livestock Sector Economic Impacts in Dixon County
Employment Impacts

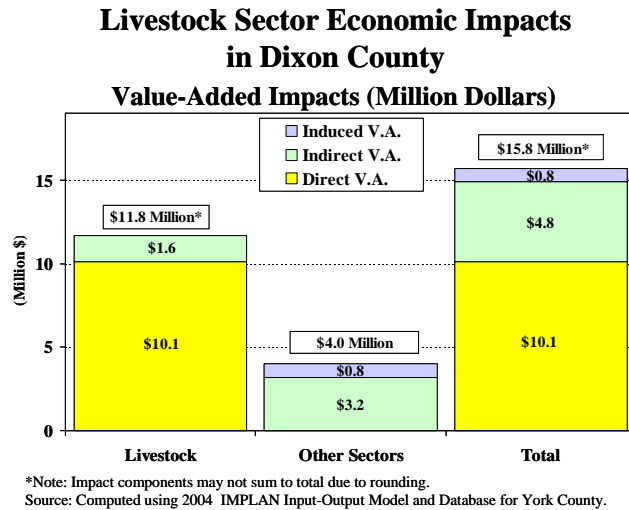


Source: Computed using 2004 IMPLAN Input-Output Model and Database for Dixon County.

- Employment Effects: There are an estimated 250 individuals employed in the Dixon County livestock products sector producing the output dedicated to sales to final demand (\$51.7 million). When the indirect and induced employment effects are included, employment in the livestock sector is estimated to be 290 workers (and proprietors). The other secondary employment effects (indirect and induced effects in sectors other than livestock and

livestock products) account for an additional 58 employees that support livestock production. When the indirect and induced effects for all sectors are included, the estimated Dixon County employment supporting the production of livestock is estimated to be 348 workers.

– **Value-Added Effects:** The value-added effects associated with livestock production in Dixon County provide a good measure of the economic value associated with this sector. Value-added consists of payments to the factors of production within the local economy and includes payments to labor, proprietors’ income, other property income, and indirect business taxes. As the information and analysis provided in this report indicate, the total value-added effects associated with the production of livestock and livestock products in Dixon County are estimated to be \$15.8 million. Of this amount, \$11.8 million represents value-added in the livestock products sector itself and \$4.0 million is value-added in other economic sectors supporting the production of livestock and livestock products in Dixon County.



Livestock-Related Impacts Not Analyzed

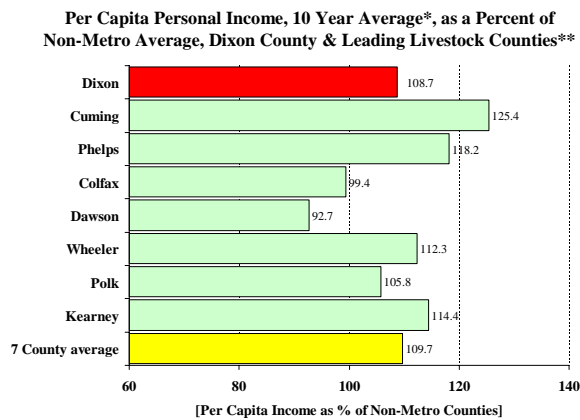
The analysis discussed in this report considers the backward-linkages associated with livestock production in Dixon County. That is, the analysis has considered impacts associated with economic sectors providing inputs to support livestock production. The analysis has not considered the “stemming from” effects, or the economic impacts associated with those industry sectors with forward linkages from the livestock production sector. The obvious sector in this regard would be food processing activities utilizing meat products as an input. Obviously, the food and meat processing industry creates a very substantial amount of additional employment and economic activity in Nebraska and in many Nebraska counties, suggesting the contributions of the livestock industry may be significantly greater than reported in this analysis if these forward-linkages were considered.

Livestock Production and Economic Well Being

A key question about the importance of the livestock industry concerns its contributions to the economic well being of residents of Dixon County and other Nebraska counties where the production of livestock and livestock products may be even more significant as a contributor to the overall level of economic activity. Data presented in this report provide some insights into the relationship between livestock production and economic well being, measured in terms of per capita personal income.

Per capita personal income in Cuming County, which is the leading county in Nebraska in terms of the production of livestock and livestock products, was 10.7 percent more than the average per capita personal income for all non-metropolitan, Nebraska counties for the year 2005. For the ten-year period from 1996 to 2005, the average per capita personal income in Cuming County was 25.4 percent more than the average for the non-metropolitan areas of Nebraska. In the case of Dixon County, which ranked 17th among the Nebraska counties in terms of livestock and livestock products sold per acre, per capita income for the ten-year period from 1996 to 2005 was \$26,196. This per capita income level was 8.7 percent greater than the average per capita income level for all non-metropolitan Nebraska counties for the ten-year review period. Moreover, per capita personal income for Dixon County in 2005 was \$28,551 or 2.6 percent above the average per capita income level for all non-metropolitan Nebraska counties.

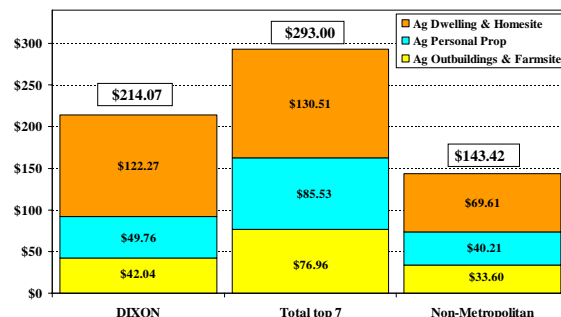
For the top seven Nebraska livestock counties, in terms of the average value of livestock and livestock products sold per acre, the ten-year average (1996-2005), per capita personal income was 9.7 percent more than for all non-metropolitan counties. The per-capita personal income average in the leading livestock counties in 2005 was 3.7 percent more than for all non-metropolitan counties.



Livestock Production and Property Taxes

Livestock production activity contributes in a significant and positive manner to the tax base and to tax revenues needed to support local schools and other local public services. The per acre assessed valuation of agricultural property (other than agricultural land) was \$293.00 for the leading seven Nebraska livestock counties, 104.3 percent more than the \$143.42 of per acre assessed valuation for all non-metropolitan counties in the state. In the case of Dixon County, the per acre assessed valuation of agricultural property (except agricultural land) was \$214.07. This value was 49.3 percent greater than the per capita assessed value of the same class of property for all non-metropolitan counties.

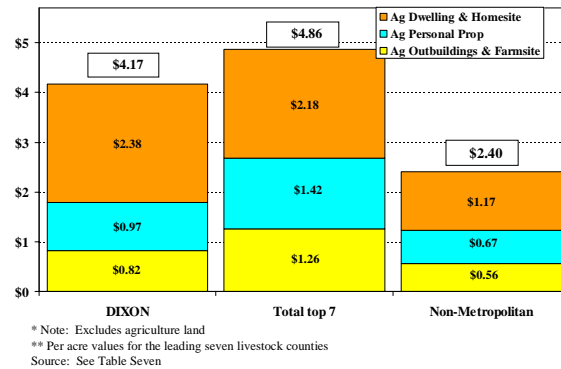
Per Acre Assessed Valuation for the Agriculture Sector*, Dixon County, Non-Metro Area and Leading Livestock Counties**



*Note: Excludes agriculture land
** Per acre values for the leading seven livestock counties
Source: See Table Seven

Local tax revenues are also significantly enhanced by the presence of livestock production activity. As this chart illustrates, per acre taxes levied on agricultural property (other than agricultural land) were \$4.86 for the seven leading Nebraska livestock counties. This level of per acre tax revenues was \$2.46, or 102.5 percent more than per acre tax revenues for the same class of agricultural property for all non-metropolitan Nebraska counties. In the case of Dixon

**Per Acre Taxes Levied for the Agriculture Sector*,
Dixon County, Non-Metro Area and Leading Livestock Counties****



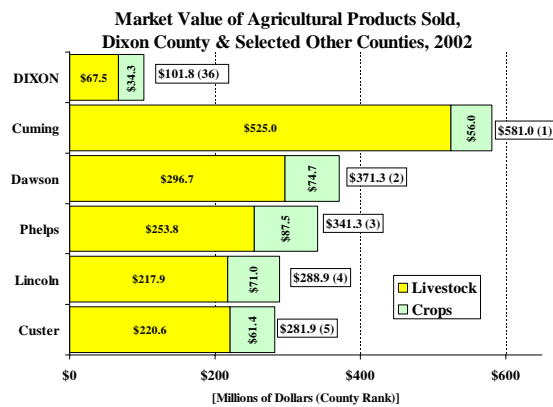
County, the per acre taxes levied on this class of agricultural property were \$4.17 or 73.8 percent greater than per acre taxes levied for all non-metropolitan counties.

Economic Importance of and Economic Impacts Associated with Livestock Production in Dixon County, Nebraska

Information provided in this report focuses on the importance of the livestock sector to the economy of Dixon County, Nebraska (Dixon County). The first part of the report reviews agriculture data from the *2002 Census of Agriculture*. These data provide insights into the importance of agriculture and the livestock sector in Dixon County. The second part of the report analyzes the secondary economic impacts associated with livestock production in Dixon County. This analysis utilizes an IMPLAN input-output (I-O) database and model developed specifically for Dixon County.

Livestock and Agricultural Production in Dixon County, Nebraska

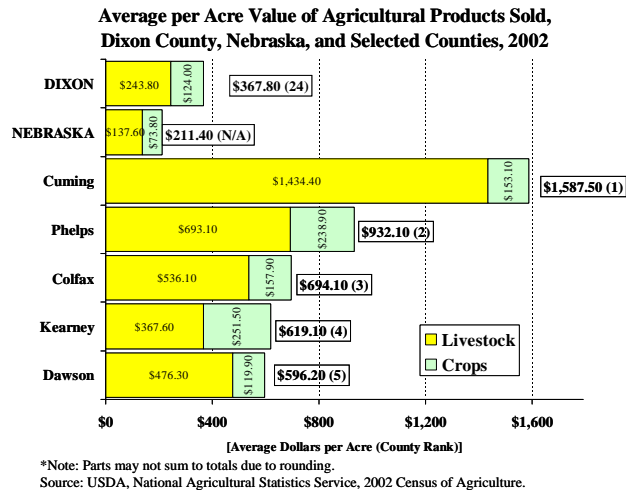
The *2002 Census of Agriculture* provides data showing the importance of agriculture and the livestock sector for Dixon County. The data presented in Table One include the data for Dixon County, along with data for Nebraska and selected Nebraska counties. The market value of agricultural products sold in Dixon County was \$101.8 million in 2002. This level of sales of agricultural products ranked Dixon County 36th among the Nebraska counties in terms of this measure. In terms of the per farm value of agricultural products sold, Dixon County's average of \$154,224 ranked 58th among the counties and was 78.4 percent of the Nebraska per farm average of \$196,609.



Note: Parts may not sum to totals due to rounding.
Source: USDA, National Agricultural Statistics Service, 2002 Census of Agriculture.

The data reporting the market value of agricultural products sold may be somewhat misleading as these data are affected by the geographic size of the county (number of farms and acres). For example, while Lincoln and Custer counties rank 4th and 5th in terms of the total market value of agricultural products, their high ranking results, in part, from the relatively large size of these counties. When the data are normalized for the size of the county, these counties do not maintain their high rankings. For example, using the average market value of agricultural products sold per acre, Lincoln County ranks 50th and Custer County ranks 51st among Nebraska's 93 counties.

The average market value of agricultural products sold per acre is shown in the current chart and includes the data for Dixon County and for the top five Nebraska counties in terms of this measure, along with the Nebraska data. These data are also shown in Table One. In terms of the market value of agriculture products sold per acre, Dixon County, with a value of \$367.80, ranks 24th among Nebraska's 93 counties. Dixon County's per acre average for all agricultural products is 174.0 percent of the Nebraska per acre average of \$211.40.



Data presented in Table One indicate that livestock and livestock products are an important source of income for Dixon County farmers. The per farm market value of livestock and livestock products sold averaged \$102,235 for Dixon County, ranking the county 53rd among Nebraska's 93 counties in terms of this measure. The market value of livestock products sold in Dixon County accounted for 66.3 percent of the total market value of all agricultural products sold, compared to 65.1 percent for Nebraska. The average Dixon County per farm value (for livestock and livestock products sold) was 79.9 percent of the average per farm value of \$127,959 for Nebraska.

Table One also provides data reporting the number of farms; land in farms; farm employment; estimated market value of land and buildings; estimated market value of all machinery and equipment; and net cash farm income of farm operations for Dixon County, selected other Nebraska counties, and Nebraska.

Table One
Agricultural Characteristics, Dixon County, Nebraska, and Selected Nebraska Counties, 2002

	DIXON COUNTY	Nebraska	Colfax	Cuming	Custer	Dawson	Kearney	Lincoln	Phelps	Polk	Wheeler
Number of farms	660	49,355	589	904	1,149	718	412	959	470	527	194
% FT Farms ^(a)	68.5	73.0	75.0	76.0	76.1	74.2	87.9	67.4	80.6	79.1	75.8
Land in farms (Acres)	276,722	45,903,116	244,361	365,994	1,501,959	622,805	331,283	1,529,011	366,154	264,455	338,136
Average size (Acres)	419	930	415	405	1,307	867	804	1,594	779	502	1,743
Farm employment^(b)	655	60,084	780	1,251	1,566	1,107	657	1,305	686	654	341
Average per farm	1.0	1.2	1.3	1.4	1.4	1.5	1.6	1.4	1.5	1.2	1.8
Estimated market value of land and buildings											
Average per farm (\$)	489,299	723,863	627,679	658,526	696,003	830,919	1,223,182	846,826	1,159,506	972,107	899,296
Average per acre (\$)	1,246	776	1,629	1,571	535	1,014	1,447	509	1,479	1,851	525
Estimated market value of all machinery and equipment											
Average per farm (\$)	73,816	111,776	121,938	111,129	104,469	137,066	229,426	112,748	205,673	142,746	134,128
Market value of agricultural products sold											
(\$1,000)	101,788	9,703,657	169,600	580,999	281,928	371,332	205,090	288,881	341,280	148,561	146,154
Average per farm (\$)	154,224	196,609	287,946	642,698	245,368	517,176	497,791	301,231	726,127	281,900	753,372
Average per acre (\$)	368	211	694	1,587	188	596	619	189	932	562	432
Market value of livestock, poultry, and their products											
Per farm (\$)	102,235	127,959	222,431	580,723	191,950	413,188	295,583	227,222	539,989	188,038	695,067
% Livestock	66.3	65.1	77.2	90.4	78.2	79.9	59.4	75.4	74.4	66.7	92.3
Net cash farm income of operation											
Average per farm (\$)	16,492	24,820	19,991	36,148	21,659	40,959	81,169	27,166	81,610	40,832	27,473

^(a)Full-time farms are defined as those where the principal operator has indicated their primary occupation is farming.

^(b)Farm employment estimates for 2003 from the U.S. Department of Commerce, Bureau of Economic Analysis (BEA), where farm employment includes farm proprietors and hired labor.

Source: USDA, National Agricultural Statistics Service, *2002 Census of Agriculture*.

Economic Impacts Associated with Livestock Production in Dixon County, Nebraska

Information presented in the continuing portion of this report focuses on the economic impacts associated with livestock operations in Dixon County. This analysis utilizes an IMPLAN economic input-output (I-O) model developed specifically for Dixon County.

From the Dixon County I-O model, economic multipliers are derived that quantify the level or magnitude of economic activity necessary to support the production activity of local livestock enterprises. As such, the input-output analysis identifies and quantifies economic linkages associated with the inputs required in order for the livestock sector to produce the level of output it has achieved (backward linkages). The model does not evaluate forward linkages. That is, the model does not provide a measure of additional (downstream) processing made possible by the production of the livestock output, although this is certainly an important factor for Nebraska and for many Nebraska counties.

To provide a basic understanding of the structure and size of the agricultural sector within Dixon County, data in Table One provide basic information from the *2002 Census of Agriculture* describing production activity and other parameters for the farm sector.

The IMPLAN database and input-output model provide further insight into the value of production of livestock and livestock products in Dixon County. The data in Table Two present estimates of the value of production for the livestock sector reported by the IMPLAN database and I-O model for Dixon County for 2003. As the data in Table Two show, the total value of output for livestock and livestock products was reported to be \$59.931 million dollars for 2004 (compared to the \$67.5 million market value of livestock and livestock products sold reported by the *2002 Census of Agriculture*).

The data in Table Two also provide a further disaggregation of livestock and livestock products. As reported in Table Two, cattle ranching and farming (which includes cow-calf operations and cattle feeding) was reported to have a value of production of \$44.450 million for the year 2004. The value of poultry and egg production was reported to be \$8.041 million in Dixon County during 2004. Other animal production activities, except cattle and poultry, had an estimated output value of \$7.44 million.

Table Two
Agricultural Sector Parameters, Dixon County IMPLAN Database, 2004

Industry	Industry Output	Employee Employment	Employee Compensation	Proprietor Income	Other Property Income	Total Value Added
	(Million \$)	(Number)	(Million \$)	(Million \$)	(Million \$)	(Million \$)
Oilseed farming	23.770	110	0.086	7.231	6.755	14.648
Grain farming	27.479	226	0.433	7.335	6.963	15.295
All other crop farming	4.182	10	0.269	1.205	1.052	2.609
Livestock & Livestock Products	59.931	290	2.929	1.352	6.108	11.758
Cattle ranching and farming	44.450	185	1.790	0.362	4.030	7.366
Poultry and egg production	8.041	7	0.447	1.155	1.894	3.529
Animal production, except cattle and poultry	7.440	98	0.692	-0.165	0.184	0.863

Source: Minnesota IMPLAN Group, Inc., IMPLAN Input-Output Model and database for Dixon County (2004 data).

The data presented in Table Two show the most significant livestock sector is the beef-producing sector, accounting for 74.2 percent of the total production of livestock and livestock products in Dixon County in 2003. Moreover, the beef-producing sector accounted for 185 of the 290 total reported employees in the livestock-producing sector and accounted for 62.7 percent of the value added by the livestock and livestock products sector.

Economic Impact Analysis

The economic linkages and impacts associated with livestock operations in Dixon County are analyzed in the balance of this report. The analysis utilizes an input-output model developed for Dixon County, for which the livestock producing sectors have been collapsed (aggregated) into one sector (livestock and livestock products). This involves aggregating the three livestock sectors shown in Table Two into one livestock sector. The analysis then focuses on the economic impacts associated with the production of livestock and livestock products in Dixon County. This analysis involves identifying the multiplier effects associated with this production sector, where the multiplier effects evaluated include the output multiplier, the employment multiplier, and the value-added multiplier.

Each of the multipliers, in turn, consists of three components: the direct effect, the indirect effect, and the induced effect. The output multiplier defines (quantifies) the change in total output for the economy, which is associated with the delivery of an additional unit (dollar) of output of livestock and livestock products to final demand.

The multipliers specified for the livestock sector recognize that changes in output (increases in sales to final demand) by this sector will require additional inputs from other businesses or economic sectors be provided. The industries or economic sectors supplying additional inputs to the livestock sector will find they also must purchase additional inputs in order to expand their output to supply the increased inputs demanded by the livestock enterprises. As the increased demand for goods and services associated with the initial increase in sales to final demand works itself through the sectors of the economy, these effects are collected and termed the indirect effects component of each of the economic multipliers.

The induced component of the economic multipliers follows from the increased personal income (payments to households) in Dixon County resulting from the increase in the demand for labor, both with respect to the direct and indirect economic effects. That is, as output is increased by the livestock products sector (direct effect) and in the economic sectors that supply the additional inputs to the livestock sector (indirect effects), these sectors will add labor inputs and increase their payments to labor. The translation of the additional household incomes into additional expenditures for (consumer) goods and services is referred to as the induced effects. The three effects--direct, indirect, and induced--together represent the total economic impacts embodied in the multipliers utilized to measure the economic impacts associated with the subject livestock enterprises.

The estimated direct, indirect, and induced components of the economic multipliers associated with the production of livestock and livestock products in Dixon County are provided in Table Three. The three economic multipliers for which values are reported include the output, value-added, and employment multipliers. The output multiplier indicates that for each dollar of sales to final demand by the livestock sector in Dixon County, there will be an estimated increase in total economic output of \$1.2921 for the Dixon County economy.

Table Three
Input-Output Multipliers for the Livestock & Livestock Products Sector,
Dixon County

Multiplier Component	Total		
	Total Output ^(a)	Value Added ^(b)	Total Employment ^(c)
Direct	1.0000	0.1962	4.8393
Indirect	0.2663	0.0933	1.5971
Induced	0.0258	0.0165	0.3170
Total	1.2921	0.3060	6.7534
Multiplier ^(d)	1.2921	1.5596	1.3955

^(a) Increase in output for each dollar of sales to final demand.

^(b) Change in value added for each dollar of sales to final demand.

^(c) Total jobs created per million dollars of sales to final demand.

^(d) Multiplier values equal the total effects divided by the direct effect.

Source: Minnesota IMPLAN Group, Inc., IMPLAN Input-Output Model for Dixon County, 2004 data.

The value-added multiplier estimates there will be total payments to the factors of production of \$0.3060 for each dollar of sales of livestock and livestock products to final demand. This total value-added effect includes the direct effect of \$0.1962 associated with the initial sales of one dollar of output to final demand, the indirect effect of \$0.0933 of payments to the factors of production associated with the increase in output (sales) for the intermediate (supplying) sectors, and the induced effect of \$0.0165 related to the increased household demand for goods and services resulting from the increased payment to labor (household income). The value-added multiplier of 1.5596 indicates for each dollar of value-added in the livestock and livestock products sector, we would expect to see approximately \$0.56 of additional value-added in other sectors of the Dixon County economy.

The employment multiplier indicates for each \$1,000,000 of sales to final demand by the livestock and livestock products sector, there will be a total of 6.7534 jobs supported, including the direct, indirect, and induced components of the employment multiplier. Moreover, the employment multiplier of 1.3955 indicates that for each 100 workers employed in the livestock and livestock products sector, we would expect to find 40 workers employed in other sectors which support livestock production in Dixon County.

Table Four provides a summary of the economic effects associated with the production of livestock and livestock products in Dixon County. As the information provided in this table is reviewed, it will be of interest to note the estimated sales to final demand by the livestock sector are presented in the table as the direct effects (output, employment, and value-added). For example, the direct output (value of production) associated with sales of livestock and livestock products to the final demand sector by Dixon County livestock producers is estimated to be \$51.7 million. From the Dixon County I-O model, we estimate that for the Dixon County livestock sector to sell this amount of output to final demand, it would need to produce a total of \$59.9 million of total output, as approximately 13.8 percent (\$8.2 million) of the total output would represent intermediate sales (sales by one producer in the livestock sector to other producers in the same sector).

Table Four
Summary of Output, Employment and Value-Added Effects
Associated with the Livestock Products Sector in Dixon County, Nebraska
(Annual Estimates, 2004)

	Livestock Products	Other Economic Sectors	Total Economic Impacts
Output Effects			
Direct Output (Value of Production)	\$51,681,000	\$0	\$51,681,000
Indirect Effects [0.2662 of Direct]	\$8,235,000	\$5,525,000	\$13,760,000
Induced Effects [0.0258 of Direct]	\$15,000	\$1,318,000	\$1,333,000
Total Output Effects	\$59,931,000	\$6,843,000	\$66,774,000
Employment Effects			
Direct Employment (FTE)	250	0	250
Indirect Effects [0.328 of Direct]	40	42	82
Induced Effects [0.064 of Direct]	0	16	16
Total Employment (FTE)	290	58	348
Value-Added Effects			
Direct Value-Added (Payments)	\$10,139,000	\$0	\$10,139,000
Indirect Effects [0.4753 of Direct]	\$1,616,000	\$3,204,000	\$4,819,000
Induced Effects [0.084 of Direct]	\$3,000	\$849,000	\$852,000
Total Value-Added Effects	\$11,758,000	\$4,053,000	\$15,810,000

Source: Computed from the IMPLAN Input-Output Model for Dixon County (2004 data).

-Output Effects

A review of the data presented in Table Four indicates the total output effects (including the direct, indirect, and induced output) associated with the production of livestock and livestock products in Dixon County are estimated to be \$66.8 million. Of this total, 89.7 percent (\$59.9 million) is accounted for by output (direct, indirect, and induced) produced by the livestock sector and the indirect and induced effects in other Dixon County economic sectors represent an additional \$6.8 million of output.

-Employment Effects

There are an estimated 250 people employed in the livestock products sector to produce the output dedicated to sales to final demand (\$51.7 million); when the indirect and

induced effects are included, the estimated employment in the livestock sector increases to 290 people. The other secondary employment effects (indirect and induced effects in sectors other than livestock and livestock products), account for an additional 58 jobs and total employment in Dixon County supporting the production of livestock and livestock products is estimated to be 348 employees.

-Value-Added Effects

The value-added effects associated with the livestock production in Dixon County provide a measure of the economic value associated with this sector. Value-added consists of payments to the factors of production within the economy and includes payments to labor, proprietors' income, other property income, and indirect business taxes. As the data in Table Four show, the total value-added effects related to the production of livestock and livestock products in Dixon County are estimated to be \$15.8 million. Of this amount, \$11.8 million is value-added in the livestock products sector itself and an estimated \$4.1 million is value-added in other economic sectors that results because of the additional economic activity in these other economic sectors required to support the production of livestock and livestock products in Dixon County.

Table Five provides additional detail describing the economic effects associated with the production of livestock and livestock products in Dixon County. The data in the table identify the business or economic sectors that are the primary beneficiaries of the economic activity resulting from livestock production in Dixon County. Shown in the table is a list of the economic and business sectors likely to be positively impacted by the production of livestock products. The impacts presented in the table include the predicted output, value-added, and employment impacts for each of the sectors associated with the production and sales to final demand of the output produced by the livestock sector in Dixon County.

Table Five
Distribution of Livestock Production Economic Impacts, by Selected Economic Sector^(a),
Dixon County Nebraska, 2004

Industry	Total Output	% Total Output	Value Added	Employment	% Total Emp.
Livestock	59,931,000	89.75	11,758,000	290.0	83.21
All other crop farming	2,231,000	3.34	1,298,000	5.2	1.49
Grain farming	592,000	0.89	329,000	4.8	1.38
Real estate	570,000	0.85	399,000	5.9	1.69
Owner-occupied dwellings	553,000	0.83	454,000	0.0	0.00
Monetary authorities and depository credit institutions	448,000	0.67	342,000	2.4	0.69
Agriculture and forestry support activities	424,000	0.63	267,000	9.3	2.67
Truck transportation	340,000	0.51	140,000	3.3	0.95
Wholesale trade	324,000	0.49	221,000	3.6	1.03
Oilseed farming	182,000	0.27	112,000	0.8	0.23
Automotive repair and maintenance- except car washes	157,000	0.24	69,000	2.9	0.83
Maintenance and repair of nonresidential buildings	126,000	0.19	57,000	1.4	0.40
Oil and gas extraction	118,000	0.18	23,000	0.4	0.11
Food services and drinking places	90,000	0.13	33,000	2.4	0.69
Accounting and bookkeeping services	62,000	0.09	30,000	1.0	0.29
Other State and local government enterprises	60,000	0.09	20,000	0.4	0.11
Nursing and residential care facilities	47,000	0.07	22,000	1.5	0.43
Building material and garden supply stores	41,000	0.06	19,000	0.9	0.26
Securities- commodity contracts- investments	40,000	0.06	3,000	0.7	0.20
Nondepository credit intermediation and related	40,000	0.06	27,000	0.2	0.06
Food and beverage stores	36,000	0.05	17,000	1.1	0.32
Legal services	31,000	0.05	20,000	0.5	0.14
Civic- social- professional and similar organizations	31,000	0.05	5,000	1.5	0.43
All other food manufacturing	30,000	0.04	5,000	0.1	0.03
Other amusement- gambling- and recreation industries	28,000	0.04	18,000	0.7	0.20
All other	242,000	0.36	122,000	7.5	2.15
Total	66,774,000	100.00	15,810,000	348.5	100.00

^(a) The business or economic sectors impacted by the production of \$51,681,000 of livestock and livestock products for sales to final demand in Dixon County (2004).

Source: Computed from the IMPLAN Input-Output Model for Dixon County (2004 data).

Livestock Production and Economic Well Being

Data presented in Table Six provide further insight into the importance of livestock production activities as a contributing factor to economic well being for selected livestock production counties. Included in the table are data showing the average per acre value of livestock and livestock products sold for Dixon County and for the leading livestock counties, according to this metric. Also included in the table are data showing per capita personal income for the counties, as a percent of per capita personal income for all non-metropolitan counties. The per capita personal income index data are included for two time periods. First the income index data are included for 2005. Also, recognizing the volatility of year-to-year changes in total personal and per capita personal income, especially in rural counties, an average per capita personal income index measure is included for a ten-year period, 1996-2005.

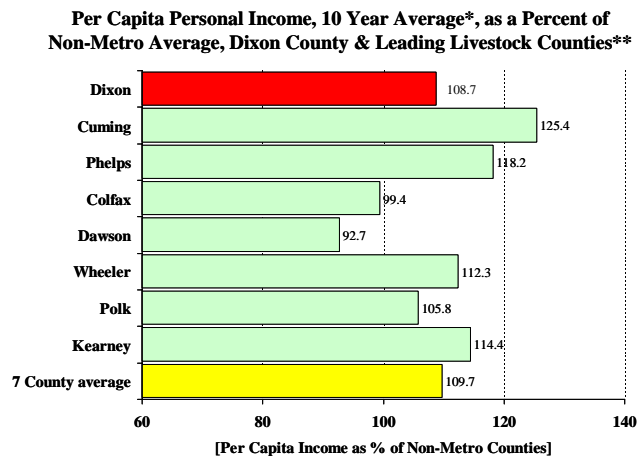
Table Six
Livestock Production and Per Capita Personal Income,
Dixon County and Leading Nebraska Livestock Counties

County/Nebraska	Livestock & Livestock Products Per Acre		Per Capita Income (% of Non-Metro Counties)	
	Value (\$)	County Rank	2005	10 Yr Avg. (1996-2005)
Dixon	243.80	17	102.6	108.7
NEBRASKA	137.60	N/A	118.3	116.5
Cuming	1,434.40	1	110.7	125.4
Phelps	693.10	2	114.3	118.2
Colfax	536.10	3	96.6	99.4
Dawson	476.30	4	86.9	92.7
Wheeler	398.80	5	104.9	112.3
Polk	374.70	6	103.0	105.8
Kearney	367.60	7	109.7	114.4
Average for Top Seven Livestock Counties			103.7	109.7

Source: USDA, National Agricultural Statistics Service, *2002 Census of Agriculture*, and U.S. Bureau of Economic Analysis (BEA), County Personal Income, 1996-2005.

As the data shown in Table Six and the accompanying chart indicate, per capita personal income for 2005 in Cuming County, the leading county in Nebraska in terms of the production of livestock and livestock products, was 10.7 percent more than the average per capita personal income for all non-metropolitan counties. For the ten-year period from 1996 to 2005, the average per capita personal income in Cuming County was 25.4 percent more than the average for the non-metropolitan areas of Nebraska. In the case of Dixon County, which ranked 17th among the Nebraska counties in terms of livestock sold per acre, average per capita income for the ten-year period, from 1996 to 2005, was \$26,196. This per capita income level was 8.7 percent above the average per capita income level for all non-metropolitan counties for the 1996-2005 period. In 2005, per capita personal income for Dixon County was \$28,551, or 2.6 percent greater than the average per capita income level for all non-metropolitan counties.

The data presented in the table and the accompanying chart also show that the ten-year average, per capita personal income in the leading livestock counties was 9.7 percent more than for all non-metropolitan counties. In 2005, per capita personal income for the top seven livestock counties was 3.7 percent more than for all non-metropolitan counties.



* 10 Year Average (1996-2005).

**Note: Leading seven Nebraska counties in terms of value of livestock and livestock products produced per acre.

Livestock Production and Property Taxes

As the data presented in Table Seven show, livestock production activity contributes in a significant and positive manner to the tax base and to tax revenues needed to support local schools and other local public services. Part A of the table indicates the per acre assessed valuation of agricultural property (other than agricultural land) was \$293.00 for the leading seven livestock counties, 104.3 percent more than the \$143.42 of per acre assessed valuation for all non-metropolitan counties in the state. In the case of Dixon County, the per acre assessed valuation of agricultural property (except agricultural land) was \$214.07. This value was 40.3% percent above the per acre assessed value of the same class of property for all non-metropolitan counties.

Table Seven
Agricultural Property Valuation and Taxes Levied Per Acre, Dixon County,
Non-Metropolitan Nebraska, and Leading Nebraska Livestock Counties, 2006

Part A -- Per Acre Assessed Valuation					
County/ Nebraska	Ag. Outbuildings & Farmsite	Ag. Personal Property	Ag. Dwelling & Homesite	Ag. Land	Total Ag.
DIXON	42.04	49.76	122.27	1,001.79	1,215.86
Non-Metro Area*	33.60	40.21	69.61	583.95	727.37
Cuming	130.25	115.10	152.26	1,461.17	1,858.78
Phelps	78.23	117.52	90.75	1,098.64	1,385.14
Colfax	121.53	92.28	236.50	1,559.45	2,009.76
Dawson	38.07	70.46	105.98	800.48	1,014.99
Wheeler	64.88	24.60	20.85	455.12	565.45
Polk	90.62	91.77	177.03	1,475.10	1,834.52
Kearney	58.33	98.05	193.12	1,105.02	1,454.52
Average for Top 7 Livestock Counties	76.96	85.53	130.51	1,076.40	1,369.40

Part B -- Per Acre Taxes Levied					
County/Nebraska	Ag. Outbuildings & Farmsite	Ag. Personal Property	Ag. Dwelling & Homesite	Ag. Land	Total Ag.
DIXON	\$0.82	\$0.97	\$2.38	\$19.45	\$23.62
Non-Metro Area*	0.56	0.67	1.17	2.39	4.79
Cuming	2.16	1.91	2.52	24.15	30.74
Phelps	1.29	1.95	1.51	18.23	22.98
Colfax	2.08	1.58	4.03	26.52	34.21
Dawson	0.66	1.22	1.81	13.63	17.32
Wheeler	0.87	0.33	0.28	6.13	7.61
Polk	1.46	1.48	2.87	23.84	29.65
Kearney	0.98	1.62	3.25	18.42	24.27
Average for Top 7 Livestock Counties	\$1.26	\$1.42	\$2.18	\$17.75	\$22.61

* Non-Metro Area includes Nebraska except Cass, Douglas, Lancaster, Sarpy, and Washington counties.

Source: Special tabulation provided by the Nebraska Department of Property Assessment & Taxation

Part B of Table Seven also illustrates that local tax revenues are significantly enhanced by the presence of livestock production activity. These data show the per acre taxes levied on agricultural property (other than agricultural land) were \$4.86 for the top seven livestock counties. This level of per farm tax revenues was \$2.46, or 102.5 percent more than per acre tax revenues for the same class of agricultural property for all

non-metropolitan counties. In the case of Dixon County, per acre taxes levied on this class of agricultural property were \$4.17, or 73.8 percent more than the average per acre tax levied for all non-metropolitan areas.

If further information about this analysis is desired or if the reader has questions about any aspect of this report, please contact:

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