

9-14-1951

Industrial Resources: Marion County - Lebanon

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ECONOMIC & INDUSTRIAL SURVEY

of

Lebanon, Ky.



Prepared By

LEBANON CHAMBER OF COMMERCE
and
LEBANON CITY COUNCIL

— and —

THE AGRICULTURAL & INDUSTRIAL DEVELOPMENT BOARD
— of —
KENTUCKY

ECONOMIC & INDUSTRIAL SURVEY
OF
LEBANON, KENTUCKY

Prepared by

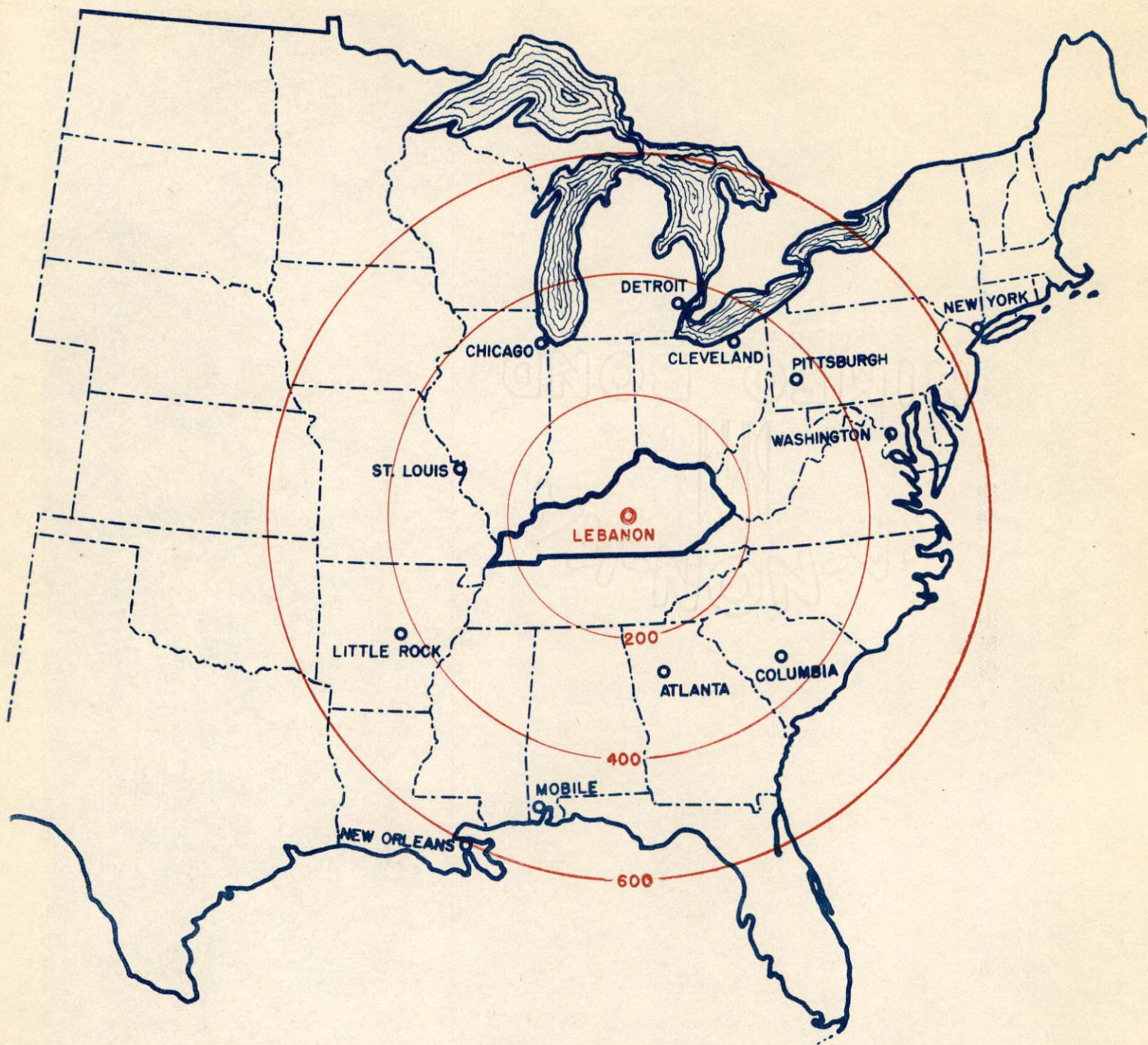
The Lebanon Chamber of Commerce
The Lebanon City Council
and

The Agricultural and Industrial Development Board
of Kentucky

September 14, 1951



AIR VIEW



LEBANON, KENTUCKY
HAS 50,000,000 CUSTOMERS
WITHIN ITS MARKET AREA

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LEBANON, KENTUCKY

Lebanon, the county seat of Marion County, is located in the exact geographic center of the State, about 65 miles from Lexington and 60 miles from Louisville.

(See Appendix A for History and General Description).

POPULATION AND LABOR:

Population Figures 1850 to 1950 -

	<u>Lebanon</u>	<u>Marion County</u>
1850	----	11,765
1860	629	9,004
1870	1,925	9,495
1880	2,054	11,189
1890	2,816	15,648
1900	3,043	16,290
1910	3,077	16,330
1920	3,239	15,527
1930	3,248	15,499
1940	3,786	16,913
1950	4,643	17,212

Population Characteristics - The population of Lebanon has shown an increase of 25% over the past decade, while Marion County has shown an increase of 1.8% during the same period. Approximately 82% of the population is native-born white, with 17% being colored and less than 1% foreign-born. 53% of the residents are female, 47% male.

Industrial Pattern - At least 50% of the employed persons in the area, which would include Marion, Taylor, and Washington Counties, are engaged in agriculture. Manufacturing employment covered by unemployment insurance in December, 1950, totaled 2,927, or about 7% of the total population. The manufacturing was heavily weighted by the clothing industry which had a covered employment of 1,802 and by

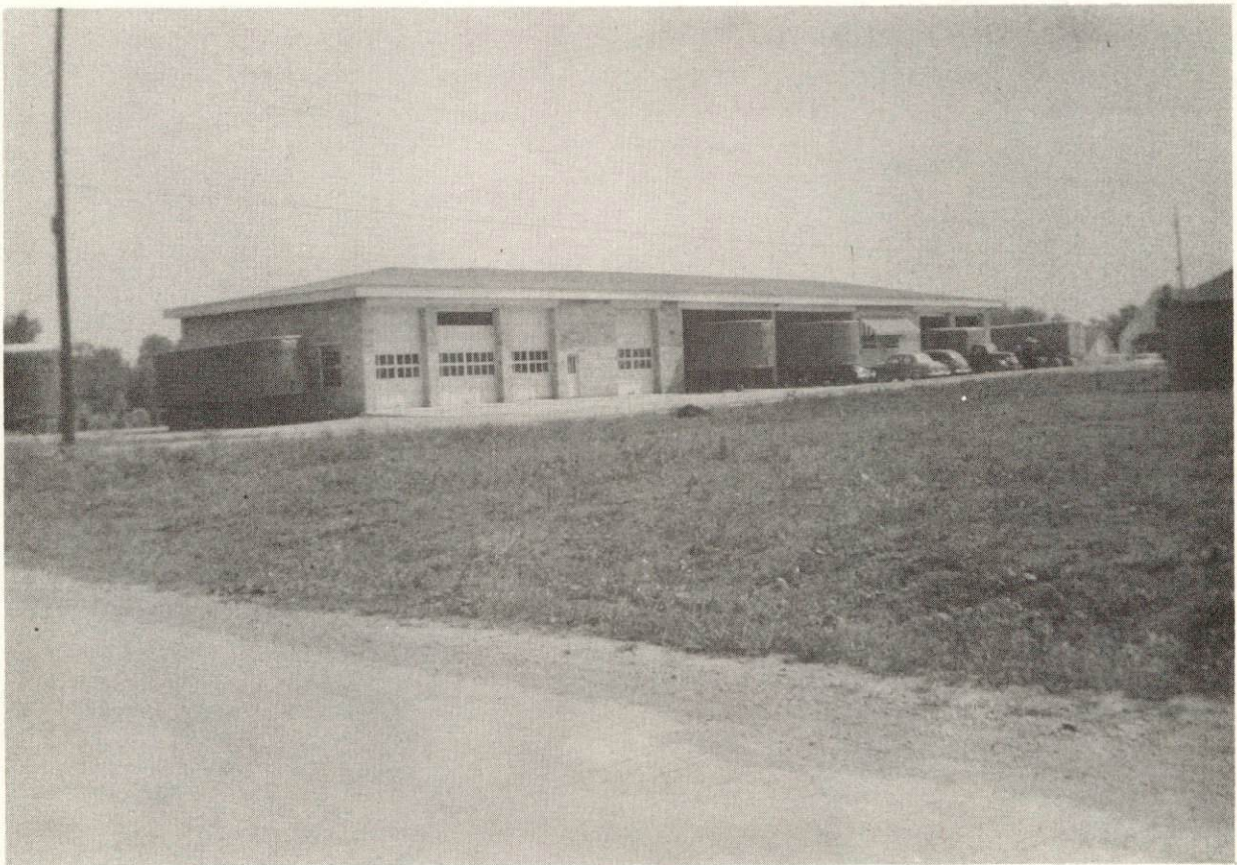
598 seasonal employees in the tobacco industry in Washington and Marion Counties. Marion County had a total covered employment of 2,165 in December of 1950, with 1,658 in manufacturing -1,288 in the clothing industry, 174 in food and kindred products, and 128 seasonal employees in the tobacco industry. (See Appendix B for table showing number of workers covered by unemployment insurance).

Labor Supply - In the three counties comprising the Lebanon commuting area, approximately 1,500 workers would be available for factory employment if jobs were available. Approximately 1,000 of these would be men and 500 women. The male labor supply would be primarily transfers from farming and from seasonal or other jobs with a rate of pay normally lower than manufacturing. The female labor supply would come mainly from women not now in the labor market. In 1940, only 13% of the women 14 years of age and over were considered to be in the labor force. However, plants locating in Taylor and Marion Counties since the war employ roughly 1,400 workers, mostly women. Undoubtedly, participation in the labor force has about doubled since 1940. However, assuming that the labor force participation rate of women would increase to 30% of those 14 and over, about 500 women could be recruited. The national labor force participation rate of women is roughly 33%.

Wage Rates - Average wage rates in this area for female is \$1.00 per hour plus 14 1/2% cost of living increase; for male - \$1.15 per hour plus 14 1/2% cost of living increase.



LEBANON MFG. COMPANY



McDUFFEE MOTOR FREIGHT DEPOT

<u>Existing Industry</u>	<u>Product</u>	<u>M</u>	<u>F</u>	<u>T</u>
Hayden Mill & Grain Co.	Custom grinding	4	0	4
Lebanon Mfg. Co. *	Ladies' suits	137	513	650
Lebanon Oak Flooring Co.	Hardwood flooring	26	1	27
Lebanon Stone Co.	Crushed stone	7	0	7
Marion Mfg. Co. *	Ladies' suits	63	337	400
S. M. Miller	Lumber, staves, etc.	10	0	10
Geo. T. Staggs Co. **	Whiskey	52	0	52
Ward & Montgomery	Crushed stone	10	0	10
	Totals	309	851	1160

Union Affiliations - * International Ladies Garment Workers

Union; ** Distillery Rectifying & Wine Workers International Union of America.

TRANSPORTATION:

Railroads - Lebanon is located on the Louisville & Nashville Railroad Company connecting line between the two main lines that run to Cincinnati and Atlanta and Cincinnati to New Orleans. There is a switching crew stationed at Lebanon.

Freight Trains - 1 local each way each day
1 through train each way each day sets off freight for Lebanon only.
Daily package car to and from Louisville

Passenger Trains - A section of the Flamingo stops at Lebanon
(#21 southbound and #24 northbound) each way each day.

Highways - U. S. #68; Ky. #49, #52, #55, #84, #429

Highway Distances to Major Cities in Area

Atlanta, Ga.	330	Knoxville, Tenn.	216
Birmingham, Ala.	380	Lexington, Ky.	65
Charleston, W. Va.	260	Louisville, Ky.	60
Chattanooga, Tenn.	230	Nashville, Tenn.	160
Cincinnati, Ohio	120	Pittsburgh, Pa.	461
Detroit, Mich.	391	St. Louis, Mo.	320

Bus Lines Serving Lebanon - Southeastern Greyhound with 2 round trips per day from Columbia to Louisville; 1 round trip per day from Burkesville and Louisville and Somerset and Louisville.

Truck Lines Serving Lebanon - McDuffey Motor Freight Co., Inc. with 26 trailers, 6 straight trucks and 10 tractors. Daily LTL to Louisville; TL whenever required.

Air - Danville, 30 miles distant, has an airport suitable for small plane operation. Blue Grass Airport at Lexington is served by regularly scheduled flights of Delta, Eastern and Piedmont Lines. Standiford Field at Louisville, is served by TWA, American, Eastern, Delta, and Piedmont Airlines.

COMMUNICATIONS:

Postal Facilities - Lebanon has a first-class post office with 16 employees. There are two deliveries in the business section and one in the residential section daily. There are 3 city routes, 3 star routes, and 4 rural routes. Mail is received and sent out 4 times daily by rail and twice by star route. Postal receipts for 1950 were \$47,443.74.

Express Facilities - Railway Express Agency

Telephone and Telegraph - Southern Continental Telephone Co. with 16 employees and 1160 subscribers. (See Appendix C-1 for rates).

UTILITIES:

Water - The Lebanon Water Works is supplied by Rolling Fork River at Calvery, Kentucky. Storage is provided by a dam at the filtering and pumping plant site. Capacity of raw water storage is approximately

25 million gallons. One million gallon storage of treated water in two 275,000 gallon standpipes, and one 450,000 gallon standpipe. Capacity of the pumper is 840,000 gallon per day and present consumption is 450,000 gallon per day. Capacity of the filter is 840,000 gallon and present consumption is 450,000 gallon per day. Distribution system consists of a 10" line into town. Contract was let on July 12 for the construction of a 12" line. (See Appendix C-2 for rates).

Electricity - Electric power is provided by the Kentucky Utilities Company, with a new 138,000 V-steel tower line one and one-half miles from the city limits; 33,000 volts fed into sub-station; 4,000 volt circuit available; 440 volts or 115-230 volts single or 3-phase, 60 cycle current. (See Appendix D for rates).

Gas - Western Kentucky Natural Gas Company with a 6" line and 1080 BTU content. Service is available for industrial service for manufacturing or processing (space heating excluded). (See Appendix C-3 for rates).

Sewage - Sewage disposal plant is of settling process with separate sludge digester and sludge-drying beds. Sewer water is pre-chlorinated and post-chlorinated. Plant was built for a population of 7,500, but can be increased to 10,000 by adding to the sludge digester. All sewage flows to the disposal plant by gravity. Capacity of flow is 450,000 gallons per day; present flow is 270,000 gallons per day.

CITY GOVERNMENT AND SERVICES:

Type Government - Lebanon is governed by a mayor and 6 councilmen, with the mayor being elected for a 4-year term and the councilmen for 2-year terms. (See Appendix E for Resolution by City Council expressing desirability for new industry).

Tax Rates and Laws -

	<u>Within City Limits</u>	<u>Outside City Limits</u>
State	\$.05	\$.05
County	.50	.50
School	1.25	1.25
City	<u>.75</u>	<u> </u>
Total	\$ 2.55	\$ 1.80

(See Appendix F for Kentucky Corporation Taxes)

Assessment Practice - City - 30% of true value
County - 35% of true value

Total Assessment in 1950 - City - \$4,470,675
County - \$18,805,157

Bonded Indebtedness - City - \$135,000 sewer bonds which were issued in 1939 and are being retired by a \$1.00 to \$5.00 sewer charge per month. These bonds will be retired in 1959. Jr. School bonds for \$35,000 which were issued in 1938 are being retired by rental from the Board of Education, and will be retired in 1957. There is \$18,000 outstanding on these bonds.

County - none

Annual City Income June 30, 1950 - \$77,753.26 (5-yr. avg. \$80,000)

Annual City Expenditures - \$66,858.10 (5-yr. avg. \$65,000)

Cash on Deposit June 30, 1950 - \$23,289.14

Laws Affecting Industry - (See Appendix G for Bond Issue Plan)

Exemptions to Industry - The city allows a 5-year exemption which cannot be extended.

Raw materials and manufacturing machinery are exempt from local taxes.

Business License Fees - \$10 to \$60

Services -

Fire Protection - Lebanon has a 7th class fire insurance rating.

There are 14 paid firemen, one man on duty at all times. Equipment consists of two 750 gpm pumpers (1939 and 1951 models), and one 500 gpm pumper (1946 model). There are 72 fire hydrants.

Police Protection - The Police Department consists of a chief and 5 men; one cruiser with a 2-way radio. The State Police also have one man on duty.

Streets - There are 9 miles of paved streets in Lebanon, with a street crew of 5 men, a truck, tractor, and power broom. Streets are cleaned daily in the business section and one a week in the residential section.

Garbage - Garbage service is provided by 4 men and 1 truck, with collection daily in the business section and weekly in the residential section. This service is free.

LOCAL CONSIDERATIONS:

Housing - Approximate cost of one-story, frame, five-room houses is \$8,000 to \$12,000.

Contractors - James Caudill, Tom Mudd, Goodwin Lumber Co., Buckler and Christy, H. L. Marple, Boner-Campbell Co., Lankford & Glasscock.

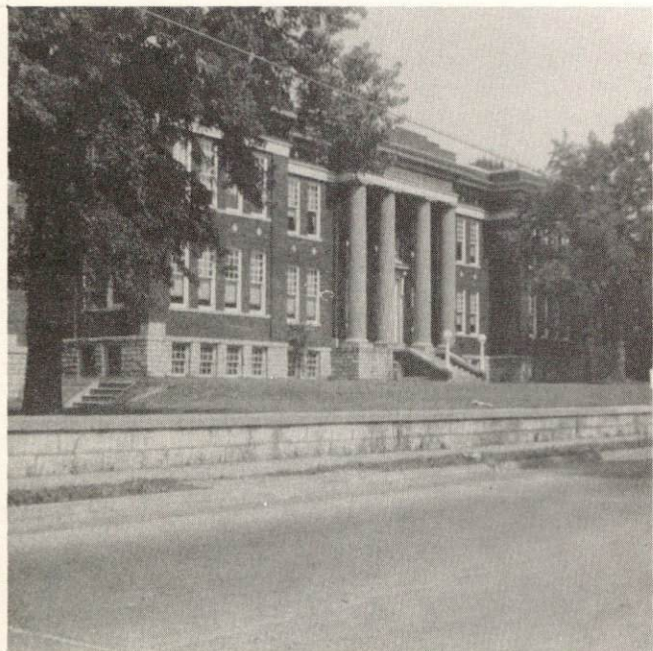
Realty Companies - May & Lancaster, D. A. Robinson, and H. P. Morancy.



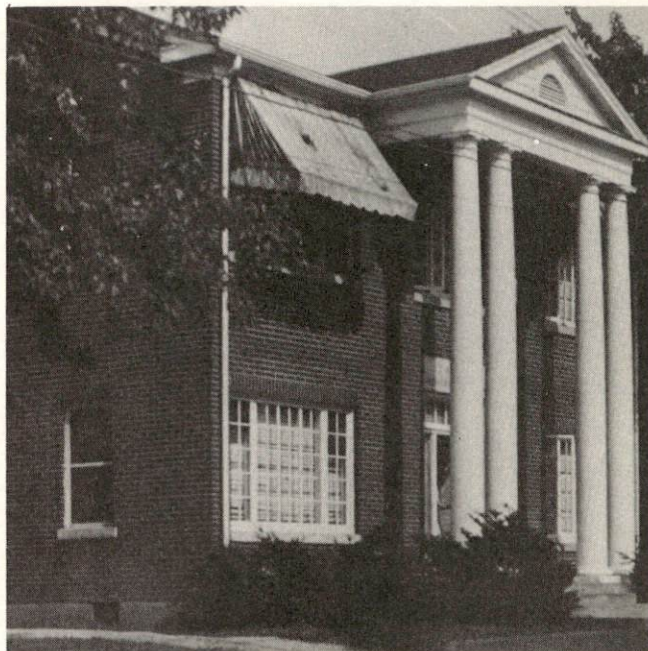
LEBANON SWIMMING POOL



WADING POOL



CITY HIGH SCHOOL



MARY IMMACULATE HOSPITAL

Health -

Hospitals - Mary Immaculate Hospital with 35 beds. A new Mary Immaculate Hospital, which will be completed by October 1, 1951, will have 65 beds and will take care of negro patients.

Doctors - 8 MD's, of which 3 are surgeons; and 7 Dentists. There are 25 registered nurses in Marion County.

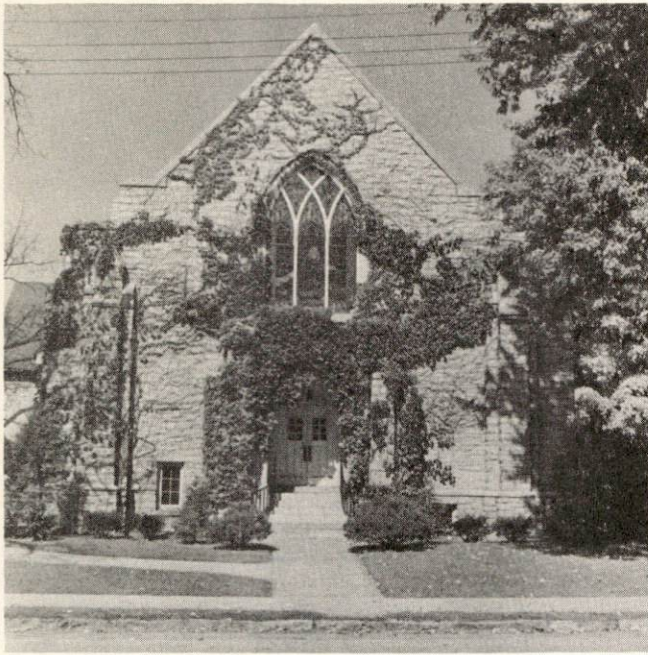
Health Program - The Marion County Health Department is staffed by a health officer (shared with another county), a nurse, a clerk, and a sanitarian. The program includes: immunizations and tests, venereal disease and tuberculosis control, maternal and child health services, including pre-school and school examinations, general sanitation services, and health education including talks, films, distribution of literature, etc.

Schools -

City - Grade: white enrollment 406, capacity 600, 14 teachers; colored enrollment 91, capacity 100, 3 teachers. High: white enrollment 170, capacity 200, 10 teachers; colored enrollment 91, capacity 100, 4 teachers.

County - Grade: white enrollment 2,440, capacity 2,550, 63 teachers; high: white enrollment 450, capacity 650, 20 teachers.

Parochial - St. Monica (colored) Grade School with enrollment of 127 and capacity 200; St. Augusting (white) grade school with enrollment of 383; high school enrollment of 87 and capacity of 150.



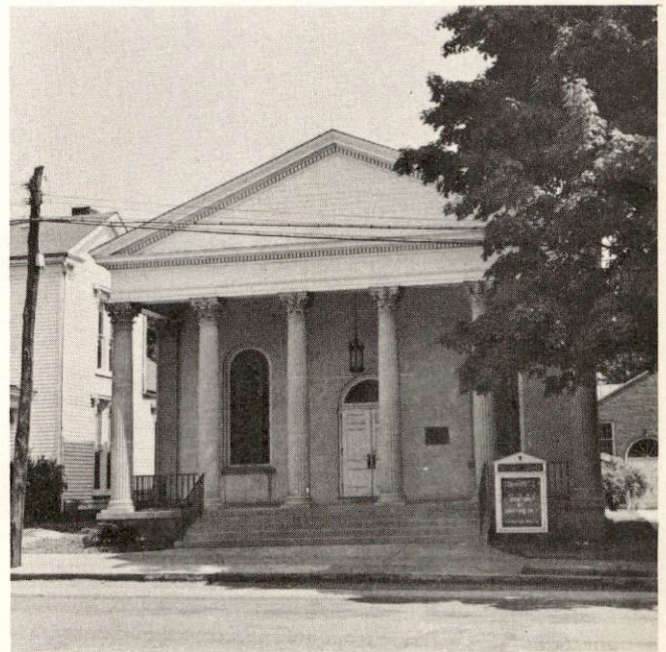
PRESBYTERIAN CHURCH



METHODIST CHURCH



CATHOLIC CHURCH



CHRISTIAN CHURCH

Colleges - There are no colleges in Lebanon, but colleges in the area include: St. Catherine Jr. College, an academy for girls, located 12 miles northwest of Lebanon; Transylvania College and University of Kentucky at Lexington; University of Louisville at Louisville.

Churches - Presbyterian, Methodist, Christian, Baptist, Church of Christ, and Catholic. Total active membership is 4,496.

Libraries - Marion County Free Public Library with 5,580 volumes and a yearly circulation of 5,677.

Recreation

Parks - The Lebanon Recreation Association maintains a 28-acre park, with a full-time summer director, which has a swimming pool 100' x 62', a wading pool 40' in diameter, and bathhouses; lighted baseball and softball diamond; badminton and tennis courts; horseshoe pitching, picnic tables, fireplaces, sandpiles, croquet, archery, basketball and volley ball courts.

Theaters - Two - 1 drive-in, 1 city. Both change bills 4 times weekly.

Playgrounds - Two white and one colored, unsupervised.

Other - Football stadium, one 6-alley bowling alley (privately owned).

The Sportsmen's Club is building a 65-acre lake.

Tourist Accommodations - Cecil Hotel - 35 rooms; Holley Hill Motel - 21 units.

Newspapers - Lebanon Enterprise (Friday) with a circulation of 3,441; Marion Falcon (Thursday) with a circulation of 1,850.

Banks - Marion National Bank with balanced resources and liabilities of \$2,798,669.19; Citizens National Bank with balanced resources and liabilities of \$1,768,278.45; Farmers National Bank with balanced resources and liabilities of \$2,263,602.16. (June 30, 1951)

Retail Businesses

Auto Dealers	8
Clothing	7
Drugs	3
Eating	7
Electrical appliances	10
Farm supplies & hdwe.	12
Furniture	3
Groceries	15
Jewelry	3
Lumber	3
Machine Shops	1
Variety	2

Service Establishments

Bakeries	1
Barber & beauty shops	8
Filling Stations	7
Frozen food lockers	1
Laundry & cleaning	3

Retail, wholesale, and service trade sales - Retail, wholesale, and service establishments located in Marion County showed a substantial expansion in dollar volume of trade from 1939 to 1948 according to figures from the 1948 Census of Business.

Retail sales in the county during 1948 aggregated \$9.0 million, an increase of 309% over the \$2.2 million in 1939. Wholesale sales in the county reached a total of \$7.7 million in 1948 as compared with \$2.1 million in 1939. The service trades recorded receipts totaling \$281,000 in 1948 compared with \$151,000 in 1939.

Establishments in these trades reported a combined total of 543 paid employees for the workweek ended nearest November 15, 1948. This compared with a total of 290 employees for the week of November 15, 1939.

Clubs and Organizations -

Civic - Chamber of Commerce, Kiwanis, Rotary, Lions, *moris*

Fraternal - American Legion, VFW, Masonic, Loyal Order of Moose, Knights of Columbus.

Women's Clubs - VFW Auxiliary, American Legion Auxiliary, Lebanon Business & Professional Women's Club, Younger Women's Club, Women's Club, Homemakers, PTA.

Climate -

	Prec.	Temp.	Rel. Hum.			Sunshine	
			8 am	n	8 pm	Avg. hrs.	% possible
Jan.	4.18	32.9	82	73	71	110	36
Feb.	3.62	35.4	82	73	67	118	39
Mar.	4.32	43.7	79	66	64	163	44
Apr.	3.50	54.3	74	59	59	210	53
May	3.81	64.3	75	58	63	262	59
June	4.05	72.2	78	59	66	270	61
July	3.65	75.9	77	56	67	283	63
Aug.	3.45	74.9	80	58	67	266	63
Sept.	3.07	68.5	80	59	62	231	62
Oct.	2.59	50.2	77	58	58	201	58
Nov.	3.34	44.8	79	68	66	140	46
Dec.	3.77	35.8	83	76	68	104	35
Ann. Avg.	43.35	55.0	79	64	65	2,358	62

Prevailing Winds - Southwest

<u>Average Number of Days with</u> -	Thunderstorms	45
	Snow	18
	Max. Temp. 90 or above	15
	Min. Temp. 32 or below	89
	Min. Temp. 0 or below	2
	Dense Fog	11

The above information was obtained from the nearest weather station (over a 34-year period), which is located at Lexington.

RESOURCES: *

Mineral - The leading mineral resource of Marion County is limestone which occurs in quality and quantity sufficient for highway, railway bed and general building construction, as well as for medium grades of agricultural lime. Some of these limestones might be used in cement manufacture, and many of the ledges are suitable for use in concrete construction. Residual clays are available for brick-making. Creek and river gravels are used to some extent in the surfacing of secondary roads. The outcrop of the Chattanooga (Devonian) black shale presents unlimited supplies of oil-bearing rocks suitable for producing artificial petroleum at some future time should this resource be needed. *Willard R. Jillson

INDUSTRIAL MARKETS:

There are within the market area of Lebanon an estimated 50,000,000 customers. Cities in the area include: St. Louis, Chicago, Detroit, Pittsburgh, New York, and Atlanta.

AVAILABLE INDUSTRIAL SITES:

There are excellent industrial sites on main highways and served by railroad lines. For further information write Mayor D. A. Campbell, Lebanon, Kentucky, or the Kentucky Agricultural and Industrial Development Board, 415 Ann Street, Frankfort, Kentucky.

APPENDIX

History and General Description	App. A
Table showing number of workers covered by Kentucky Unemployment Insurance	App. B
Telephone Rates	App. C-1
Water Rates	App. C-2
Gas Rates	App. C-3
Power Rates	App. D
Resolution by City Council	App. E
Kentucky Corporation Taxes	App. F
Kentucky Revised Statutes - Bond Issue Plan	App. G
Cooperating State Agencies	App. H

HISTORY & GENERAL DESCRIPTION

Marion County is literally located in Central Kentucky. The geographical center of the State is just three miles north of the court house in Lebanon, the county seat. The county is roughly rectangular in shape, with the northwest corner thrusting up like a cone on the subdivision's map. It was formed in 1834 from territory taken from Washington County, being the 84th Kentucky county in order of creation. It was named in honor of General Francis Marion, of Revolutionary War fame. Maximum elevations reach nearly 1,100 feet above sea level, the center of the county having an average elevation of 750 feet. Excerpts from writings of Willard R. Jillson.

NUMBER OF WORKERS IN MANUFACTURING INDUSTRIES COVERED BY
KENTUCKY UNEMPLOYMENT INSURANCE LAW
FOR MARION AND ADJOINING COUNTIES

County	Total	Food & Kindred Products	Tobacco	Clothing, Textiles, Leather	Lumber & Furniture	Printing, Publishing & Paper	Chemicals, Petroleum, Coal and Rubber	Stone, Clay, Glass	Pri- mary metals	Mach., Metal Prod., Equip.	Other
Marion	1,658	174	128	1,288	58	8	2	0	0	0	0
Nelson	1,016	847	98	41	13	11	0	6	0	0	0
Larue	128	104	0	0	18	4	0	2	0	0	0
Taylor	609	60	0	341	192	10	4	2	0	0	0
Casey	60	0	0	0	60	0	0	0	0	0	0
Boyle	1,136	89	119	612	245	38	0	5	0	28	0
Washington	660	17	470	173	0	0	0	0	0	0	0
Totals	5,267	1,291	815	2,455	586	71	6	15	0	28	0

NUMBER OF WORKERS COVERED BY
KENTUCKY UNEMPLOYMENT INSURANCE LAW
FOR MARION AND ADJOINING COUNTIES

County	All Industries	Mining & Quarrying	Contract Con- struction	Manufac- turing	Transpor- tation, Com- munication & Utilities	Whole- sale & Retail Trade	Finance, Insurance & Real Estate	Services	Other
Marion	2,165	29	6	1,658	80	297	23	72	0
Nelson	2,009	33	328	1,016	120	365	24	123	0
Larue	390	0	18	128	14	161	19	50	0
Taylor	1,337	0	9	609	194	419	38	64	4
Casey	164	9	13	60	4	62	13	3	0
Boyle	3,270	38	172	1,136	264	1,356	53	251	0
Washington	952	18	12	660	25	189	28	20	0
Totals	10,287	127	558	5,267	701	2,849	198	583	4

WATER RATES: App. C-2

200 cu. ft.	\$1.75	1900 - 2000 cu. ft.	\$8.55
200 - 300 cu. ft.	2.00	2000 - 2100 cu. ft.	8.90
300 - 400 cu. ft.	2.50	2100 - 2200 cu. ft.	9.25
400 - 500 cu. ft.	3.00	2200 - 2300 cu. ft.	9.60
500 - 600 cu. ft.	3.45	2300 - 2400 cu. ft.	9.95
600 - 700 cu. ft.	3.85	2400 - 2500 cu. ft.	10.30
700 - 800 cu. ft.	4.25	2500 - 2600 cu. ft.	10.65
800 - 900 cu. ft.	4.65	2600 - 2700 cu. ft.	11.00
900 - 1000 cu. ft.	5.05	2700 - 2800 cu. ft.	11.35
1000 - 1100 cu. ft.	5.40	2800 - 2900 cu. ft.	11.70
1100 - 1200 cu. ft.	5.75	2900 - 3000 cu. ft.	12.05
1200 - 1300 cu. ft.	6.10		
1300 - 1400 cu. ft.	6.45	Next 2000 cu. ft. 30¢ per 100 cu. ft.	
1400 - 1500 cu. ft.	6.80		
1500 - 1600 cu. ft.	7.15	Next 10,000 cu. ft. 25¢ per 100 cu. ft.	
1600 - 1700 cu. ft.	7.50		
1700 - 1800 cu. ft.	7.85	Over 15,000 cu. ft. 18¢ per 100 cu. ft.	
1800 - 1900 cu. ft.	8.20		

GAS RATES - App. C-3

First	50,000 cu. ft. per mo. per MCF	.55
Next	450,000 cu. ft. per mo. per MCF	.396
Next	4,500,000 cu. ft. per mo. per MCF	.357
Next	5,000,000 cu. ft. per mo. per MCF	.308
Over	10,000,000 cu. ft. per mo. per MCF	.297

TELEPHONE RATES - App. C-1

<u>City</u>	<u>Individual</u>	<u>Two-Party</u>	<u>Four-party</u>	
Business	\$5.00	\$4.50	--	--
Residential	2.75	2.40	2.00	
<u>Rural</u>	<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>	<u>Zone 4</u>
Business	\$4.00	\$4.25	\$4.50	\$4.75
Residential	2.00	2.25	2.50	2.75

Kentucky Utilities Company
Incorporated

Revised 2/1/46
Reworded 3/1/48

COMBINED LIGHTING & POWER SERVICE - RATE LP

AVAILABILITY

This rate schedule is available for secondary or primary service on an annual basis for lighting and/or heating and/or power where no class rate is available.

It is optional with the customer whether service will be billed under this schedule for the entire requirements, or under various other schedules applicable to the various services. The customers having selected this schedule will continue to be billed under it for not less than twelve (12) consecutive months, unless there should be a material and permanent change in the customer's service.

RATE

Maximum Load Charge

\$1.75 per kilowatt for the first 25 kilowatts of the maximum load in the month, but not less than \$105.00 per year.

\$1.50 per kilowatt for all in excess of 25 kilowatts per month.

Plus an Energy Charge

2.5¢ per kilowatt-hour for the first 1,000 kilowatt-hours used per month

1.5¢ per kilowatt-hour for the next 9,000 kilowatt-hours used per month

1.0¢ per kilowatt-hour for the next 40,000 kilowatt-hours used per month

.9¢ per kilowatt-hour for the next 50,000 kilowatt-hours used per month

.8¢ per kilowatt-hour for the next 400,000 kilowatt-hours used per month

.7¢ per kilowatt-hour for all in excess of 500,000 kilowatt-hours per month

DETERMINATION OF MAXIMUM LOAD

The load will be measured and will be the average kilowatt load used by the Customer during the 15 minute period of maximum used during the month.

MINIMUM ANNUAL BILL

Service under this schedule is subject to an annual maximum of \$21.00 per kilowatt for each yearly period based on the highest monthly maximum load during such yearly period, but not less than \$105.00 per year. Payment to be made monthly of not less than 1/12 of the Annual Minimum, until the aggregate payments during the contract year equal the Annual Minimum. However, payments made in excess of the amount based on above rate schedule will be applied as a credit on billings for energy used during the contract year. A new customer or an existing customer having made a permanent change in the operation of his electrical equipment that materially affects the use in kilowatt-hours and/or use in kilowatts of maximum load will be given an opportunity to determine his new service requirements, in order to select the most favorable contract year period and rate applicable.

DUE DATE OF BILL

Customer's monthly bill will be due within 10 days from date of bill.

RULES AND REGULATIONS

Service will be furnished under the company's general RULES AND REGULATIONS OR TERMS AND CONDITIONS.

PRIMARY DISCOUNT

Applicable to customers having a maximum load of 50 kilowatts or more.

At the option of the customer there will be a discount of 5% of the energy charge only on all monthly bills, in which there is a maximum load charge for 50 kilowatts or more, provided the Customer owns and maintains all facilities (including transformers, if necessary) for taking service from the primary distribution or transmission system from which line the customer is served, and where the service is metered at the primary voltage.

RESOLUTION

WHEREAS, it is highly desirable that new industrial and business enterprises employing men be induced to locate in our City, and;

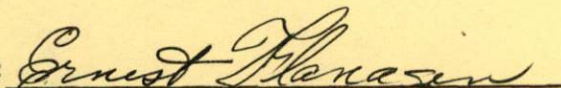
WHEREAS, Lebanon is well situated with an abundant and productive supply of male labor, excellent transportation facilities, natural gas, electric power, ample water, and other facilities, and;

WHEREAS, it is desirable to acquire additional industrial employment for our male citizens so as to maintain a favorable balance in our employment and between agriculture and industry, in Lebanon and Marion County:

BE IT RESOLVED that a cordial invitation be and is hereby extended to acceptable industries to locate in our community, and we pledge the whole-hearted cooperation and assistance on the part of the City Council and citizens to interested concerns; and it is a known fact that the experience of existing industry in this community has been most satisfactory and profitable for all concerned.

NOW THEREFORE, by unanimous vote of the City Council this RESOLUTION was passed and approved the 17th day of July, 1951.


Don A. Campbell, Mayor

ATTEST: 
Ernest Flanagan, City Clerk

KENTUCKY CORPORATION TAXES

Corporation Organization Tax

Domestic corporations having capital stock divided into shares are required to pay an organization tax to the Secretary of State at the time of corporation. The tax is based upon the number of shares authorized:

	<u>Rate Per Share (Par Value)</u>	<u>Rate Per Share (No Par Value)</u>
First 20,000 shares	1¢	1/2¢
20,001 through 200,000 shares	1/2¢	1/4¢
Over 200,000 shares	1/5¢	1/5¢

The minimum tax is \$10. If additional shares are authorized the tax is computed on the basis of the total number of shares, as amended, and the tax due in excess of that already paid must be paid at the time the amendment to the articles of incorporation is filed.

The tax applies to the capital of foreign corporations in case of merger or consolidation with a Kentucky corporation.

Corporation License Tax

All corporations except foreign insurance companies, domestic life insurance companies, building and loan associations, banks and trust companies, race track corporations, and franchise paying corporations are liable for the state corporation license tax of 70¢ on each \$1,000 value of capital stock represented by property owned or business transacted in Kentucky. The minimum license tax is \$10. An annual report of facts concerning the corporation and its business is required to be filed with the Department of Revenue not later than the 15th day of the 4th month following the close of the corporation's taxable year. The amount of the tax is computed from this return. The corporation income and license tax returns have been consolidated. Tax payment is due within 30 days after certification of the assessment of its capital stock.

Corporation Income Tax

The corporation income tax of 4 1/2%¹ applies to the entire net income allocable to this state. Federal income taxes are allowed as a deduction. State and national banks, trust companies, domestic building and loan associations, insurance companies, and non-profit corporations are exempt from the tax. Payment is due on the 15th day of the fourth month after the close of the tax year. Payment of one-third of the tax may be deferred until the 15th day

¹ Temporary rate of 4 1/2% reverts to 4% at expiration of second calendar or fiscal year beginning after January 1, 1950.

of the seventh month and an additional one-third until the 15th day of the 11th month following the close of the tax year without interest.

Interest, dividends, rents and royalties, and capital gains not received in connection with the regular business of a corporation are subject to taxation by this state only when such income is received from sources within this state.

Kentucky's portion of taxable corporate income derived from public utilities and the manufacture and sale of tangible property is determined by applying to net income an average of the ratios of the value of tangible property, payroll, and amount of sales in this state to the total value of tangible property, payroll, and amount of sales of the corporation.

In general, this same method is used for allocating taxable income of corporations engaged in other types of business.

Franchise Company Taxes

Property of franchise companies (public service companies, railroad companies, common carrier trucking companies, etc.) is subject to taxation at the following rates per \$100 value: real, 5¢; tangible personal, 50¢; non-operating intangible property, 25¢; manufacturing machinery, 50¢; franchise and rolling stock of car line companies, \$1.50; and franchise (value over and above the actual value of tangible property), 50¢. With the exception of manufacturing machinery, franchise and rolling stock of car line companies, and non-operating intangibles, such property is also subject to local taxation.

Franchise companies must, between January 1 and March 31, file an annual report of its operations during the past calendar year. Assessment of franchise property is made by the Department of Revenue as of December 31 of each year. The total over-all value of the company is fixed by various means, among which are (1) capitalizing net utility operating income and (2) determining the market value of the company's stocks and bonds.

Tax payment is due within 30 days after the department's assessment becomes final.

General Property Taxes

Kentucky's constitution provides that all property, unless specifically exempt, shall be subject to property taxation. Assessments are required to be at fair cash value. Classification is provided. Kentucky courts have consistently held that uniformity takes precedence over full value. The state-wide assessment level on real estate is not more than 40%, on tangible personalty considerably less than 40% generally, and on intangible personalty approximately full value.

Both foreign and domestic corporations, other than franchise companies, must pay general property taxes on tangible property situated within this state and on intangible property which has acquired a situs in Kentucky at the following rates per \$100 value: real property, 5¢; agricultural products, 25¢; other tangible personalty, 50¢; bank deposits, 10¢; brokers accounts receivable, 10¢; and other intangible property, 25¢. Manufacturing machinery, all intangibles except bank shares, and livestock are exempt from local taxation. Agricultural products in storage may be taxed by counties at the rate of 15¢ per \$100. Real estate and all other tangible personalty are subject to full local levies.

County rates have a maximum of 70¢ but average about 65¢; school rates average \$1.45 with a maximum of \$1.50 except for special voted levies not to exceed 50¢. City rates average about 75¢ with a maximum of \$1.50 for cities over 15,000 population.

The Department of Revenue assesses bank deposits in Kentucky banks as of September 1 and distilled spirits and marginal accounts as of January 1. Tax payment is due on bank deposits on or before November 1 following the assessment date and on marginal accounts within 30 days after the department renders its tax bill to the taxpayer. The tax on distilled spirits may be paid tri-annually on January 1, May 1, and September 1, or annually between September 1 and January 1.

Other property is assessed for state, county, and county school taxes by county tax commissioners, and must be listed as of January 1 between January 1 and March 1. Tax payment is due between the following September 15 and January 1; if rendered before November 1 a discount of 2% applies. Exceptions are money in hand, deposits in out-of-state banks, and tobacco, which are assessed as of September 1; tax payments are due the second succeeding September 15.

City and city school assessment and payment dates vary.

Special Taxes

Banks and trust companies, building and loan associations, and insurance companies, which are exempt from corporation license and income taxes, are subject to special taxes.

Banks - Each bank and trust company is required to pay for its stockholders an annual state tax of 50¢ per \$100 value of its capital stock. An annual report to the Department of Revenue and to the assessing officer of the county, city, and school district in which it is located is required by February 1. Tax payment, subject to a 2% discount if paid by November 1, is due between September 15 and December 31 following the assessment date. The assessed value of tangible property may be deducted from the total value of its shares.

Maximum local rates per \$100 are: counties, 20¢; cities, 20¢; and school districts, 40¢.

Building and Loan Associations - A state tax of 10¢ per \$100 is levied on capital stock of domestic building and loan associations in lieu of all other state and local taxes. A report to the Department of Revenue as of January 1 is required by January 31 of each year. Tax payment is due by July 1 of the same year. Shares of borrowing members where the amount borrowed equals or exceeds the amount paid in by those members are exempt from taxation.

Foreign building and loan associations are required to pay an annual tax of \$3 on each \$100 received from shareholders residing in this state, less the amount loaned to shareholders residing in the state. A report must be filed with the Department of Banking on January 1 each year.

STATUTE GOVERNING RIGHT OF CITIES TO
CONSTRUCT INDUSTRIAL BUILDINGS

KENTUCKY REVISED STATUTES (1948)

Sec. 103.200 - 103.280

This Statute was held constitutional by the Court of Appeals of Kentucky in a decision rendered on July 14, 1950, in the case of E. P. Faulconer, et. al., vs. the City of Danville, Kentucky, et. al.

Distributed
by the

Agricultural and Industrial Development Board
of
Kentucky

415 Ann Street
Frankfort, Kentucky

KENTUCKY REVISED STATUTES
1948

103.200 - 103.280

INDUSTRIAL BUILDINGS FOR CITIES GENERALLY

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.280, "industrial building" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, to be rented or leased to an industrial concern by the city by which it is acquired.

103.210 Issuance of Bonds. In order to promote the reversion to peace-time economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

103.220 Interest on Bonds; terms. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semi-annually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body determines.

(2) The bonds may provide that they or any of them may be called for redemption prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds, at a price not exceeding 103 and accrued interest, under conditions fixed by the city legislative body before issuing the bonds.

103.230 Bonds negotiable; disposal; payable only from revenue. Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer, before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in such manner and upon such terms as the city legislative body deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. In no event shall any bonds be negotiated on a basis to yield more than 6% except as provided in subsection (2) in KRS 103.220. The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city within the meaning of the Constitution.

It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city within the meaning of the constitution.

103.240 Use of proceeds of bonds. All money received from the bonds shall be applied solely for the acquisition of the industrial building, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during the first three years following the date of the bonds.

103.250 Receiver in case of default. If there is any default in the payment of principal or interest of any bond, any court having jurisdiction of the action may appoint a receiver to administer the industrial building on behalf of the city, with power to charge and collect rents sufficient to provide for the payment of any bonds or obligations outstanding against the building, and for the payment of operating expenses, and to apply the income and revenue in conformity with KRS 103.200 to 103.280 and the ordinance referred to in KRS 103.210.

103.260 Application of revenue; charges for use. (1) At or before the issuance of bonds the city legislative body shall, by ordinance, set aside and pledge the income and revenue of the industrial building into a separate and special fund to be used and applied in payment of the cost thereof and in the maintenance, operation and depreciation thereof. The ordinance shall definitely fix and determine the amount of revenue necessary to be set apart and applied to the payment of principal and interest of the bonds, and the proportion of the balance of the income and revenue to be set aside as a proper and adequate depreciation account, and the remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of industrial building.

(2) The rents to be charged for the use of the building shall be fixed and revised from time to time so as to be sufficient to provide for payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, and to provide for the operation and maintenance of the building and an adequate depreciation account.

103.270 Depreciation account. (1) If a surplus is accumulated in the operating and maintenance funds equal to the cost of maintaining and operating the industrial building during the remainder of the calendar, operating or fiscal year, and during the succeeding like year, any excess over such amount may be transferred at any time by the city legislative body to the depreciation account, to be used for improvements, extensions or additions to the building.

(2) The funds accumulating to the depreciation account shall be expended in balancing depreciation in the industrial building or in making new constructions, extensions or additions thereto. Any such accumulations may be invested as the city legislative body may designate, and if invested the income from such investment shall be carried into the depreciation account.

103.280 Additional bonds. (1) If the city legislative body finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued in the same manner.

(2) Any city acquiring any industrial building pursuant to the provisions of KRS 103.200 to 103.280 may, at the time of issuing the bonds for such acquisition, provide for additional bonds for extensions and permanent improvements, to be placed in escrow and to be negotiated from time to time as proceeds for that purpose may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing with the bonds of the same issue.

(3) The city may issue new bonds to provide funds for the payment of any outstanding bonds, in accordance with the procedure prescribed by KRS 103.200 to 103.280. The new bonds shall be secured to the same extent and shall have the same source of payment as the bonds refunded.

COOPERATING STATE AGENCIES

As a state, Kentucky realized the importance of industry in developing her many resources. In addition to the Agricultural and Industrial Development Board, which was created for the express purpose of promoting the economic development of the Commonwealth, there are many state agencies actively engaged in programs, which, directly or indirectly, contribute materially to the solution of problems which affect our industrial growth.

The Kentucky Highway Department, in planning its program of development and expansion, gives every consideration to the needs of existing and proposed industries. During the year, 1950, 2,461 miles of highway and bridges were placed under contract at a total cost of \$35,000,000. This brings the total of the last three years to more than \$88,000,000 for 7,000 miles of highway construction. In national standing, according to the United States Bureau of Public Roads, Kentucky was 7th in the number of miles of highway construction placed under contract in 1950, and 11th in the amount of money spent. If the national war emergency does not interfere, they expect to exceed this figure in 1951.

The Kentucky Department of Economic Security stands ready at all times to assist new industries in determining sources of various classes of labor, prevailing labor rates, and labor practices throughout the State. In addition, they provide, on request, a labor procurement and counseling service for existing industries.

The Kentucky Department of Industrial Relations has been highly successful in its relations with both management and labor. Representatives of this department are available at all times to consult with industries on any matter in which they can be of service.

The Kentucky Department of Revenue offers the services of its tax consultants to industries seeking locations within the State, as well as to resident industries.

Established industries have found the State to be considerate of their welfare and we welcome the opportunity to introduce representatives of prospective new industries to their choice of our present family of industries.

The Kentucky Agricultural and Industrial Development Board takes pride, not only in the services it has to offer to industries seeking locations in Kentucky, but in the service it attempts to render on a continuing basis to existing industry.