

10-1-1951

# Industrial Resources: Mercer County - Harrodsburg

Kentucky Library Research Collections  
Western Kentucky University, [spcol@wku.edu](mailto:spcol@wku.edu)

Follow this and additional works at: [https://digitalcommons.wku.edu/mercer\\_cty](https://digitalcommons.wku.edu/mercer_cty)



Part of the [Business Administration, Management, and Operations Commons](#), [Growth and Development Commons](#), and the [Infrastructure Commons](#)

---

## Recommended Citation

Kentucky Library Research Collections, "Industrial Resources: Mercer County - Harrodsburg" (1951). *Mercer County*. Paper 23.  
[https://digitalcommons.wku.edu/mercer\\_cty/23](https://digitalcommons.wku.edu/mercer_cty/23)

This Report is brought to you for free and open access by TopSCHOLAR®. It has been accepted for inclusion in Mercer County by an authorized administrator of TopSCHOLAR®. For more information, please contact [topscholar@wku.edu](mailto:topscholar@wku.edu).

# ECONOMIC & INDUSTRIAL SURVEY

of

## Harrodsburg, Ky.



Prepared By

CITY OF HARRODSBURG

— and —

THE AGRICULTURAL & INDUSTRIAL DEVELOPMENT BOARD

— of —

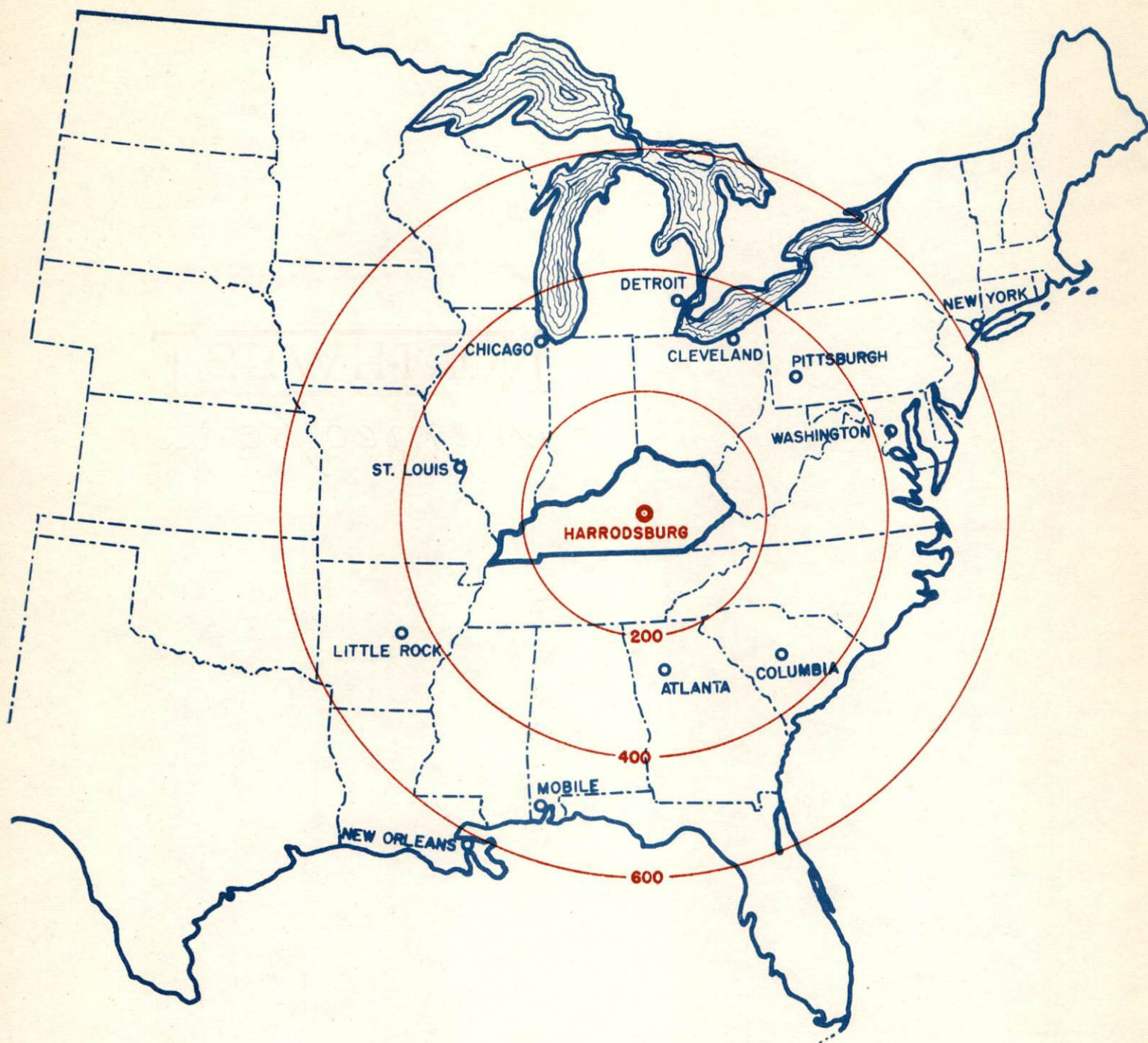
KENTUCKY

ECONOMIC AND INDUSTRIAL SURVEY  
OF  
HARRODSBURG, KENTUCKY

Prepared by  
The Mercer Chamber of Commerce  
and  
The Agricultural and Industrial Development Board  
of  
Kentucky

October 1, 1951





**HARRODSBURG, KENTUCKY**  
HAS 50,000,000 CUSTOMERS  
WITHIN ITS MARKET AREA



## TABLE OF CONTENTS

	<u>Page</u>
POPULATION AND LABOR	
Population Figures, Population Characteristics, Labor Market Area	1
Industrial Pattern, Labor Supply, Existing Industry	2
TRANSPORTATION	
Railroads	3
Highways, Air	4
COMMUNICATIONS	
Postal Facilities, Telephone and Telegraph	4
UTILITIES	
Electricity, Gas, Water, Sewage, Coal	5
Oil	6
CITY GOVERNMENT AND SERVICES	
Type Government, Tax Rates and Laws	6
Laws Affecting Industry, City Services	7
COMMUNITY FACTORS	
Housing	7
Health, Schools	8
Churches, Libraries, Recreation	9
Tourist Accommodations, Newspapers, Radio Stations, Banks, Retail and Service Establishments, Retail, wholesale and service trade sales	10
Clubs and Organizations	11
Climate, Mineral Resources	12
INDUSTRIAL MARKETS	13
AVAILABLE INDUSTRIAL SITES	13
Appendix Following Page 13	



## HARRODSBURG, KENTUCKY

Harrodsburg, the county seat of Mercer County, is located in the outer Blue Grass Region of Kentucky. It is 32 miles southwest of Lexington, 110 miles south of Cincinnati, Ohio, 71 miles southeast of Louisville, and 9 miles north of Danville. The county is composed of 256 square miles and contains 163,840 acres. (See Appendix A for History and General Description.)

### POPULATION AND LABOR:

#### Population Figures 1850 - 1950 -

	<u>Harrodsburg</u>	<u>Mercer County</u>
1850	1,481	14,067
1860	1,668	13,701
1870	2,205	13,144
1880	2,202	14,142
1890	3,230	15,034
1900	2,876	14,426
1910	3,147	14,063
1920	3,765	14,795
1930	4,029	14,471
1940	4,673	14,629
1950	5,239	14,643

#### Population Characteristics - (1940 U.S. Census). Total

population, 4,673 - 2,241 male and 2,432 female. Male -- native-born white 1,859, foreign-born white 5, colored 377; female-- native-born white 2,003, foreign-born white 5, colored 424.

#### Labor Market Area - The Harrodsburg labor market area

includes Mercer, Washington, Boyle, Garrard, Jessamine, Woodford and Anderson Counties and part of Lincoln County.

During the last 10 years Mercer County population rose slightly to a 1950 total of 14,643. The entire labor market area had a 1950



population of 110,000. Harrodsburg gained in population from 4,673 in 1940 to 5,239 in 1950.

Industrial Pattern - Harrodsburg is located in a highly agricultural area where over 50% of the employed persons earn their living on farms. About 3% of the population are engaged in manufacturing. The entire area had 8,351 employees covered by unemployment insurance in March of 1951, almost half of whom were in manufacturing industries. The two major manufacturing industries are food and beverages, and clothing and apparel. Mercer County had a covered employment of 1,186 in March of 1951, with 659 in manufacturing (151 in food and beverages, and 472 in clothing and apparel). (See Appendix B for Table).

Labor Supply - It is estimated that at least 2,000 workers could be recruited in this area, 500 of whom would be women. Most of this labor supply would be workers with a farm background unskilled in factory work.

Existing Industry -

<u>Industry</u>	<u>Product</u>	<u>M</u>	<u>F</u>	<u>T</u>
The Cudahy Packing Co. (1)	Butter, cheese, milk	70	18	88
Harrodsburg Souvenir Co.	Cedar souvenirs	6	1	7
Mercer Stone Co.	Crushed rock, L-stone	10	1	11
Sandusky Bros.	Flour, meal	10	0	10
Sportleigh Hall, Inc. (2)	Ladies' coats	56	357	413
Burgin (3 miles distant)				
Clell Coleman & Sons	Flour, meal, feed	23	3	26
The Geo. T. Stagg Co. (3)	Whiskey	43	3	46

Union Affiliations - (1) Amalgamated meat cutters and butchers



Workmen of North America, AFofL Local 227; (2) International Ladies' Garment Workers Union AFofL Local 526; (3) Distillers & Wine Workers Union AFofL.

# TRANSPORTATION:

Railroads - Harrodsburg is located on the main line of the Southern Railroad from Louisville, St. Louis, which connects with the main line Cincinnati to Chattanooga (CNO&TP), two miles north of Danville, Kentucky.

## Carload Transit Times

Atlanta, Ga.	2 days
Chicago, Ill. (via Sou-L <sup>1</sup> ville-Monon)	2 days
Cleveland, Ohio (via Sou-Cinti-NYC)	3 days
Detroit, Mich. (via Sou-Cinti-NYC or Sou-Cinti-B&O-C&O)	3 days
Mobile, Ala.	3 days
New Orleans, La.	3 days
New York, N. Y. (via Sou-Cinti-B&O)	3 days
Pittsburgh, Pa. (via Sou-Cinti-B&O)	2 days
St. Louis, Mo. (via Sou Rwy)	2 days
Washington, D. C. (via Sou Rwy direct or Sou-Cinti-B&O or Sou-Lex-C&O)	4 days

This point is normally switched with a local freight train, and bring cars into Louisville, Danville, or Lexington to be put in "red-ball" freights or delivered to connecting lines as the case may be. In case of emergency we can always stop one of our manifest trains at any of the points and thus save 24 hours in transit time. This is not a normal procedure, as such a thing is rather expensive, but it will be done in the case of a patron who requests such service from time to time.



Highways - U. S. #68; Ky. #35; #152.

Highway Distances to Major Cities in Area

Lexington	32	Cincinnati	110
Ashland	167	Indianapolis	181
Atlanta	343	Louisville	71
Birmingham	389	Memphis	405
Charleston	244	Nashville	197
Chattanooga	243	St. Louis	344

Truck Lines Serving Harrodsburg - Hayes Freight Lines, Matton

Ill. ; Sutton Transfer Co., Lexington, Ky. ; Yeary Transfer Co.,

Winchester, Ky. ; Davenport Transfer Co., Harrodsburg, Ky. ;

Lawrenceburg Transfer Co., Lawrenceburg, Ky.

Bus Lines Serving Harrodsburg - Southeastern Greyhound Lines

with 16 busses daily, and Trailway Bus Lines with 8 busses

daily.

Air - Cummins Airport, 4-1/2 miles north of Harrodsburg, a class 1

airport with 1 runway 2,300' x 300': Goodall Field at Danville, 13

miles from Harrodsburg, a class 1 airport with 2 runways 2,400' x

200', and 1,950' x 200': Blue Grass Airport at Lexington, 32 miles

distant with scheduled stops for Delta, Eastern and Piedmont Airlines.

This is a Class III airport.

COMMUNICATIONS:

Postal Facilities - Harrodsburg has a 2nd class post office with

18 employees, 3 city routes, 5 rural routes, and 5 star routes. Mail

is received 4 times daily, and is dispatched 5 times daily. Postal

receipts for 1950 totaled \$38,590.

Telephone - Southern Bell Telephone & Telegraph Company with



30 employees. (See Appendix C-1 for rates.)

#### UTILITIES:

Electricity - Kentucky Utilities Company, Lexington, Kentucky.

(See Appendix D for rates.)

Gas - Western Kentucky Natural Gas Company. Harrodsburg is served by a 6" line connecting with 24" and 26" Tennessee Gas Transmission Lines near Highway 34 south of Danville. (See Appendix C-2 for rates.)

Water - The water system is municipally owned. Source of supply is Salt River, one-half mile west of the city limits, with 2 impounded reservoirs of 30,000,000 gallon capacity and 15,000,000 gallon capacity. Total catchment area is approximately 41 square miles. Rated capacity of filtration plant is 600,000 gallons per day. Harrodsburg now uses 300,000 gallons per day. Elevated storage capacity is 150,000 gallons. (See Appendix C-3 for rates.)

Sewage - Harrodsburg has separate storm and sanitary sewers. Plant has a fluid capacity of 1,000,000 gallons per day. The plant is equipped with a 700 gpm sewage pump on a 19-foot head. Lines and all equipment are built to operate with a 1,000 gpm pump. Plant is designed to afford digestion for 6,600 persons. There are 3,000 persons now connected to the system. There is a sewage charge of approximately 50% of the water bill for users of the system. This charge is to retire the bonds floated to construct the plant.

Coal - Mines on the Southern Railway, Brinstone Railroad, Emory River Railroad, Kentucky & Tennessee Railroad, provide a steady



and regular supply to move to industries at this point.

Oil - Since the delivery price of fuel oil varies from day to day, and since there is such a variety of types and grades, no estimated price is given in this report. Delivery prices of any grade of fuel oil in tank car lots will be furnished within 24 hours.

#### CITY GOVERNMENT AND SERVICES:

Type Government - Mayor-Commission, with the mayor being elected for 4 years and the four commissioners for 4 years.

#### Tax Rates and Laws -

##### Property Tax Rates per \$100 in 1950

	<u>Within City Limits</u>	<u>Outside City Limits</u>
State	\$ .05	\$ .05
City	.75	
County	.50	.50
School	1.50	1.50
School Bond Levy	<u>.10</u>	<u>          </u>
Total	\$2.90	\$ 2.05

(See Appendix E for Kentucky Corporation Taxes.)

Assessment Practice - City - 33-1/3% of true value.  
County - 33-1/3% of true value.

Total Assessment in 1951 - City - \$8,231,612.  
County - \$21,335,000.

Average Annual City Income - \$175,472.19.

Average Annual City Expenditures - \$174,554.99.

Bonded Indebtedness - City- \$11,000 remaining in water revenue bonds issued in 1944. Bonds are being retired at a rate of \$1,000 yearly. \$200,000 water and sewer revenue bonds issued in 1950



will be retired in 1973. The sewage charge mentioned above applies to the retirement of the portion of the bonds charged to the sewage improvement.

County - \$33,000 road and bridge bonds to be retired in 1959.

Laws Affecting Industry - (See Appendix F for Statute governing Bond Issue Plan.)

Exemptions to Industry - The city allows a five-year exemption which cannot be extended. Manufacturing machinery and raw materials are exempt from local taxes.

Services -

Fire Protection - The fire department consists of a chief, assistant chief, and 14 volunteers; equipment consists of a 1947 American LaFrance Pumper, 750 gpm, 1,200' of 2 1/2" hose, 300' of 1 1/2" hose, and 150' of 1 1/2" booster line; a 1926 Boyer pumper, 500 gpm, 400' of 2 1/2" hose. There are 175 fire hydrants. Harrodsburg has a 7th class fire insurance rating.

Police Protection - The police department consists of a chief, assistant chief, and 4 patrolmen; one patrol car is used to patrol the city.

Garbage - Municipal collection daily in the business section and weekly in the residential areas.

COMMUNITY FACTORS:

Housing - Construction of 5-room, single story, frame houses is approximately 60¢ per cu. ft. In 1948 there were 1,381 dwelling units



59% owned by occupants. 25 single family houses are now under construction. In December, 1950 there were 1,065 single family units, 180 two family units, 50 three family units, and 31 units with more than three families, totaling more than 1,700.\*

\*From survey conducted through the Harrodsburg High School in 1948 and revised in 1950.

General Contractors - J. W. McClellan & Co.; Cecil Henry; Parsons and Roberts; Roy Campbell; Chilton Bros.; Carl Campbell; Bertie Taylor; W. S. Lyons; Tommy Taylor; J. N. Newby; Woodrow Wilson.

Health - The Mercer General Hospital with 50 beds; 13 M.D.'s, 4 of them surgeons, and 18 R.N.'s in the county. The Mercer County Health Department is located in Harrodsburg. Its services include immunizations, venereal disease control, tuberculosis control, sanitation services, health education services which include talks, lectures, films, etc.

Schools -

	<u>Grade</u> <u>Enrollment</u> <u>Capacity</u>		<u>High</u> <u>Enrollment</u> <u>Capacity</u>	
<u>City</u>	625	775	360	475
<u>County</u>	1,225	1,325	255	355

The City School system has 30 teachers, 2 buildings for grades, and two buildings for high school.

The county school system has 16 high school and 50 grade school teachers.



Vocational Training - Vocational training is offered in the Harrodsburg High School with courses including: radio and electronics, manual training, commerce, home economics and music.

Colleges - There are no colleges in Harrodsburg. Colleges in the area include: Centre College, Danville; University of Kentucky and Transylvania College, Lexington; Kentucky Wesleyan College, Winchester; Eastern State College, Richmond; Morehead State College, Morehead; University of Louisville, Louisville; Berea College, Berea.

Churches - There are 7 churches in Harrodsburg, representing the following denominations: Baptist, Christian, Catholic, Presbyterian, Methodist, and Episcopal. Total active membership is estimated at 4,230.

Libraries - The Harrodsburg Public Library with 6,000 volumes and a circulation of 5,000.

Recreation -

Parks - An 8-acre park equipped for night softball, football, tennis, croquet, and other sports is maintained by the City Board of Education. Directed recreation during the summer for children of all ages is provided. There are three playgrounds owned by the City which are available for general use.

Theaters - One, with bills changing three times weekly.

Camping, fishing, boating and swimming - Herrington Lake, 8 miles distant, provides excellent facilities for these.



Other - Pioneer Memorial State Park, and a skating rink are located in Harrodsburg.

Tourist Accommodations - Avalon Inn - 30 rooms; Beaumont Inn - 30 rooms; Park View Guest House - 14 rooms; Bailey's Tourist Cottages - 6 units; 10 tourist homes.

Newspapers - The Harrodsburg Herald with a circulation of 4,000; The Mercer Independent with a circulation of 1,800.

Radio Stations - WHIR, 250 watts, 1230 kilocycles, located at Danville, 9 miles away. There are three remote control outlets in Harrodsburg.

Banks - Mercer County National Bank with deposits of \$4,047,000 and resources of \$4,415,000; State Bank & Trust Company with deposits of \$2,153,000 and resources of \$2,322,000.

<u>Retail Businesses</u>		<u>Service Establishments</u>	
Auto Dealers	14	Beauty Shops	5
Clothing	11	Barber Shops	5
Drugs-Sundries	4	Dry Cleaning	6
Food-Groceries	19	Funeral Homes	3
Furniture	7	Garages	13
Hardware	5	Filling Stations	29
Jewelry	4	Heating Service	6
Lumber	4	Plumbing Service	7
Variety	2	Photographers	1

Retail Sales, wholesale sales, and service trades -

Retail, wholesale, and service establishments located in Mercer 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 \$8.4 million, an increase of 223% over the \$2.6 million in 1939, when the preceding



Census of Business was taken. Wholesale sales in the county reached a total of \$8.1 million in 1948 as compared with \$2.5 million in 1939.

The service trades included in the Census of Business recorded receipts totaling \$292,000 in 1948 compared with \$124,000 in 1939.

Employment in the county also rose over the 9-year period between 1939 and 1948 for the above trades. Establishments in these trades reported a combined total of 516 paid employees for the workweek ended nearest November 15, 1948. This compared with a total of 387 employees reported for the week of November 15, 1939.

Clubs and Organizations -

Civic - Chamber of Commerce, Rotary, Kiwanis, Lions,  
Jr. Chamber of Commerce.

Fraternal - Masonic, American Legion, VFW

Women's Clubs - Eastern Star, American Legion Auxiliary,  
VFW Auxiliary, Garden Club, Bridge Clubs, Women's Clubs,  
DAR.

Youth - Boy and Girl Scouts, 4-H Club, FFA, Jr. Conservation  
Club, Young People's Church Organizations.

Other - Harrodsburg Historical Society.



Climate -

Average Precipitation, temperature, humidity & days of sunshine

	<u>Prec.</u>	<u>Temp.</u>	<u>Rel. Hum.</u>			<u>Sunshine</u>	
			<u>8 am</u>	<u>n</u>	<u>8 pm</u>	<u>Ave. hrs.</u>	<u>% possible</u>
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 which is located in Lexington, over a 34-year period.

Mineral Resources \*- The most important mineral resource is limestone which occurs in abundant quantities for all necessary purposes of highway and railroad bed construction. Residual clays are available for ordinary brick making and it is possible that some investigations would reveal beds of stoneware clay, light grey in color such as those found in Franklin County and operated in Madison County.

\* W. R. Jillson.



#### INDUSTRIAL MARKETS:

There are within the market area of Harrodsburg 50,000,000 customers.

Cities in the area include St. Louis, Chicago, Pittsburgh, Atlanta,

New York, and Washington.

#### AVAILABLE INDUSTRIAL SITES:

There are several good industrial sites with railroad sidings, and

utilities available. For further information, write Mercer Chamber

of Commerce, Harrodsburg, 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
Gas Rates	App. C-2
Water Rates	App. C-3
Power Rates	App. D
Kentucky Corporation Tax Information	App. E
Kentucky Revised Statutes - Bond Issue Plan	App. F
Cooperating State Agencies	App. G



## HISTORY AND GENERAL DESCRIPTION

Mercer County is near the center of Kentucky in the southern-central Blue Grass Region, with the Kentucky and Dix Rivers providing its entire eastern boundary lines. It was established in 1785 by the Virginia Legislature, being the first territory taken from Lincoln, one of the three original Kentucky counties, and was the sixth county of the State in order of creation. It was named in honor of General Hugh Mercer, a brigadier-general in the Continental Army. The county has an area of 161,920 acres, with elevations ranging from 500 feet to 925 feet above sea level.

Harrodsburg is the oldest town and oldest county seat in Kentucky, being established in 1773.



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

County	Total	Food & Kindred Products	Tobacco	Clothing, Textiles, Leather	Lumber, and Furniture	Printing, Publishing, Paper	Chemicals, Petroleum, Coal and Rubber	Stone, Clay, Glass	Pri- mary metals	Mach., Metal Prod., Equip.	Other
Mercer	659	151	1	472	3	16	0	16	0	0	0
Anderson	468	207	0	256	0	5	0	0	0	0	0
Woodford	994	944	0	40	0	6	4	0	0	0	0
Jessamine	194	86	1	107	0	0	0	0	0	0	0
Garrard	325	9	0	300	0	5	0	11	0	0	0
Boyle	1,064	85	2	648	262	35	0	0	0	32	0
Washington	376	16	197	163	0	0	0	0	0	0	0
Totals	4,080	1,498	201	1,986	265	67	4	27	0	32	0

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

County	All Industries	Mining and Quarrying	Contract, Con- struction	Manufac- turing	Transpor- tation, Com- munication, & Utilities	Whole- sale, Retail Trade	Finance, Insurance & Real Estate	Services	Other
Mercer	1,186	0	44	659	105	258	22	98	0
Anderson	765	17	24	468	68	142	22	21	3
Woodford	1,297	0	15	994	100	124	23	41	0
Jessamine	511	16	23	194	49	173	24	32	0
Garrard	612	0	31	325	33	176	20	27	0
Boyle	2,918	42	159	1,064	275	1,057	59	262	0
Washington	694	28	0	376	22	210	28	30	0
Totals	7,983	103	296	4,080	652	2,140	198	511	3



# Appendix C

## TELEPHONE RATES - App. C-1

	<u>Individual</u>	<u>Two-Party</u>	<u>Extension</u>
Business	\$7.25	\$6.75	\$1.50
Private	3.50	3.00	1.00

## GAS RATES - App. C-2

First	1,000 cu. ft. per mo.	\$1.50
Next	2,000 cu. ft. per mo.	1.10
Next	7,000 cu. ft. per mo.	.715 per mcf
Next	10,000 cu. ft. per mo.	.605 per mcf
Next	10,000 cu. ft. per mo.	.55 per mcf.
Next	70,000 cu. ft. per mo.	.495 per mcf
Over	100,000 cu. ft. per mo.	.44 per mcf

## WATER RATES - App. C-3

First	250 cu. ft.	\$1.50
Next	760 cu. ft.	.40 per 100 cu. ft.
Next	3,000 cu. ft.	.35 per 100 cu. ft.
Next	6,000 cu. ft.	.30 per 100 cu. ft.
Over	10,000 cu. ft.	.25 per 100 cu. ft.



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.



## 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%<sup>1</sup> 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

<sup>1</sup> 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 reconversion 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.