

11-18-1952

Industrial Resources: Metcalfe County - Edmonton

Kentucky Library Research Collections
Western Kentucky University, spcol@wku.edu

Follow this and additional works at: https://digitalcommons.wku.edu/metcalfe_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: Metcalfe County - Edmonton" (1952). *Metcalfe County*. Paper 12.
https://digitalcommons.wku.edu/metcalfe_cty/12

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

ECONOMIC & INDUSTRIAL
SURVEY

of

Edmonton, Ky.



Prepared By

THE EDMONTON LIONS CLUB

— and —

THE AGRICULTURAL & INDUSTRIAL DEVELOPMENT BOARD

— of —

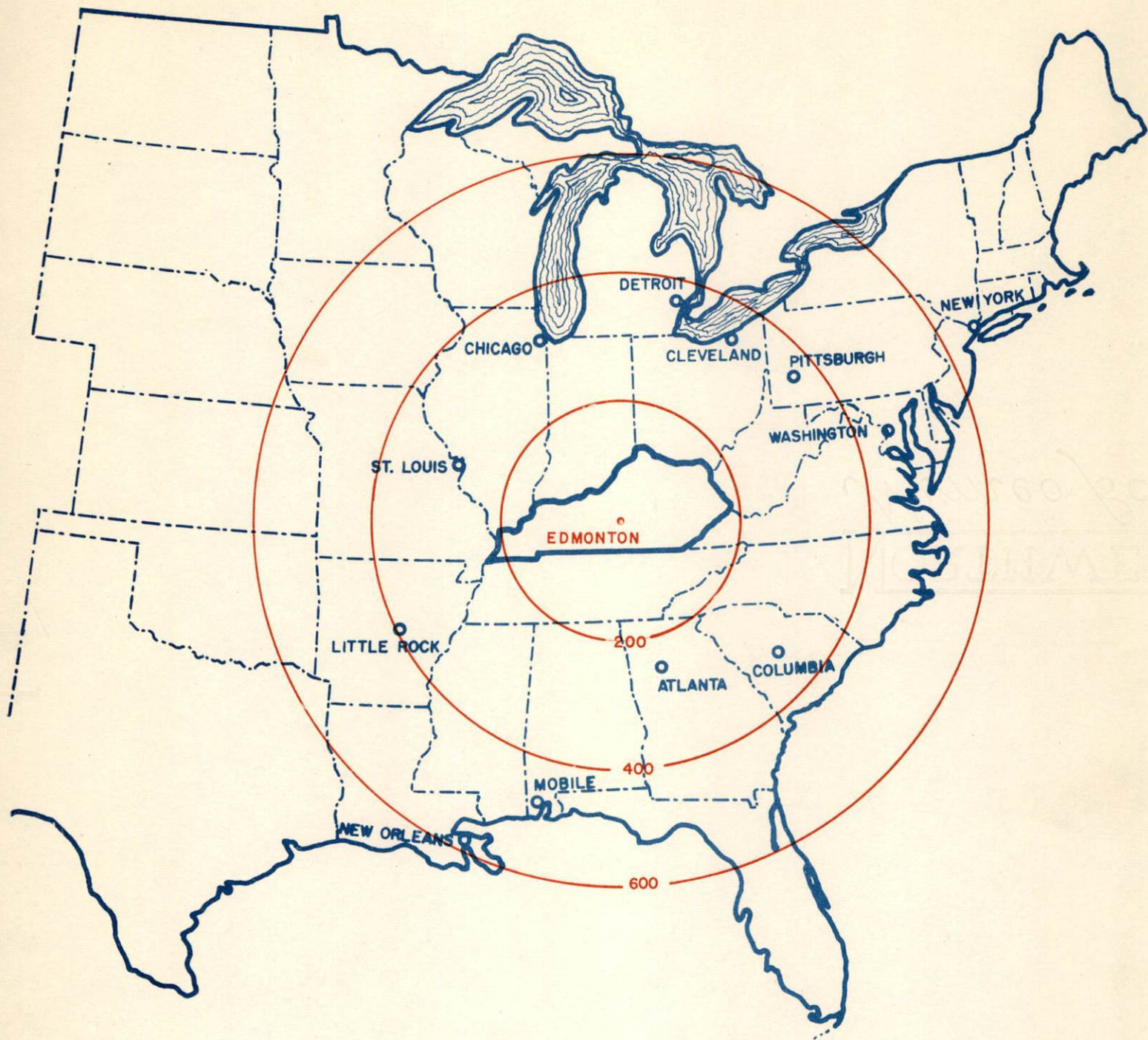
KENTUCKY

ECONOMIC & INDUSTRIAL SURVEY
OF
EDMONTON, KENTUCKY

Prepared by

The Edmonton Lions Club
and
The Kentucky Agricultural & Industrial Development Board

November 18, 1952



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

TABLE OF CONTENTS

	<u>Page</u>
POPULATION AND LABOR	
Population figures 1860 - 1950; Population Characteristics; Labor Market Area; Industrial Characteristics	1
Labor Supply	2
Existing Industry	3
TRANSPORTATION	
Railroads; Highways; Air	3
COMMUNICATIONS	
Postal Facilities; Telephone	4
UTILITIES:	
Electricity; Water	4
Gas; Sewage	5
CITY GOVERNMENT AND SERVICES	
Type Government; Tax Rates and Laws	5
City Services	6
LOCAL CONSIDERATIONS	
Housing; Health	6
Schools; Churches; Libraries; Tourist Accommodations; Newspapers; Banks; Retail Businesses; Service Establishments	7
Clubs and Organizations; Climate	8
RESOURCES	
Mineral	9
INDUSTRIAL MARKETS	9
Appendix Following Page 9	

EDMONTON, KENTUCKY

Edmonton, the county seat and trade center of Metcalfe County, is located in southcentral Kentucky 51 miles east of Bowling Green and 111 miles south of Louisville. (See Appendix A for History and General Description).

POPULATION AND LABOR:

Population Figures 1860 - 1950

	<u>Metcalfe County</u>	<u>Edmonton</u>
1860	6,745	
1870	7,934	
1880	9,432	
1890	9,871	
1900	9,988	
1910	10,453	
1920	10,075	
1930	9,373	
1940	10,853	403
1950	9,851	519
1952		849 (actual count)

Population Characteristics - The population of Edmonton has shown an increase of 28.8% from 1940 - 1950, and an increase of 63.5% from 1950 - 1952, while Metcalfe County has shown a decrease of 9.2% from 1940 - 1950.

Labor Market Area - The Edmonton labor supply area includes Metcalfe, Adair, Monroe, Green, Barren, and Cumberland Counties.

These counties comprise an area from which workers would be expected to be drawn to jobs in Edmonton and Metcalfe County.

Industrial Characteristics - Agriculture was the greatest source of jobs in this area with 22,170 persons reported as employed on farms

by the 1950 Census of Agriculture. Manufacturing employment provides only about 2,000 jobs in this entire area and employment covered by unemployment insurance only about 4,700 jobs. For the area as a whole, the number of manufacturing jobs was equivalent to about 2.1% of the total population. However, when Barren County is excluded, manufacturing jobs total only 0.9% of the total population. Approximately 1,400 of the 2,000 manufacturing jobs in the area are located in Barren County while Metcalfe County has only 49 manufacturing positions. The density of manufacturing in relation to total population is very light in this area when compared to the statewide pattern of about 5% of total population employment in manufacturing jobs and the national pattern of approximately 10%.

Labor Supply - The potential labor supply in this type of rural area comes primarily from women not now in the labor market and from men who are under-employed on low-income farms, or other low paying jobs. In the entire area, there is a potential labor supply of approximately 9,000 persons for attractive factory jobs. However, this very large labor supply would not be available at any single point in the area due to the necessity of commuting some distance. It is estimated that approximately 2,400 men and 2,000 women could be recruited within the area for jobs in Edmonton and Metcalfe County. Metcalfe County would be expected to furnish at least 500 of the men and 700 of the women included in this estimate. This estimate does not take into account age or skill characteristics of the potential area labor force.

Existing Industry - None

TRANSPORTATION:

Railroads - Edmonton is not served by a railroad.

Highways - U. S. #68; Ky. #80 and #163.

Highway Distances from Edmonton To

Atlanta, Ga.	369	Louisville, Ky.	126
Birmingham, Ala.	326	Milwaukee, Wis.	710
Chicago, Ill.	436	Mobile, Ala.	576
Cincinnati, Ohio	241	Nashville, Tenn.	108
Cleveland, Ohio	483	New York, N. Y.	879
Detroit, Mich.	499	Pittsburgh, Pa.	524
Knoxville, Tenn.	306	St. Louis, Mo.	401

Bus Lines Serving Edmonton - Short-Way Line, Inc., Lexington, Kentucky, operating between Glasgow and Somerset 3 round trips daily; Central Kentucky Bus Lines, Williamsburg, Kentucky, operating between Tompkinsville and Louisville, 2 round trips daily.

Truck Lines Serving Edmonton - Burkesville Transfer Co., Burkesville, Kentucky, operating between Louisville and Nashville, serves Edmonton twice a week with LTL, pick-up and delivery; James A. Skaggs Transfer Co., Greensburg, Kentucky, operating between Louisville and Nashville, furnishes daily pick-up and delivery service in Edmonton.

Air - The Bowling Green-Warren County Municipal Airport, Bowling Green, Kentucky, 51 miles distant, has 4 runways each 4,000 feet long and 150 feet wide. It is served by Eastern Airlines which has 3 departures from Bowling Green daily.

COMMUNICATIONS:

Postal Facilities - Edmonton has a third class post office with 3 employees, 2 rural routes, and 6 star routes. Mail is received and sent out twice daily by truck.

Telephone - The Southern Continental Telephone Company (from Glasgow) serves Edmonton with four 8-party lines. There are 31 subscribers. A local telephone exchange is planned for the community. The South Central Telephone Cooperative, Glasgow, has purchased the system. Some 200 subscribers in the Edmonton area and more than 500 in the county have paid memberships for a dial system soon to be installed.

There are no telegraph facilities.

UTILITIES:

Electricity - The Tri-County Rural Electric Membership Cooperative Corporation, LaFayette, Tennessee, serves Edmonton and the southern part of Metcalfe County with TVA power. Tri-County has two transmission lines through Summer Shade, 10 miles south of Edmonton. One is a 66,000 volt lines, the other 150,000 volts. Edmonton is served from sub-stations at Summer Shade with a 13,000 volt line. 1,000 KW are presently available. (See Appendix D for rates).

Water - The water system was constructed in 1948-50. Source is 2 wells, 65 feet deep, each with a 65 gpm pump. Storage - 75,000 gallon elevated tank, 5,000 gallon in riser. Water is filtered and chlorinated.

The community is served with 6" and 8" mains, and 80 - 90 pound pressure. Average daily use is 25,000 gallons. There are 125 connections.

Gas - There are no natural gas facilities available.

Sewage - The residents of Edmonton have individual septic tanks.

CITY GOVERNMENT AND SERVICES:

Type Government - Edmonton, a 6th class city, is governed by a Board of five trustees, who are elected for two-year terms.

Tax Rates and Laws -

Property Tax Rates per \$100

	<u>Within City Limits</u>	<u>Outside City Limits</u>
State	\$.05	\$.05
County	.50	.50
City	.75	
School	1.50	1.50
Other	.20*	.20*
Total	\$3.00	\$2.25

*To retire road and bridge bonds.

(See Appendix E for Kentucky Corporation Tax Information).

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

Total Assessment 1951 - City - \$403,930.00
County - \$3,680,324.00

Annual Income - City - \$6,003.18
County - \$24,000.00

Annual Expenditures - City - \$5,764.34
County - \$24,000.00

Bonded Indebtedness - City - \$40,000 to RFC for water system.

Revenue bonds issued in 1949 at 4% to be retired in 20 years from water revenue.

County - \$60,000 at 4 1/2%, road and bridge bonds issued 1/1/27 with \$12,000 outstanding, to be retired in 1955; \$35,000 road and bridge bonds issued at 4 1/2% on 10/15/29 with \$13,000 outstanding, to be retired in 1959; \$39,500 funding bonds, issued at 4 1/2% on 2/1/39 with \$25,500 outstanding, to be retired in 1964.

City Services -

Fire Protection - The fire department consists of volunteer firemen. Equipment includes 500' of 3" hose. There are 21 fire hydrants.

Police Protection - Edmonton has one policeman.

LOCAL CONSIDERATIONS:

Housing - Average sale price of new 5-room dwellings is from \$6,000 to \$8,000. Older dwellings sell from \$4,000 to \$4,500. Rent is from \$35.00 to \$40.00 per month.

Health -

Hospitals - Glasgow, 19 miles distant, has two hospitals - the T. J. Samson Memorial Hospital, with 75 beds and a staff of 14 RN's, 35 aids, 1 nurse superintendent, a business manager and house physician, is now being enlarged to 110 rooms;

Howard Clinic and Hospital, owned and operated by C. C. Howard, M.D., has 44 beds and a staff of 2 surgeons, one eye, ear and throat specialist, 1 dentist, and 4 general practitioners.

Doctors - 3 MD's; 1 Dentist

Public Health Program - Immunizations, venereal disease, tuberculosis control, infant and pre-school services, and general sanitation.

<u>Schools</u> -	<u>Grade Schools</u> - 37			<u>High Schools</u> - 2		
	<u>Enroll.</u>	<u>Capacity</u>	<u>Teachers</u>	<u>Enroll.</u>	<u>Capacity</u>	<u>Teachers</u>
<u>County</u>	1,898	at cap.	37	202	at cap.	13

There are 5 colored grade schools with enrollment of 119 and 5 teachers. Colored high school students attend school at Glasgow.

Churches - The following denominations are represented in Edmonton: Baptist, Methodist, Presbyterian, and Church of Christ.

Libraries - The Edmonton library is open on Wednesday and Saturday.

Tourist Accommodations - There is a 4-unit motel, and a 6-unit motel under construction.

Newspapers - Edmonton Herald News (weekly) with a circulation of 1,450.

Banks - Edmonton State Bank with total deposits of \$1,625,000 and total resources of \$1,804,000.

Retail Businesses

Auto Dealers	3
Clothing	5
Drugs-Sundries	2
Farm Supplies & hdwe.	4
Furniture	1
Groceries	7
Jewelry	1

Service Establishments

Barber Shops	2
Beauty Shops	3
Dry Cleaners	1
Frozen Food Lockers	0
Funeral Homes	1
Restaurants	4
Service Stations	4

Clubs and Organizations -

Civic - Lions, Committee for Metcalfe County

Fraternal - Masonic

Women's - Woman's Club, Eastern Star

Youth - 4-H Club, FFA

Climate -

	Temperature (30-yr. rec.)	Precipitation (30-yr. rec.)	Relative Humidity		
			7:30 a. m. (64-yr. rec.)	1:30 p. m. (34-yr. rec.)	7:30 p. m. (64-yr. rec.)
Jan.	35.6	4.93	83	65	69
Feb.	37.1	3.61	81	60	64
Mar.	46.6	5.32	78	54	59
Apr.	55.4	3.88	75	49	53
May	65.0	4.23	78	51	58
June	75.6	4.47	80	53	63
July	76.9	4.09	83	55	66
Aug.	75.7	4.09	86	57	68
Sept.	69.8	3.14	86	53	66
Oct.	57.4	2.89	86	52	63
Nov.	45.8	3.57	83	57	64
Dec.	37.2	4.07	84	65	69

Ann. Norm. 56.3°F 48.29 inches

Frost Free Period - April 21 to October 16; growing season - 178 days

Days Cloudy or Clear (81-yr. rec.) - Clear - 120
Partly Cloudy - 121
Cloudy - 124

Percent of Possible Sunshine - Annual 57%

Number of Days With - precipitation over 0.01 inch (81-yr. rec.) - 133
1.0 or more snow, sleet, hail (68-yr. rec.) - 3
Thunderstorms (71-yr. rec.) - 48
Heavy Fog (71-yr. rec.) - 18

Prevailing Winds - from Southwest

Seasonal Heating Degree Days (51-yr. rec.) - approximate long-term
means 3,777 degree days.

RESOURCES:

Mineral -The minerals of Metcalfe County are limestones, petroleum and natural gas, and clays. Limestone suitable for roadway construction, building purposes, agricultural lime, and other possible uses, are available. Metcalfe County produces some oil and natural gas, which has been secured from several wells. A large gas field is located in the northern portion of the county, but the gas is not commercially utilized at present. Clays, which can be used for ordinary brick manufacture, occur in Metcalfe County.

INDUSTRIAL MARKETS:

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

APPENDIX

History and General Description	App. A
Table Showing Number of Workers Covered by Kentucky Unemployment Insurance Law	App. B
Water Rates	App. C
Tri-County Electric Rates	App. D-1
RECC Electric Rates	App. D-2
Kentucky Corporation Taxes	App. E
Kentucky Revised Statutes	App. F
Cooperating State Agencies	App. G

HISTORY AND GENERAL DESCRIPTION

Edmonton, the county seat of Metcalfe County, is situated on high ground (altitude 800') overlooking the Little Barren River. The town was named for Edmont Rigers, a soldier of Virginia, who came to Kentucky after the Revolutionary War. He acquired 20,000 acres of land and laid out a town.

Metcalfe County is in the heart of the eastern Pennyroyal District. It was established in 1860 from portions of Barren, Green, Adair, Cumberland and Monroe Counties. The county was named for Thomas Metcalfe, 10th Governor of Kentucky. The region is rolling limestone plateau with numerous hills. Metcalfe County contains 193,900 acres, principally devoted to farming.

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

County	Total Mfg.	Food and Kind. Prods.	Tobacco	Cloth. Text. and Leath.	Lbr. and Furn.	Print. and Paper	Chem. Petro. Coal, Rubber	Stone, Clay and Glass	Mach. Pri- Metal Prods. Equip.	Other
Metcalfe	4	0	0	0	4	0	0	0	0	0
Adair	50	9	0	0	37	4	0	0	0	0
Monroe	199	27	0	0	172	0	0	0	0	0
Green	148	22	118	0	6	0	1	1	0	0
Barren	1,490	67	157	1,138	42	30	20	36	0	0
Cumberland	57	0	0	0	57	0	0	0	0	0
Totals	1,948	125	275	1,138	318	34	21	37	0	0

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

County	All Ind.	Mining and Quar- rying	Contract Con- struction	Mfg.	Transp. Comm. and Util.	Whlse. and Retail Trade	Fin., Ins. & Real Estate	Services	Other
Metcalfe	58	7	6	4	0	35	6	0	0
Adair	771	0	404	50	10	238	18	51	0
Monroe	367	0	0	199	1	144	23	0	0
Green	317	0	0	148	83	60	17	9	0
Barren	3,147	30	30	1,490	163	1,099	52	283	0
Cumberland	250	33	60	57	5	90	5	0	0
Totals	4,910	70	500	1,948	262	1,666	121	343	0

WATER RATES

First	2,000 gal. per mo.	\$3.50 (minimum)
Next	3,000 gal. per mo.	.60 per M gal.
Next	5,000 gal. per mo.	.50 per M gal.
Next	5,000 gal. per mo.	.40 per M gal.
Next	5,000 gal. per mo.	.30 per M gal.
Over	20,000 gal. per mo.	.25 per M gal.

TRI-COUNTY POWER RATES - Appendix D-1

Alternating current, single or three-phase, 60 cycle, voltage supplied will be at the discretion of the distributor and will be determined by the voltage available from distribution lines in the vicinity and/or other conditions.

If the customer's demand for the month does not exceed 10 kilowatts:

First	150 kwh per mo.	3.0¢ per kwh
Next	350 kwh per mo.	2.0¢ per kwh
Next	1,250 kwh per mo.	1.0¢ per kwh
Additional energy		0.8¢ per kwh

If the customer's demand for the month is over 10 but not over 40 kilowatts:

Demand Charge: First 10 kilowatts of demand per mo., no demand charge.
Over 10 kilowatts of demand per mo., at \$1.00 per kilowatt

Energy Charge:	First 150 kwh per mo.	3.0¢ per kwh
	Next 350 kwh per mo.	2.0¢ per kwh
	Next 1,250 kwh per mo.	1.0¢ per kwh
	Next 13,250 kwh per mo.	0.8¢ per kwh
	Additional energy	0.55¢ per kwh

If the customer's demand for the month is over 40 kilowatts:

Demand Charge: First 1,000 kilowatts of demand per mo. \$1.00 per kilowatt
Over 1,000 kilowatts of demand per mo. at 0.90 per kilowatt

Energy Charge: (subject to reduction of 0.55¢ per kilowatt-hour in excess of 360 kilowatt hours per kilowatt of the demand)

First	15,000 kwh per mo.	at 0.8¢ per kwh
Next	25,000 kwh per mo.	at 0.6¢ per kwh
Next	60,000 kwh per mo.	at 0.4¢ per kwh
Next	400,000 kwh per mo.	at 0.3¢ per kwh
Additional energy		0.25¢ per kwh

RECC RATES - Appendix D-2

Single phase, and three-phase where available, 60 cycle, 120/240/480 volts.

Energy Charge	First	25 kwh per mo.	@ 8.0¢ per kwh
	Next	25 kwh per mo.	@ 4.0¢ per kwh
	Next	50 kwh per mo.	@ 3.0¢ per kwh
	Next	900 kwh per mo.	@ 2.5¢ per kwh
	Next	2,000 kwh per mo.	@ 2.0¢ per kwh
	Over	3,000 kwh per mo.	@ 1.5¢ per kwh

Demand Charge: First 10 kilowatts of billing demand per month no demand charge. Excess above 10 kilowatts of billing demand per month \$1.50 per kilowatt.

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% 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

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

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.

The Following Amendment was made to KRS 103.200 to 103.280 by the 1952 Kentucky Legislature.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF KENTUCKY:

Section 103.200 of the Kentucky Revised Statutes is amended to read as follows:

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

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.