

4-1961

## Industrial Resources: Rowan County - Morehead

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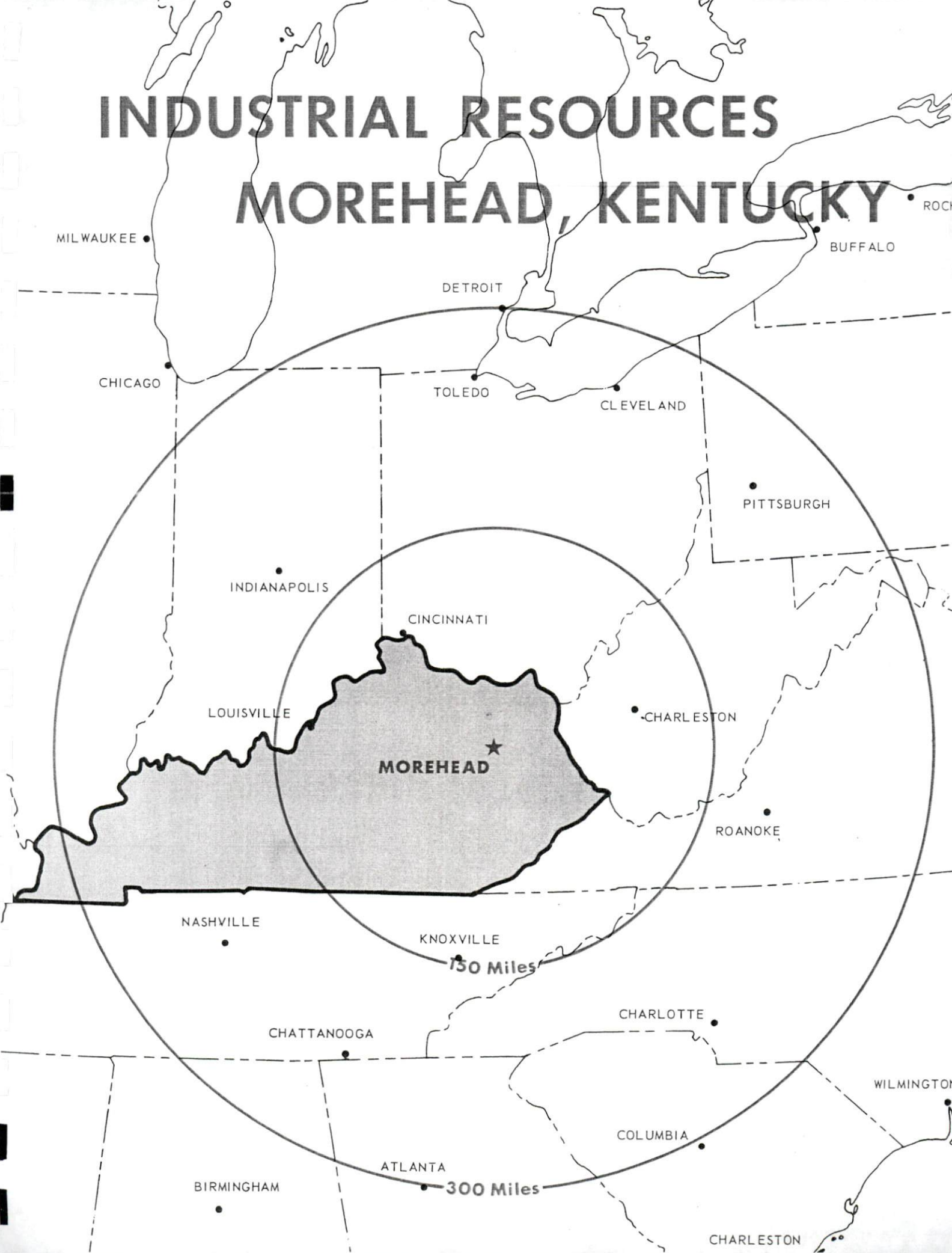
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# INDUSTRIAL RESOURCES

## MOREHEAD, KENTUCKY



DETROIT

MILWAUKEE

CHICAGO

TOLEDO

CLEVELAND

BUFFALO

ROCH

PITTSBURGH

INDIANAPOLIS

CINCINNATI

LOUISVILLE

MOREHEAD

CHARLESTON

ROANOKE

NASHVILLE

KNOXVILLE

150 Miles

CHATTANOOGA

CHARLOTTE

WILMINGTON

COLUMBIA

ATLANTA

300 Miles

BIRMINGHAM

CHARLESTON

INDUSTRIAL RESOURCES  
MOREHEAD, KENTUCKY

21870

Prepared by  
The Morehead Chamber of Commerce  
and  
The Kentucky Department of Economic Development

Frankfort, Kentucky

April 1961

# INDUSTRIAL RESOURCES

## MOREHEAD, KENTUCKY

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## SUMMARY DATA FOR MOREHEAD, KENTUCKY

POPULATION, 1960: Morehead - 4,170; Rowan County - 12,808

MOREHEAD LABOR SUPPLY AREA: Includes Rowan and all adjoining counties.

Estimated number of workers available for industrial jobs in the labor supply area is 5,065 men and 5,471 women. Number of workers available from Rowan County is 438 men and 534 women.

### TRANSPORTATION:

Railroads: The Chesapeake and Ohio Railroad Company, operating between Louisville and Ashland, serves Morehead.

Air: Blue Grass Field, Lexington, 70 miles, is served by Eastern, Delta and Piedmont Air Lines.

Trucks: McDuffee Motor Freight, Inc., and Pinson Transfer Co., Inc., serve Morehead.

Bus Lines: Morehead is served by Southeastern Greyhound Lines.

### HIGHWAY DISTANCES: From Morehead, Kentucky

To	Miles	To	Miles
Atlanta, Ga.	458	Louisville, Ky.	144
Chicago, Ill.	449	New York, N. Y.	691
Cincinnati, Ohio	109	Pittsburgh, Pa.	271
Detroit, Mich.	512	St. Louis, Mo.	413

### UTILITIES:

Electricity: Electricity is supplied by the Kentucky Utilities Company.

Natural Gas: Natural gas is supplied by the Morehead Utility Plant Board. The source of supply is the Tennessee Gas Transmission Company.

Water: Water is supplied Morehead by the Morehead Utility Plant Board, whose source of raw water is a 120,000,000 gallon reservoir owned by Morehead State College.

Sewerage: Morehead Utility Plant Board provides separate sanitary and storm sewers in Morehead.

## POPULATION AND LABOR

### Population

Table 1 shows the population and rates of growth in Morehead, Rowan County, and Kentucky.

Year	Morehead		Rowan County		Kentucky
	Population	% Increase	Population	% Increase	% Increase
1900	1,100		8,277	14.0	
1910	1,105	.5	9,438	.3	6.6
1920	981	- 11.2	9,467	15.1	5.5
1930	825	- 8.4	10,893	16.9	8.2
1940	1,901	130.4	12,734	- .2	8.8
1950	3,102	63.1	12,708	-23.4	3.5
1960	4,170	34.4	12,808	.8	1.9
Per cent of nonwhite population in county - 0.2					

### Labor Force 1/

Definition of Population Trend. The Morehead labor supply area is defined for purposes of this statement to include Rowan and the adjoining Kentucky counties of Bath, Carter, Elliott, Fleming, Lewis, Menifee, and Morgan. The population centers of all area counties are within 30 miles of Morehead, which makes commuting feasible from any point in the area.

According to the 1960 United States Bureau of Census, the population of this eight county area was 96,406, which was a decrease of 313 from the 1950 Census of 96,719.

Economic Characteristics of the Area. According to the 1959 Census of Agriculture, the area is economically agricultural with approximately 11,845 people employed in this industry. There were 5,852 farms in the area listed as commercial. Of this number, 2,442 farms had an income of less than \$2,500. Rowan County had 861 employed in agricultural jobs in 1959.

In June 1960, there were 2,878 manufacturing jobs in the area, with 729 of this number in Rowan County. Carter County had 1,280 persons employed in manufacturing, which was the greatest number of manufacturing jobs of any area county.

Per capita income for the state in 1957 was \$1,372, as estimated by the University of Kentucky Bureau of Business Research. Area counties ranged from \$581 in Elliott to \$1,214 in Fleming.

Estimated Labor Supply for Industrial Jobs. There are three major components of the estimated area labor supply.

1. The total currently unemployed.
2. Men who would shift from low paying jobs such as farming, and women not now in the labor force but who would enter if jobs were available.
3. The future labor supply due to the aging of the population and measured here by the number of boys and girls becoming eighteen years of age during the next ten years.

It is estimated that there are 5,065 men and 5,471 women in the Morehead area who would be available for industrial jobs. Rowan County alone could furnish 438 men and 534 women included in the above total.

Due to the dislike of commuting and other factors, not all of the labor supply would be available for jobs located at Morehead or any other one site in the area. However, it is estimated that 1,779 men and 1,420 women would be available for jobs at Morehead.

In addition to the current labor supply, 11,996 boys and 11,435 girls in the area will become eighteen years of age during the next ten years, with 1,570 boys and 1,509 girls of this number residing in Rowan County. It is likely that at least 80 per cent of the boys and 40 per cent of the girls will want jobs upon reaching working age.

Wages. Some examples of wages in the area are: clerical and secretarial - \$150 to \$250 per month; laborer - \$.75 to \$1.50 per hour; semi-skilled - \$1.00 to \$1.75 per hour; skilled - \$1.50 to \$2.25 per hour; truck driver - \$1.00 to \$1.50 per hour; and maintenance - \$.75 to \$1.50 per hour.

Labor-Management Relations. Labor-management relations in Morehead are described locally as good.

## EXISTING INDUSTRY

### Existing Firms, Products and Employment

The list of manufacturing firms on the following page indicates something of the demand for labor and products available in the immediate area of Morehead.



Table 2. Manufacturing Firms, Products and Employment

Firm	Product	Employment		
		Male	Female	Total
Birthday Calendar Co.	Commercial printing birthday calendars	4	2	6
L. G. Bishop Lumber & Supply	Lumber	10	1	11
Hobart Curtis	Rough lumber	3	0	3
Curtis Lumber	Lumber	26	0	26
East Kentucky Printing Co.	Commerical printing	1	1	2
Ellington Espy & Sons	Lumber	17	0	17
Drew Evans Tie Co.	Barrel staves, crossties, lumber	9	1	10
Greer Lumber Co.	Flooring, pallets, barrel staves, lumber	80	2	82
Homer Gregory & Co.	Lumber	18	0	18
K. & L. Supply Co., Inc.	Concrete blocks, ready- mixed concrete	8	1	9
Morehead Bottling Co.	Bottled soft drinks	4	0	4
Morehead Co.	Men's and boys' dungarees	28	168	196
Morehead Ice & Coal Co.	Ice, mounting wood	3	0	3
Albert Patton	Bottled soft drinks	4	0	4
Rodburn Lumber Co.	Lumber	4	0	4
Rowan County News	Newspaper publishing, printing	7	2	9
Rowan County Stave Co.	Finishing barrel staves	8	1	9
Shay Lumber Co.	Pallets and crates	24	0	24
Spring Grove Dairy	Homogenized milk	30	0	30
J. C. Wells & Sons	Pallets	25	0	25
R. L. Wells Lumber Co.	Lumber, pallets	16	0	16
West Lumber Co.	Pallets and crates	60	2	62
White Lumber Co.	Dressed lumber	18		18
Ray L. White & Sons	Lumber	72	2	74

#### Unionization

United Garment Workers of America is the only union represented in Morehead.

### TRANSPORTATION

#### Railroads

Morehead is served by the Lexington Division of the Chesapeake and Ohio Railroad Company operating between Lexington and Ashland. There are

two local freight and passenger trains daily. Switching service is provided with eight tracks for 75 cars. The average number of inbound carloads per month is 60, and the average number of outbound carloads is 108 per month. These consist mainly of lumber, building materials, fertilizer and feed. Railway Express service is available.

To	Arrive (days)	To	Arrive (days)
Atlanta, Ga.	2	Louisville, Ky.	1
Birmingham, Ala.	3	Los Angeles, Calif.	5
Chicago, Ill.	1	Nashville, Tenn.	2
Cincinnati, Ohio	1	New Orleans, La.	3
Cleveland, Ohio	2	New York, N. Y.	3
Detroit, Mich.	2	Pittsburgh, Pa.	2
Knoxville, Tenn.	2	St. Louis, Mo.	3

### Highways

Highways serving Morehead are U. S. Route 60 and Kentucky Routes 32 and 519. The transportation map on the following page shows the railroads, major highways, recreation areas and navigable waterways in Kentucky.

Truck Lines. Common carrier service is provided by McDuffee Motor Freight, Inc., Lebanon, Kentucky, and Pinson Transfer Co. Inc., Huntington, West Virginia.

To	Arrive (days)		To	Arrive (days)	
	TL	LTL		TL	LTL
Atlanta, Ga.	2	3	Louisville, Ky.	1	2
Birmingham, Ala.	3	3	Los Angeles, Calif.	7	7
Chicago, Ill.	2	2	Nashville, Tenn.	2	2
Cincinnati, Ohio	1	2	New Orleans, La.	5	6
Cleveland, Ohio	2	2	New York, N. Y.	3	4
Detroit, Mich.	2	2	Pittsburgh, Pa.	2	3
Knoxville, Tenn.	2	3	St. Louis, Mo.	2	3

Bus Lines. Morehead is served by Southeastern Greyhound Lines, operating between Lexington and Ashland. There are three eastbound and westbound buses each way daily.

To	Miles	To	Miles
Atlanta, Ga.	458	Lexington, Ky.	70
Birmingham, Ala.	486	Louisville, Ky.	144
Chicago, Ill.	449	Nashville, Tenn.	295

(continued)

Table 5. (continued)

To	Miles	To	Miles
Cincinnati, Ohio	109	New York, N. Y.	691
Detroit, Mich.	512	Pittsburgh, Pa.	271
Knoxville, Tenn.	274	St. Louis, Mo.	413

Airways

The nearest commercial airport is Blue Grass Field, Lexington, 70 miles. This field is served by Eastern, Delta, and Piedmont Air Lines.

There is a 1600 foot turf landing strip near Morehead that can accommodate light aircraft.

UTILITIES

Electricity

Morehead is served by Kentucky Utilities Company.

This company provides electric service in 77 Kentucky counties. The company has a generating capacity of 575,000 KW in its five generating stations which are located in Eastern, Central and Western Kentucky. The company also has major interconnections with its neighboring utilities - Louisville Gas and Electric, Ohio Power Company, Kentucky Power Company, Electric Energy, Inc., Central Illinois Public Service Company, TVA, and through Louisville Gas and Electric and Ohio Power with Ohio Valley Electric Corporation. These interconnections provide a means of interchanging substantial blocks of electric power when desired. Rates for industry will be furnished by the company's Industrial Development Department in Lexington, Kentucky.

Natural Gas

Natural gas is distributed in Morehead by the Morehead Utility Plant Board, whose source of supply is Tennessee Gas Transmission Company. Distribution is through 4 and 6 inch lines. The Btu content is 1080 per cubic foot, and the specific gravity is .60. Pressure is maintained at approximately 25 psi.

Current gas rates are:

Minimum		\$1.75		
First	2,000 cu. ft.	1.00	Next	10,000 cu. ft. \$ .60
Next	3,000 cu. ft.	.75	Next	30,000 cu. ft. .55
Next	5,000 cu. ft.	.65	Next	50,000 cu. ft. .50
Outside City - Plus 20%				

## Water

Water is supplied by the Morehead Utility Plant Board. The raw water is purchased from Morehead State College, whose reservoir has a capacity of approximately 120,000,000 gallons. Storage is provided by a 250,000 gallon elevated tank. Pumping capacity is 750 gpm and the average pumping time to meet requirements is 13 hours. Average daily use is 250,000 gallons and maximum daily use is 300,000 gallons. Mains vary in size from 4 to 8 inches, and the pressure is maintained between 75 and 100 psi.

Current monthly water rates are:

First	2,000 gallons	\$2.00
Next	2,000 gallons	.80
Next	2,000 gallons	.75
Next	2,000 gallons	.70
Next	2,000 gallons	.65
Next	25,000 gallons	.55
Next	25,000 gallons	.45
Next	240,000 gallons	.40
Next	300,000 gallons	.35
All over	300,000 gallons	.25

Outside City - Plus 20%

## FUEL

### Fuel Oil

There are ample supplies of fuel oil in Kentucky and the surrounding states to meet the needs of an industry locating in the area. Because there are so many types and grades of fuel oil, and prices change from time to time, this information is not included. Prices of carload lots of any grade of fuel oil may be obtained from the Department of Economic Development.

### Coal and Coke

Highly volatile bituminous coal is mined extensively in Eastern and Western Kentucky. Morehead is served by the Eastern Kentucky coal fields, which produced a total of 34,653,226 tons in 1959. The total Kentucky production was 64,990,298 tons for that year. 4/

High grades of coke are available from nearby sources.

Current prices of coal and coke may be obtained from the Kentucky Department of Economic Development.

## COMMUNICATIONS

### Postal Facilities

Morehead has a first class post office with 15 employees. Mail is received and dispatched three times daily. Postal receipts for 1960 were \$70,000.

### Telephone and Telegraph

The General Telephone Company of Kentucky serves 2,200 Morehead subscribers with a dial system.

Western Union has a local office.

## INDUSTRIAL SITES

Information concerning available industrial sites may be obtained from the Morehead Chamber of Commerce, or the Kentucky Department of Economic Development.

## LOCAL GOVERNMENT AND SERVICES

### Type Government

Morehead, a fourth class city, is governed by a mayor, who is elected for a four year term, and four councilmen, elected for two year terms.

### Laws Affecting Industry

Exemption to Industry. As provided by state law, Morehead may allow a five year property tax exemption to new industry. This exemption cannot be extended beyond the five year period.

Business Licenses. Business and occupational licenses are required. These range from \$10 to \$25 dollars according to the type of business.

Planning and Zoning. Morehead has a planning and zoning commission which is working in conjunction with the Planning and Zoning Division of the Kentucky Department of Economic Development. Planning projects which have been completed to date are: Zoning Ordinance, Subdivision Regulations, and Existing Land Use Analysis, Major Street Plan, and Future Land Use Plan.

## City Services

Fire Protection. The Morehead Fire Department is staffed with a chief and 19 volunteer firemen. Equipment includes: a 1953 Chevrolet, 500 gpm pumper truck with a 400 gallon booster tank, 1,200 feet of 2 1/2 inch hose, 400 feet of 1 1/2 inch hose, 200 feet of 1 inch booster hose, and a two-way radio; a 1952 Ford, 500 gpm pumper truck with a 500 gallon booster tank, 1,200 feet of 2 1/2 inch hose, 400 feet of 1 1/2 inch hose, 200 feet of 1 inch booster hose, and a two-way radio; a 1941 Chevrolet, 500 gpm pumper truck with a 250 gallon booster tank, 1,200 feet of 2 1/2 inch hose, 150 feet of 1 1/2 inch hose, and 200 feet of 1 inch booster hose. Each truck is equipped with a 15 pound CO2 extinguisher, 2 1/2 gallons of foam and a first aid kit. The Department has 1,500 feet of utility hose, a respirator, and 3 light plants.

Morehead has Classes 6 and 9 fire insurance ratings. The basic insurance rates for masonry or wooden dwellings located inside the city limits are \$.22 and \$.30, and \$.30 and \$.40, respectively. The rates for the same type dwellings located outside the city limits are \$.42 and \$.62, respectively.

Police Protection. Morehead Police Department is staffed with a chief, and six patrolmen. Motorized equipment consists of two radio-equipped patrol cars.

Garbage and Sanitation. Municipal garbage collection is made twice weekly in the business district and weekly in the residential sections. The collection fee is \$2 per month in the business district, and there is no charge in the residential sections.

Sewerage. Morehead Utility Plant Board serves Morehead with separate storm and sanitary sewers. The mains are 8, 10, 15, and 21 inches. The capacity is 1,500,000 gallons and the maximum daily flow is 600,000 gallons. The disposal plant was built to serve a population of 10,000. City sewerage rates are 95% of the monthly water bill. Monthly sewerage rates outside the city are \$8 for a business and \$4 for a residence.

## TAXES

Table 6 shows the property taxes applying in Morehead and Rowan County for 1960.

County	Property Tax Rates per \$100 of Assessed Value; Morehead and Rowan County, 1960.	
	Morehead	Rowan County
County	\$ .50	\$ .50
State	.05	.05
City	.48	
School	2.00	2.00
Total	\$3.03	\$2.55

<u>Ratio of Assessment.</u>	Morehead	33 1/3%
	Rowan County	33 1/3%
<u>Total Assessment.</u>	Morehead	\$ 8,378,926.00
	Rowan County	\$13,629,149.00
<u>City Income, 1960.</u>		\$ 156,234.68
<u>City Expenditures, 1960.</u>		\$ 165,472.63
<u>City Bonded Indebtedness.</u>		\$ 6,000.00
<u>Estimated County Budget,</u> <u>fiscal year, 1960-61.</u>		\$ 86,557.00
<u>County Bonded Indebtedness.</u>		\$ 14,000.00

#### LOCAL CONSIDERATIONS

##### Housing

A few housing units are available for rent or sale. The rental range for two and three bedroom houses is \$50 to \$100 per month. Construction cost for two and three bedroom houses is \$8,000 to \$15,000, depending on location and type of materials used.

##### Health

Hospitals. The nearest hospital is Mary Chiles Hospital, Mt. Sterling, 35 miles. Facilities available include an emergency room, X-ray equipment, laboratory, and operating rooms.

Morehead has purchased a site for the construction of a hospital and is presently seeking the aid of Hill-Burton Funds.

Public Health. The Rowan County Health Department, located in Morehead, is staffed with a clerk, a nurse, and a sanitation officer. Services provided by the department include: communicable disease control, venereal disease control, tuberculosis control, sanitation, and maternity services.

Morehead is served by five doctors, four dentists, two obstetricians, and a chiropractor.

## Education

Graded Schools. There is one elementary and one high school in Morehead. Enrollment is 436 in the grades and 654 in the high school with a student teacher ratio of 31-1 in the grades and 25-1 in the high school. A new \$600,000 high school is under construction and will be opened in the fall of 1961.

Table 7. Schools, Enrollment and Number of Teachers in Morehead and Rowan County, 1960-61. 5/

System	Enrollment	Number of Teachers
Rowan County High	654	26
Haldeman Consolidated (Elem.)	159	8
Haldeman Consolidated (Jr. High)	103	6
Morehead Elementary	436	14
Clearfield Elementary	332	12
Farmers Elementary	191	9
Elliottville Elementary	273	10
Breckinridge Training School (State)	407	23

Vocational Schools. Kentucky's vocational education program utilizes fourteen highly specialized regional schools which are partly integrated with secondary education. These special area schools prepare Kentuckians for a variety of trade and industrial occupations. Morehead is served by the Ashland Area Vocational School, Ashland, 60 miles. Courses offered include: auto mechanics, general industrial electricity, machine shop, sheet metal, welding, woodworking and carpentry.

The trade preparatory courses listed above are normally two years in length. In addition to the above, short unit courses for upgrading of employed workers are offered on a continuous basis wherever needs exist and upon request. These short unit courses are provided in all occupations of an industrial nature. New courses are constantly being added as needs arise and facilities will permit.

Colleges. Institutions of higher learning in the area include: Morehead State College, Morehead; Kentucky Christian College, Grayson, 36 miles; Ashland Center of the University of Kentucky, Ashland, 53 miles; Georgetown College, Georgetown, 82 miles; University of Kentucky, Transylvania, and College of the Bible, Lexington, 70 miles.

## Libraries

Rowan County Public Library, located in Morehead, has approximately 3,165 volumes and a circulation of 115,807. Morehead State College Library also offers library service to area residents.



### Churches

There are ten churches in Morehead representing the following denominations: Baptist, Christian, Church of God, Methodist, Catholic, Episcopal, Church of Christ, and Nazarene.

### Banks

	<u>Statement as of December 31, 1960</u>	
	<u>Assets</u>	<u>Deposits</u>
Peoples Bank of Morehead	\$4,817,636.22	\$4,487,636.22
The Citizens Bank	\$3,741,026.29	\$3,458,020.61

### Hotel and Motel Accommodations

Bruce Motel	25 units	Midland Trail Hotel	75 rooms
Gray Drive-in Motel	8 units	Morehead Camp Motel	19 units
Mabry Motel	10 units	Sky View Motel	6 units

### Newspapers, Radio and Television

Newspapers. The Rowan County News, a weekly newspaper, has a circulation of 2,486. Papers are received daily from Louisville and Lexington.

Radio. Radio reception is from WMOR, Morehead, 1,000 watts.

Television. Television reception is good from Huntington through cable service. There is a \$45 connection fee and a \$3.50 monthly charge for the use of this cable.

### Clubs and Organizations

Civic. Chamber of Commerce, Kiwanis, Lions, and Jr. Chamber of Commerce.

Fraternal. American Legion, VFW, and Masonic.

Women's. Rowan County Woman's Club, Morehead Women's Club, American Legion Auxiliary, Eastern Star, and Homemakers.

Youth. Boy Scouts, Girl Scouts, 4-H, FFA, Little League, and Babe Ruth League.

Other. Men's Club, and Rowan County Sportsman's Club.

## Recreation

Local Facilities. Local recreational facilities include: one walk-in and one drive-in theater; Little League baseball; several good fishing lakes; all types of college sports and cultural facilities at Morehead State College; a Sportsman's Club, which has tennis courts and other playground facilities.

Area Facilities. Area recreational facilities include: Carter Caves State Park, 33 miles; Greenbo Lake Park, 55 miles; Blue Licks Battle Field State Park, 55 miles; and Natural Bridge State Park, 60 miles.

## Community Improvements

Some recent improvements in Morehead include: a \$225,000 bank building; a \$35,000 Baptist Church, a \$135,000 Baptist Church, a \$50,000 First Church of God, a \$85,000 Methodist Church; a \$90,000 Masonic Lodge; a new sewerage treatment plant at a cost of \$395,000; an extension of the sewerage, water and gas systems at a cost of \$35,000; a new \$600,000 Rowan County High School building that will be opened in 1961; Morehead State College has recently completed a hall for men at a cost of \$929,197; and Lakewood apartments at a cost of \$872,796. The college has under construction a \$529,353 annex to East Men's Hall and a \$1,445,000 classroom building.

Future plans include: a new bank, a bowling alley, two two-story business buildings, and the widening of main street. Morehead State College has plans for the construction of several buildings in the next few years.

## NATURAL RESOURCES

### Agricultural Products

In 1954 there were 740 farms in Rowan County covering 79,146 acres, an average of 107.0 acres per farm. As shown in the following table, the chief crops are corn, tobacco, wheat and clo-tim hay. Livestock and livestock products also provide a major source of farm income.

Table 8. Agricultural Statistics for Rowan County Area\* and Kentucky, 1958 6/

Crops	Acres Harvested	Yield per Acre	Total Production
<u>Corn:</u>			
Rowan Co. Area (bu)	519,000	48.5	2,516,000
Kentucky (bu)	1,501,000	49.0	73,549,000
<u>Wheat:</u>			
Rowan Co. Area (bu)	3,830	23.4	89,700
Kentucky (bu)	168,000	23.5	3,948,000

(continued)

Table 8. (continued)

Crops	Acres Harvested	Yield per Acre	Total Production
<u>Soybeans:</u>			
Rowan Co. Area (bu)	500	22.0	11,000
Kentucky (bu)	155,000	24.5	3,798,000
<u>Burley Tobacco:</u>			
Rowan Co. Area (lbs)	13,970	1606.6	22,444,000
Kentucky (lbs)	199,000	1510.0	300,490,000
<u>Alfalfa Hay:</u>			
Rowan Co. Area (tons)	14,700	2.5	36,040
Kentucky (tons)	305,000	2.3	702,000
<u>Clo-Tim Hay:</u>			
Rowan Co. Area (tons)	42,500	1.4	57,990
Kentucky (tons)	515,000	1.3	721,000
<u>Lespedeza Hay:</u>			
Rowan Co. Area (tons)	19,500	1.2	23,990
Kentucky (tons)	698,000	1.3	942,000

Livestock	Number on Farms as of January 1, 1959
<u>All cattle and calves:</u>	
Rowan Co. Area	75,650
Kentucky	1,843,000
<u>Milk cows:</u>	
Rowan Co. Area	31,300
Kentucky	628,000
<u>Sheep:</u>	
Rowan Co. Area	11,100
Kentucky	604,000

\* Rowan County area includes Rowan and the surrounding counties of Lewis, Carter, Elliott, Morgan, Menifee, Bath, and Fleming.

#### Forests

There are approximately 151,000 acres of forests in Rowan County, which comprise 81 per cent of the total land area. The principal tree types are oak, hickory, beech, and pine.

Kentucky's forests are one of its largest resources. Both the amount of timber cut and the proportion used in manufacturing within the state could well be increased. The total annual net growth of Kentucky forests is substantially greater than the amount of drain. Less than one-quarter of the lumber, veneer and bolts produced (500 - 600 million board feet per year) is used in manufacturing in the state.

## Minerals

The most important minerals of Rowan County consist of clay and limestone. Other important minerals include sandstone, petroleum and natural gas. Limited amounts of sand and gravel suitable for local road construction purposes may be obtained along principal streams. Total value of mineral production in 1959 amounted to \$350,701 from limestone, fire clay and miscellaneous clay. (Minerals Yearbook, 1959)

### Clay:

The Southeastern portion of Rowan County constitutes the Southwestern extension of the Olive Hill fire clay district. This district has been an outstanding fire clay region. The clay occurs at the contact of the Pottsville (Pennsylvanian) and the underlying Mississippian rocks. Deposits are lenticular and are not consistently present over the entire region. Three grades of refractory clays have been recognized and consist of (1) flint, (2) semi-flint, and (3) minor amounts of plastic clay. Results of an analysis of a high-grade fire clay deposit West of Elliottsville shows normal shrinkage deformation temperatures at about 3,225°F. (cone 34-35) which gives it super duty rating in refractories. Other miscellaneous clay and shale suitable for the manufacture of common brick and tile occur locally. In 1959, eight mines produced a total of 134,199 tons of fire and miscellaneous clay.

### Limestone:

A belt of Mississippian limestone outcrops in the Southeastern portion of the County. This system contains zones of high-calcium limestone which has many chemical uses. One quarry near Clearfield exhibits a foot face of high purity stone from the Paint Creek formation which averages 98.6 CaCO<sub>3</sub> and shows only a trace of MgCO<sub>3</sub>. In 1959, one quarry crushed limestone for fluxing stone, concrete, roads and agricultural lime.

### Sandstone:

Sandstone has been quarried to some extent in the past for building and construction purposes but it is not currently important. This stone occurs in the Cuyahoga formation of the Waverly (Lower Mississippian) and exhibits a fine and evenbedded texture. These properties have given rise to the popular "bluestone" or "freestone" as it is commonly known.

### Petroleum and Natural Gas:

Oil has been produced commercially from the Ragland oil pool along the Rowan and Bath County line. The oil is low gravity and occurs at very shallow depths from the "Corniferous" formation. In the vicinity of Morehead and Northwestward, several shallow wells have produced gas from the "Corniferous" formation.

In 1959 Kentucky ranked 10th in the nation in the value of minerals produced. Total production was valued at \$416,391,000 and the principal minerals in order of value were coal, petroleum, stone, and natural gas. Among the States, Kentucky ranked second in ball clay and fluorspar production and third in bituminous coal output.

Mineral	Unit	Quantity
Barite	Short tons	26,598
Clays	Short tons	984,000
Coal	Short tons	62,810,000
Fluorspar	Short tons	18,579
Gem stones	---	--- (1)
Lead (recoverable content of ores, etc.)	Short tons	409
Natural gas	Million cubic feet	72,400
Natural-gas liquids:		
Natural gasoline	Thousand gallons	35,868
LP-gases	Thousand gallons	213,171
Petroleum (crude)	Thousand 42-gal. bbls.	26,343 (2)
Sand and gravel	Short tons	5,081,000
Silver (recoverable content of ores, etc.)	Troy ounces	75
Stone	Short tons	16,063,000
Zinc (recoverable content of ores, etc.)	Short tons	673

(1) Quantity not canvassed.

(2) Preliminary figures.

### Water

#### Surface Water:

Rowan County is drained principally by Triplett Creek which flows into the Licking River along the southern boundary. The average stream discharges (USGS) of Triplett Creek at Morehead and Licking River at Farmers are 72.4 cfs (13 years record) and 1,033 cfs (16 years record) respectively. Other available sources of water supplies come from impounded small streams.

## Ground Water:

The occurrence of ground water is from rocks of the Mississippian and Pennsylvanian systems. This is summarized in Hydrologic Investigations Atlas HA-10 (USGS) as follows:

### Mississippian System:

#### 1. Osage Group:

"Shale generally does not yield enough water for domestic use. Where thick limestone or sandstone crops out, it yields enough water for domestic use to about half the drilled wells. A few wells yield as much as 50 gpm from limestone. Numerous springs issue from these rocks, especially from limestone beds underlain by shale. Most springs discharge only a few gallons per minute, but at least one discharges more than 20 gpm."

#### 2. Meramec and Chester Groups, undifferentiated:

"The Meramec and Chester groups are along the escarpment, marking the Western boundary of the Eastern Coal Field. Where limestone and sandstone crop out in valleys, they generally yield enough water for domestic use. Many springs flow from these rocks. A few of these yield as much as 100 gpm during periods of high flow."

### Pennsylvanian System:

#### 1. Eastern Coal Field:

"Where sandstone, siltstone, or conglomerate crops out in broad uplands or in valleys, it yields enough water for domestic use to most drilled wells. A number of wells yield more than 50 gpm for public and industrial supplies. Some water is obtained from limestone and coal beds. Little water is available from shale. Sandstone and conglomerate yield water to numerous springs and seeps, but most of the springs are small and go dry in late summer."

Because of local variations, the above conditions may not apply to any given locality but should serve only as a guide to the general ground water conditions in these systems.

## MARKETS

Retail sales in Rowan County were \$8,581,000 in 1958. <sup>8/</sup> Per capita income in Rowan County was \$1,121 in 1957. <sup>9/</sup>

Kentucky and the seven adjoining states make up one-fourth of the national market. In 1957, the population was 39,901,000, or 23.4% of the United States; personal income was \$80,029,000,000, or 23.2% of the United States; and value added by manufacturing was \$40,684,782,000, or 28.2% of the United States. In 1958, retail sales in this area totaled \$44,817,920,000, or 22.3% of the United States. <sup>10/</sup>

## CLIMATE

The average annual precipitation in Kentucky ranges from 38-40 inches in the Northern part of the state to 50 inches or more in the Southcentral part. Late summer is normally the driest part of the year.

Winter is usually relatively open with midwinter days averaging 32 degrees in the Northern parts, to 40 degrees in the Southern for about six weeks' duration. Midsummer days average 74 degrees in the cooler uplands, to 79 degrees in the lowland and Southern areas. The growing season varies from 180 days in the North to 210 in the South. Seasonal heating degree days average about 4,500 for the state. Sunshine prevails for an average of at least 52 per cent of the year, and increases to 60 per cent or more to the Southwest.

Kentucky's climate is temperate. The climatic elements of sunlight, heat, moisture, and winds are all in moderation without prolonged extremes. Rainfall is abundant and fairly regular throughout the year. Warm to cool weather prevails with only short periods of extreme heat and cold.

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## APPENDIX

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## HISTORY

Morehead, the county seat of Rowan County, Kentucky, was laid out in 1856 and incorporated January 26, 1869. It was named in honor of Governor James T. Morehead, the 12th Governor of Kentucky. The town lies in the valley of Triplett's Creek, with surrounding mountain ridges reaching an elevation of 1,000 feet above sea level. The altitude of Morehead is 712 feet.

Rowan County, the 104th county of the state in order of formation, was established in 1856 out of parts of Fleming and Morgan Counties, and named in honor of Judge John Rowan, an able jurist and statesman and one of the most distinguished men in the Western Country. He served as a member of the Kentucky Legislature, as its Secretary of State, Chief Justice of the Court of Appeals, Congressman, and U.S. Senator.

The county contains 174,000 acres. It is located in northeastern Kentucky, and is the northernmost county in the Cumberland National Forest. The Licking River forms most of its southern and southwestern boundary lines. The surface of the county is generally hilly.

## Appendix B

Covered Employment by Major Industry Division Rowan County, Kentucky				
Industry, September, 1960	Rowan County		Kentucky	
	Number	Per cent	Number	Per cent
All Industries	1,379	100.0	456,188	100.0
Mining & Quarrying	17	1.2	33,672	7.3
Contract Construction	79	5.7	37,503	8.2
Manufacturing	708	51.3	172,028	37.7
Food and kindred products	7	.5	26,979	5.9
Tobacco	0	---	10,603	2.3
Clothing, tex. & leather	192	13.9	26,586	5.8
Lumber & furniture	332	24.0	14,995	3.2
Printing, pub. and paper	13	.9	10,302	2.2
Chemicals, petroleum, coal & rubber	20	1.4	13,632	2.9
Stone, clay & glass	144	10.4	6,222	1.3
Primary metals	0	---	9,120	1.9
Machinery, metal & equip.	0	---	51,219	11.2
Other	0	---	2,368	.5
Transportation, Communication & Utilities	112	8.1	33,704	7.3
Wholesale & Retail Trade	344	24.9	120,282	26.3
Finance, Ins. & Real Estate	39	2.8	20,138	4.4
Services	80	5.8	36,976	8.1
Other	0	---	1,885	.4

## Appendix C

## Economic Characteristics of the Population for Rowan County and Kentucky:1950

Subject	Rowan County		Kentucky	
	Male	Female	Male	Female
Total Population	6,462	6,246	1,474,987	1,469,819
EMPLOYMENT STATUS				
Persons 14 years old & over	4,311	4,192	1,039,654	1,048,459
Labor force	2,948	656	799,094	214,162
Civilian labor force	2,945	655	777,155	213,916
Employed	2,840	646	748,658	206,328
Private wage & salary	1,214	382	437,752	156,377
Government workers	227	176	45,354	28,787
Self-employed	1,171	73	235,407	15,104
Unpaid family workers	228	15	30,145	6,060
Unemployed	105	9	28,497	7,588
Experienced workers	105	9	28,082	7,281
New workers	---	---	415	307
Not in labor force	1,363	3,536	240,560	834,297
Keeping house	34	2,680	5,495	665,564
Unable to work	351	179	70,583	38,564
Inmates of institutions	10	---	14,764	7,223
Other and not reported	968	667	149,718	122,946
14 to 19 years old	454	454	84,410	85,890
20 to 64 years old	481	207	47,447	28,952
65 and over	33	16	17,861	8,104
MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS				
All Employed	2,840	646	748,658	206,328
Professional & technical	144	121	34,405	25,410
Farmers & farm mgrs.	812	2	169,728	2,264
Mgrs., officials & props.	216	43	57,432	9,706
Clerical & kindred wkrs.	68	96	33,228	47,520
Sales workers	116	74	35,141	20,534
Craftsmen and foremen	291	7	107,292	3,096
Operatives & kindred wkrs.	466	142	152,280	37,609
Private household wkrs.	---	39	1,584	21,408
Service workers	51	92	30,522	28,000
Farm laborers, unpaid fam.	222	9	29,165	3,260
Farm laborers, other	74	1	38,358	788
Laborers, ex. farm & mine	323	4	49,848	1,843
Occupation not reported	57	16	9,675	4,890

Source: Bureau of the Census, 1950 Census of Population (Washington, 1952), Volume II, Part 17, Tables 25, 28, and 43.

CLIMATIC DATA FOR MOREHEAD, ROWAN COUNTY, KENTUCKY

Month	Temperature Norm <u>1/</u>	Total Prec. Norm <u>1/</u>	Average Relative Humidity Readings <u>2/</u>	
	Degrees Fahrenheit	Inches	6:30 AM	6:30 PM (CST)
January	35.1	4.31	83	73
February	36.8	3.09	82	68
March	45.4	4.57	80	65
April	54.4	3.92	75	60
May	63.7	4.11	76	64
June	71.8	4.39	78	66
July	75.3	4.74	78	67
August	74.0	4.46	81	67
September	68.3	2.80	81	65
October	66.0	2.91	79	62
November	45.0	3.00	80	68
December	36.5	3.74	84	70
Annual Norm	55.2	46.04		

1/ Station Location: Farmers, Rowan County, Kentucky

2/ Station Location: Lexington, Kentucky

Length of record - 6:30 AM readings - 51 years; 6:30 PM readings - 16 years

Days cloudy or clear: 129 days clear, 106 days partly cloudy, 130 days cloudy.

Per cent of possible sunshine: (34 years of record) annual 52 per cent.

Days with precipitation over 0.01 inch: (66 years of record) 133 days.

Days with 1.0 or more snow, sleet, hail: (62 years of record) 6 days.

Days with thunderstorms: (62 years of record) 44 days.

Days with heavy fog: (44 years of record) 11 days.

Prevailing wind: (62 years of record) southwest.

Seasonal heating degree days: (49 years of record) Approximate long-term means - 4,763 degree days.

KENTUCKY CORPORATION TAXESCorporation 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 rate is 5% on the first \$25,000 of taxable net income and 7% on all over \$25,000 taxable net income. Taxable net

income is that portion of the corporation's entire net income which is attributable to Kentucky operations. Federal income taxes are allowed as a deduction in arriving at taxable net income to the extent that such Federal income tax is applicable to Kentucky operations.

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.

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 corporation 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 their 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. Classification is provided and assessments are required to be at fair cash value. However, Kentucky courts have consistently held that uniformity takes precedence over full value. As of 1955, the statewide assessment level on real estate and tangible personalty is about 35 per cent, and on intangible personalty is approximately full value.

State ad valorem tax rates, applicable to the various classes of property are shown on the table below. Property which may be taxed locally, subject to constitutional or statutory limits, is indicated by the designation "full" or by the maximum rate which may be levied on a particular class of property.

	Rate Per \$100 Assessed Value			
	State	County	City	School
Annuities	\$ .05	\$No	\$No	\$ No
Bank deposits	.10	No	No	No
Bank shares	.50	.20	.20	.40
Brokers accounts receivable	.10	No	No	No
Building and loan association capital stock	.10	No	No	No
Car lines	1.50	No	No	No
Distilled spirits	.50	Full <u>1/</u>	Full	Full
Farm products in storage	.05	.05 (tobacco) .15 (other)	.05 (tobacco) .15 (other)	No
Farm products in the hands of producers or agent	.25	No	No	No
Intangibles, franchise	.50	Full	Full	Full
Intangibles, franchise nonoperating	.25	No	No	No
Intangibles, not elsewhere specified	.25	No	No	No
Livestock and poultry	.50	No	No	No
Machinery, agricultural and manufacturing	.50	No	No	No
Raw materials and products in course of manufacture	.50	No	No	No
Real property	.05	Full	Full	Full
Tangible personalty, not elsewhere specified <u>2/</u>	.50	Full	Full	Full

1/ County rates have a maximum of 70¢ but average 62¢; school rates average \$1.56 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.

2/ Includes automobiles and trucks, merchants inventories and manufacturers finished goods, business furniture and fixtures, etc.



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.

MAJOR KENTUCKY STATE AND LOCAL TAXES  
APPLICABLE TO A MANUFACTURING CONCERN

	<u>State</u>	<u>Local</u>									
Business Taxes	<p>1. Corporation income tax of 5% on first \$25,000 and 7% on all over \$25,000 of taxable net income which is allocated to Kentucky, <u>after</u> deduction of Federal corporation income tax attributable to Kentucky operations.</p> <p>2. Corporation license tax of 70 cents on each \$1,000 of that part of the value of capitol stock represented by property owned or business transacted in Kentucky; minimum tax \$10.</p>	There are no local taxes levied on business firms outside corporate limits of Kentucky cities.									
Personal & Individual	Individual income tax consisting of: (1) a normal tax which ranges from 2% on the first \$3,000 of net income to 6% on net income in excess of \$8,000 <u>after</u> the deduction of Federal individual income tax payments, which is reduced by a tax credit of \$20 for each exemption. (Effective January 1, 1961, individual income taxes were reduced by an average of 40%.)	There are no local individual income taxes levied outside the corporate limits of Kentucky cities.									
Real Estate	Five cents on each \$100 of assessed valuation. The average county assessment ratio is approximately 33 per cent of current market value.	Local rates vary within limits imposed by law.									
Machinery & Equipment	Fifty cents on each \$100 of assessed valuation. The average assessment ratio is approximately 33 per cent of current market value.	No local taxing jurisdiction allowed to impose a property tax on manufacturing machinery and equipment.									
Inventory	Fifty cents on each \$100 of assessed valuation. The average assessment ratio is approximately 33 per cent of current market value.	No local taxing jurisdiction is allowed to impose a property tax on manufacturing inventories, raw materials and goods in process.									
Sales & Use	Three per cent retail sales and use tax with broad exemptions for industry.	None									
Intangible Property	The assessment ratios and tax rates per \$100 of assessed value for the various classes of intangible property are as follow: <table border="0" style="margin-left: 20px;"> <tr> <td>Bank Deposits</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">1/10 of 1¢</td> </tr> <tr> <td>Stocks &amp; Bonds</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">25¢ per \$100</td> </tr> <tr> <td>Accounts Receivable</td> <td style="text-align: center;">85%</td> <td style="text-align: center;">25¢ per \$100</td> </tr> </table>	Bank Deposits	100%	1/10 of 1¢	Stocks & Bonds	100%	25¢ per \$100	Accounts Receivable	85%	25¢ per \$100	No local taxing jurisdiction allowed to impose a property tax on intangible property.
Bank Deposits	100%	1/10 of 1¢									
Stocks & Bonds	100%	25¢ per \$100									
Accounts Receivable	85%	25¢ per \$100									

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.

COMMONWEALTH OF KENTUCKY  
DEPARTMENT OF STATE

Secretary of State, Frankfort, Kentucky

INSTRUCTIONS FOR FILING ARTICLES  
OF  
INCORPORATION FOR FOREIGN CORPORATIONS  
IN KENTUCKY

1. Original articles of incorporation and all existing and subsequent amendments to original articles must be filed with the Secretary of State of Kentucky, certified by the Secretary of State of the state of incorporation, as of the current date, in chronological order. A \$25.00 filing fee for original articles and amendments is required. A fee of \$10.00 is required for recording articles and amendments.
2. A statement of corporation designating a process agent and place of business in Kentucky is required, for which the filing fee is \$5.00. Our Constitution requires that the process agent reside at the place of business.
3. Photostatic copies will be accepted for filing and recording, if they are PLAINLY LEGIBLE and in proper legal form with respect to size, durability, etc., and of such size and quality as to permit them to be rephotostated.

For further information write to

Henry H. Carter,  
Secretary of State,  
Commonwealth of Kentucky.

## COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Department of Economic Development, 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. Since it is a statutory function of the Department of Economic Development "to coordinate development plans," contact with the following state agencies and others concerned may be established through this agency.

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 1959, 2,645 miles of highway and bridges were placed under contract at a total cost of \$62,905,575. Kentucky has ranked in the upper fourth of all states in recent years in both the number of miles of highway construction and in the amount of money spent.

The Department of Economic Security will furnish data regarding potential labor supply, prevailing wage rates, characteristics of labor supply and employment and economic characteristics for any area in the State. The Department's Division of Employment Service with offices in 24 cities in the State is available at all times to assist in recruitment of workers for industry both old and new. All local offices in the State are equipped to administer specific aptitude tests for 270 different occupations as a part of the recruitment process. These tests facilitate getting the "round peg" into the "round hole" thereby helping to reduce worker turnover and training time.

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.

The Kentucky Department of Economic Development 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. 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 our present family of industries.