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Industrial Resources: Grayson County - Leitchfield

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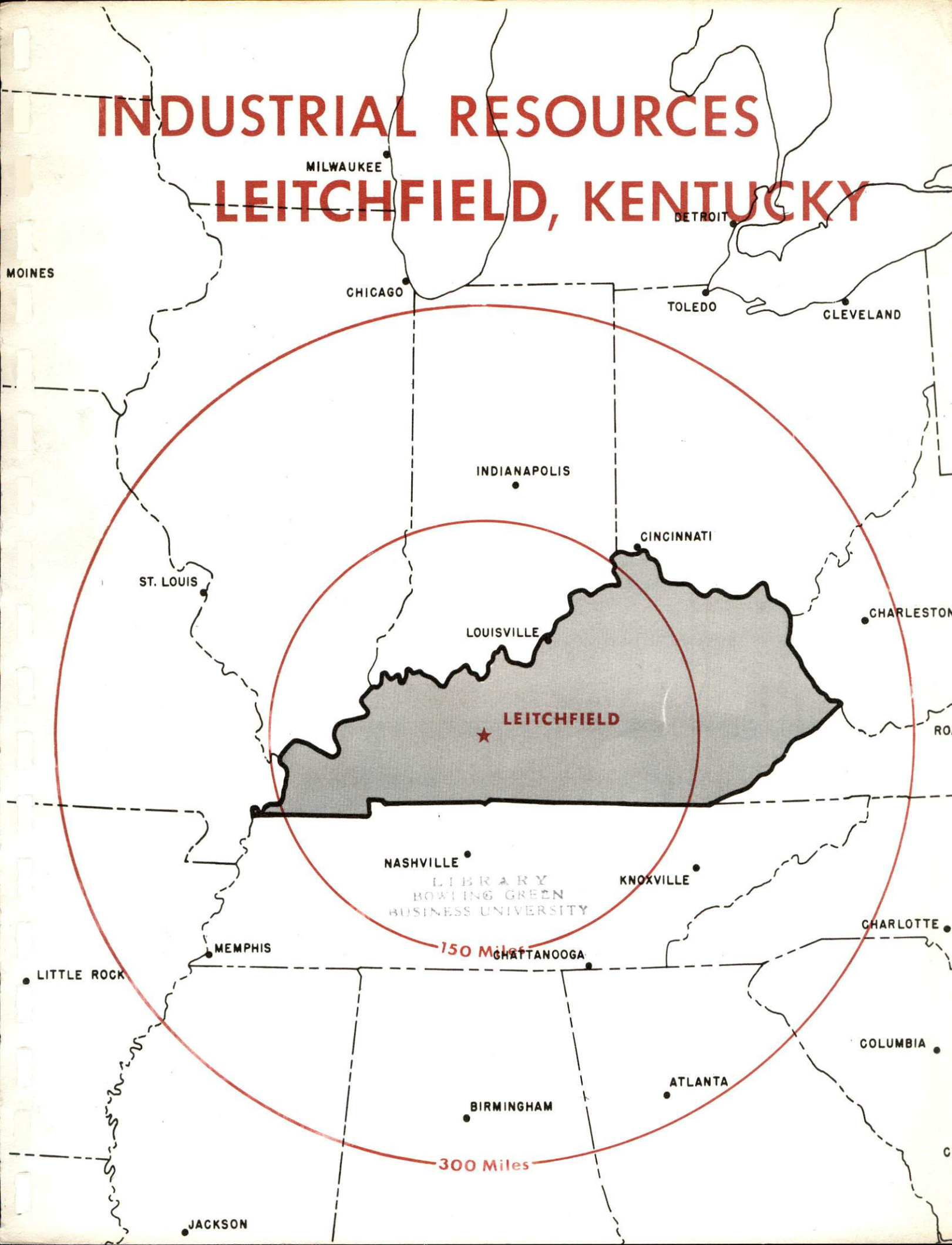
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INDUSTRIAL RESOURCES LEITCHFIELD, KENTUCKY



INDUSTRIAL RESOURCES
LEITCHFIELD, KENTUCKY

22718

Prepared by
The Leitchfield Chamber of Commerce
and
The Kentucky Department of Commerce
Frankfort, Kentucky

July, 1962

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INDUSTRIAL RESOURCES
LEITCHFIELD, KENTUCKY

TABLE OF CONTENTS

<u>Chapter</u>	<u>Page</u>
SUMMARY DATA	1 - 2
GENERAL CHARACTERISTICS.....	3
POPULATION AND LABOR MARKET.....	4 - 5
Population Growth.....	4
Labor Market.....	4
Definition.....	4
Economic Characteristics of the Area.....	5
Estimated Labor Supply for Industrial Jobs.....	5
LOCAL MANUFACTURING	6
Existing Firms, Products and Employment	6
Union.....	6
Prevailing Wage Rates.....	6
TRANSPORTATION.....	7 - 9
Railroads.....	7
Highways.....	7
Truck Lines.....	8
Bus Lines.....	9
Air.....	9
UTILITIES AND FUEL	10 - 12
Electricity.....	10
Natural Gas	11
Fuel Oil.....	11
Coal and Coke	12
Water.....	12
Sewerage.....	12
INDUSTRIAL SITES.....	13

<u>Chapter</u>	<u>Page</u>
LOCAL GOVERNMENT AND SERVICES	14
Type Government	14
Laws Affecting Industry	14
Exemption to Industry	14
Business Licenses	14
Planning and Zoning	14
Fire Protection	14
Police Protection	14
Garbage and Sanitation	14
TAXES	15
Local Financial Statement	15
LOCAL CONSIDERATIONS	16 - 21
Housing	16
Health	16
Hospitals	16
Public Health Service	16
Education	17
Graded Schools	17
Vocational Schools	17
Colleges	18
Libraries	18
Churches	18
Financial Institutions	18
Hotels and Motels	19
Communication	19
Telephone and Telegraph	19
Postal Facilities	19
Newspapers	19
Radio	19
Television	19
Clubs and Organizations	19
Recreation	20
Community Improvements	21
Recent	21
Planned	21
NATURAL RESOURCES	22 - 26
Agricultural Products	22
Forests	23
Minerals	23
Water	26

<u>Chapter</u>	<u>Page</u>
MARKETS	27
CLIMATE	28
APPENDIX	
A. History	
B. Employment by Industry Division	
C. Economic Characteristics of the Population	
D. Climatic Data	
E. Kentucky Corporation Taxes	
E. - 1 Taxes Applicable to a Manufacturing Concern	
F. City Bond Issues for Industrial Buildings	
G. Instructions for Filing Articles of Incorporation	
H. Cooperating State Agencies	

SUMMARY DATA

POPULATION:

1960: Leitchfield - 2,982

Grayson County - 15,834

LEITCHFIELD LABOR SUPPLY AREA:

Includes Grayson and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area: 9,599 men and 8,309 women. Number of workers available from Grayson County: 1,755 men and 1,336 women.

TRANSPORTATION:

Railroads: Leitchfield is served by the Kentucky Division of the Illinois Central Railroad, operating between Louisville and Fulton.

Air: The nearest commercial airports are Bowling Green-Warren County Airport, 55 miles distant, and Owensboro-Daviess County Airport, 60 miles distant. Both airports are served by Eastern Air Lines; the Owensboro-Daviess County Airport is also served by the Ozark Air Lines.

Trucks: Common carrier truck service is provided by five trucking firms with a terminal located in Leitchfield. Both intrastate and interstate service are available.

Bus Lines: Bus service is provided by Kentucky Bus Lines, operating between Louisville and Paducah, and Fuqua Bus Lines, operating between Leitchfield and Bowling Green.

HIGHWAY DISTANCES FROM LEITCHFIELD, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	336	Memphis, Tenn.	334
Chicago, Ill.	371	New Orleans, La.	673
Cincinnati, Ohio	183	New York, N. Y.	837
Detroit, Mich.	439	St. Louis, Mo.	264
Los Angeles, Calif.	2,208	Washington, D. C.	692

Electricity

Leitchfield is supplied power by the Kentucky Utilities Company. The rural areas of the county are served by the Warren County RECC.

Natural Gas

Natural gas is distributed by the municipally owned Leitchfield Gas Company, whose source of supply is from local wells. The btu content is 880.

Water

Water is supplied by the Leitchfield Water and Sewer Company, whose source is a 30-acre reservoir and 4 wells. Total storage capacity of filtered water is 75,000 gallons. A surplus of approximately 250,000 gallons is available on days of peak demand.

Sewerage

Sewage disposal is by means of a modern sewage disposal plant, with a capacity of 720,000 gallons per day. Approximately 98% of Leitchfield is served by sanitary sewers.

GENERAL CHARACTERISTICS

Grayson County, covering an area of 537.4 square miles, is located in west central Kentucky. It is drained by Rough River, Nolin River and Bear Creek, the latter two being tributaries of Green River. Leitchfield, the county seat, with an elevation of 752 feet, is exceeded by uplands to the east, attaining an elevation of 950 feet. Minimum elevations are found at the Ohio County line on Rough River.

POPULATION AND LABOR MARKET

Population Growth

Table 1 shows population and recent rates of growth in Leitchfield and Grayson County, Kentucky.

Table 1

Population Growth in Leitchfield and Grayson County, Kentucky
1900-1960

<u>Year</u>	<u>Leitchfield</u>		<u>Grayson County</u>		<u>Kentucky</u>
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>	<u>% Change</u>
1900			19,878		15.5
1910	1,053		19,958	.4	6.6
1920	1,077	2.3	19,927	- .2	5.5
1930	950	-11.8	17,055	-14.4	8.2
1940	1,146	20.6	17,562	3.0	8.8
1950	1,312	14.5	17,063	- 2.8	3.5
1960	2,982	127.2	15,834	- 7.2	3.2

Percent of nonwhite population in city and county: 0.5

Labor Market*

Definition:

The Leitchfield labor supply area is defined for purposes of this statement to include Grayson, Breckinridge, Hardin, Hart, Edmonson, Butler and Ohio Counties. The population centers of all area counties are within 30 miles of Leitchfield, making commuting feasible from any point in the area.

According to the 1960 United States Bureau of Census, the population of this 5-county area was 146,999, which was an increase of 7,250 from the 1950 census of 139,749.

*Department of Economic Security Labor Supply Statement

Economic Characteristics of the Area:

According to the 1959 Census of Agriculture, the area is economically agricultural with approximately 14,888 people employed in this industry. There were 7,017 farms in the area listed as commercial. Of this number, 2,525 area farms and 505 Grayson County farms had an income of less than \$2,500. Grayson County had 2,481 employed in agricultural jobs in 1959.

In September, 1961, there were 2,048 manufacturing jobs in the area, with 121 of this number in Grayson County.

Per capita income for the state in 1957 was \$1,372, estimated by the University of Kentucky Bureau of Business Research. Area counties ranged from \$538 in Butler to \$1,080 in Hart.

Estimated Labor Supply for Industrial Jobs:

There are three major components of the estimated area labor supply:

1. The current unemployed, measured here by unemployment insurance claimants.
2. Men who would shift from low paying jobs such as farming and women who would enter the labor force if jobs were available.
3. The future labor supply due to aging of the population and measured here by the number of boys and girls becoming 18 years of age during the next ten years.

It is estimated that there are 9,599 men and 8,309 women in the Leitchfield area who would be available for industrial jobs. Grayson County alone could furnish 1,755 men and 1,336 women included in the above total.

In addition to the current labor supply, 15,147 boys and 14,469 girls in the area will become 18 years of age during the next 10 years, with 2,038 boys and 1,901 girls of this number residing in Grayson County. It is likely that at least 80% of the boys and 40% of the girls will want jobs upon reaching working age.

LOCAL MANUFACTURING

Existing Firms, Products and Employment

The following table shows existing firms and products manufactured in Leitchfield and Grayson County.

Table 2

Manufacturing Firms, Products and Employment

<u>Firm</u>	<u>Product</u>	<u>Employment</u>		
		<u>Male</u>	<u>Female</u>	<u>Total</u>
Avalon Cheese Co.	Cheese	17	2	19
Grayson County News	Newspaper publishing	2	2	4
G. M. Haycraft & Son	Livestock & poultry feeds	6	1	7
House & Penner	Lumber	5	0	5
John S. Hughs & Son	Lumber milling	15	0	15
Kane Mfg. Co.	Men's clothing	5	75	80
Leitchfield Coca-Cola Bottling Company	Carbonated beverages	6	0	6
Leitchfield Concrete Products	Concrete products	18	2	20
Leitchfield Gazette	Newspaper publishing	4	1	5
Leitchfield Mfg. Company	Men's dress pants	10	250	260
Southern States Cooperative	Feeds & seeds	7	1	8
Walter T. Kelley Company	Beehives & honey extractions	8	11	19
Woosley's Monuments	Monuments	2	0	2

Unions

No unions are represented in the Leitchfield area.

Prevailing Wage Rates

Some examples of wages in the area are:

<u>Classification</u>	<u>Rates per hour</u>
Unskilled	\$1.25
Semi-skilled	1.25 - \$1.50
Skilled	1.50 - 2.00

TRANSPORTATION

Railroads

Leitchfield is served by the Kentucky Division of the Illinois Central Railroad, operating between Louisville and Fulton. There are two local freights six days per week, and two through freights each way daily. Switching service is available twice daily with siding to accommodate 15 cars. Store-door pickup and delivery service is offered five days per week by Railway Express. Both inbound and outbound carloads average approximately 32 per month. Passenger service is not available.

Leitchfield is also served by the Illinois Central's Over-The-Road Truck Transport, operating between Louisville and Beaver Dam, Monday through Friday.

Table 3

Railway Transit Time from Leitchfield, Kentucky To:*

<u>Town</u>	<u>No. of Hrs.</u>		<u>Town</u>	<u>No. of Hrs.</u>	
	<u>CL</u>	<u>LCL</u>		<u>CL</u>	<u>LCL</u>
Atlanta, Ga.	47 1/2	96	Louisville, Ky.	4	24
Birmingham, Ala.	28	96	Los Angeles, Calif.	105	216
Chicago, Ill.	39 1/2	144	Nashville, Tenn.	41	72
Cincinnati, Ohio	17 1/2	72	New Orleans, La.	84 1/2	144
Cleveland, Ohio	56 1/2	96	New York, N. Y.	96	144
Detroit, Mich.	109	120	Pittsburgh, Pa.	66 1/2	96
Knoxville, Tenn.	49	96	St. Louis, Mo.	44 1/2	96

Highways

Highways presently serving Leitchfield are U. S. Highway 62 and State Routes 54 and 259. The new Western Kentucky Toll Road, now under construction from Elizabethtown to Princeton, will maintain a tollgate within one-half mile of the city.

* Illinois Central Railroad

Table 4

Highway Distances from Leitchfield, Kentucky, To:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	366	Lexington, Ky.	124
Birmingham, Ala.	317	Louisville, Ky.	73
Chicago, Ill.	371	Nashville, Tenn.	112
Cincinnati, Ohio	183	New York, N. Y.	837
Detroit, Mich.	439	Pittsburgh, Pa.	472
Knoxville, Tenn.	262	St. Louis, Mo.	264

Truck Lines: Common carrier truck service is provided by Leitchfield Transfer, Denver Chicago Trucking Company, Inc., McDuffee Motor Freight, Inc., Hayes Freight Lines and E. L. Transport. Leitchfield Transfer, with a terminal located in the city, offers daily runs to Louisville.

Table 5

Truck Transit Time from Leitchfield, Kentucky, To:*

<u>Town</u>	<u>No. of Days</u>		<u>Town</u>	<u>No. of Days</u>	
	<u>TL</u>	<u>LTL</u>		<u>TL</u>	<u>LTL</u>
Atlanta, Ga.	3	2	Louisville, Ky.	1	1
Birmingham, Ala.	3	2	Los Angeles, Calif.	6	4
Chicago, Ill.	3	2	Nashville, Tenn.	2	1
Cincinnati, Ohio	2	2	New Orleans, La.	3	2
Cleveland, Ohio	3	2	New York, N. Y.	4	3
Detroit, Mich.	3	2	Pittsburgh, Pa.	4	3
Knoxville, Tenn.	3	2	St. Louis, Mo.	2	1

*Leitchfield Transfer, Leitchfield, Kentucky

Bus Lines: The Kentucky Bus Lines, Louisville, Kentucky, with two trips daily between Paducah and Louisville, and the Fuqua Bus Lines, Owensboro, Kentucky, with two trips daily between Leitchfield and Bowling Green, serve Leitchfield.

Air

The nearest commercial airport is the Bowling Green-Warren County Airport, located 55 miles south of Leitchfield. Eastern Air Lines serves the airport with four flights daily, making connections to all major cities in the United States. The Owensboro-Daviess County Airport, 60 miles northwest, is served by Eastern Air Lines with four daily east-west flights, and Ozark Airlines with four daily north-south flights.

The newly constructed Rough River Airport, located 29 miles northwest of Leitchfield, has a 3,000 ft. paved runway. This airstrip can accommodate light aircraft.

UTILITIES AND FUEL

Electricity

Leitchfield is supplied power by the Kentucky Utilities Company, operating from voltage feeder lines of 59,000 KW. Grayson County is supplied electricity by the Warren County RECC.

The Kentucky Utilities 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.

The Warren Rural Electric Cooperative Corporation provides electric service in the following eight counties of central Kentucky: Warren, Simpson, Logan, Butler, Ohio, Grayson, Edmonson, and Barren counties. All power is purchased from the Tennessee Valley Authority and distributed throughout the corporation's service area at TVA basic retail rates. The TVA Paradise Steam Plant of 1,300,000 KW capacity is scheduled for completion in 1962 and is located adjacent to the corporation's service area which makes available an abundance of firm power for the area.

Rates applicable in Grayson County:

If the customer's demand for the month is less than 50 kilowatts:

Demand Charge: First 10 kilowatts of demand per month, no demand charge excess over 10 kilowatts of demand per month, at \$1.00 per kilowatt.

Energy Charge:

First	150 kwh per month at 3.0¢ per kwh
Next	350 kwh per month at 1.5¢ per kwh
Next	1,250 kwh per month at 1.0¢ per kwh
Next	13,250 kwh per month at 0.8¢ per kwh
Additional energy.....	0.6¢ per kwh

If the customer's demand for the month is at least 50 kilowatts, but not more than 5,000 kilowatts, and if the customer's contract demand is 5,000 kilowatts or less:

Demand Charge: \$1.00 per month per kilowatt of demand

Energy Charge:

First	15,000 kwh per month at 0.8¢ per kwh
Next	25,000 kwh per month at 0.6¢ per kwh
Next	60,000 kwh per month at 0.4¢ per kwh
Next	400,000 kwh per month at 0.3¢ per kwh
Additional energy.....	0.275¢ per kwh

Natural Gas

Leitchfield is served by the Leitchfield Gas Company. In 1961 there were 906 metered customers. The source of supply is from locally owned wells, 12 miles distant. The city maintains two 4-inch transmission lines from the gas field. Distribution lines range in size from 2 to 6 inches and pressure is maintained at 25 psi. The gas has a btu content of 880.

Rates are:

First	1,000 cu. ft.	\$1.50 per M
Next	1,000 cu. ft.	1.00 per M
Next	3,000 cu. ft.	.75 per M
Next	5,000 cu. ft.	.65 per M
Next	40,000 cu. ft.	.60 per M
Next	50,000-100,000 cu. ft.	.50 per M
All over	100,000 cu. ft.	.40 per M

If consumption is as much as 100,000 cu. ft., a \$.40 per M will apply to all over 50,000 cu. ft.

Fuel Oil

Kentucky has four refineries located in Catlettsburg, Louisville, Somerset and Covington. Kentucky's fuel supply is supplemented by West Virginia and Ohio operations.

Delivered prices of the various grades may be obtained from the Kentucky Department of Commerce.

Coal and Coke

Coal is supplied by the Western Kentucky Coal Field which consists of 127 mines located in 12 counties, with Hopkins and Muhlenberg being the leading coal producing counties in that field. The 1960 average production was 241,000 tons per mine, and a combined total of 30,587,000 tons. Underground mines produced 42 percent, and strip mines 58 percent of the total output. The average value per ton was \$3.49 in 1960, F. O. B. mine. Shipments were 95 percent by rail and water and 5 percent by truck. All coal was sold on the open market.*

Kentucky has three coke plants located in Ashland, Calvert City and Dawson Springs. The supply is supplemented by border state operations.

Water

Water is supplied Leitchfield by the Leitchfield Water and Sewer Company, whose source is local wells. Raw water storage is provided by a 30 acre reservoir. Filtered water is stored in a 75,000 gallon elevated tank. The filter capacity is 500,000 gallons per day. Average daily use is 200,000 gallons, thus rendering a daily surplus of approximately 300,000 gallons. The maximum daily use has been 270,000 gallons. Water is distributed in mains ranging from 2 to 6 inches, and the pressure is maintained at 70 psi.

Rates are:

First	2,000 Gals.	\$3.50 Minimum
Next	3,000 Gals.	1.25 Per M. Gals.
Next	5,000 Gals.	1.00 Per M. Gals.
Next	10,000 Gals.	.90 Per M. Gals.
Next	10,000 Gals.	.75 Per M. Gals.
Next	20,000 Gals.	.60 Per M. Gals.
Next	50,000 Gals.	.50 Per M. Gals.
Over	100,000 Gals.	.35 Per M. Gals.

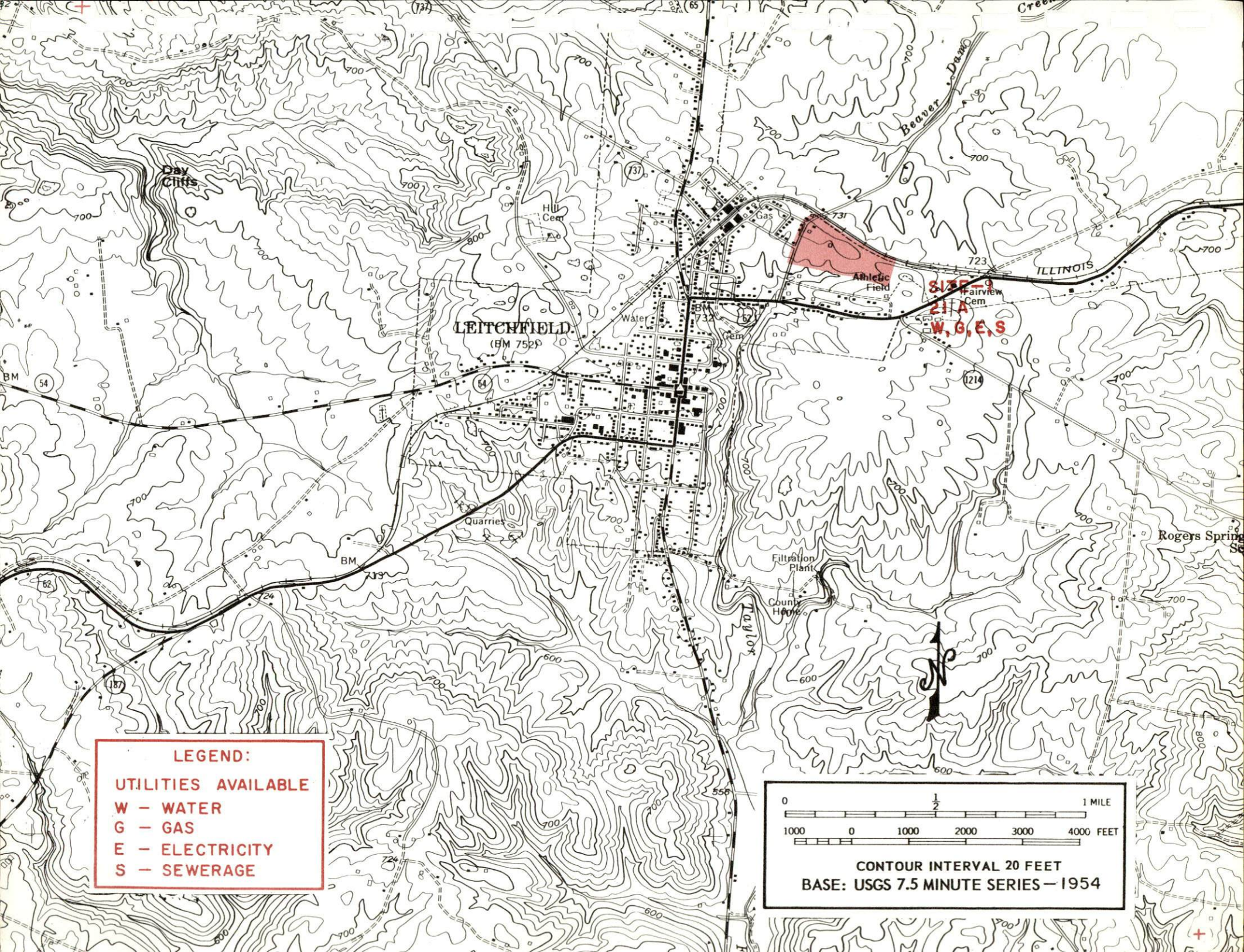
Sewerage

Sewerage facilities are made available by the Leitchfield Water and Sewer System. The recently constructed \$700,000 disposal plant accommodates approximately 98% of Leitchfield. Mains range from 10 to 12 inches, and the capacity of the system is 720,000 gallons per day. Primary and secondary treatments are used with the effluent discharged into a local creek. Rates equal 60% of the water bill.

*The Mineral Industry of Kentucky, University of Kentucky, Series X, 1962

INDUSTRIAL SITES

Site #1: This site contains 21 acres of level-to-sloping land, and is owned by the Leitchfield Chamber of Commerce. The Illinois Central Railroad bounds the property on the north. Highway access is provided by a city street that intersects U. S. Highway 62. Available utilities include electricity, gas, water, and sewers.



LEGEND:

- UTILITIES AVAILABLE
W - WATER
G - GAS
E - ELECTRICITY
S - SEWERAGE

0 1/2 1 MILE
1000 0 1000 2000 3000 4000 FEET

CONTOUR INTERVAL 20 FEET
BASE: USGS 7.5 MINUTE SERIES - 1954

LOCAL GOVERNMENT AND SERVICES

Type Government

Leitchfield, the county seat of Grayson County, is a fifth-class city governed by a mayor elected for a four year term, and six councilmen elected for two year terms.

Laws Affecting Industry

Exemption to Industry: As provided by state law, Leitchfield may allow a five-year property tax exemption to new industry. This exemption cannot be extended beyond five years.

Business Licenses: A limited number of business or privilege licenses are required by the city of Leitchfield. These consist of unloading, cigarette, soft drink, novelties, and insurance. No licenses are levied against a manufacturer.

Planning and Zoning

The Leitchfield City Council established a Planning Commission in July of 1960. Completed planning projects include: Base Map, Existing Land Use Analysis, and Land Use Plan. A Zoning Ordinance is now being completed. A Major Street Plan and Subdivision Regulations are scheduled for completion in the near future.

Fire Protection

Leitchfield has twenty-five volunteer firemen. Equipment includes a new truck with a 750 gpm pump; two additional trucks, each with a 500 gpm pump; an emergency truck with reserve equipment; and 3,600 feet of 2 1/2 inch hose and 1,180 feet of 1 1/2 inch hose. A telephone alarm system is used. The city has a Class-7 NBFU insurance rating.

Police Protection

The Leitchfield Police Department includes 3 full-time officers, 2 part-time officers and 2 radio operators. Motorized equipment consists of a radio-equipped cruiser. The two-way radio interconnects the police department with the city and county fire department and the sheriff's office.

Garbage and Sanitation

The city renders a garbage collection service, with collection twice a week in the residential areas. Equipment consists of an open truck. Disposal is by the open dump method with the dry matter burned on a city-leased farm. There is no charge for collection.

T A X E S

The following table shows the property tax rates applying in Leitchfield and Grayson County for 1961. A more detailed explanation of taxes is shown in Appendix E.

Table 6

Property Tax Rates Per \$100 of Assessed Value

<u>Taxing Unit</u>	<u>Leitchfield</u>	<u>Grayson County</u>
County	\$.70	\$.70
State	.05	.05
City	.75	
School	2.00	1.50
Health	<u>.10</u>	<u>.10</u>
Total	\$3.60	\$2.35

Local Financial Statement

Real Estate Assessment Ratios Based on 1960 Assessments:

Grayson County - 21.4% For State and County Tax Levies
 Grayson County - 17.8% For School Tax Levies
 Leitchfield - 22.2% For School Tax Levies

Net Assessed Value of Property for Taxes Due in 1960:

Leitchfield - \$2,768,732 (Subject to full local rate)
 Grayson Co. - \$9,953,838 (Subject to full local rate)

City Income, Year Ending December 31, 1961:- \$87,107,11

City Expenditures, Year Ending December 31, 1961:- \$92,149.09

City Bonded Indebtedness: \$757,000.00 Water and Sewer Bond

Estimated County Budget, Fiscal Year 1960-61: \$111,216.00

County Bonded Indebtedness: \$40,000 Hospital (as of June 30, 1961)

LOCAL CONSIDERATIONS

Housing

There is a shortage of rental property in Leitchfield at the present time. This is due to construction now in progress in the area. Cost of constructing a three bedroom brick home with full basement ranges from \$11 to \$12 per square foot.

The Grayson County Fiscal Court is planning a million dollar housing project with facilities for 104 people. The project will be known as The Grayson Housing, Inc., operating under the direction of a local board.

Health

Hospitals: The Grayson County Hospital has a capacity of 46 beds and 12 bassinets. The staff includes 1 surgeon, 7 private practicing physicians, 8 registered nurses and 1 registered lab technician. Available facilities include emergency room, maternity ward, x-ray and laboratory equipment.

Leitchfield also has a new, privately owned Medical Center under the direction of three local doctors. X-ray and laboratory equipment are available.

Public Health Service: The Grayson County Health Department, located in Leitchfield, now occupies a recently constructed health clinic. The department is served by visiting doctors and a dentist, in addition to a full-time health officer, 3 sanitarians, 2 registered nurses, an educator and 2 clerks. The program is comprised of acute communicable disease control, TB control, mental health services, school health, general sanitation, and lake sanitation, a new project encouraging sanitary precautions in the development of cottages on the lake sites.

Voluntary health organizations in Grayson County include the Citizens Health Committee, Red Cross Chapter, American Heart Association, and the Hospital Auxiliary.

Education

Graded Schools: The Grayson County and Leitchfield school systems operate as two separate systems. At the present time both systems are operating under capacity.

Table 7

Schools, Enrollment and Number of Teachers in Leitchfield
and Grayson County, 1960-61

<u>System</u>	<u>Enrollment</u>	<u>Number of Teachers</u>	<u>Student- Teacher Ratio</u>
Leitchfield (Ind.) (High School)	562	14	40
Leitchfield (Ind.) (Elem.)	438	15	29
Grayson County (Elem.)	2,119	77	27.5
Grayson County (High School)	551	27	20.4
Parochial (1-12)	250	8	31
Parochial (1-8)	194	6	32.7

Vocational Schools: Kentucky's vocational education program utilizes fourteen highly specialized schools, partly integrated with regular secondary education work. These special area trade schools prepare Kentuckians for work in a variety of trade and industrial occupations.

Leitchfield is served by the Western Area Vocational School at Bowling Green, 55 miles south. Courses offered include auto mechanics, drafting, electronics, machine shop, office machine repair, practical nursing, refrigeration and air conditioning, woodworking and carpentry.

The trade preparatory courses listed above are normally two years in length. In addition, short unit courses are offered on a continuous basis for the upgrading of employed workers. Other short unit courses are provided in all occupations of an industrial nature as needs arise, or upon request, and as facilities permit.

Colleges:

Institutions of higher learning in the area include:

Nazareth Junior College, Bardstown, 56 miles
Brescia College, Owensboro, 58 miles
Kentucky Wesleyan College, Owensboro, 58 miles
Western State College, Bowling Green, 57 miles
Campbellsville College, Campbellsville, 72 miles
Nazareth College, Louisville, 80 miles
University of Louisville, Louisville, 80 miles
Ursuline College, Louisville, 80 miles
Bellarmine College, Louisville, 80 miles
Evansville College, Evansville, Indiana, 96 miles
University of Kentucky, Lexington, 124 miles
Transylvania College, Lexington, 124 miles
College of the Bible, Lexington, 124 miles
Northwest Extension Center of the University of Kentucky, Henderson,
97 miles

Libraries

A public library is operated by the Leitchfield Women's Club. The library is opened on Friday afternoon, and is staffed by voluntary workers. There are 1,450 volumes in the library, with an annual circulation of 300.

Churches

There are 93 churches in Grayson County representing the following denominations: Methodist, Baptist, Presbyterian, Christian, Church of Christ, Catholic, Nazarene, General Baptist, Church of God, Pilgrim Holiness, and Seventh Day Adventist. Approximately 70% of Leitchfield's citizens are church members with an attendance of approximately 50%.

Financial Institutions

	Statement as of December 30, 1961	
	<u>Assets</u>	<u>Deposits</u>
Leitchfield Deposit Bank	\$4,199,820.26	\$3,858,608.55
Bank of Caneyville	2,045,026.63	1,750,119.41
Big Clifty Banking Company	1,079,389.57	938,039.32
Bank of Clarkson	3,592,377.72	3,294,576.24

Hotels and Motels

<u>Name</u>	<u>No. of Units</u>
Jones Motel	16
Frank's Motel	16
Southland Manor Hotel	4
Alexander Hotel	26
Heyser Hotel	24

Communication

Telephone and Telegraph: The General Telephone Company provides service to Leitchfield with a dial system. Long distance service is described locally as good. There are 1,050 subscribers in the Leitchfield area.

Telegraph service is provided by Western Union Monday through Saturday, between the hours of 8:30 A. M. and 6:00 P. M.

Postal Facilities: Leitchfield has a second-class post office with 9 employees. Mail is received 3 times daily by truck and highway post office, and dispatched 4 times daily by truck, bus and highway post office. The postal receipts for 1961 were \$38,000.

Newspapers: The Leitchfield Gazette, a weekly newspaper published on Wednesday, has a circulation of 3,800. The Grayson County News, also a weekly, has a local reporter in Leitchfield. Daily newspapers are received from Louisville and Owensboro.

Radio: Leitchfield's radio station, WMTL, a daytime-only station, operates at 250 KC with a power output of 1,580 watts. Louisville, Owensboro and Elizabethtown stations also serve the area.

Television: Television networks received are ABC, CBS, and NBC from Louisville, Evansville and Nashville.

Clubs and Organizations

Clubs and organizations represented in Leitchfield are: American Legion, Boy Scouts, Civitan Club, Future Farmers of America, Future Homemakers of America, Homemakers Club, 4-H Club, Leitchfield Chamber of Commerce, Leitchfield Development Council, Lions Club, Little League, Masonic, Rotary Club, Veterans of Foreign Wars and Women's Club.

Recreation

Local: Recreational facilities in Leitchfield include one indoor theatre and one drive-in theatre, a skating rink, and playground equipment at the schools. Two of the new subdivisions have playground areas. A Little League baseball club has been organized, consisting of seven teams, with approximately 100 boys participating. Allens Lake, 5 miles east of the city, has facilities for swimming, boating, and fishing.

Area: Rough River Dam State Park, located 18 miles north of Leitchfield, provides boating, fishing, swimming and camping. A 25 room lodge is located near the dam. An airport with a 3,000 foot paved runway is maintained on the park grounds.

Mammoth Cave National Park, one of the world's largest networks of cavern corridors, is located 30 miles south of Leitchfield. Facilities available include numerous lodges, hotel and motel accommodations, a park museum, cave trips, camping and picnic areas.

My Old Kentucky Home, Bardstown, 57 miles distant, is considered the state's immortalized shrine. Many historical and scenic points of interest are found in the immediate vicinity.

Nearing completion is the Nolin River Reservoir, located on the southern boundary of Grayson County. Recreational facilities will include boating, fishing and swimming.

Other area recreational facilities include: Pennyrile Forest State Park, Dawson Springs, 78 miles; Kentucky Village State Park, 111 miles; and Kentucky Lake State Park, 138 miles.

Community Improvements

Recent:

1. In 1961 the city completed construction on a \$700,000 sewerage system and disposal plant, installed 8,800 feet of double 4 inch gas mains from the gas field at a cost of \$30,000, and spent an additional \$50,000 on building new sidewalks and improving streets.
2. A privately owned medical center with x-ray and laboratory facilities has recently been completed.
3. A \$30,000 classroom addition, surfacing of driveways and establishment of a lighted baseball field at the new high were completed in 1961.
4. Mercury-vapor lights were installed in the business district.
5. A new \$38,000 building that now houses the Grayson County Health Department was constructed.
6. Rooms, which will provide space for 20 more beds, were added to the county hospital at a cost of \$75,000.
7. An education annex has been added to a local church; many of the other churches are making various improvements.

Planned:

1. A million-dollar home for the aged that will accommodate 104 persons is planned.
2. An airport with a 3,000 foot runway is now in the planning stage.
3. The new Western Kentucky Toll Road will pass within one-half mile of Leitchfield.

N A T U R A L R E S O U R C E S

Agricultural Products

In 1961 there were 2, 013 farms in Grayson County covering 235, 361 acres, an average of 116.9 acres per farm. The following table shows some agricultural statistics for Grayson County and Kentucky:

Table 8

Agricultural Statistics for Grayson County and Kentucky 1959*

<u>Crops</u>	<u>Acres Harvested</u>	<u>Yield per Acre</u>	<u>Total Production</u>
<u>Corn:</u>			
Grayson Co. (bu)	22, 795	37.4	854, 725
Kentucky (bu)	1, 649, 000	42.5	70, 184, 000
<u>Wheat:</u>			
Grayson Co. (bu)	1, 919	18.2	35, 101
Kentucky (bu)	158, 000	24.5	3, 876, 000
<u>Soybeans:</u>			
Grayson Co. (bu)	286	21.0	6, 021
Kentucky (bu)	181, 000	22.1	4, 012, 000
<u>Burley Tobacco:</u>			
Grayson Co. (lbs.)	1, 412	1, 456.2	2, 056, 054
Kentucky (lbs.)	189, 000	1, 604.5	303, 261, 000
<u>Alfalfa Hay:</u>			
Grayson Co. (tons)	577	2.0	1, 205
Kentucky (tons)	289, 000	2.1	620, 000
<u>Clo-Tim Hay:</u>			
Grayson Co. (tons)	5, 426	1.3	7, 585
Kentucky (tons)	427, 000	1.3	582, 000
<u>Lespedeza Hay:</u>			
Grayson Co. (tons)	13, 219	1.4	18, 795
Kentucky (tons)	549, 000	1.2	703, 000

*Kentucky Agricultural Statistics, 1960, Kentucky Crop and Livestock Reporting Service.

Table 9

Livestock Statistics for Grayson County and Kentucky
1959*

<u>Livestock</u>	<u>Number on Farms as of January 1, 1960</u>
<u>All cattle and calves :</u>	
Grayson Co.	22, 575
Kentucky	1, 947, 000
<u>Milk cows:</u>	
Grayson Co.	6, 138
Kentucky	466, 000
<u>Sheep:</u>	
Grayson Co.	3, 984
Kentucky	546, 000

Forests

There are approximately 133, 000 acres of forest in Grayson County which comprise 40% of the total land area. The principal tree types are oaks, hickory, beech, yellow poplar, red cedar, and sweet gum.

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, and less than one-fourth of the lumber, veneer and bolts produced (500 to 600 million board feet in 1958) is used in manufacturing in the state.

Minerals

The principal mineral resources of Grayson County consist of limestone, coal, and petroleum and natural gas. Other potentially important minerals include rock asphalt and clay. Small deposits of vein minerals in the form of sphalerite, galena and calcite, associated with the Rough Creek fault disturbance are present but these have not been found in sufficient quantity for commercialization.

Limestone: Limestone, suitable for roadway construction, concrete aggregate and agstone, occur in northern and eastern portions of the county. The eastern sector lies in a generalized high calcium (95 percent or more CaCO_3) belt. This stone, when present, offers a wide range of uses in the chemical industry. Two quarrying operations were reported in 1961.

Coal: Coal seams occur in the Coal Measures which extend across the southwestern portion of the county. Total accumulative production through 1960 amounted to 594,166 tons. No production was reported before 1948. Two truck mines produced 2,373 tons in 1960 from the Stray seam (Kentucky Department of Mines and Minerals).

Petroleum and Natural Gas: The first reported oil production in Grayson County occurred in 1956. Through 1960 an accumulative total of 595 barrels have been produced. In 1960 a total of 154 barrels were secured. Activity has mostly been spurred from the Green County play to the southeast.

Natural gas has been produced in commercial quantities from the basal Mississippian horizon in the vicinity of Leitchfield. Most of this gas, however, has been depleted.

Rock Asphalt: Large deposits of asphaltic impregnated lenses of the basal Pottsville and underlying Chester sandstones are found in several localities in Grayson and adjacent counties to the south. These deposits have been operated to a considerable extent in the past, principally for road surfacing. With additional research on the use of this material, these deposits might offer a great potential for future development.

Clay: Clay deposits, suitable for common brick, sewer pipes and paving blocks are present. These might be developed if sufficient quantities can be found.

In 1960 Kentucky ranked fifteenth in the nation in value of mineral production, including natural gas liquids with a total of \$413,517,000. In order of value, the minerals produced were coal, petroleum, stone, natural gas, natural gas liquids, sand and gravel, clays and fluorspar. Kentucky ranked second among the states in the production of bituminous coal and ball clay, and third in the production of fluorspar. Fuels constituted 88 percent of the total value, with coal accounting for 68 percent, petroleum 15 percent and natural gas 5 percent. Stone represented 5 percent, sand and gravel 1 percent, and clay 1 percent. All other minerals, which include natural gas liquids, fluorspar, barite, lead, silver, zinc, cement, crushed sandstone and gem stone, accounted for 5 percent.

Table 10

Kentucky Mineral Production 1960 (1)
(Units in short tons unless specified)

<u>Mineral</u>	<u>Quantity</u>	<u>Value</u>
Barite	(2)	(2)
Clays	951,000 (3)	2,646,000 (3)
Coal	66,846,000	282,395,000
Fluorspar	25,855	1,173,000
Gem Stones	(4)	(5)
Lead (recoverable content of ores, etc.)	558	131,000
Natural Gas (cubic feet)	75,329,000,000	18,389,000
Natural Gas Liquids:		
Natural Gasoline (gallons)	(2)	(2)
LP Gases (gallons)	(2)	(2)
Petroleum (crude-barrels)	21,144,000 (6)	60,260,000 (6)
Sand and Gravel	5,113,000	5,763,000
Silver (recoverable content of ores, etc. - troy ounces)	---	---
Stone (7)	15,810,000	21,493,000
Zinc (recoverable content of ores, etc.)	869	224,000
Value of items that cannot be dis- closed: cement, ball clay (1960), crushed sandstone, and values indicated by footnote 2.	---	22,080,000

- (1) Production as measured by mine shipments, sales, or marketable production (including consumption by producers). Mineral Ind. of Ky., Min. Yearbook, 1960.
- (2) Figure withheld to avoid disclosing individual company confidential data.
- (3) Excludes ball clay; included with "Value of items that cannot be disclosed."
- (4) Weight not recorded.
- (5) Less than \$1,000.
- (6) Preliminary figure.
- (7) Excludes crushed sandstone; included with "Value of items that cannot be disclosed."

Water

Surface Water: Both surface and ground water are used for public and industrial supplies. The average discharge (U. S. Geological Survey) of Rough River at Madrid and Bear Creek at Leitchfield are 319 cfs (16 years record) and 54.7 cfs (5 years record) respectively. Other surface water may be secured from impounded small streams.

Ground Water: The occurrence of ground water is from the rocks of the Upper Mississippian and Pennsylvanian systems. This is summarized in Hydrologic Investigations Atlas HA-10 (U. S. Geological Survey) as follows:

Mississippian System (Chester Group)

"Where limestone or sandstone crops out over broad areas, it yields enough water for domestic use to most drilled wells. A few wells yield as much as 100 gpm. Shale and shaly limestone generally do not yield enough water for domestic use to wells, but they may perch water in overlying limestone and sandstone. Sandstone and limestone yield water to numerous springs some of which discharge more than 100 gpm."

Pennsylvanian System (Western 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 general ground water conditions in these systems.

MARKETS

Retail sales in Grayson County were \$11,438,000 in 1958.*

Per capita income in Grayson County was \$746 in 1957.**

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; 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.***

*1958 Census of Business, Retail Trade, Kentucky, United States Bureau of Census.

**Personal Income in Kentucky Counties, 1957, Bureau of Business Research, University of Kentucky, Lexington, Kentucky.

***Kentucky Industrial Directory, 1959-60, Kentucky Department of Economic Development.

C L I M A T E

The average annual precipitation in Kentucky ranges from 38 to 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% of the year and increases to 60% 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. Rain-fall is abundant and fairly regular throughout the year. Warm-to-cool weather prevails with only short periods of extreme heat and cold.

A P P E N D I X

History	Appendix A
Employment by Industry Division	Appendix B
Economic Characteristics of the Population	Appendix C
Climatic Data	Appendix D
Kentucky Corporation Taxes	Appendix E
Taxes Applicable to a Manufacturing Concern	Appendix E - 1
City Bond Issues for Industrial Buildings	Appendix F
Instructions for Filing Articles of Incorporation	Appendix G
Cooperating State Agencies	Appendix H

HISTORY

In 1810 Grayson County was created from the Western part of Hardin County and the eastern part of Ohio County, becoming the fifty-fourth county formed in Kentucky. Situated in the westcentral part of the state, the county is, in general, topographically level. Plentiful with fine timber, it has some stone, coal and iron ore, and its leading products are wheat, corn, oats, and tobacco. Its principal water courses are: Nolin, Rough, Rock, Big Clifty, Little Clifty, Short, Bear, Canoloway, and Caney Creeks.

Grayson County was named for Colonel William Grayson, a distinguished statesman of Virginia, who was elected to Congress from that state in 1784.

After the organization of the county, Leitchfield was finally decided to be made the county seat. The land where Leitchfield was located was formerly owned by Major David Leitch, of Leitch's Station, in Campbell County, Kentucky. It is believed that there is no other town in the world with the exact name of Leitchfield---there are other towns with the same pronunciation, but not with the same spelling. Leitchfield was incorporated by the Legislature on February 5, 1866, the population then being less than 300.

Jack Thomas is the most popular man connected with the early history of Grayson County. Being the first county and circuit court clerk, he held these two offices continuously from the formation of the county until 1851, a span of forty-one years. The house in which he was born was built by Thomas Lincoln, the father of the President.

Edwin Thomas, the son of Jack, succeeded his father as county and circuit court clerk for another twenty-nine years, bringing the reign of Jack and Edwin Thomas to a total of 70 years. In the early history of Grayson County, there was established what grew into a rather outstanding educational institution for a frontier county. Known as the Grayson Seminary, it was incorporated on January 1, 1816, and continued until after the Civil War.

Grayson County has had to erect four courthouses.. The first building was burned by the Confederate soldiers, under the command of General H. B. Lyons, on Christmas Eve, 1864. The hastily retreating soldiers forced several boys at the point of bayonet to chop up wooden benches and set them on fire, which resulted in the total destruction of the courthouse.. The next building stood until the night of June 16, 1896, when it, along with all the county records, was destroyed by fire of unknown origin. A third courthouse was built and stood until April 3, 1936, when again a fire consumed the entire building; however, this time, the records were all saved.

A section of land in Grayson County, in and around what is known as Yeaman, was once owned by George Washington. In his will he valued the land at \$2.00 an acre, and regarded it as being more valuable on account of the abundance of iron ore in it. This land was acquired by Washington from Henry Lee, generally known as "Light-horse Harry" Lee. On December 9, 1788, George Washington made this entry in his diary:

"Concluded my exchange after dinner today with Colo. Hy. Lee of Magnolia (Washington's famous horse) for 5,000 acres of Kentucky land."

COVERED EMPLOYMENT BY MAJOR INDUSTRY DIVISION
GRAYSON COUNTY AND KENTUCKY

Industry, September, 1961	Grayson County		Kentucky	
	Number	Percent	Number	Percent
All Industries	763	100.0	450,797	100.0
Mining & Quarrying	12	1.5	30,480	6.7
Contract Construction	72	9.4	30,043	6.6
Manufacturing	121	15.8	169,562	37.6
Food & kindred products	49	6.4	25,996	5.7
Tobacco	0	0	10,520	2.3
Clothing, tex. & leather	10	1.4	25,542	5.6
Lumber & furniture	35	4.5	14,151	3.1
Printing, pub. & paper	6	.7	10,432	2.3
Chemicals, petroleum, coal & rubber	1	.1	13,713	3.0
Stone, clay & glass	20	2.6	5,904	1.3
Primary metals	0	0	9,737	2.1
Machinery, metals & equip.	0	0	51,097	11.3
Other	0	0	2,470	.5
Transportation, Communication & Utilities	146	19.1	33,214	7.3
Wholesale & Retail Trade	360	47.1	117,790	26.1
Finance, Ins. & Real Estate	30	3.9	20,663	4.5
Services	22	2.7	39,208	8.6
Other	0	0	1,837	.4

ECONOMIC CHARACTERISTICS OF THE POPULATION FOR
GRAYSON COUNTY AND KENTUCKY 1960

Subject	Grayson County		Kentucky	
	Male	Female	Male	Female
Total population	7,794	7,840	1,508,536	1,529,620
EMPLOYMENT STATUS				
Persons 14 years old & over	5,536	5,465	1,036,440	1,074,244
Labor force	3,526	1,145	743,255	219,234
Civilian labor force	3,526		705,411	290,783
Employed	3,331	1,082	660,728	275,216
Private wage & salary	1,271	636	440,020	208,384
Government workers	330	206	58,275	44,462
Self-employed	1,617	126	156,582	16,109
Unpaid family workers	457	114	5,851	6,261
Unemployed	195	63	44,683	15,567
Not in labor force	2,010	4,320	293,185	783,010
Inmates of institutions	15	8	15,336	8,791
Enrolled in school	512	431	94,734	97,825
Other & not reported	1,483	3,881	183,115	676,394
Under 65 years old	694	3,002	91,626	539,838
65 and over	789	879	91,489	136,556
MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS				
All employed	3,331	1,082	660,728	275,216
Professional & technical	147	135	46,440	36,879
Farmers & farm mgrs.	1,257	57	91,669	2,339
Mgrs., officials, & props.	187	50	58,533	10,215
Clerical & kindred workers	69	136	35,711	66,343
Sales workers	120	100	39,837	25,265
Craftsmen & foremen	428	8	114,003	2,836
Operatives & kindred workers	380	241	140,192	45,305
Private household workers		93	1,123	25,183
Service workers	44	163	29,844	40,156
Farm laborers & farm foremen	331	75	33,143	2,046
Laborers, ex. farm & mine	292	4	44,227	1,671
Occupation not reported	76	20	26,006	16,978

Source: Bureau of the Census, 1960 Census of Population (Washington, 1962)
General Social and Economic Characteristics of Kentucky, Tables 52,
56, 57, 83, and 84.

CLIMATIC DATA FOR LEITCHFIELD, GRAYSON COUNTY, KENTUCKY

Month	Temp. Norm*	Total Prec. Norm*	Av. Relative Humidity Readings**	
	Deg. Fahrenheit	Inches	6:00 AM	7:00 PM
			(CST)	
January	37.4	5.61	83	77
February	39.2	3.95	81	70
March	47.0	5.39	81	65
April	56.8	4.19	78	62
May	65.8	3.93	81	63
June	74.6	4.40	83	64
July	77.9	3.86	85	66
August	76.6	3.56	87	66
September	70.3	3.08	85	64
October	59.5	2.62	86	66
November	46.6	4.58	82	69
December	38.3	4.08	83	74
Annual Norm	57.5	48.25		

*Station Location: Leitchfield, Kentucky

**Station Location: Lexington, Kentucky

Length of record: 6:00 A. M. readings 16 years; 7:00 P. M. readings
16 years

Days Cloudy or Clear: (16 yrs. of record) - 100 clear days, 106 partly cloudy days, 159 cloudy days

Days with Precipitation of 0.01 inch or over: (16 yrs. of record) 130 days

Days with 1.0 or More Snow, Sleet, Hail: (16 yrs. of record) 5 days

Days with Thunderstorms: (16 yrs. of record) 47 days

Days with Heavy Fog: (16 yrs. of record) 18 days.

Prevailing Wind: (14 yrs. of record) South

Seasonal Heating Degree Days: (29 yrs. of record) Approximate long-term means, 4,677 degree days.

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 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 associa-				
tion 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)	.05 (tobacco)	No
		.15 (other)	.15 (other)	
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 else-				
where 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 the deduction of Federal individual income tax payments</u> , 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	<p>The assessment ratios and tax rates per \$100 of assessed value for the various classes of intangible property are as follow:</p> <table> <tr> <td>Bank Deposits</td><td>100%</td><td>1/10 of 1¢</td></tr> <tr> <td>Stocks & Bonds</td><td>100%</td><td>25¢ per \$100</td></tr> <tr> <td>Accounts Receivable</td><td>85%</td><td>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 reversion to peace-time economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

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

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

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

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

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

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

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

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

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

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

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

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

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

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.