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Industrial Resources: Knox County - Barbourville

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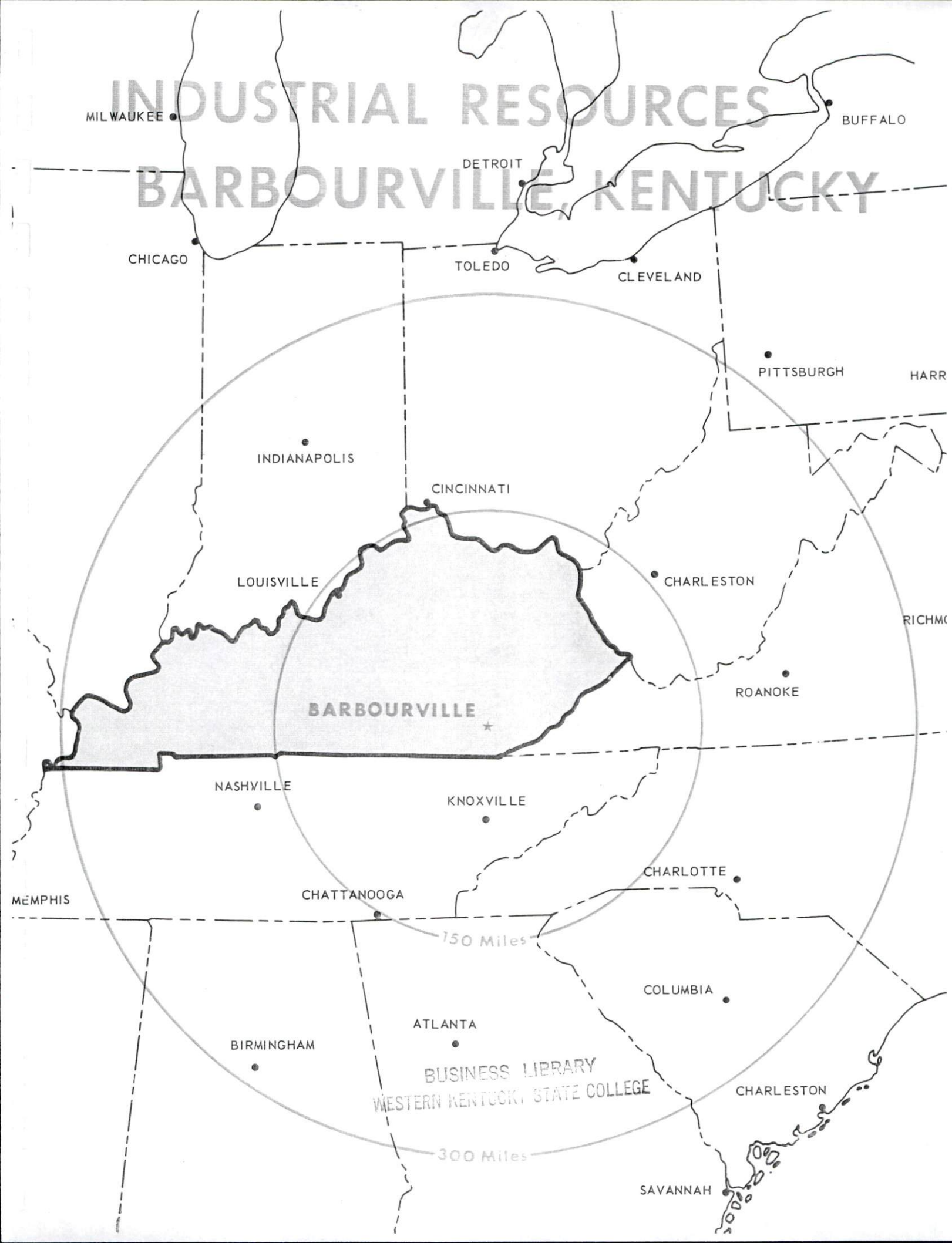
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INDUSTRIAL RESOURCES

BARBOURVILLE, KENTUCKY



INDUSTRIAL RESOURCES
BARBOURVILLE, KENTUCKY

Prepared by
The Knox County Chamber of Commerce
and
The Kentucky Department of Commerce
Frankfort, Kentucky

December, 1963

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INDUSTRIAL RESOURCES
BARBOURVILLE, KENTUCKY

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SUMMARY DATA

POPULATION:

1960: Barbourville - 3,211 Knox County - 25,258

BARBOURVILLE LABOR SUPPLY AREA:

Includes Knox and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area: 6,287 men and 7,987 women. Number of workers available from Knox County: 1,187 men and 1,511 women.

TRANSPORTATION:

Railroads: Barbourville is served by the Louisville and Nashville Railroad.

Air: The London Municipal Airport, 21 miles from Barbourville, is served by Piedmont Airlines.

Trucks: Common carrier truck service is provided in Barbourville by six firms.

Bus Lines: Southeastern Greyhound Bus Lines serves Barbourville.

HIGHWAY DISTANCES FROM BARBOURVILLE, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	290	Lexington, Ky.	115
Chicago, Ill.	493	Louisville, Ky.	200
Cincinnati, Ohio	203	New York, N. Y.	829
Detroit, Mich.	388	Pittsburgh, Pa.	485
Knoxville, Tenn.	94	St. Louis, Mo.	460

Electricity

Power for Barbourville is provided by the Barbourville Water and Electric Company, whose source of supply is the Kentucky Utilities Company.

Natural Gas

Barbourville is served by the Peoples Gas Company. Their source of supply is the nearby Knox County gas field. Outlying districts of Barbourville are served by the Knox Gas Company.

Water

Water is supplied by the municipally owned Barbourville Water and Electric Company, whose source of supply is the Cumberland River.

Sewerage

Separate storm and sanitary sewers serve the city. Sewage is dissipated through a modern disposal plant and discharged into the Cumberland River.

POPULATION AND LABOR MARKET

Population

Barbourville has shown a net increase in population for each decade of this century, with the largest occurring in the first decade.

Knox County has shown an increase in population for the past six decades. The largest increase occurred during the 1930's. During the fifth and sixth decades, Knox County had a decrease in population.

TABLE 1

POPULATION DATA FOR BARBOURVILLE AND KNOX COUNTY WITH
COMPARISONS TO THE KENTUCKY RATE OF CHANGE, 1900-60

<u>Year</u>	<u>Barbourville</u>		<u>Knox County</u>		<u>Kentucky</u>
	<u>Population</u>	<u>% Change</u>	<u>Population</u>	<u>% Change</u>	<u>% Change</u>
1900	1,010				
1910	1,633	16.2	22,116		6.6
1920	1,877	14.9	24,172	9.3	5.5
1930	2,380	26.8	26,266	8.7	8.2
1940	2,420	1.7	31,029	18.0	8.8
1950	2,926	20.9	30,409	- 2.0	3.5
1960	3,211	9.4	25,258	-17.0	3.2

Percent nonwhite population in Barbourville: 3.4

Percent nonwhite population in Knox County: 1.6

Economic Characteristics

Knox County is a predominantly rural county having only one community classified as urban. This is Barbourville, which is also the county seat. The inhabitants of Knox County are primarily engaged in agriculture. In the fall of 1959 there were 926 workers engaged in agriculture. The next largest employment group is manufacturing with 652 workers employed in this industry in September of 1962. The third largest employment group is wholesale and retail trade employing 292 workers in September of 1962.

Wage rates are below the state average in Knox County. The average weekly earnings during 1961 were \$51.89 for all industries and \$47.20 for manufacturing. During the same period the state average was \$83.44 for all industries and \$96.07 for manufacturing.

In 1960, per capita income for Knox County was \$501; per capita income for Kentucky was \$1,573, far below the national average of \$2,223. It should be noted that Knox County ranked 119th among Kentucky's 120 counties, and Kentucky ranked 46th among the 50 states.*

Retail sales for Knox County in 1962 were \$9,956,000.**

Labor Market

Supply Area: The Barbourville labor supply area is defined for the purpose of this statement to include Knox and the adjacent counties of Bell, Clay, Laurel and Whitley.

Labor Potential Defined: The total estimated labor supply is composed of three major groups. The first two are currently available for industrial employment, the third group describes the potential for future years.

1. The current unemployed, measured here by unemployment insurance claimants.
2. Men who would shift from low paying jobs such as agriculture 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 1960's.

Numbers Available: The total population of the Barbourville supply area was reported at 132,058 by the 1960 U. S. Census of Population, which was a decrease of 26,806 since the 1950 census count of 158,864.

The total estimated to be currently available for industrial employment includes 6,287 males and 7,987 females. Their distribution is shown in Table 2.

*Personal Income in Kentucky Counties, 1958-1960

**Sales Management, Survey of Buying Power, June 10, 1963

TABLE 2

DISTRIBUTION OF THE CURRENT ESTIMATED LABOR SUPPLY WITH
COMPONENTS, BARBOURVILLE AREA, JUNE, 1963*

	<u>Male</u>	<u>Total</u>	<u>Total</u>	<u>Labor Supply**</u>		<u>Unemployed</u>	
		<u>Female</u>		<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
Area Total:	6,287	7,987	14,274	5,327	7,882	960	105
Knox	1,187	1,511	2,698	1,043	1,489	144	22
Bell	809	2,084	2,893	306	2,047	503	37
Clay	1,335	1,439	2,774	1,201	1,419	134	20
Laurel	1,782	1,430	3,212	1,693	1,417	89	13
Whitley	1,174	1,523	2,697	1,084	1,510	90	13

Future Labor Supply: The future labor supply will include some proportion of the 16,419 boys and 15,602 girls who will become 18 years of age by 1970. To arrive at the exact number that would enter the area work force would be impossible. Probably the most influential internal factor would be the type of local employment available. The area distribution of these children is shown in Table 3.

TABLE 3

DISTRIBUTION OF THE FUTURE LABOR SUPPLY, BARBOURVILLE
AREA, BASED ON 1960 U. S. CENSUS OF POPULATION DATA

	<u>18 Years of Age by 1970</u>	
	<u>Male</u>	<u>Female</u>
Area Total:	16,419	15,602
Knox	3,134	3,062
Bell	4,476	4,275
Clay	2,793	2,643
Laurel	2,997	2,833
Whitley	3,019	2,789

*Kentucky Department of Economic Security

**Men who would shift from low paying jobs such as farming and women who would enter the labor force if jobs were available.

Area Employment Characteristics: The following three tables show the Barbourville area employment in agriculture and the covered employment of manufacturing and all industries, respectively.

TABLE 4
BARBOURVILLE AREA AGRICULTURAL EMPLOYMENT
FALL, 1959*

	<u>Family Workers</u>	<u>Hired Workers**</u>	<u>Total</u>
Area Total:	6,436	141	6,577
Knox	911	15	926
Bell	215	15	230
Clay	1,275	30	1,305
Laurel	3,027	20	3,047
Whitley	1,008	61	1,069

*U. S. Census of Agriculture

**Regular Workers (Employed 150 days or more)

TABLE 5
BARBOURVILLE AREA MANUFACTURING EMPLOYMENT
SEPTEMBER, 1962*

	<u>Area Total</u>	<u>Knox</u>	<u>Bell</u>	<u>Clay</u>	<u>Laurel</u>	<u>Whitley</u>
Total manu- facturing	2, 610	652	869	244	446	399
Food & kindred products	537	10	189	0	214	124
Tobacco	3	1	2	0	0	0
Clothing, textile & leather	447	259	151	0	0	37
Lumber & furniture	888	183	268	242	163	32
Print., pub. & paper	103	7	31	2	14	49
Chemicals, petroleum & rubber	95	0	63	0	32	0
Stone, clay & glass	110	8	32	0	22	48
Primary metals	0	0	0	0	0	0
Machinery, metal products & equipment	421	184	133	0	1	103
Other	6	0	0	0	0	6

* Includes only those workers covered by unemployment insurance.

TABLE 6

BARBOURVILLE AREA COVERED EMPLOYMENT,
ALL INDUSTRIES, SEPTEMBER, 1962*

	<u>Area Total</u>	<u>Knox</u>	<u>Bell</u>	<u>Clay</u>	<u>Laurel</u>	<u>Whitley</u>
Mining & Quarrying	1,928	110	608	963	45	202
Contract						
Construction	989	30	177	8	467	307
Manufacturing	2,610	652	869	244	446	399
Transportation, Communication & Utilities	1,020	13	436	190	257	124
Wholesale & Retail Trade	3,025	292	1,024	214	653	842
Finance, Ins. & Real Estate	351	30	154	20	50	97
Services	922	19	477	38	146	242
Other	16	11	5	0	0	0
Total	10,861	1,157	3,750	1,677	2,064	2,213

LOCAL MANUFACTURING

The following list of manufacturing firms indicates something of the demand for labor and products available in the immediate area of Barbourville, Kentucky.

*Includes only workers covered by unemployment insurance.
Source: Kentucky Department of Economic Security

TABLE 7

BARBOURVILLE MANUFACTURING FIRMS WITH PRODUCTS
AND EMPLOYMENT, 1963

<u>Firm</u>	<u>Product</u>	<u>Employment</u>		
		<u>Male</u>	<u>Female</u>	<u>Total</u>
Advocate Publishing Co.	Newspaper publishing, commercial printing	8	0	8
Leonard Bargo	Rough lumber	12	0	12
Obie Davis	Logging	3	0	3
Robert Davis	Logging	5	0	5
LaResista Corset Co.	Brassieres	11	141	152
Millett Hardwood Lumber Co.	Drying of hardwoods	7	0	7
T. W. Minton & Company	Hickory canes, broom and brush handles, special dimension and turnings	6	1	7
Patterson Sawmill	Mine timbers	2	0	2
Chris C. Smith	Cap boards for mines	4	0	4
Viall Lumber Company	Lumber, custom kiln drying	75	1	76
E. K. Wood Products Co.	Dimension furniture	25	0	25

Prevailing Wage Rates

Some examples of wages in the area are as follows:

<u>Classification</u>	<u>Wages</u>
Clerical & Secretarial	\$ 40.00 to \$50.00 per week
Skilled	50.00 to 70.00 per week
Semiskilled	1.50 to 1.75 per hour
Laborer	1.00 to 1.25 per hour
Electrician	2.50 to 3.00 per hour
Carpenter	2.00 to 2.50 per hour
Plumber	1.75 to 2.25 per hour

Unions

There are no unions represented in Barbourville.

TRANSPORTATION

Railroads

Barbourville is served by the Cumberland Valley Division of the Louisville and Nashville Railroad, operating between Corbin, Kentucky, and Norton, Virginia. Freight service is provided by three local freights each week, including package car service. Passenger train service is not available. Switching service is provided daily except Saturday on three tracks which will accommodate twenty cars. Outbound carloads average 600 per month, consisting mostly of coal and lumber. There is an average of 100 inbound carloads per month, consisting mostly of foodstuffs, building materials and fertilizer. Railway Express service is available.

TABLE 8

RAILWAY TRANSIT TIME FROM BARBOURVILLE, KENTUCKY, TO:*

<u>Town</u>	<u>Arrive</u>		<u>Town</u>	<u>Arrive</u>	
	<u>CL(Hrs.)</u>	<u>LCL(Days)</u>		<u>CL(Hrs.)</u>	<u>LCL(Days)</u>
Atlanta, Ga.	22	4th AM	Louisville, Ky.	19 1/2	3rd AM
Birmingham, Ala.	39	4th AM	Los Angeles, Calif.	103	8th AM
Chicago, Ill.	56	5th AM	Nashville, Tenn.	31	2nd PM
Cincinnati, Ohio	18 1/2	2nd AM	New Orleans, La.	62	5th AM
Cleveland, Ohio	62 1/2	4th AM	New York, N. Y.	62	7th AM
Detroit, Mich.	60	4th AM	Pittsburgh, Pa.	45 1/2	5th AM
Knoxville, Tenn.	15	2nd PM	St. Louis, Mo.	53 1/2	4th PM

Highways

Major highways serving Barbourville include U. S. Highway 25-E, which is undergoing extensive improvements in the Barbourville area, and State Highways 6, 11, 225, 229 and 459.

*Louisville & Nashville Railroad Company, Louisville, Kentucky

TABLE 9

HIGHWAY DISTANCES FROM BARBOURVILLE, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	290	Lexington, Ky.	115
Birmingham, Ala.	356	Louisville, Ky.	200
Chicago, Ill.	493	Nashville, Tenn.	225
Cincinnati, Ohio	203	New York, N. Y.	829
Detroit, Mich.	388	Pittsburgh, Pa.	485
Knoxville, Tenn.	94	St. Louis, Mo.	460

Truck Service: Common carrier truck service is provided by Cumberland Motor Freight, Inc.; Hayes Freight Lines, Inc.; Dance Freight Lines, Inc.; The Silver Fleet Motor Express, Inc.; and Railroad Express Agency, Inc.

TABLE 10

TRUCK TRANSIT TIME FROM BARBOURVILLE, KENTUCKY, TO SELECTED MARKET CENTERS*

<u>Town</u>	<u>Delivery Time(Days)</u>		<u>Town</u>	<u>Delivery Time(Days)</u>	
	<u>LTL</u>	<u>TL</u>		<u>LTL</u>	<u>TL</u>
Atlanta, Ga.	2	2	Louisville, Ky.	1	1
Birmingham, Ala.	3	2	Los Angeles, Calif.	7	6
Chicago, Ill.	3	2	Nashville, Tenn.	2	1
Cincinnati, Ohio	2	1	New Orleans, La.	4	3
Cleveland, Ohio	3	2	New York, N. Y.	4	3
Detroit, Mich.	3	2	Pittsburgh, Pa.	4	3
Knoxville, Tenn.	1	1	St. Louis, Mo.	2	2

Bus Lines: Barbourville is served by Southeastern Greyhound Bus Lines, operating between Knoxville, Tennessee, Louisville, Kentucky, and Cincinnati, Ohio. There are six northbound buses and six southbound buses daily.

*The Silver Fleet Motor Express, Inc.

Taxi, Car and Truck Rental: Local services are available.

Air

Barbourville is served by the London Municipal Airport, 21 miles distant. Commercial service is provided by Piedmont Airlines with four flights daily.

This airport has one runway 4,000 feet long and 100 feet wide and is equipped for night operation. Charter and private flying services are available.

Car rental service is available at the London Municipal Airport.

UTILITIES AND FUEL

Electricity

The municipally owned Barbourville Water and Electric Company, whose source of supply is the Kentucky Utilities Company, furnishes electricity to the city.

Kentucky Utilities Company provides electric service in 78 Kentucky counties. The company has a generating capacity of 740,000 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 Company, Ohio Power Company, Kentucky Power Company, Electric Energy, Inc., Ohio Valley Electric Corporation, Central Illinois Public Service Company, and TVA. These interconnections provide a means of interchanging substantial blocks of electricity when desired. Rates for industry will be furnished by the company's Industrial Development Department in Lexington, Kentucky.

Industrial rates are negotiable and current residential and commercial rates are as follows:

Residential

First	16 KWH	\$ 1.25	Minimum Bill
Next	34 KWH	.06	per KWH
Next	100 KWH	.03	per KWH
Next	250 KWH	.02	per KWH
Excess	400 KWH	.01 1/2	per KWH

Commercial

First	16 KWH	\$ 1.25 Minimum Bill
Next	84 KWH	.06 per KWH
Next	500 KWH	.03 per KWH
Excess	600 KWH	.02 1/2 per KWH

Natural Gas

Natural gas is distributed in Barbourville by Peoples Gas Company of Kentucky, whose source of supply is the gas fields of Knox and Bell Counties. Gas is brought into the city by two 4-inch lines with a maximum pressure of 300 psi. Btu content is 1,187 and specific gravity is .735. At the present time there are 958 meters in Barbourville.

The suburbs of Barbourville are served by a retail natural gas distributor operating as Knox Gas Company.

The following rates apply for both gas companies:

First	2,000 Cu. ft.	\$ 2.50 Minimum Bill
Next	4,000 Cu. ft.	.98 per MCF
Next	44,000 Cu. ft.	.87 per MCF
Next	350,000 Cu. ft.	.80 per MCF
All over	400,000 Cu. ft.	.72 per MCF

Coal and Coke

The Eastern Kentucky Coal Field consists of 2,037 mines located in 31 counties. The 1960 average production was 17,800 tons per mine, and a combined total of 36,260,000 tons, a 6 percent increase over 1959. Underground mines produced 88 percent, auger mines 7 percent, and strip mines 5 percent of the total output. The average value was \$4.84 per ton in 1960, f.o.b. mine. Shipments were 82 percent by rail and water and 18 percent by truck. Captive tonnage was 20 percent of the total.*

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

Fuel Oil

Kentucky has three fuel oil refineries located in Catlettsburg, Louisville and Somerset. Kentucky's fuel supply is supplemented by border state operations.

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

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

WATER AND SEWERAGE

Public Water Supply

The Barbourville Water and Electric Company, whose source of raw water is the Cumberland River, supplies the city. Storage facilities consist of two tanks with a total storage capacity of 410,000 gallons. Pumping capacity is 500 gpm and average pumping time to meet requirements is 9 hours. The treatment capacity is 250,000 gallons per day and the peak daily use has been 250,000 gallons. The average daily use is 215,000 gallons. The size of the mains vary from 4 to 8 inches and pressure is maintained at 84 psi.

Current rates are as follows:

First	1,500 gallons	\$ 2.50 (minimum)
Next	50,000 gallons	.80 per thousand
Next	23,500 gallons	.70 per thousand
Next	25,000 gallons	.60 per thousand
Next	100,000 gallons	.50 per thousand
Next	100,000 gallons	.40 per thousand
All over	300,000 gallons	.30 per thousand

Water Resources

Surface Water: Cumberland River affords the best source of surface water supply. Other supplies may be secured by local impoundments of small streams. The average discharge of the Cumberland River at Barbourville is 1,722 cfs (U. S. Geological Survey - 23 year record).

Ground Water: The occurrence of ground water is from the alluvium along the Cumberland River and its tributaries and from rocks of the Breathitt and Lee formations of Pennsylvanian age. This is summarized in Hydrologic Investigations Atlas (HA-38-USGS) as follows:

Alluvium

Nearly all wells in the alluvium are dug. Most of these wells yield more than 100 gpd. A few yield more than 500 gpd. The water is generally moderately hard and contains noticeable amounts of iron.

Breathitt formation

Most wells drilled in the valley bottoms are adequate for a minimum domestic supply (more than 100 gpd). Wells on hill tops and ridges yield smaller quantities of water. Most of the water obtained from drilled wells is extremely hard and contains noticeable amounts of iron.

Lee formation

Most wells drilled in valley bottoms are adequate for a modern domestic supply (more than 500 gpd). Less than half the wells drilled on hillsides yield more than 500 gpd. About one-third of the wells drilled on ridges yield similar amounts. Deep wells penetrating thicknesses of 500 feet of the Lee formation may yield enough water for small municipal or industrial supplies.

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 formations.

Sewerage System

Barbourville is served by separate storm and sanitary sewers with 8- and 16-inch mains. The sewage disposal system, completed in 1954, has a daily capacity of 750,000 gallons. The maximum daily flow has been 200,000 gallons. After primary treatment, sewage is discharged into the Cumberland River.

INDUSTRIAL SITES

SITE # 1: ACREAGE & TOPOGRAPHY: 55 acres of level-to-gently rolling land
LOCATION: 1 1/2 miles southeast of Barbourville
HIGHWAY ACCESS: By county-maintained road that leads to Kentucky Route 225
RAILROADS: The Louisville and Nashville Railroad is approximately 500 yards from the site.
WATER: Barbourville Water and Electric Company
ELECTRICITY: Barbourville Water and Electric Company
GAS: Knox Gas Company

Other sites are available to industry. Information concerning these sites may be obtained from the Knox County Chamber of Commerce and the Kentucky Department of Commerce.

LOCAL GOVERNMENT AND SERVICES

Type Government

City: Barbourville, a fourth-class city, is governed by a mayor elected for a term of four years, and six councilmen who are elected for two-year terms.

County: Knox County is governed by a fiscal court composed of a county judge elected for a four-year term, and eight magistrates elected by district for four-year terms.

Laws Affecting Industry

Property Tax Exemption: As provided by state law, Barbourville may allow a five-year property tax exemption to new industry. This provision cannot be extended beyond this five-year period.

Business Licenses: Business licenses are not required in Barbourville; however, there is a special annual tax on:

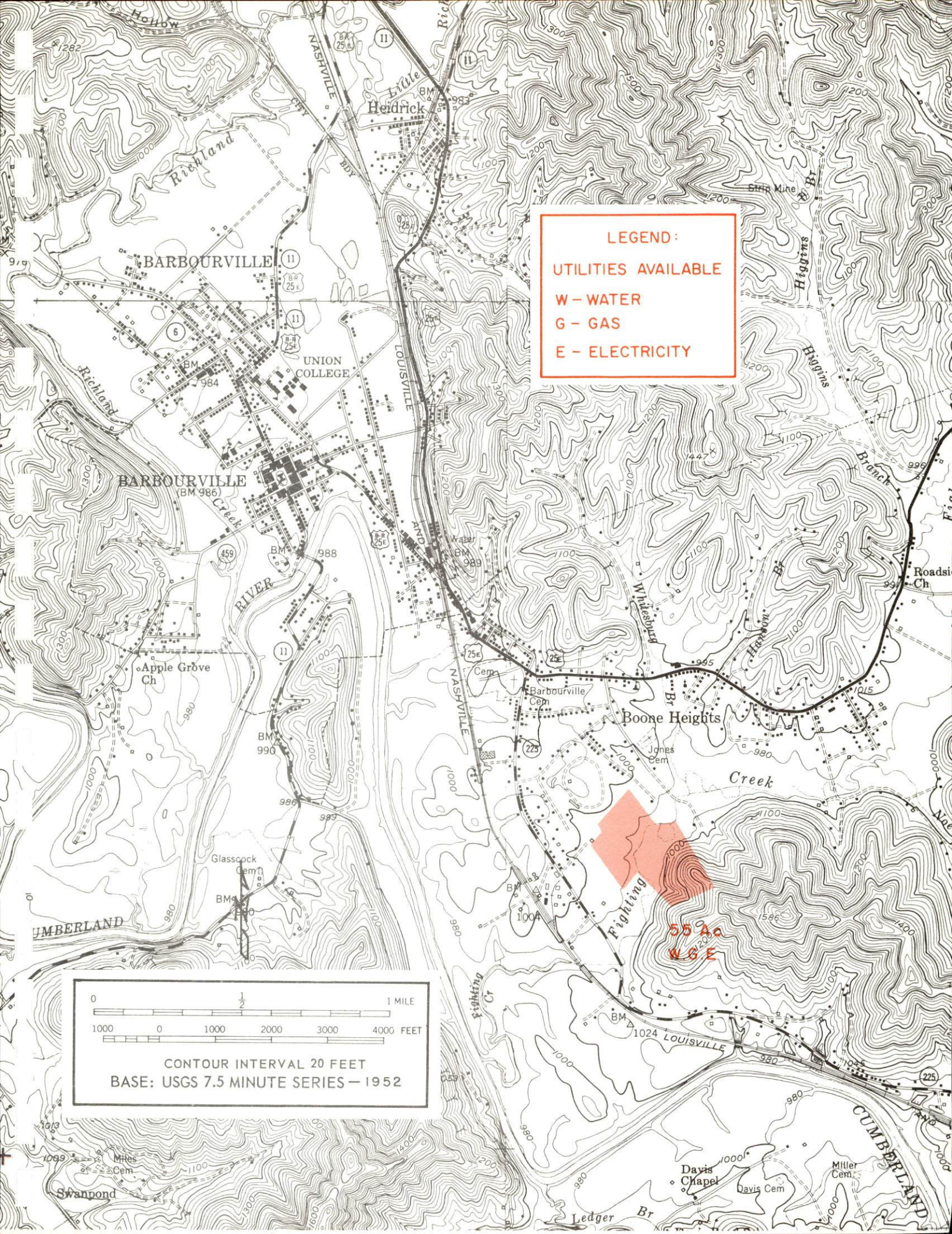
Large trucks	\$ 20.50
Small trucks	10.50
Passenger cars	5.50

Planning and Zoning

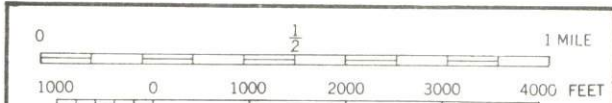
Barbourville contracted with the state for professional planning aid in February, 1958. At that time a Planning and Zoning Commission was established to carry on a continuous planning program. To date, a major street plan and subdivision regulations have been completed.

Fire Protection

The fire department consists of a full-time chief and 19 volunteers. Equipment includes two 500-gpm pumper trucks, 4,000 feet of 2 1/2-inch hose, 1,500 feet of 1 1/2-inch hose, and 1,000 feet of 1-inch high pressure hose, ladders from 12 to 55 feet in length, foam equipment, portable pump for rural fires, and all other necessary equipment.



LEGEND:
UTILITIES AVAILABLE
W - WATER
G - GAS
E - ELECTRICITY



CONTOUR INTERVAL 20 FEET
BASE: USGS 7.5 MINUTE SERIES - 1952

Police Protection

The police force consists of a chief and three patrolmen. Motorized equipment consists of a patrol car and motorcycle, which are equipped with radios, and a recently purchased emergency truck.

Knox County has a county sheriff, two full-time deputies, and five volunteer sheriffs. Motorized equipment includes two patrol cars and one pickup truck which are owned by the county. The sheriff uses a privately owned car. All motorized equipment is radio-equipped.

Garbage and Sanitation

Garbage is collected twice a week by the city. There is no charge for this service. Disposal is by means of a sanitary land fill.

Financial Information

The following statements summarize the financial position of Barbourville and Knox County.

City Income, Expenditures and Bonded Indebtedness:

Income	\$ 76,383.74
Expenditures	73,193.61
Bonded Indebtedness (Flood wall)	
	283,305.53

County Budget and Bonded Indebtedness:

Estimated 1963-64 budget	\$ 125,523
Bonded Indebtedness	11,000 (nonvoted)
	254,000 (voted-hospital)

TAXES

Property Taxes

The following table shows the property tax rates applying to Barbourville and Knox County for 1962. A more detailed explanation of taxes is shown in Appendix D.

TABLE 11

PROPERTY TAX RATES PER \$100 OF ASSESSED VALUE FOR
BARBOURVILLE AND KNOX COUNTY, 1962

<u>Taxing Unit</u>	<u>Barbourville</u>	<u>Knox County</u>
County	\$.75	\$.75
City	1.15	
State	.05	.05
School	<u>1.50</u>	<u>1.50</u>
Total	\$ 3.45	\$ 2.30

Real Estate Assessment Ratios

Barbourville	33 1/3 %
Knox County	33 1/3 %

Net Assessed Value of Property

Barbourville	\$ 2,924,183
Knox County	\$ 14,331,725

OTHER LOCAL CONSIDERATIONS

Educational Facilities

Graded Schools: The Barbourville School System has a total enrollment of 331 elementary students and 247 high school students. The student-teacher ratio is 27-1 in the elementary school and 19-1 in the high school. The estimated 1963-64 budget is \$158,914.31.

The Knox County School System has a total of 54 elementary schools with a total enrollment of 4,247 students and two high schools with an enrollment of 1,186 students. The estimated 1963-64 budget is \$1,414,528.

TABLE 12

SCHOOLS, ENROLLMENT, NUMBER OF TEACHERS, STUDENT-
TEACHER RATIO IN BARBOURVILLE AND KNOX COUNTY

<u>School</u>	<u>Enrollment</u>	<u>No. of Teachers</u>	<u>Student- Teacher Ratio</u>
Barbourville Elementary (1 - 6)	331	12	27 - 1
Barbourville High (7 - 12)	247	13	19 - 1
Knox County High (total)	1,186	56	21 - 1
Knox County Elementary (total)	4,247	161	26 - 1
St. Gregory (Parochial) (Elem.)	41	2	20 - 1

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

Barbourville is served by the Knox County Vocational Trade School. This school offers courses in auto mechanics, machine shop, auto body repair, drafting, woodworking and electricity.

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, when facilities permit.

Colleges: Union College, located in Barbourville, was founded in 1879 by a group of progressive citizens of Barbourville who formed a stock company and secured the main part of the present campus.

This is a four-year liberal arts college, having affiliation with the Methodist Church.

Union College is concerned with meeting the needs of the individual student through personal, academic, and professional guidance, and participation in a variety of student activities.

In the past twenty-five years the college has achieved marked progress in both its educational and plant improvement programs. Seven new buildings were completed and others were enlarged. The curriculum was expanded, endowment funds were increased and a markedly improved program of faculty salaries and benefits was adopted.

In 1960, a Master's degree program and an extensive series of summer institutes were started. Plant expansion continued with the development of College Park, a faculty residential area.

Other area institutions of higher learning include:

Sue Bennett Junior College, London, Kentucky, 31 miles
Cumberland Junior College, Williamsburg, Kentucky, 36 miles
Berea College, Berea, Kentucky, 79 miles
Eastern Kentucky State College, Richmond, Kentucky, 93 miles
Centre College, Danville, Kentucky, 95 miles
Asbury College, Wilmore, Kentucky, 116 miles
University of Kentucky, Lexington, Kentucky, 115 miles
Transylvania College, Lexington, Kentucky, 115 miles

Health

Hospitals: The Knox County Community Hospital is located in Barbourville. This is a completely modern, fully equipped hospital with air-conditioning throughout. There is a total of forty beds and ten bassinets.

There are seven doctors and three dentists in the city of Barbourville.

Public Health: The Knox County Health Department is located in Barbourville and staffed with one part-time physician, three full-time nurses, one full-time sanitarian, and two full-time clerks. The health program includes communicable disease control, maternal and child health service, general sanitation, mental health, vital statistics, dental care, infectious disease control, and crippled children's program.

The Knox County Health Department also serves an eight-county area as a pediatric clinic.

A speech and hearing therapy center is operated in conjunction with the local health department. This center was established to serve Knox County and the surrounding eighteen counties.



President Mahlon A. Miller

UNION COLLEGE LOOKS TO THE FUTURE

A \$700,000 gymnasium is now under construction.

The new graduate program has been given full accreditation.

A new men's dormitory will be started within a year's time.

A Student Union is well in the planning stages.

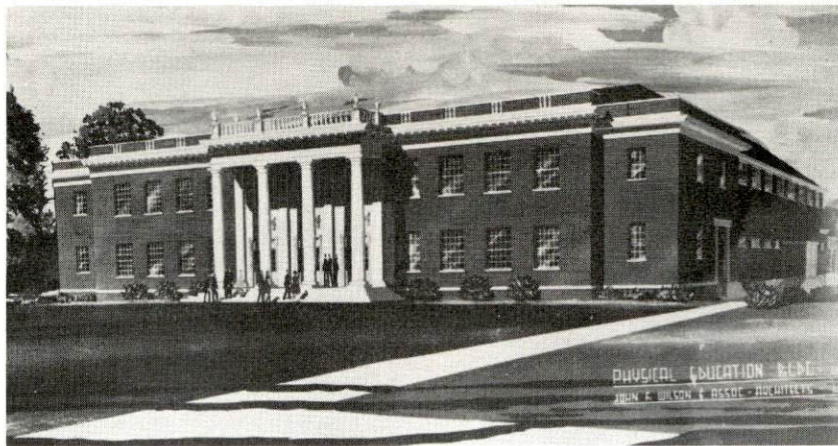
The college employs 125 persons.

In 1961, Union College inaugurated a \$5,200,000 development program extending through 1970 to provide for the construction of six major buildings and the doubling of the present enrollment.

Under the leadership of Dr. Mahlon A. Miller, college president, this program represents a growth of 200 percent.

Specific projects include the \$200,000 gymnasium, an \$800,000 science building, a men's dormitory costing more than \$300,000, a \$200,000 library addition, a fine arts-humanities building costing \$300,000, and a substantial increase in the present \$2,000,000 endowment.

Union has a full-time enrollment exceeding 700. It now has graduated more than 3,000 students.



Union's new \$700,000 gymnasium is expected to be completed by the fall of 1964. The new building will connect onto the present swimming pool and will accommodate 2,200 basketball fans. Included in the plans will be five classrooms, four dressing rooms, a conference room, and additional seating for the swimming pool area.



Union's new science building is expected to cost \$800,000. The much-needed building will house the biology, chemistry, physics, and mathematics departments. The new building will be constructed in sections with the chemistry wing scheduled to be erected as the first unit.

Housing

There are very few houses for rent or sale in Barbourville. The rental range for 2-and 3-bedroom houses is \$40 to \$60 per month. The construction cost for 2-and 3-bedroom houses is \$8,000 to \$14,000, depending upon location and materials used. Three subdivisions were recently completed and have a total of 30 units. In the planning stage is another 40-unit housing project at the estimated cost of \$420,000.

Communication

Telephone and Telegraph: The Northeastern Telephone Company serves Barbourville. This company has 1,606 subscribers in the county and 125 business extensions. Excellent long distance service is available.

Western Union provides Barbourville with telegraph service.

Postal Facilities: Barbourville is served by a first-class post office with sixteen employees. Mail is received and dispatched four times daily. This office serves as an intermediary office for 20 offices in the area. Postal receipts for 1962 totaled \$44,767.

Newspapers: The locally published Barbourville Advocate is a weekly publication having a circulation of 2,300.

Radio: The following radio stations serve Barbourville: WBVL, Barbourville, 1,000 watts; and stations in Corbin, Middlesboro, London, and Pineville, Kentucky, and Knoxville, Tennessee.

Television: Television reception is excellent from two stations located in Knoxville. Cable service is available and four stations can be received by this system.

Libraries

The Knox County Public Library serves Barbourville and Knox County. It has a total of 7,000 volumes and a monthly circulation of 600.

Weeks Library at Union College is open to the public and has a total of 30,000 volumes. A bookmobile operates in the rural areas.

Churches

There are seven churches in Barbourville representing the following denominations: Baptist, Methodist, Christian, Catholic, Pentecostal, Church of Christ and Seventh Day Adventist.

Financial Institutions

Statement as of June 30, 1962

	<u>Assets</u>	<u>Deposits</u>
American Fidelity Bank	\$ 2,045,107.65	\$ 1,788,582.52
Union National Bank	\$ 7,201,260.23	\$ 6,567,043.38

Hotels and Motels

Terrell Motel	8 units
Faulkner Hotel	25 rooms

Clubs and Organizations

Civic: Chamber of Commerce, Jaycees, Lions, Kiwanis, Civic League

Fraternal: Masonic, IOOF, American Legion, V.F.W., and D. of A.

Women's: American Legion Auxiliary, DAR, Eastern Star, PTA, Garden Club, Women's Study Club, Younger Women's Club, Junior Study Club, and Tuesday Club

Youth: Cubs and Brownies, Boy and Girl Scouts, Youth Movement, 4-H Club, FFA, FHA, Little League and Minor League

Recreation

Local: Barbourville has two motion picture theatres. The Dr. Thomas Walker State Park is located five miles from the city with picnicking facilities available.

A 12-acre park, which includes a lighted football stadium, baseball and softball fields, badminton court and playground equipment, is owned and maintained by the American Legion.

Also available is a city-owned playground, completed in 1958, with the following facilities: a regulation Little League field, football field, basketball court and playground equipment.



KNOX COUNTY GENERAL HOSPITAL

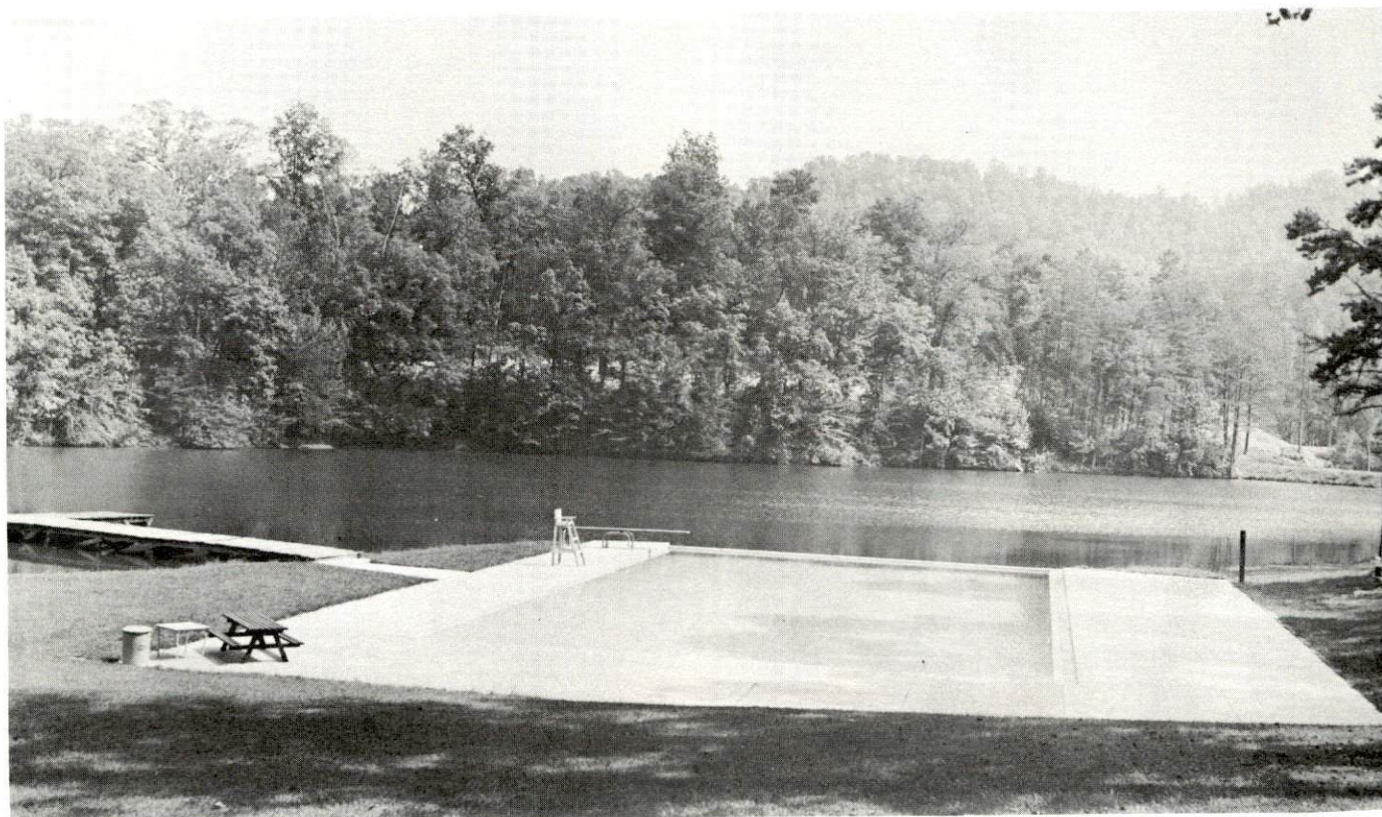


BARBOURVILLE RESIDENTIAL SECTION

RECREATION



INDIAN SPRINGS COUNTRY CLUB



SWIMMING POOL AND LAKE AT
INDIAN SPRINGS COUNTRY CLUB

There are two municipally owned playgrounds for children.

Year-round swimming facilities are available at Union College in Barbourville. A 9-hole golf course is located in Knox County at Corbin, 12 miles distant.

The Indian Springs Country Club located near Barbourville has a 9-hole golf course, a private lake with cabins and cabin sites, large clubhouse, swimming pool, and dining room.

Area: Pine Mountain State Park at Pineville, 19 miles distant, serves the area with a recently constructed lodge, cabins, camp sites and swimming pool.

Lake Cumberland, 70 miles distant, and Norris Lake, 62 miles distant, provide excellent facilities for fishing, boating and camping sites.

Other area parks include Cumberland Falls State Park, 54 miles; Levi Jackson Wilderness Road State Park at London, 21 miles; and Cumberland Gap National Historic Park at Middlesboro, 36 miles.

Community Improvements

Recent:

1. An addition to the sewerage system was recently completed.
2. The police department recently purchased an emergency truck.
3. Extensive improvements are being made at Union College in order to increase the capacity and to provide more adequate facilities.
4. A \$2,250,000 flood wall, which will give protection to the entire city, was recently completed.
5. New mercury vapor lights were installed along the main streets.
6. A new bank was recently constructed.
7. A drive-in bank was completed.
8. Three new city playgrounds were recently completed.
9. A 12-lane bowling alley was recently completed at the estimated cost of \$300,000.
10. City streets have been resurfaced.

11. An armory building was recently completed at the estimated cost of \$214,361.
12. An orphanage was recently constructed at the cost of \$175,000.
13. A new county courthouse is being constructed at a cost of \$560,000.
14. A new municipal building which will house the public library is under construction at a cost of \$371,000.

Planned:

1. A 40-unit housing project is in the planning stage at an estimated cost of \$420,000.
2. A new approach to U. S. Route 25-E into Barbourville is in the planning stage.

NATURAL RESOURCES

Agriculture

In 1959, there were 1,274 farms in Knox County covering 102,266 acres, an average of 80.3 acres per farm.

TABLE 13

AGRICULTURAL STATISTICS FOR KNOX COUNTY AND KENTUCKY, 1959*

<u>Crops</u>		<u>Acres Harvested</u>	<u>Yield Per Acre</u>	<u>Total Production</u>
<u>Corn:</u>				
Knox County	(bu)	2,695	26.9	72,432
Kentucky	(bu)	1,649,000	42.5	70,184,000
<u>Wheat:</u>				
Knox County	(bu)	10	23.5	235
Kentucky	(bu)	158,000	24.5	3,876,000
<u>Soybeans:</u>				
Knox County	(bu)	86	1.6	135
Kentucky	(bu)	181,000	22.1	4,012,000
<u>Burley Tobacco:</u>				
Knox County	(lbs)	380	1,744.5	662,935
Kentucky	(lbs)	189,000	1,604.5	303,261,000
<u>Alfalfa Hay:</u>				
Knox County	(tons)	180	1.5	278
Kentucky	(tons)	289,000	2.1	620,000
<u>Clo-Tim Hay:</u>				
Knox County	(tons)	3,763	.9	3,681
Kentucky	(tons)	427,000	1.3	582,000
<u>Lespedeza Hay:</u>				
Knox County	(tons)	2,378	.9	2,151
Kentucky	(tons)	549,000	1.2	703,000

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

TABLE 14

LIVESTOCK STATISTICS FOR KNOX COUNTY AND KENTUCKY
1959*

<u>Livestock</u>	<u>Number on Farms as of January 1, 1960</u>
<u>All Cattle and Calves:</u>	
Knox County	5,881
Kentucky	1,947,000
<u>Milk Cows:</u>	
Knox County	2,328
Kentucky	466,000
<u>Sheep:</u>	
Knox County	220
Kentucky	546,000

Minerals

The principal mineral resources of Knox County consist of coal, petroleum and natural gas, clay and clay shales, sand and gravel and sandstone. The total value of mineral production for 1961, excluding natural gas, amounted to \$850,548 from coal and petroleum.

Coal: Bituminous coal is the most important mineral resource of Knox County. Lesser amounts of cannel coal are also present. Among the many seams present in the County, the Blue Gem, Jellico and Dean have contributed the most to commercial production.

The total recorded production for the period 1890 through 1962 amounts to 34,532,180 tons. In 1962 a total of 341,668 tons were secured (Kentucky Department of Mines and Minerals).

Range analyses of selected seams are as follows:

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

	Seams		
	Dean	Blue Gem	Jellico
Moisture	3.4-7.3	2.4-6.3	4.0-5.1
Volatile Matter	32.9-41.7	36.8-47.9	34.8-40.1
Ash	3.7-11.2	5.0-6.7	5.4-7.4
Sulphur	0.6-1.3	2.9-4.0	1.3-1.7
Ash Softening Temp. °F	2,620-2,910	2,050-2,410	2,380-2,590
Mineral Matter			
Free-Dry Bases:			
Fixed Carbon	58.6-61.2	52.8-55.8	59.8-61.9
B.t.u.	14,920-15,060	15,290-15,420	15,050-15,130

Source: U. S. Bureau of Mines Technical Paper 652, "Analyses of Kentucky Coals"

The total original reserves for Knox County are estimated at 898.15 million short tons in a recent publication, "Coal Reserves of Eastern Kentucky," by the U. S. Geological Survey. This figure includes measured, indicated, and inferred resources of seams greater than 14" in thickness.

Natural Gas and Petroleum: Production of oil in Knox County has been less important than the production of natural gas.

The most important natural gas developments in Knox County are the Indian Creek and Artemus-Himyar Gas Fields. Production from the Indian Creek Field comes from the Mississippian "Big Lime" at depths from 1,450 to 1,500 feet. The Artemus-Himyar Field produces from the Maxon and Corniferous sands.

Only minor amounts of oil have been produced. The first recorded production was in 1950 when 25 barrels were secured. Peak production was in 1960 with a total of 6,839 barrels. For the period 1950 through 1962 a total of 34,037 barrels were produced. Production for 1962 amounted to 1,795 barrels.

Clays and Clay Shales: Recent investigations of several shale members of the Breathitt formation indicate that this material is of a quality suitable for light-weight aggregate, common brick and structural and quarry tile. Under proper market conditions, these shales could possibly be developed.

Sands and Gravels: Alluvial sand and gravel suitable for local construction and other purposes can be obtained from along the larger stream beds.

Sandstone: Sandstones are available in quantities sufficient for local construction purposes. Qualitative data are lacking.

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 15

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 disclosed: Cement, ball clay (1960), crushed sandstone, and values indicated by footnote 2.	-----	22,080,000

- (1) Mineral Industry of Kentucky, Minerals Yearbook, 1960. Production as measured by mine shipments, sales, or marketable production (including consumption by producers).
- (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."

Forests

There are approximately 154,000 acres of forested land in Knox County, which comprise 64 percent of the total area. The principal tree types are: oak, hickory, beech, yellow poplar 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 to 600 million board feet per year) is used in manufacturing in the state.

Kentucky's forests are protected from fire by a radio-interconnected network of 144 fire towers.

MARKETS

Kentucky's economic growth is credited in part to its location at the center of the Eastern Market Area. A line drawn along the borders of Minnesota, Iowa, Missouri, Arkansas, and Louisiana divides the country into two parts designated the Eastern and Western Market Areas. The Eastern Market Area is smaller in land area, but contains almost 75 percent of the national population.

Kentucky is also at the center of a seventeen-state area containing over 2/5 of the nation's population, personal income, and retail sales. This area is composed of those states within an approximate 400-mile radius of the Kentucky border. This is shown in greater detail in the following table.

TABLE 16
CONSUMER MARKET POTENTIAL

	Population (1) Percent of U. S.	Personal Income(2) Percent of U. S.	Retail Sales(3) Percent of U. S.
Alabama	1.8	1.2	1.2
Arkansas	.9	.6	.7
Delaware	.3	.3	.2
Georgia	2.1	1.6	1.7
Illinois	5.6	6.6	6.4
Indiana	2.7	2.5	2.5
KENTUCKY	1.6	1.2	1.2
Maryland	1.8	1.9	1.6
Michigan	4.3	4.6	4.4
Missouri	2.4	2.4	2.5
North Carolina	2.6	1.8	1.9
Ohio	5.4	5.7	5.5
Pennsylvania	6.3	6.4	6.1
South Carolina	1.3	.8	.8
Tennessee	1.9	1.4	1.6
Virginia	2.1	1.8	1.8
West Virginia	1.1	.8	.9
REGIONAL TOTAL	44.2	41.6	41.0

(1) U. S. Census of Population, 1960.

(2) Survey of Current Business, U. S. Department of Commerce

(3) Census of Business, 1958, Retail Trade

In 1960, per capita income for Knox County was \$501; per capita income for Kentucky was \$1,573, far below the national average of \$2,223. It should be noted that Knox County ranked 119th among Kentucky's 120 counties, and Kentucky ranked 46th among the 50 states.*

Retail sales for Knox County in 1962 were \$9,956,000.**

*Personal Income in Kentucky Counties, 1958-1960

**Sales Management, Survey of Buying Power, June 10, 1963

CLIMATE

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 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 percent of the year and increases to 60 percent 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.

TABLE 17

CLIMATIC DATA FOR BARBOURVILLE, KNOX COUNTY, KENTUCKY

<u>Month</u>	<u>Temp. Norm*</u>	<u>Total</u>	<u>Av. Relative</u>	
	<u>Deg. Fahrenheit</u>	<u>Prec. Norm*</u>	<u>Humidity Readings**</u>	
		<u>Inches</u>	<u>7:00 A.M.</u>	<u>7:00 P.M.</u>
January	33.0	3.63	79	66
February	45.1	5.53	76	57
March	51.5	4.85	74	54
April	51.7	4.93	75	47
May	62.2	3.28	79	47
June	69.5	5.41	87	59
July	74.1	7.38	85	60
August	72.9	2.51	82	55
September	71.0	1.24	81	60
October	55.9	2.61	79	58
November	49.1	2.69	79	64
December	39.1	7.34	83	67
Annual Norm	56.2	51.40		

*Station Location: Barbourville, Kentucky

**Station Location: Knoxville, Tennessee

Length of Record: 7:00 A.M. readings 29 years;
7:00 P.M. readings 29 years.

Days cloudy or clear: (29 yrs. of record) 175 cloudy, 100 partly cloudy, 90 clear

Percent of possible sunshine: (29 yrs. of record) 54%

Days with precipitation of 0.01 inch or over: (29 yrs. of record) 125

Days with 1.0 inch or more snow, sleet, hail: (29 yrs. of record) 6

Days with thunderstorms: (29 yrs. of record) 50

Days with heavy fog: (29 yrs. of record) 35

Prevailing wind: (29 yrs. of record) NE

Seasonal heating-degree days: (29 yrs. of record) Approximate long-term means 3,836 degree days.

APPENDIX

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

HISTORY

Barbourville, the county seat of Knox County, is located on U. S. Highway 25-E about 115 miles southeast of Lexington. It was founded in 1800, and was named for James Barbour who gave 38 acres for the town site. The original plan of the town, submitted and approved January 26, 1801, provided for seventy-eight lots contained in twenty-four blocks.

Barbourville was governed for many years by trustees. In 1854 the General Assembly enabled the town to elect a marshal and police judge. T. Randolph Herndon and Demcy King were the first to be elected to these positions.

In 1890 the town was incorporated under an act of the General Assembly which provided for a Board of Councilmen consisting of a mayor and seven councilmen. S. B. Dishman was the first mayor, and was followed the next year by W. B. Anderson.

Barbourville, somewhat remote from the Boone Trail or Wilderness Road as it is more commonly known, nevertheless has had some big moments. The land boom accompanying the coming of the L & N Railroad in 1888 saw the Cumberland Land and Improvement Company offer lots for sale along the newly laid out Allison Avenue for \$100 per front foot. This land company erected the first electric generating plant in this section.

The second boom came in 1900 and was in oil. Several good wells were brought in, but speculation rather than production was the rule and a bust followed. As a result of the drilling for oil an extensive natural gas field was discovered.

Barbourville is the home of two of Kentucky's governors, James D. Black, 1919, and Flem D. Sampson, 1928-1932. Six men from Barbourville have represented this district of Kentucky in the House of Representatives of the United States Congress, and one was for a short time a Senator. Green Adams was a member of the House for twelve years while John M. Robsion served for twenty-four years.

Barbourville produced the only United States Charge'd' Affaires to the Republic of Texas when Joseph Eve was appointed to that position by President William Henry Harrison in 1841. Samuel F. Miller, a practising physician in Barbourville until he was admitted to the bar in 1846, was appointed to the United States Supreme Court by President Lincoln in 1862. Silas Woodson, for many years Commonwealth's Attorney for the Barbourville District, moved to Missouri in 1852, and in 1872 was elected governor of that state.

Appendix A

Barbourville is the home of Union College, founded in 1879 by local citizens, and two large public schools. Barbourville City School began in 1890 in a four-room building, and Knox Central was started in 1935. Both of these schools are now housed in modern, fire-proof structures and enroll nearly two thousand students.

The Barbourville churches are old, established organizations. The First Baptist Church elected Elijah Foley its first pastor in 1804. The Methodist Church was established in 1839, the Christian Church in 1843, St. Gregory's in 1910, the Advent Christian Church about 1935 and the Free Pentecostal Church in 1949.

Barbourville, in recent years, has made great progressive strides. The future from both cultural and economic standpoints appears bright.

COVERED EMPLOYMENT BY MAJOR INDUSTRY DIVISION
KNOX COUNTY AND KENTUCKY

Industry, September 1962	Knox County		Kentucky	
	Number	Percent	Number	Percent
All Industries	1,157	100.0	456,064	100.0
Mining & Quarrying	110	9.5	30,615	6.7
Contract Construction	30	2.6	31,047	6.8
Manufacturing	652	56.4	176,243	38.6
Food & kindred products	10	.8	25,618	5.6
Tobacco	1	.08	16,840	3.6
Clothing, tex. and leather	259	22.4	25,380	5.3
Lumber and furniture	183	14.9	13,589	2.9
Printing, pub. and paper	7	.6	10,516	2.3
Chemicals, petroleum, coal and rubber	0	0	13,620	2.9
Stone, clay and glass	8	.7	5,580	1.2
Primary metals	0	0	9,388	2.0
Machinery, metals & equip.	184	15.9	53,168	11.6
Other	0	0	2,544	.5
Transportation, Communication and Utilities	13	1.1	32,973	7.2
Wholesale and Retail Trade	292	25.2	126,298	27.6
Finance, Ins. and Real Estate	30	2.6	20,579	4.5
Services	19	1.6	36,437	7.9
Other	11	.9	1,872	.4

Appendix C

ECONOMIC CHARACTERISTICS OF THE POPULATION FOR
KNOX COUNTY AND KENTUCKY, 1960

Subject	Knox County		Kentucky	
	Male	Female	Male	Female
Total Population	12,408	12,850	1,508,536	1,529,620
EMPLOYMENT STATUS				
Persons 14 years old & over	8,201	8,739	1,036,440	1,074,244
Labor force	3,864	1,465	743,255	219,234
Civilian labor force	3,864	1,465	705,411	290,783
Employed	3,448	1,380	660,728	275,216
Private wage & salary	3,448	2,623	440,020	208,384
Government workers	2,351	1,687	58,275	44,462
Self-employed	1,225	145	156,582	16,109
Unpaid family workers	12	43	5,851	6,261
Unemployed	416	85	44,683	15,567
Not in labor force	4,337	7,274	293,185	783,010
Inmates of institutions	21	20	15,336	8,791
Enrolled in school	1,326	1,042	94,734	97,825
Other & not reported	2,990	6,212	183,115	676,394
Under 65 years old	1,875	5,001	91,626	539,838
65 and over	1,115	1,211	91,489	136,556
MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS				
All employed	3,448	1,380	660,728	275,216
Professional & technical	247	271	46,440	36,879
Farmers & farm mgrs.	275	9	91,669	2,339
Mgrs., officials, & props.	227	77	58,533	10,215
Clerical & kindred workers	149	199	35,711	66,343
Sales workers	208	154	39,837	25,265
Craftsmen & foremen	578	14	114,003	2,836
Operatives & kindred workers	1,006	151	140,192	45,305
Private household workers	8	183	1,123	25,183
Service workers	99	206	29,844	40,156
Farm laborers & farm foremen	136	4	33,143	2,046
Laborers, ex. farm & mine	399	0	44,227	1,671
Occupation not reported	116	112	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.

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

Every corporation owning property or doing business in Kentucky is liable for corporation license tax. This provision does not apply to banks and trust companies, foreign and domestic insurance companies, foreign and domestic building and loan associations, and corporations that, under existing laws, are liable to pay a franchise tax.

The license tax return, Form 41A820, is due on or before the 15th day of the 4th month following the close of the corporation's taxable year. The tax rate is 70¢ per \$1,000 value of capital stock employed in this state. The minimum liability is \$10.

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 nonprofit corporations are exempt from the tax. Payment is due on the 15th day of the fourth month after the close of the tax year, except for those corporations required to make a declaration.

Every corporation whose estimated tax liability will exceed \$5,000 must file a declaration of estimated tax due. The declaration must be filed on either May 15, September 15, or December 15, whichever date first succeeds the determination that an estimate must be filed. The estimated tax due in excess of \$5,000 will be paid in equal installments on the dates prescribed. Taxpayers using a fiscal year accounting period must substitute the corresponding dates.

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.

Public Service Company Taxes

Property of public service companies including railroad companies and common carrier trucking companies is subject to taxation at the following rates per \$100 value: real, 5¢; tangible personal, 50¢; nonoperating intangible property, 25¢; manufacturing machinery, 50¢; rolling stock of car line companies and irregular route common carrier truck companies, \$2.50. With the exception of manufacturing machinery, and rolling stock of car line and irregular route common carrier truck companies, and nonoperating intangibles, such property is also subject to local taxation.

Public service companies must, between January 1 and March 31, file an annual report of their operations during the past calendar year. Assessment of their 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.

State 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 1962, the statewide assessment level on real estate and tangible personalty is slightly under 30 percent, 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	.001	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 and irregular route common carrier truck companies	2.50	No	No	No
Distilled spirits	.50	Full 1/	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	.05	No	No	No
Intangibles, public service company	.50	Full	Full	Full
Intangibles, public service company 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 2/	.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	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, after deduction of Federal corporation income tax attributable to Kentucky operations. 2. Corporation license tax of 70 cents on each \$1,000 of that part of the value of capital stock represented by property owned or business transacted in Kentucky; minimum tax \$10.	There are no local taxes levied on business firms outside corporate limits of Kentucky cities.
Personal & Individual	Individual income taxes range from 2% of the first \$3,000 of net income to 6% on net income in excess of \$8,000 after the deduction of Federal individual income tax payments, which is reduced by a tax credit of \$20 for each exemption.	There are no local individual income (occupational) taxes levied outside the corporate limits of Kentucky cities except in Jefferson County.
Real Estate	Five cents on each \$100 of assessed valuation. The average county assessment ratio is approximately 30 percent 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 30 percent 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 30 percent 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 percent 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 follows: Bank Deposits 100% 1/10 of 1¢ per \$100 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.

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 Commerce, 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 Commerce "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 1961, highway expenditures for the improvement and maintenance of Kentucky's highways and bridges totaled \$183,467,844. 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 Labor 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 Commerce 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.