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Industrial Resources: Rowan County- Morehead

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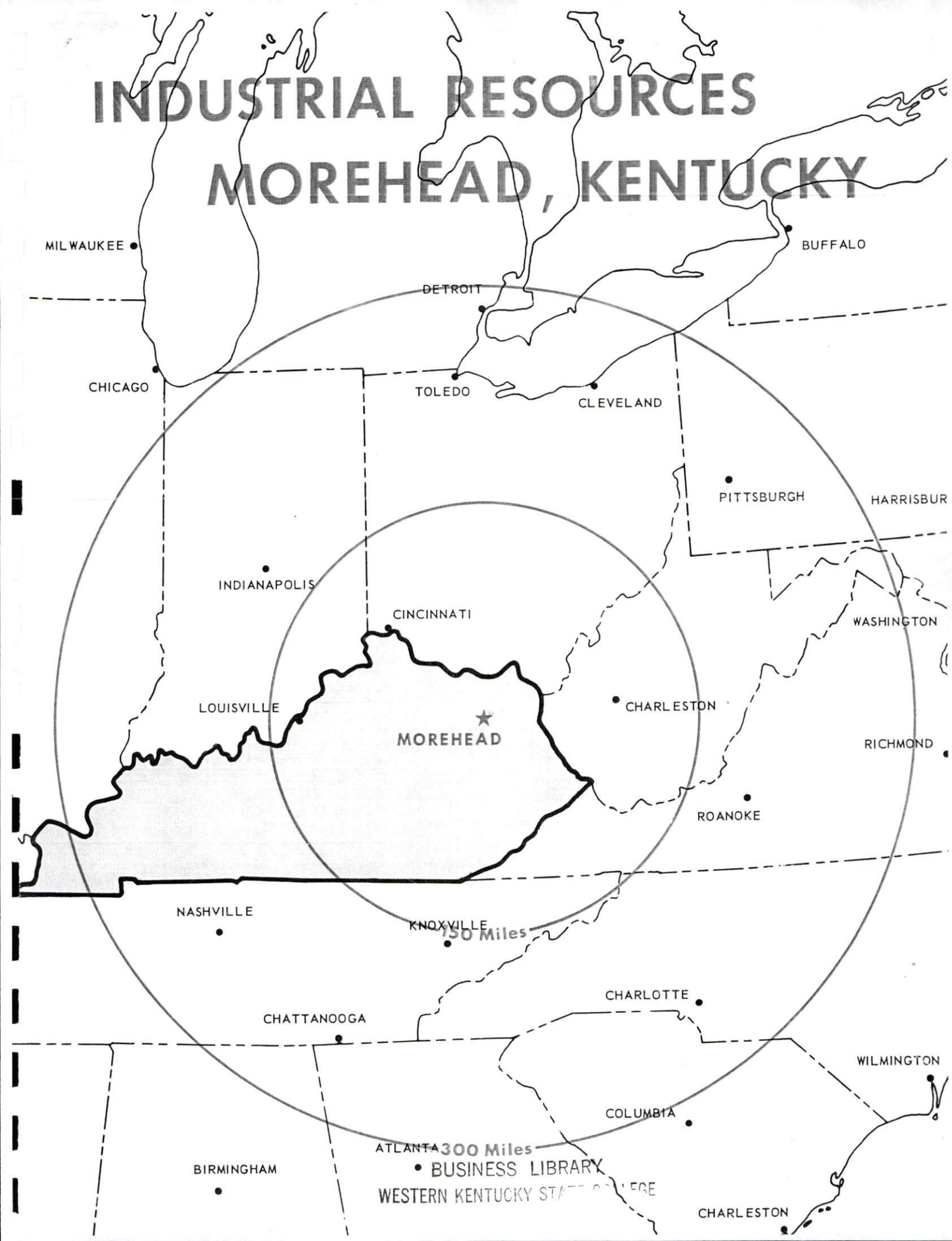
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INDUSTRIAL RESOURCES MOREHEAD, KENTUCKY



INDUSTRIAL RESOURCES
MOREHEAD, KENTUCKY

Prepared by
The Morehead Chamber of Commerce
and
The Kentucky Department of Commerce
Frankfort, Kentucky
December 1963

INDUSTRIAL RESOURCES

MOREHEAD, KENTUCKY

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SUMMARY DATA

POPULATION:

1960: Morehead - 4,170

Rowan County - 12,808

MOREHEAD LABOR SUPPLY AREA:

Includes Rowan and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area: 5,734 men and 4,537 women. Number of workers available from Rowan County: 689 men and 538 women.

TRANSPORTATION:

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

Air: Blue Grass Field, Lexington, 70 miles, is served by Eastern, Delta, and Piedmont Airlines. Rowan County Airport, located at Farmers, Kentucky, 7 miles distant, has a 3,000-foot turf runway.

Trucks: McDuffee Motor Freight, Inc., and Point Express, Inc., serve Morehead.

Bus Lines: Morehead is served by Southeastern Greyhound Lines.

HIGHWAY DISTANCES FROM MOREHEAD, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	458	Lexington, Ky.	70
Chicago, Ill.	449	Nashville, Tenn.	295
Cincinnati, Ohio	109	New York, N. Y.	691
Detroit, Mich.	512	Pittsburgh, Pa.	271
Louisville, Ky.	148	St. Louis, Mo.	413

Electricity

Electricity is supplied Morehead by the Kentucky Utilities Company.

Natural Gas

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

Water

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

Sewerage

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

POPULATION AND LABOR MARKET

Population

The population of Morehead was reported to be 4,170 by the 1960 U. S. Census of Population, which was an increase of 1,068 since the 1950 census count of 3,102. The net population increase since 1900 is reported to be 3,070.

TABLE 1

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

Year	<u>Morehead</u>		<u>Rowan County</u>		<u>Kentucky</u>
	<u>Population</u>	<u>%Change</u>	<u>Population</u>	<u>%Change</u>	<u>%Change</u>
1900	1,100		8,277		
1910	1,105	.5	9,438	14.0	6.6
1920	981	-11.2	9,467	.3	5.5
1930	825	-8.4	10,893	15.0	8.2
1940	1,901	130.4	12,734	16.9	8.8
1950	3,102	63.1	12,708	-.3	3.5
1960	4,170	34.4	12,808	.8	3.2

Economic Characteristics

Rowan County is a predominantly rural county having only one community classified as urban. This is Morehead, the county seat. The inhabitants are primarily engaged in agriculture and manufacturing. There were 861 workers employed in agriculture in the fall of 1959. The next largest groups, as of September, 1962, were manufacturing with 789 employed and wholesale and retail trade with 386 employed. Total employment at that time in all industries was 1,530, excluding those directly employed in agriculture.

Wage rates are below the state average in Rowan County. The average weekly earnings in 1961 for all industries were \$59.89, and \$62.54 for manufacturing. During this same period the state average was \$83.44 for all industries and \$96.07 for manufacturing.

The annual Rowan County per capita income was reported as \$1,119 in 1961 as compared to the state average of \$1,412.*

In 1961, retail sales in Rowan County totaled \$9,336,000.*

*Sales Management, Survey of Buying Power, June 10, 1962

Labor Market

Supply Area: The Morehead labor supply area is defined for the purpose of this statement to include Rowan, and the adjacent counties of Bath, Carter, Elliott, Fleming, Lewis, Menifee, and Morgan.

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 Morehead supply area was reported to be 88,406 by the 1960 U. S. Census of Population, which was a decrease of 8,260 persons since the 1950 census count of 96,666. The total estimated to be currently available for industrial employment includes 5,734 males and 4,537 females. This distribution is shown in the following table.

TABLE 2

DISTRIBUTION OF THE CURRENT ESTIMATED LABOR SUPPLY WITH
COMPONENTS, MOREHEAD AREA, MAY, 1962*

	<u>Total</u>		<u>Total</u>	<u>Labor Supply**</u>		<u>Unemployed</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
<u>Area Total:</u>	5,734	4,537	10,271	4,506	4,380	1,228	157
Rowan	689	538	1,227	401	507	288	31
Bath	407	463	870	308	452	99	11
Carter	1,321	1,102	2,423	964	1,042	357	60
Elliott	759	442	1,201	672	433	87	9
Fleming	369	469	838	313	461	56	8
Lewis	544	538	1,082	501	532	43	6
Menifee	421	216	637	317	205	104	11
Morgan	1,224	769	1,993	1,030	748	194	21

*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.

Future Labor Supply: The future labor supply will include some proportion of the 9, 742 boys and 9, 408 girls who will become 18 years of age by 1970. The distribution of these children is shown in the following table.

TABLE 3

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

	18 Years of Age by 1970	
	Male	Female
<u>Area Total:</u>	9, 742	9, 408
Rowan	1, 340	1, 260
Bath	949	783
Carter	2, 220	2, 344
Elliott	701	758
Fleming	1, 128	1, 074
Lewis	1, 561	1, 486
Meniffee	526	487
Morgan	1, 317	1, 216

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

TABLE 4

MOREHEAD AREA AGRICULTURAL EMPLOYMENT
FALL, 1959*

	<u>Family Workers</u>	<u>Hired Workers**</u>	<u>Total</u>
<u>Area Total:</u>	11, 634	211	11, 845
Rowan	861	0	861
Bath	1, 475	32	1, 507
Carter	1, 840	35	1, 875
Elliott	940	0	940
Fleming	2, 163	83	2, 246
Lewis	1, 864	31	1, 895
Meniffee	765	20	785
Morgan	1, 726	10	1, 736

*U. S. Census of Agriculture

**Regular Workers (Employed 150 days or more)

TABLE 5

MOREHEAD AREA MANUFACTURING EMPLOYMENT*
SEPTEMBER, 1962

	Area							Meni-	
	Total	Rowan	Bath	Carter	Elliott	Fleming	Lewis	fee	Morgan
Total manu- facturing	2,081	789	15	436	111	127	440	14	149
Food & kindred products	57	40	0	5	0	10	0	0	2
Tobacco	1	1	0	0	0	0	0	0	0
Clothing, tex- tile & leather	616	205	0	68	0	0	343	0	0
Lumber & furniture	692	322	11	3	111	1	97	14	133
Print., publ. & paper	68	12	4	43	0	0	0	0	9
Chemicals, petroleum & rubber	49	49	0	0	0	0	0	0	0
Stone, clay & glass	483	160	0	317	0	1	0	0	5
Primary metals	0	0	0	0	0	0	0	0	0
Machinery, metal products & equipment	115	0	0	0	0	115	0	0	0
Other	0	0	0	0	0	0	0	0	0

*Includes only those workers covered by unemployment insurance.

TABLE 6

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

	Area							Meni-	
	Total	Rowan	Bath	Carter	Elliott	Fleming	Lewis	fee	Morgan
Mining & Quarrying	250	17	0	82	24	0	0	0	127
Contract Construction	308	88	2	32	2	28	26	0	130
Manufacturing	2,081	789	15	436	111	127	440	14	149
Transportation, Communications, & Utilities	453	114	28	51	0	117	38	26	79
Wholesale & Retail Trade	1,260	386	57	260	3	266	101	0	187
Finance, Ins. & Real Estate	160	42	28	37	6	25	11	0	11
Services	248	94	5	72	0	9	12	3	53
Other	0	0	0	0	0	0	0	0	0
Total	4,760	1,530	135	970	146	572	628	43	736

LOCAL MANUFACTURING

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

*Includes only workers covered by unemployment insurance

Source: Kentucky Department of Economic Security

TABLE 7

MOREHEAD MANUFACTURING FIRMS WITH PRODUCTS
AND EMPLOYMENT, 1963

<u>Firm</u>	<u>Product</u>	<u>Employment</u>		<u>Total</u>
		<u>Male</u>	<u>Female</u>	
Consol Ready Mix Corp.	Ready mixed concrete	7	0	7
Curtis Lumber Company	Rough and dressed lumber	26	0	26
Drew Evans Tie Co., Inc.	Rough lumber, pulp wood barrel staves, pallets	9	1	10
East Kentucky Paving Corp.	Hot mix and cold mix asphalt	40	0	40
East Kentucky Printing Co.	Commercial printing	1	1	2
Espy Ellington & Sons	Lumber	17	0	17
Greer Lumber Company	Hardwood flooring	80	2	82
Hobart Curtis Company	Lumber	3	0	3
Homer Gregory & Co.	Industrial lumber	18	0	18
J. C. Wells & Son	Pallets, skids, lumber	25	0	25
K. & L. Supply Co., Inc.	Concrete block, ready mixed concrete	8	1	9
Morehead Bottling Co.	Carbonated beverages	4	0	4
Morehead Ice & Coal Co.	Ice	3	0	3
Morehead Company	Men's & boys' work clothing	15	195	210
Morehead News	Newspaper publishing, printing	10	6	16
Rodburn Lumber Company	Lumber	4	0	4
Rowan County Stave Company	White oak whisky barrel staves	8	1	9

<u>Firm</u>	<u>Product</u>	<u>Employment</u>		
		<u>Male</u>	<u>Female</u>	<u>Total</u>
Shay Lumber Co.	Industrial pallets	24	0	24
Spring Grove Dairy	Fluid milk, cottage cheese	30	2	32
Robert L. Wells	Pallets	18	0	18
West Lumber Company	Pallets, boxes and crates	60	2	62
White Lumber Co.	Lumber, siding, windows, weatherboarding	18	1	19
Ray L. White & Sons	Rough & dressed lumber, pallets	78	2	80

Prevailing Wage Rates

Some examples of wages in the area are:

<u>Classification</u>	<u>Average Rate</u>
Clerical and Secretarial	\$40.00 to \$60.00 per week
Laborers	1.15 per hour
Semiskilled	1.75 per hour
Skilled	2.25 per hour
Truck Driver	1.25 per hour
Maintenance	1.15 per hour

Unions

<u>Name of Union</u>	<u>Name of Company</u>
United Clay and Brick Workers	Morehead Company

TRANSPORTATION

Railroads

Morehead is served by the Lexington Division of the Chesapeake and Ohio Railway Company operating between Lexington and Ashland. There are two local freight and passenger trains daily. Switching service is provided with eight tracks for 75 cars. The average number of inbound carloads per month is 60, and the average number of outbound carloads per month is 108. These consist mainly of lumber, building materials, fertilizer and feed. Railway Express service is available.

TABLE 8

RAILWAY TRANSIT TIME FROM MOREHEAD, KENTUCKY, TO:*

Town	No. of Days		Town	No. of Days	
	CL	LCL		CL	LCL
Atlanta, Ga.	2	5	Louisville, Ky.	1	3
Birmingham, Ala.	3	5	Los Angeles, Calif.	5	12
Chicago, Ill.	1	3	Nashville, Tenn.	2	4
Cincinnati, Ohio	1	3	New Orleans, La.	3	6
Cleveland, Ohio	2	4	New York, N. Y.	3	8
Detroit, Mich.	2	4	Pittsburgh, Pa.	2	5
Knoxville, Tenn.	2	5	St. Louis, Mo.	2	5

Highways

Highways serving Morehead are U. S. Route 60 and Kentucky Routes 32 and 519. Interstate Route 64 will, upon completion, provide easy access from Morehead to many of the nation's large population centers.

TABLE 9

HIGHWAY DISTANCES FROM MOREHEAD, KENTUCKY, TO:

Town	Miles	Town	Miles
Atlanta, Ga.	458	Lexington, Ky.	70
Birmingham, Ala.	486	Louisville, Ky.	148
Chicago, Ill.	449	Nashville, Tenn.	295
Cincinnati, Ohio	109	New York, N. Y.	691
Detroit, Mich.	512	Pittsburgh, Pa.	271
Knoxville, Tenn.	274	St. Louis, Mo.	413

Truck Service: Common carrier service is provided by McDuffee Motor Freight, Inc., Lebanon, Kentucky, and Point Express, Inc., Charleston West Virginia.

*C. & O. Railway Company, Freight Service Manager, Cincinnati, Ohio.

TABLE 10

TRUCK TRANSIT TIME FROM MOREHEAD, 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.	3	2	Louisville, Ky.	2	1
Birmingham, Ala.	3	3	Los Angeles, Calif.	7	7
Chicago, Ill.	2	2	Nashville, Tenn.	2	2
Cincinnati, Ohio	2	1	New Orleans, La.	6	5
Cleveland, Ohio	2	2	New York, N. Y.	4	3
Detroit, Mich.	2	2	Pittsburgh, Pa.	3	2
Knoxville, Tenn.	3	2	St. Louis, Mo.	3	2

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

Air

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

There is a 3,000-foot turf landing strip at Farmers, Kentucky, 7 miles distant, that can accommodate light aircraft.

UTILITIES AND FUEL

Electricity

Morehead is served by the Kentucky Utilities Company.

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, 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.

*Point Express, Inc., Charleston, West Virginia

Natural Gas

Natural gas is distributed in Morehead by the Morehead Utility Plant Board, whose source of supply is Tennessee Gas Transmission Company. Distribution is through 4- and 6-inch lines. The Btu content is 1,080 per cubic foot, and the specific gravity is .60. Pressure is maintained at approximately 25 psi.

Current gas rates per month:

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

Coal and Coke

Morehead is located in the Eastern Kentucky Coal Field, which 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. Border state operations supplement this supply.

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.

WATER AND SEWERAGE

Public Water Supply

Water is supplied Morehead by the Morehead Utility Plant Board. The raw water is purchased from Morehead State College, whose reservoir has a

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

capacity of approximately 120,000,000 gallons. Storage is provided by a 250,000-gallon elevated tank. Pumping capacity is 750 gpm and the average pumping time to meet requirements is 18 hours. Average daily use is 250,000 gallons and maximum daily use has been 300,000 gallons. Mains vary in size from 4 to 8 inches, and the pressure is maintained between 75 and 100 psi.

Current monthly water rates are:

	<u>Gallons</u>	
First	2,000	\$2.00
Next	2,000	.80
Next	2,000	.75
Next	2,000	.70
Next	2,000	.65
Next	25,000	.55
Next	25,000	.45
Next	240,000	.40
Next	300,000	.35
All Over	300,000	.25
Outside City - Plus 20%		

Water Resources

Surface Water: Rowan County is drained principally by Triplett Creek which flows into the Licking River along the southern boundary. The average stream discharge (USGS) of Triplett Creek at Morehead and Licking River at Farmers are 74.1 cfs (21-year record) and 1,076 cfs (24-year record), respectively. Other available sources of water supplies come from impounded small streams.

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

MISSISSIPPIAN SYSTEM

Osage Group:

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

Meramec and Chester Groups, undifferentiated

"The Meramec and Chester groups are along the escarpment marking the western boundary of the Eastern Coal Field. Where limestone

and sandstone crop out in valleys, they generally yield enough water for domestic use. Many springs flow from these rocks. A few of these yield as much as 100 gpm during periods of high flow."

PENNSYLVANIAN SYSTEM

Eastern Coal Field:

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

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

Sewerage System

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

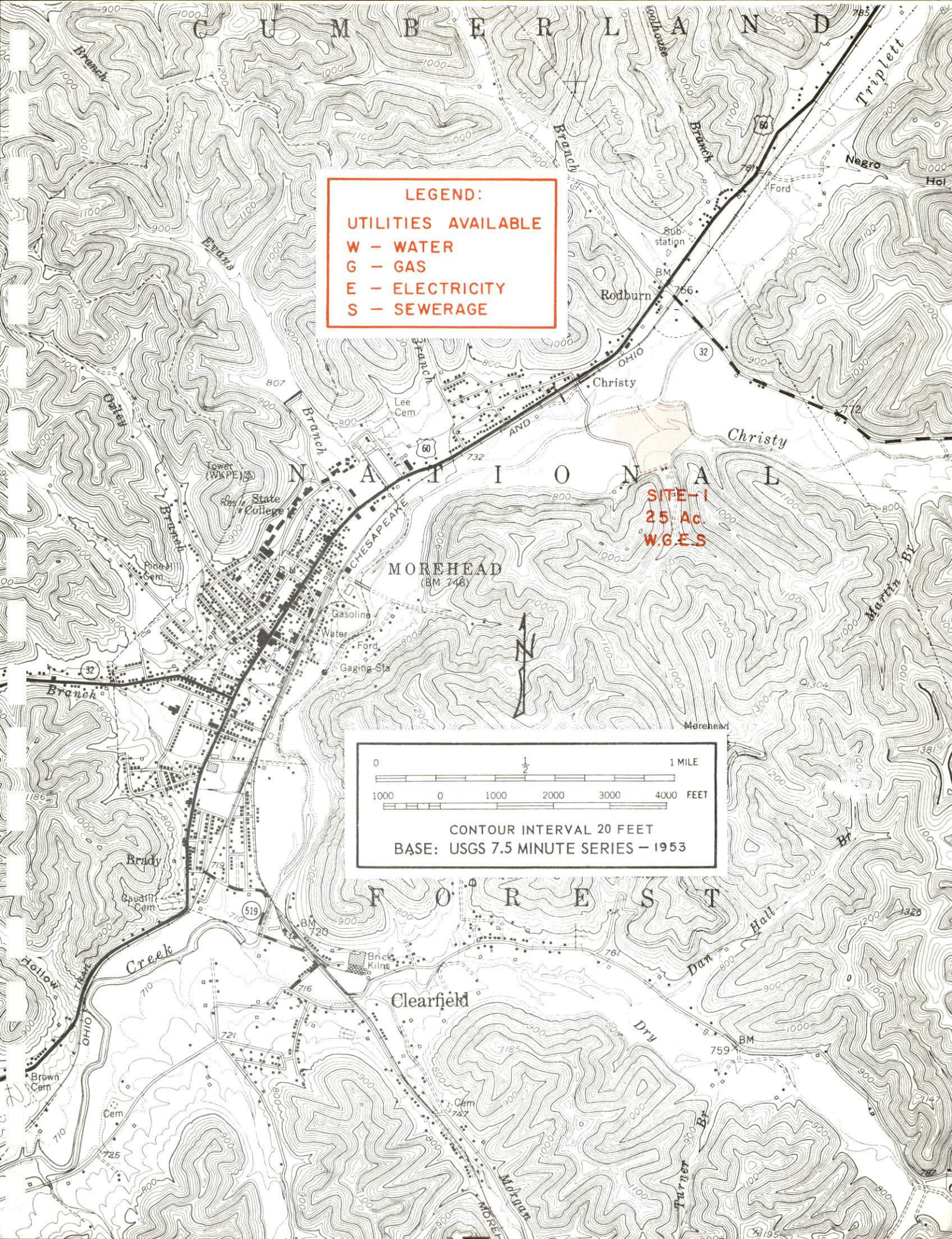
INDUSTRIAL SITES

SITE # 1: ACREAGE & TOPOGRAPHY: 25 acres, level land
LOCATION: 1 mile northeast of city
HIGHWAY ACCESS: Off U. S. Highway 60 by county road
RAILROAD: Chesapeake and Ohio Railway Company line
runs adjacent to site.
ELECTRICITY: Kentucky Utilities Company
WATER & SEWERAGE: Morehead Utility Plant Board
GAS: Morehead Utility Plant Board

LOCAL GOVERNMENT AND SERVICES

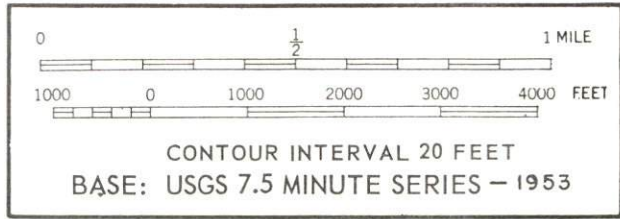
Type Government

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



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

SITE-1
25 Ac.
W.G.E.S.



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

Laws Affecting Industry

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

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

Planning and Zoning

Morehead has a Planning and Zoning Commission which is working in conjunction with the Planning and Zoning Division of the Kentucky Department of Commerce. Planning projects which have been completed to date are: Zoning Ordinance, Subdivision Regulations, Existing Land Use Analysis, Major Street Plan, Future Land Use Plan, Base Map, Existing Land Use Map, Community Facilities Plan, and Housing Condition Survey.

The proposed program for Morehead consists of Public Improvements Program, Central Business District Study, Park and Recreation Study and a General Plan.

Fire Protection

The Morehead Fire Department is staffed with a chief and 19 volunteer firemen. Equipment includes: a 1962 International R 190, 750-gpm pumper truck with a 500-gallon booster tank, 1,200 feet of 2 1/2-inch hose, 400 feet of 1 1/2-inch hose, and 400 feet of 1-inch booster hose; a 1953 Chevrolet, 500-gpm pumper truck with a 400-gallon booster tank, 1,200 feet of 2 1/2-inch hose, 400 feet of 1 1/2-inch hose, 400 feet of 1-inch booster hose, and a two-way radio; a 1952 Ford, 500-gpm pumper truck with a 500-gallon booster tank, 1,200 feet of 2 1/2-inch hose, 400 feet of 1 1/2-inch hose, 400 feet of 1-inch booster hose, and a two-way radio; and a 1941 Chevrolet, 500-gallon pumper truck with a 250-gallon booster tank, 1,200 feet of 2 1/2-inch hose, 400 feet of 1 1/2-inch hose, and 400 feet of 1-inch booster hose. Each truck is equipped with a 15 pound CO₂ extinguisher, 2 1/2 gallons of foam and a first-aid kit. The Department has 1,500 feet of utility hose, a respirator, and 3 light plants.

Morehead has a class-6 fire insurance rating.

Police Protection

The Morehead Police Department is staffed with a chief and five patrolmen. Motorized equipment consists of three radio-equipped patrol cars.

Garbage and Sanitation

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

Financial Information

The following statements summarize the financial position of Morehead and Rowan County.

City Income, Expenditures and Bonded Indebtedness,

June 30, 1962:

Income	\$159,993.49
Expenditures	152,705.68
Bonded Indebtedness	14,768.83

County Budget and Bonded Indebtedness:

Estimated County Budget, 1963-64	\$96,657
County Bonded Indebtedness	0

TAXES

Property Taxes

The following table shows the property tax rates applying in Morehead and Rowan 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 MOREHEAD AND ROWAN COUNTY, 1962

<u>Taxing Unit</u>	<u>Morehead</u>	<u>Rowan County</u>
State	\$.05	\$.05
County	.50	.50
City	.48	.00
School	2.00	2.00
Total	\$ 3.03	\$ 2.55

Real Estate Assessment Ratios

Morehead	33 1/3%
Rowan County	33 1/3%

Net Assessed Value of Property, subject to full local rate, 1962

Morehead	\$11,100,000
Rowan County	14,595,015

OTHER LOCAL CONSIDERATIONS

Educational Facilities

Graded Schools: A new county high school building located in Morehead was constructed in 1961 at a cost of \$490,080. A new 10-room county elementary school was constructed at Cranston at a cost of \$222,600 and opened in the fall of 1963. Three classrooms and a lunchroom are being added to the Haldeman Elementary School at a cost of \$94,115. The Morehead Elementary School has a 10-room addition under construction at a cost of \$153,000, and Farmers Elementary School will have two new classrooms, a new furnace and complete plumbing for the entire building at a cost of \$58,405.

Rowan County High School and Morehead Elementary School are located in Morehead. The high school has an enrollment of 749 and the elementary school has an enrollment of 499. The student-teacher ratio is 21-1 in the high school and 28-1 in the elementary school.

TABLE 12

SCHOOLS, ENROLLMENT, NUMBER OF TEACHERS, STUDENT- TEACHER RATIO IN MOREHEAD AND ROWAN COUNTY

<u>School</u>	<u>Enrollment</u>	<u>No. of Teachers</u>	<u>Student- Teacher Ratio</u>
Rowan County High	749	35	21 - 1
Rowan County Elementary (total)	1,203	53	23 - 1
Morehead Elementary	499	18	28 - 1
Breckenridge Training School (1 - 12) (State)	344	20	17 - 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.

Morehead is served by the Ashland Area Vocational School, Ashland, Kentucky, 60 miles distant. Courses offered include: auto mechanics, general industrial electricity, machine shop, sheet metal, welding, and 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, when facilities permit.

Colleges: Morehead State College is one of the fastest growing institutions of higher learning in the South. The beautiful college, located 70 miles from Lexington where the bluegrass meets the mountains, has grown from just over 600 students nine years ago to the present enrollment of over 3,000.

Today, the college has a faculty of over 150 with high quality instructional programs available to the serious student who wishes to learn.

The physical facilities of the picturesque college are unsurpassed. An almost unbelievable building program has been conducted during the past nine years.

Just during the 1962-63 school year alone, six major structures were occupied for the first time. Completed in 1962-63 were: the \$1,042,340 home economics-industrial arts building; the 4-story, \$838,080 Wilson Hall for men; the magnificent, 6-story, \$1,166,495 Mignon Hall for women; the \$473,744 addition to Baird Music Hall; the \$227,497, 16-apartment addition to Lakewood Terrace; and the \$404,347 administration building.

Under construction now are: a \$853,000 women's residence hall; an \$800,000 men's residence hall; a \$750,000 athletic center; access roads in the amount of \$50,000 to the athletic center; and a \$750,000 addition to the Johnson Camden Library.

Other colleges in the area include:

Kentucky Christian College, Grayson, Kentucky, 36 miles
Ashland Center of the University of Kentucky, Ashland, Kentucky, 60 miles
Georgetown College, Georgetown, Kentucky, 82 miles
University of Kentucky, Lexington, Kentucky, 70 miles
Transylvania College, Lexington, Kentucky, 70 miles
College of the Bible, Lexington, Kentucky, 70 miles

Health

Hospitals: St. Claire Hospital, a new modern hospital, was recently constructed at a cost of approximately \$1,000,000. The hospital has 50 beds, an emergency room, X-ray equipment, laboratory, and operating room.

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

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

Housing

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

Communication

Telephone and Telegraph: The General Telephone Company of Kentucky serves 2,368 Morehead subscribers with a dial system.

Western Union has a local office open from 8 A. M. to 5 P. M., Monday through Saturday.

Postal Facilities: Morehead has a first-class post office with 15 employees. Mail is received and dispatched three times daily by rail and truck. Postal routes include one city route, one auxiliary route and four rural routes. Postal receipts for 1962 were \$80,402.

Newspapers: The Morehead News, a weekly newspaper, has a circulation of 4,041. Papers are received daily from Louisville and Lexington, Kentucky.

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

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

Libraries

Rowan County Public Library, located in Morehead, has approximately 3,165 volumes and an annual circulation of 115,807. This library is open on Tuesday from 9:30 A. M. until 1:30 P. M., on Thursday from 3:15 P. M. until

7:00 P. M., and on Saturday from 9:00 A. M. until 1:00 P. M. Morehead State College Library also offers library service to area residents.

Churches

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

Financial Institutions

Statement as of December 29, 1962

	<u>Assets</u>	<u>Deposits</u>
Peoples Bank of Morehead	\$5, 938, 805. 91	\$5, 593, 805. 91
The Citizens Bank	4, 314, 400. 08	3, 967, 082. 73

Hotels and Motels

Bruce Motel	27 units
Grey's Motel	9 units
Mabry Motel	12 units
Midland Trail Hotel	60 rooms
Miller's Motel	12 units
Morehead Camp Motel	19 units
Sky View Motel	29 units

Clubs and Organizations

Civic: Chamber of Commerce, Kiwanis, Lions, and Junior Chamber of Commerce.

Fraternal: American Legion, VFW, and Masonic.

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

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

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

Recreation

Local: Local recreational facilities include: two theaters, with one being a drive-in; Little League baseball; several good fishing lakes; all types of college sports and cultural facilities at Morehead State College; a Sportsman's Club, which has tennis and other playground facilities; and a new 9-hole golf

course located 3 miles northeast of Morehead. Also, a new 16-lane bowling alley was recently constructed.

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

Community Improvements

Recent:

1. New St. Claire Hospital with approximately 50 beds was constructed at a cost of \$1,000,000. It was opened in May 1963.
2. Morehead State College has reached a new high of 3,000 students.
3. The widening of Main Street was completed in 1962.
4. New municipal airport with black top runways was completed in the summer of 1963. This airport is located at Farmers, Kentucky, 7 miles west of Morehead.
5. Beautiful 9-hole golf course is located 3 miles northeast of Morehead.
6. New 16-lane bowling alley was recently constructed.
7. The Morehead Elementary School has a 10-room addition under construction at a cost of \$153,000.

Planned:

1. New Interstate Highway 64 will be located 2 miles north of Morehead.
2. Cave Run Dam is to be 8 miles southwest of Morehead on the Licking River.

NATURAL RESOURCES

Agriculture

In 1959 there were 785 farms in Rowan County with 94,420 acres, an average of 120.3 acres per farm.

TABLE 13

AGRICULTURAL STATISTICS FOR ROWAN COUNTY AND KENTUCKY,
1959*

<u>Crops</u>		<u>Acres Harvested</u>	<u>Yield Per Acre</u>	<u>Total Production</u>
<u>Corn:</u>				
Rowan County	(bu)	4, 821	44. 3	213, 995
Kentucky	(bu)	1, 649, 000	42. 5	70, 184, 000
<u>Wheat:</u>				
Rowan County	(bu)	15	14. 8	223
Kentucky	(bu)	158, 000	24. 5	3, 876, 000
<u>Soybeans:</u>				
Rowan County	(bu)	195	3. 8	749
Kentucky	(bu)	181, 000	22. 1	4, 012, 000
<u>Burley Tobacco:</u>				
Rowan County	(lbs)	683	1, 635. 4	1, 117, 027
Kentucky	(lbs)	189, 000	1, 604. 5	303, 261, 000
<u>Alfalfa Hay:</u>				
Rowan County	(tons)	95	35. 7	129
Kentucky	(tons)	289, 000	2. 1	620, 000
<u>Clo-Tim Hay:</u>				
Rowan County	(tons)	3, 224	0. 1	3, 228
Kentucky	(tons)	427, 000	1. 3	582, 000
<u>Lespedeza Hay:</u>				
Rowan County	(tons)	1, 524	8. 1	1, 648
Kentucky	(tons)	549, 000	1. 2	703, 000

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

TABLE 14

LIVESTOCK STATISTICS FOR ROWAN COUNTY AND KENTUCKY
1959*

<u>Livestock</u>	<u>Number on Farms as of January 1, 1960</u>
<u>All Cattle and Calves:</u>	
Rowan County	4,859
Kentucky	1,947,000
<u>Milk Cows:</u>	
Rowan County	1,387
Kentucky	466,000
<u>Sheep:</u>	
Rowan County	596
Kentucky	546,000

Minerals

The most important minerals of Rowan County consist of clay and limestone. Other important minerals include sandstone, petroleum and natural gas. Limited amounts of sand and gravel suitable for local road construction purposes may be obtained along principal streams. Total value of mineral production in 1961 amounted to \$727,843 from fire clay, limestone and miscellaneous clay (Minerals Yearbook, 1961).

Clay: The southeastern portion of Rowan County constitutes the southwestern extension of the Olive Hill fire clay district. This district has been an outstanding fire clay region. The clay occurs at the contact of the Pottsville (Pennsylvanian) and the underlying Mississippian rocks. Deposits are lenticular and are not consistently present over the entire region. Three grades of refractory clays have been recognized and consist of (1) flint, (2) semi-flint, and (3) minor amounts of plastic clay. Results of an analysis of high-grade fire clay deposit west of Elliottsville shows normal shrinkage deformation temperatures at about 3,225°F. (cone 34-35) which gives it super duty rating in refractories. Other miscellaneous clay and shale suitable for the manufacture of common brick and tile occur locally. In 1962, eight mines produced a total of 87,144 tons of fire and miscellaneous clay.

Limestone: A belt of Mississippian limestone outcrops in the southeastern portion of the County. This belt contains zones of high-calcium limestone which has many chemical uses. One quarry near Clearfield exhibits a

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

twelve foot face of high purity stone from the Paint Creek formation which averages 98.6 CaCO_3 and shows only a trace of MgCO_3 . In 1961 one quarry crushed limestone for fluxing stone, concrete, roads and agricultural lime.

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

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

In 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 per cent of the total value with coal accounting for 68 per cent, petroleum - 15 per cent, and natural gas - 5 per cent. Stone represented 5 per cent, sand and gravel - 1 per cent, and clay - 1 per cent. All other minerals, which include natural gas liquids, fluorspar, barite, lead, silver, zinc, cement, crushed sandstone and gem stone, accounted for 5 per cent.

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

Forests

Rowan County has 151,000 acres of forested land. This is 81 per cent of the total acreage of the county. 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% 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

Retail sales in Rowan County were \$9,336,000 in 1961.*

Per capita income in Rowan County was \$1,119 in 1961.*

* Sales Management, Survey of Buying Power, June, 1962

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% of the year and increases to 60% or more to the southwest.

Kentucky's climate is temperate. The climatic elements of sunshine, 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 MOREHEAD, ROWAN 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>
			(EST)	
January	36.8	4.68	84	74
February	37.9	3.46	85	76
March	45.5	4.92	88	72
April	55.2	3.90	85	63
May	64.4	4.02	83	59
June	72.6	4.43	86	64
July	75.7	4.55	90	66
August	74.1	4.18	93	71
September	68.0	3.04	92	65
October	57.0	2.20	85	61
November	45.0	3.17	88	72
December	36.3	3.31	87	80
Annual Norm	55.7	45.85		

*Station Location: Farmers, Rowan County, Kentucky

**Station Location: Lexington, Kentucky

Length of Record: 7:00 A.M. readings 17 years;
7:00 P.M. readings 17 years.

Days cloudy or clear: (17 yrs. of record) 99 Clear, 104 Partly Cloudy,
162 Cloudy

Per cent of possible sunshine: Not Available

Days with precipitation of 0.01 inch or over: (17 yrs. of record) 130

Days with 1.0 inch or more snow, sleet, hail: (17 yrs. of record) 5

Days with thunderstorms: (17 yrs. of record) 49

Days with heavy fog: (17 yrs. of record) 18

Prevailing wind: (17 yrs. of record) South

Seasonal heating degree days: (31 yrs. of record) Approximate long-term means
4,677 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

HISTORY

Rowan County, the 104th county in formation, was created in 1856 by an act of the Kentucky legislature. It was named in honor of John Rowan, judge, lawyer, statesman, and member of the U. S. Senate.

Morehead, the county seat of Rowan, was laid out in 1856 also, and was incorporated on January 26, 1869. It was named in honor of James T. Morehead, a democratic governor of Kentucky who was later elected as a Whig to the United States Senate. In 1870, with a population of about 200, the town contained, besides the courthouse and public buildings, 5 lawyers, 1 doctor, 2 churches, 2 stores, 1 steam flouring and saw mill, 1 shingle machine, 1 cooper and 1 blacksmith shop.

Today, Morehead is a center of education for eastern Kentucky. Morehead State College had its beginning in 1887 when Frank Button, a young minister, and his mother decided to open a school. The school had only one pupil that first year, but gradually it grew, gaining the support of the Christian Church until it was deeded to the Commonwealth for the establishment of a teachers college in 1922. It is said that the famous Tolliver-Martin feud was the reason the Buttons began this now famous institution. This school now enrolls over 1,100 pupils annually. The most famous development in adult education, the "moonlight schools," had their beginnings in Rowan County. Mrs. Cora Wilson, then superintendent of Rowan County schools, organized these classes to teach the illiterate adults of the county how to read and write. Fifty years ago, she prepared her faculty to receive about 150 students. Some 1,200 people attended classes the first night, with ages ranging from 18 to 86. In the two years, 1911 and 1913, illiteracy was almost completely wiped out in Morgan County. Her idea received state attention, when Governor McCreary opened a campaign against illiteracy. The movement grew so greatly that in 1923 Mrs. Wilson became chairman of the World Illiteracy Commission.

Morehead has also become a small town industrial center of eastern Kentucky. In the period 1950 to 1960 this mountain town gained 34.4% in population. She added two industries to her total, giving Morehead 21 shops of various sizes. There was also a 52.9% increase in the number of workers employed in the manufacturing trades. The largest shop was the Morehead Garment Company, employing 196 workers. The major industry is forest products which utilize over 300 men in turning out lumber and wood articles.

Appendix A

During the Civil War, Rowan County saw many skirmishes. On June 16, 1863, Lt. Col. R. R. Maltby, with two battalions of 10th Kentucky cavalry, overtook Everett's Confederate cavalry at Triplett's Creek bridge, near Morehead, and defeated them after a brisk skirmish. During the engagement Col. DeCoursey's 8th Michigan cavalry regiment, with 1,000 men, came up and attacked the Confederates, most of whom were able to slip off under the impression that they were home-guards; while the 8th Michigan with cannon and Spencer rifles opened a hot fire on the 10th Kentucky, across the creek--fortunately shooting over their heads. Thirty-eight Confederates were captured, one of whom was killed and three others wounded.

On November 10, 1863, guerrillas made a fourth raid within a week into Morehead, but were driven off without loss to either side.

And finally on March 21, 1864, the historian Collins reports: "Courthouse at Morehead, Rowan County, and that at Owingsville, Bath County, destroyed by fire; the former the work of an incendiary, the latter from the carelessness of Federal soldiers."

Although the Rowan County area is predominately hill country, the valleys produce agricultural products in abundance. Looking back to 1870, we find only 7,900 pounds of tobacco were grown in the county. In 1958, the area, including Rowan and the surrounding counties, produced nearly 22 and 1/2 million pounds of burley. Similar gains were made in all areas of agricultural production. From 1860 to 1960 Rowan County has more than quintupled in size from 2,282 to 12,808.

Rowan is the northernmost of the seventeen counties that contributed land for the 900,000-acre Cumberland National Forest, which stretches along the western rim of the mountains in a narrow band from Rowan County south to the Tennessee state line. Within the forest are many beautiful spots that make admirable camp sites.

COVERED EMPLOYMENT BY MAJOR INDUSTRY DIVISION
ROWAN COUNTY AND KENTUCKY

<u>Industry, September, 1962</u>	<u>Rowan County</u>		<u>Kentucky</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
All Industries	1,530	100.0	462,955	100.0
Mining & Quarrying	17	1.1	29,566	6.3
Contract Construction	88	5.7	40,318	8.7
Manufacturing	789	51.5	175,305	37.8
Food & kindred products	40	2.6	25,120	5.4
Tobacco	1	.06	9,355	2.0
Clothing, tex. & leather	205	13.3	27,115	5.8
Lumber and furniture	322	21.0	14,910	3.2
Printing, pub. & paper	12	.7	10,616	2.2
Chemicals, petroleum, coal & rubber	49	3.2	14,885	3.2
Stone, clay & glass	160	10.4	5,874	1.2
Primary metals	0	0	9,223	1.9
Machinery, metals & equip.	0	0	55,197	11.9
Other	0	0	3,010	.6
Transportation, Communication & Utilities	114	7.4	33,912	7.3
Wholesale & Retail Trade	386	25.2	120,897	26.1
Finance, Ins. & Real Estate	42	2.7	21,618	4.6
Services	94	6.1	39,466	8.5
Other	0	0	1,873	.4

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

<u>Subject</u>	<u>Rowan County</u>		<u>Kentucky</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
Total Population	6,559	6,249	1,508,536	1,529,620
EMPLOYMENT STATUS				
Persons 14 years old & over	4,682	4,475	1,036,440	1,074,244
Labor force	2,733	1,006	743,255	219,234
Civilian labor force	2,718	1,006	705,411	290,783
Employed	2,453	953	660,728	275,216
Private wage & salary	1,521	539	440,020	208,384
Government workers	382	342	58,275	44,462
Self-employed	542	72	156,582	16,109
Unpaid family workers	8	0	5,851	6,261
Unemployed	265	53	44,683	15,567
Not in labor force	1,949	3,469	293,185	783,010
Inmates of institutions	9	0	15,336	8,791
Enrolled in school	979	838	94,734	97,825
Other & not reported	961	2,631	183,115	676,394
Under 65 years old	528	2,155	91,626	539,838
65 and over	433	476	91,489	136,556

**MAJOR OCCUPATION GROUP
OF EMPLOYED PERSONS**

All employed	2,453	953	660,728	275,216
Professional & technical	239	160	46,440	36,879
Farmers & farm mgrs.	275	8	91,669	2,339
Mgrs., officials, & props.	234	32	58,533	10,215
Clerical & kindred workers	102	220	35,711	66,343
Sales workers	118	76	39,837	25,265
Craftsmen & foremen	361	19	114,003	2,836
Operatives & kindred workers	481	129	140,192	45,305
Private household workers	0	78	1,123	25,183
Service workers	119	184	29,844	40,156
Farm laborers & farm foremen	91	4	33,143	2,046
Laborers, ex. farm & mine	340	0	44,227	1,671
Occupation not reported	93	43	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	<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, after 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 capital 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 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	<p>The assessment ratios and tax rates per \$100 of assessed value for the various classes of intangible property are as follows:</p> <table> <tr> <td>Bank Deposits</td><td>100%</td><td>1/10 of 1¢ per \$100</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¢ 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.
Bank Deposits	100%	1/10 of 1¢ per \$100									
Stocks & Bonds	100%	25¢ per \$100									
Accounts Receivable	85%	25¢ per \$100									

KENTUCKY REVISED STATUTES
1948

103.200 - 103.280

INDUSTRIAL BUILDINGS FOR CITIES GENERALLY

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

103.210 Issuance of Bonds. In order to promote the reconversion to peace-time economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF STATE

Secretary of State, Frankfort, Kentucky

INSTRUCTIONS FOR FILING ARTICLES
OF
INCORPORATION FOR FOREIGN CORPORATIONS
IN KENTUCKY

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

For further information write to

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

COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Department of 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.