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Industrial Resources: Madison County - Berea

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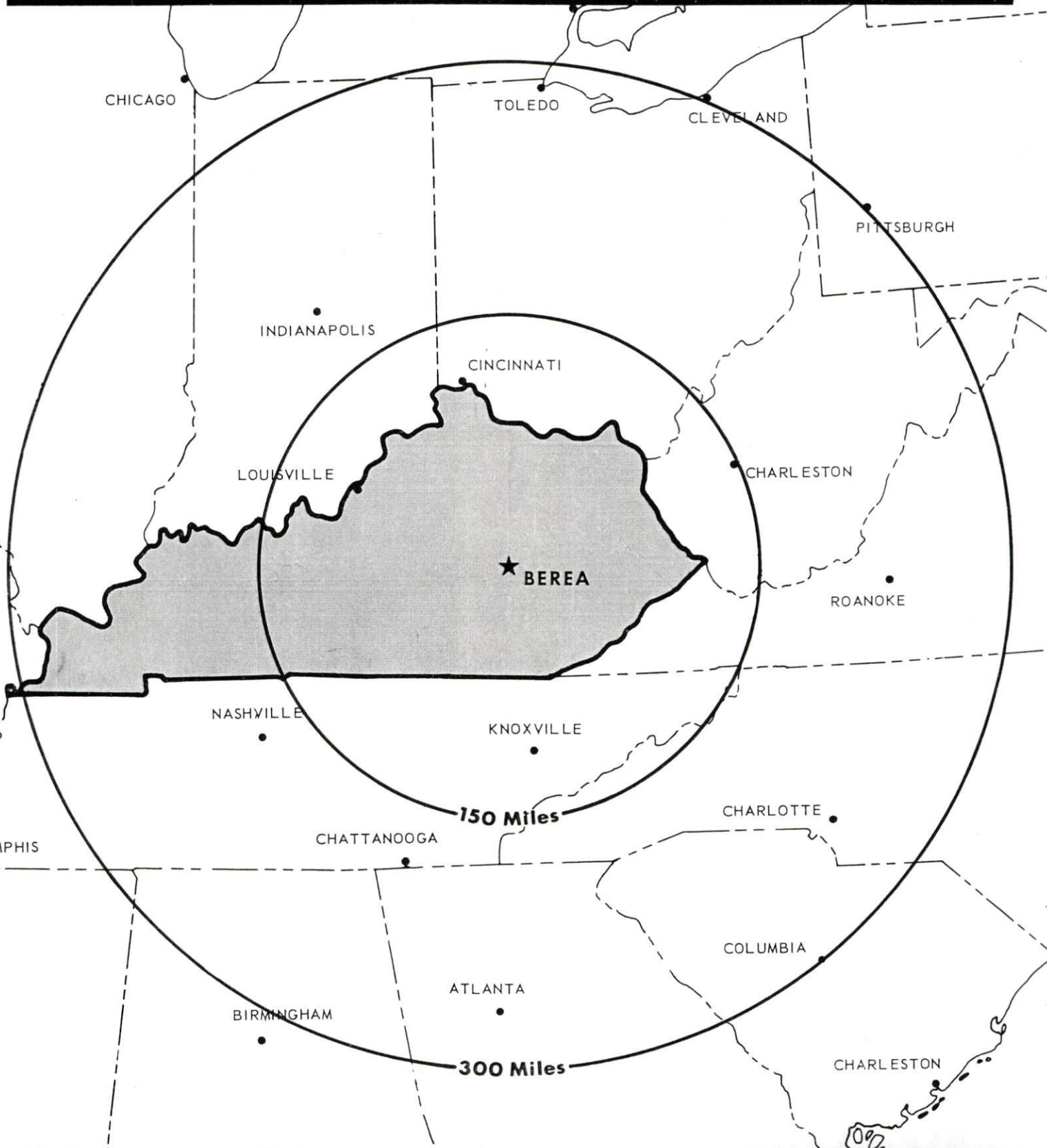
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INDUSTRIAL RESOURCES

BEREA KENTUCKY



INDUSTRIAL RESOURCES

BEREA, KENTUCKY

Prepared by

The Berea Chamber of Commerce

and

The Kentucky Department of Commerce

Frankfort, Kentucky

January, 1966

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WEST BEREA BUSINESS DISTRICT
CHESTNUT STREET



EAST BEREA BUSINESS DISTRICT
MAIN STREET

SUMMARY DATA

POPULATION:

1960: Berea - 4,302

Madison County - 33,482

BEREA LABOR SUPPLY AREA:

Includes Madison and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area: 5,492 men and 6,247 women. Number of workers available from Madison County: 547 men and 755 women.

TRANSPORTATION:

Railroads: The Cincinnati Division of the Louisville & Nashville Railroad Company serves Berea.

Air: The nearest major airport is Blue Grass Field, Lexington, 39 miles distant. Lackey Airport, located 5 miles north of Berea on U. S. 25, has a 160 by 2,450 foot turf landing strip.

Trucks: Common carrier service is provided Berea by six trucking firms.

Bus Lines: Berea is served by Southern Greyhound Lines.

HIGHWAY DISTANCES FROM BEREAS, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	351	Lexington, Ky.	39
Chicago, Ill.	394	Louisville, Ky.	116
Cincinnati, Ohio	126	Nashville, Tenn.	223
Detroit, Mich.	375	New York, N. Y.	742
Knoxville, Tenn.	160	St. Louis, Mo.	380

Electricity

Berea College Heat & Power Company, whose source of supply is Kentucky Utilities Company, serves Berea.

Natural Gas

Delta Natural Gas Company, whose source of supply is Tennessee Gas Transmission Company, serves Berea.

Water

Berea College Water Works, whose source of raw water is three impoundments, serves Berea.

Sewerage System

The Berea Sewer Commission serves Berea with separate storm and sanitary sewers.

POPULATION AND LABOR MARKET

Population

Berea has shown a net increase in population for the last six decades. The largest increase in population occurred during the fifth decade.

Madison County has followed much the same pattern as Berea. It showed a net population increase of 7,875 persons during the last six decades, the largest occurring during the 1940's.

TABLE 1

POPULATION DATA FOR BEREA AND MADISON COUNTY WITH
COMPARISONS TO THE KENTUCKY RATE OF CHANGE, 1900-60*

Year	Berea		Madison County		Kentucky
	Population	% Change	Population	% Change	% Change
1900	762		25,607		15.5
1910	1,510	98.2	26,951	5.2	6.6
1920	1,640	8.6	26,284	-2.5	5.5
1930	1,827	11.4	27,621	5.1	8.2
1940	2,176	19.1	28,541	3.3	8.8
1950	3,372	55.0	31,179	9.2	3.5
1960	4,302	27.6	33,482	7.4	3.2

Economic Characteristics

According to the 1959 Census of Agriculture, Madison County's largest employment group is in agriculture with approximately 2,986 people employed. In June, 1965, there were 1,526 manufacturing jobs in Madison County, and 1,392 persons employed in wholesale and retail trade.

Wage rates are below the state average in Madison County. The average weekly earning during 1963 was \$68.75 for all industries and \$79.99 for manufacturing. During the same period the state average was \$89.54 for all industries and \$102.47 for manufacturing.**

*U.S. Census of Population, 1960, U.S. Department of Commerce, Bureau of the Census

**Kentucky Department of Economic Security

In 1963, per capita personal income for Madison County was \$1,541; per capita income for Kentucky was \$1,799. It should be noted that in 1963 Madison County ranked 38th among Kentucky's 120 counties in per capita income.*

Retail sales for Madison County in 1964 totaled \$38,115,000.**

Labor Market

Supply Area: The Berea labor supply area is defined for the purpose of this statement to include Madison, and the adjacent counties of Clark, Estill, Fayette, Garrard, Jackson, Jessamine and Rockcastle.

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 Berea labor supply area was reported to be 245,312 by the 1960 U. S. Census of Population, which was an increase of 29,299 persons since the 1950 count of 216,013. It might be interesting to note that Madison County had a net increase of 2,303 persons.

*Bureau of Business Research, College of Commerce, University of Kentucky, Kentucky Personal Income, 1963, 1965
**Sales Management, Survey of Buying Power, June 10, 1965

TABLE 2

DISTRIBUTION OF THE CURRENT ESTIMATED LABOR SUPPLY WITH COMPONENTS, BEREA AREA, JANUARY, 1965*

	<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>
Area Total:	5,492	6,247	11,739	3,357	4,223	2,135	2,024
Madison	547	755	1,302	376	632	171	123
Clark	307	519	826	118	383	189	136
Estill	669	710	1,379	498	587	171	123
Fayette	816	1,846	2,662	31	831	785	1,015
Garrard	500	339	839	294	62	206	277
Jackson	1,304	933	2,237	1,079	864	225	69
Jessamine	369	453	822	206	241	163	212
Rockcastle	980	692	1,672	755	623	225	69

Future Labor Supply: The future labor supply will include some proportion of the 21,935 boys and 21,779 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, BEREA 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:	21,935	21,779
Madison	3,004	3,464
Clark	2,032	1,941
Estill	1,360	1,398
Fayette	10,608	10,284
Garrard	951	910
Jackson	1,372	1,275
Jessamine	1,146	1,128
Rockcastle	1,462	1,379

*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 Berea area employment in agriculture and the covered employment of manufacturing and all industries, respectively.

TABLE 4

BEREA AREA AGRICULTURAL EMPLOYMENT, FALL, 1959*

	<u>Family Workers</u>	<u>Hired Workers**</u>	<u>Total</u>
Area Total:	11,981	2,329	14,310
Madison	2,730	256	2,986
Clark	1,386	341	1,727
Estill	723	21	744
Fayette	1,155	1,253	2,408
Garrard	1,928	184	2,112
Jackson	1,295	20	1,315
Jessamine	1,261	195	1,456
Rockcastle	1,503	59	1,562

*U. S. Census of Agriculture

**Regular Workers (Employed 150 days or more)

TABLE 5

BEREA AREA MANUFACTURING EMPLOYMENT, JUNE, 1965*

Area	Area								
	Total	Madison	Clark	Estill	Fayette	Garrard	Jackson	Jessamine	Rockcastle
Total manu- facturing	16,596	1,526	1,603	265	12,301	543	104	239	15
Food & kindred products	1,378	106	37	7	1,220	8	0	0	0
Tobacco	445	4	2	0	438	0	0	1	0
Clothing, textile & leather	2,315	61	473	206	840	522	0	213	0
Lumber & furniture	624	1	273	41	188	6	104	11	0
Print., pub. & paper	1,217	24	40	4	1,137	7	0	5	0
Chemicals, petroleum & rubber	835	456	37	7	335	0	0	0	0
Stone, clay & glass	438	32	10	0	396	0	0	0	0
Primary metals	292	0	292	0	0	0	0	0	0
Machinery, metal products & equipment	8,918	842	431	0	7,632	0	0	9	4
Other	134	0	8	0	115	0	0	0	11

7.

*Includes only those workers covered by unemployment insurance

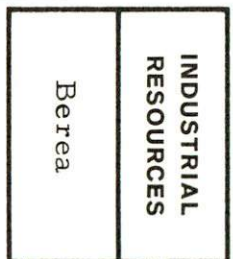


TABLE 6

BEREA AREA COVERED EMPLOYMENT, ALL INDUSTRIES, JUNE, 1965*

	Area								Rock- castle
	Total	Madison	Clark	Estill	Fayette	Garrard	Jackson	Jessamine	
Mining & Quarrying	358	0	55	60	94	33	26	16	74
Contract Construction	6,498	251	1,036	10	5,016	22	0	143	20
Manufacturing	16,596	1,526	1,603	265	12,301	543	104	239	15
Transportation, Communication & Utilities	4,338	228	696	84	2,996	62	173	81	18
Wholesale & Retail Trade	15,312	1,392	959	151	11,896	248	46	487	133
Finance, Ins. & Real Estate	3,083	157	131	21	2,645	25	20	60	24
Services	5,904	345	305	27	5,142	13	4	35	33
Other	623	11	155	0	452	5	0	0	0
Total	52,712	3,910	4,940	618	40,542	951	373	1,061	317

*Includes only workers covered by unemployment insurance

Source: Kentucky Department of Economic Security

LOCAL MANUFACTURING

The following table indicates something of the demand for labor and the products available in the immediate area of Berea.

TABLE 7

BEREA MANUFACTURING FIRMS WITH PRODUCTS
AND EMPLOYMENT, 1965

<u>Firm</u>	<u>Product</u>	<u>Employment</u>		
		<u>Male</u>	<u>Female</u>	<u>Total</u>
Berea College Industries	Furniture, woven goods, confections	200	175	375
Berea Publishing Co.	Newspaper, job printing	14	10	24
Churchill Weavers, Inc.	Blankets, stoles	8	61	69
Dave Eden Lumber	Rough lumber	3	0	3
Llewellyn Lumber Co.	Rough lumber	10	0	10
Manning, Maxwell & Moore	Pressure gauges	29	128	157
Parker Seal Co.	Rubber O-rings	212	282	494
Kentucky Ready-Mix	Concrete	9	0	9

Prevailing Wage Rates

Some examples of wages in the area are:

<u>Classification</u>	<u>Wage Rates</u>
Clerical and Secretarial	\$40 to \$70 per week
Laborer	\$1.15 to \$1.75 per hour
Semiskilled	\$1.25 to \$2.00 per hour
Skilled	\$2.00 to \$2.50 per hour
Truck Driver	\$1.15 to \$1.75 per hour
Electrician	\$2.00 to \$3.00 per hour
Maintenance	\$2.00 to \$2.75 per hour

Unions

<u>Name of Union</u>	<u>Name of Company</u>
Allied Industrial Workers	Manning, Maxwell & Moore
The International Brotherhood of Firemen and Oilers, AFL, Local 70, Louisville, Kentucky	Parker Seal Company

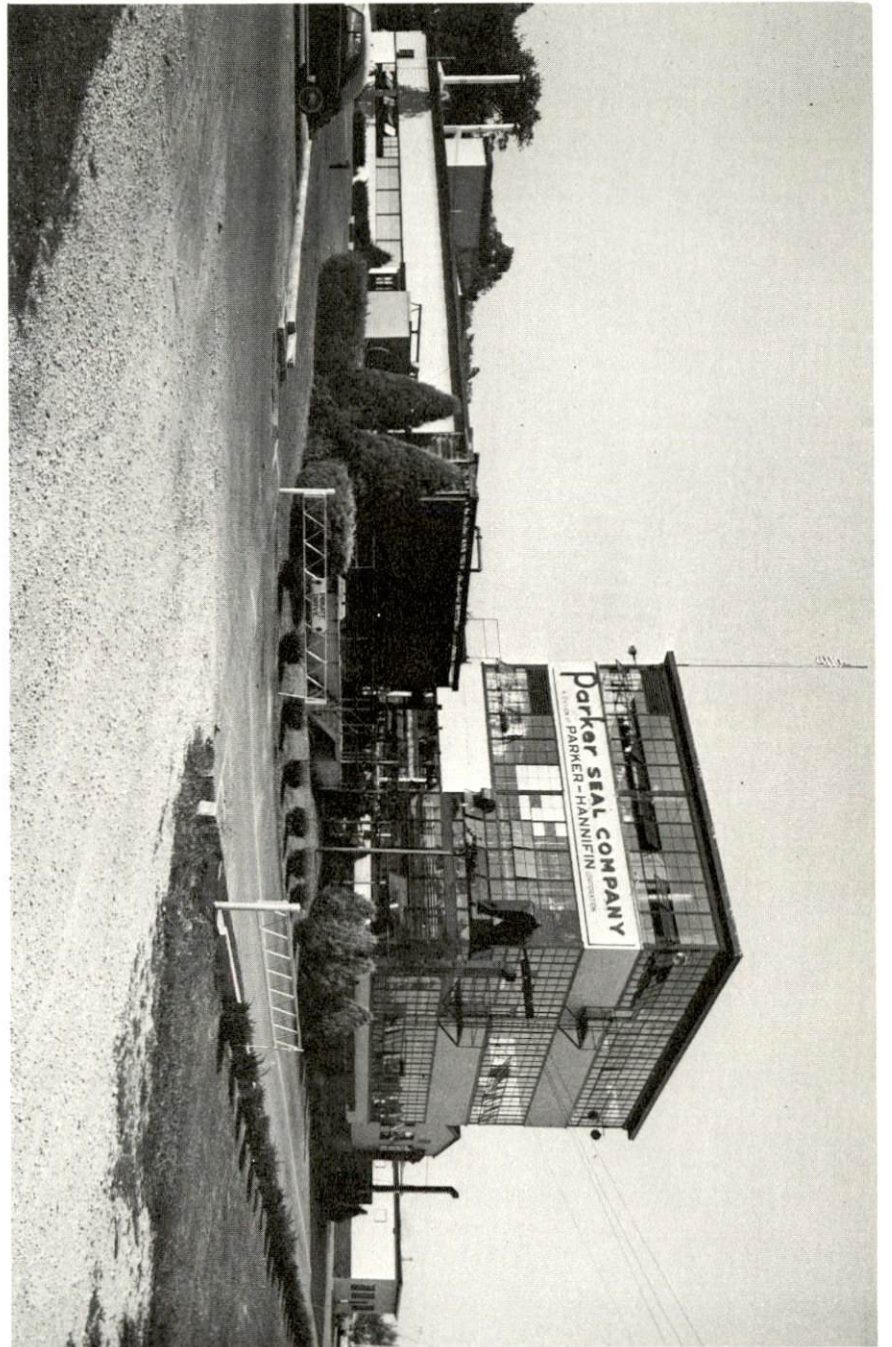


CHURCHILL WEAVERS



MANNING, MAXWELL & MOORE, INC.

PARKER SEAL COMPANY



TRANSPORTATION

Railroads

Berea is served by the Cincinnati Division of the Louisville & Nashville Railroad Company, operating between Cincinnati and Corbin. There are eight to twenty freight trains and two passenger trains daily. Switching service is provided daily, except Sunday, by three tracks accommodating forty-six cars. Package car service is available. The average number of inbound carloads per month is thirty and outbound carloads per month average ten. These consist mainly of feed, sand and building supplies.

Railway Express service is available.

TABLE 8

RAILWAY TRANSIT TIME FROM BEREA, KENTUCKY, TO:*

<u>Town</u>	<u>No. of Days</u>		<u>Town</u>	<u>No. of Days</u>	
	<u>CL</u>			<u>CL</u>	
Atlanta, Ga.	3		Louisville, Ky.	1	
Birmingham, Ala.	3		Los Angeles, Calif.	9	
Chicago, Ill.	4		Nashville, Tenn.	2	
Cincinnati, Ohio	1		New Orleans, La.	4	
Cleveland, Ohio	3		New York, N. Y.	4	
Detroit, Mich.	4		Pittsburgh, Pa.	3	
Knoxville, Tenn.	2		St. Louis, Mo.	3	

*Louisville & Nashville Railroad Company

Highways

Highways serving Berea are U. S. Highway 25 and Kentucky Routes 21 and 595. The new I-75, to be completed November, 1966, will pass 3 miles west of Berea. Interstate 75 will connect Detroit, Michigan, with southern Florida. Transit times between these two points will be cut greatly.

The highway miles from Berea to selected market centers are shown in Table 9.

TABLE 9

HIGHWAY DISTANCES FROM BEREA, KENTUCKY, TO:

<u>Town</u>	<u>Miles</u>	<u>Town</u>	<u>Miles</u>
Atlanta, Ga.	351	Lexington, Ky.	39
Birmingham, Ala.	454	Louisville, Ky.	116
Chicago, Ill.	394	Nashville, Tenn.	223
Cincinnati, Ohio	126	New York, N. Y.	742
Detroit, Mich.	375	Pittsburgh, Pa.	385
Knoxville, Tenn.	160	St. Louis, Mo.	380

Truck Service: Common carrier trucking service is provided by Bronaugh Motor Express, Lexington, Kentucky; Cumberland Motor Freight, Inc., Lexington, Kentucky; McLean Trucking Company, Winston-Salem, North Carolina; Wilson Freight Forwarding Company, Cincinnati, Ohio; Dance Freight Lines, Inc., Lexington, Kentucky; and Dixie Ohio Express, Inc., Akron, Ohio.

TABLE 10

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

<u>Town</u>	<u>Delivery Time**</u>		<u>Town</u>	<u>Delivery Time</u>	
	<u>LTL</u>	<u>TL</u>		<u>LTL</u>	<u>TL</u>
Atlanta, Ga.	3	2	Louisville, Ky.	1	1
Birmingham, Ala.	4	2	Los Angeles, Calif.	5	4
Chicago, Ill.	3	2	Nashville, Tenn.	3	2
Cincinnati, Ohio	2	1	New Orleans, La.	4	2
Cleveland, Ohio	2	2	New York, N. Y.	3	2
Detroit, Mich.	2	2	Pittsburgh, Pa.	3	2
Knoxville, Tenn.	2	1	St. Louis, Mo.	2	2

*Cumberland Motor Freight, Inc., Lexington, Kentucky

**Delivery time in days

Bus Lines: Southern Greyhound Lines, operating between Cincinnati, Ohio, and Knoxville, Tennessee, serves Berea with seven northbound and eight southbound buses daily.

Taxi, Car and Truck Rental: Veteran's Cab Company serves Berea with 24-hour service.

Air

The nearest major airport is Blue Grass Field, Lexington, 39 miles. Blue Grass Field is served by Eastern, Delta, and Piedmont Airlines with regular daily flights.

Lackey Airport, 5 miles, has a 2,450-foot turf runway. This field can accommodate light aircraft.

UTILITIES AND FUEL

Electricity

Berea is served by the Berea College Heat & Power Company, whose source of supply is Kentucky Utilities Company. Rural customers in Madison County are served by Kentucky Utilities Company, Blue Grass RECC and Clark RECC.

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, TVA, and East Kentucky RECC. 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.

Rates for Berea College Heat & Power Company are as follows:

Residential Rates:

First	60 KW	\$.06
Next	70 KW	.04
All over		.02

Commercial Demand Charge:

130 KW	\$.04
All over	.02

Blue Grass Rural Electric Cooperative Corporation is a distribution cooperative serving over 4,300 member-users in six Central Kentucky counties. The primary counties being Fayette, Jessamine, and Madison. The Cooperative receives wholesale power from two G and T stations - East Kentucky RECC and Kentucky Utilities Company. The major interconnections are in Jessamine and two locations in Madison County. Rates available for commercial and industrial services.

Clark Rural Electric Cooperative Corporation, Winchester, Kentucky, provides electric service in ten east central Kentucky counties. This Cooperative purchases electric power from East Kentucky Rural Electric Cooperative Corporation, Winchester, Kentucky, at six substations located throughout these ten counties. Rates for industries will be furnished by the Cooperative upon request to the Headquarters Office, Box 57, Winchester, Kentucky.

Natural Gas

Natural gas is distributed by Delta Natural Gas Company. The source of supply is Tennessee Gas Transmission Company, whose 4-inch, high-pressure line serves the city. The pressure in the city is maintained at an average of 48 psi. The BTU content is 1,040 per cubic foot, and the specific gravity is .60.

Rates per month are as follows:

First	1,000 cu. ft. or less used per month	\$2.25
Next	1,000 cu. ft.	1.25
Next	3,000 cu. ft.	.89 per MCF
Next	5,000 cu. ft.	.78 per MCF
Next	10,000 cu. ft.	.73 per MCF
All over	20,000 cu. ft.	.67 per MCF
Minimum charge per month		\$2.25

Coal and Coke

Berea is located in the Eastern Kentucky Coal Field. The Eastern Kentucky Coal Field lies within the Appalachian coal region which also embraces the coal mining areas in Pennsylvania, Ohio, Maryland, the Virginias, Tennessee, and Alabama.

A total of 1,894 mines in 31 counties of eastern Kentucky produced 41,635,000 tons of bituminous coal in 1963. Average production per mine was 22,000 tons. Nine counties in eastern Kentucky produced more than a million tons. Pike County leads with a total production of 12,459,052 tons. Underground mines produced 84 percent, auger mines 9 percent, and strip mines 7 percent of the total. Shipments were 84 percent by rail or water and 16 percent by truck. Captive tonnage was 15 percent of the total.

Of the total coal production from the Eastern Kentucky Field, 38 percent was cleaned at 42 cleaning plants; 25 percent was crushed and 9 percent was treated with oil.

The coal seams of eastern Kentucky are of bituminous rank. They have a high-volatile content and usually are low in ash and moisture. These qualities make much of the eastern Kentucky coal particularly suitable for coke making and for the manufacture of illuminating gas. Several seams are of hard structure (splint and block) and are highly esteemed by the domestic trade. Eastern Kentucky also is an important source of cannel coal.

Kentucky has three coke plants, located in Ashland, Calvert City and Dawson Springs. The 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.

*Sources: U. S. Bureau of Mines
Keystone Coal Buyers Manual

WATER AND SEWERAGE

Public Water Supply

Water is supplied the City of Berea by the Berea College Water Works. The source of raw water is three lakes, fed by springs, east of town with an impounded capacity of 256,540,000 gallons. The finished water storage consists of two elevated storage tanks, 100,000 gallons and 500,000 gallons. The clear well storage is approximately 425,000 gallons and pumping capacity is 1,000 gpm with an average daily pumping time of 12 hours. The community is using an average of 600,000 gallons per day and a maximum of 750,000 gallons.

The daily filtration capacity is 1,080,000 gallons. The water is fluoridated and treated with chlorine, alum, and soda-ash. The distribution lines range from 2 to 10 inches, with the average pressure maintained at 75 psi.

Current water rates are:

	<u>Cubic Feet</u>	<u>Per 100 Cubic Feet</u>
First	200	\$.90
Next	800	.80
Next	1,000	.70
Next	1,000	.60
Next	2,000	.50
All Over	5,000	.40
Minimum Bill		1.80

Water Resources

Surface Water: Public and industrial water supply is secured from both surface and ground water. The Kentucky River affords the largest supply of surface water. Other sources come from impounded small streams. The average discharge of the Kentucky River at the stream gaging station at lock #10 near Winchester is 5,185 cfs (USGS, 57 year record - 1907-1964, unadjusted).

Ground Water: The occurrence of ground water is from rocks of the Ordovician, Silurian, Devonian, and Mississippian systems. These are summarized in Hydrologic Investigations Atlas, HA - 10 (USGS) as follows:

ORDOVICIAN SYSTEM

Middle Ordovician Series: (Northwest portion along the Kentucky River)

"Limestone of the Middle Ordovician series yields enough water for domestic use to most drilled wells in the Inner Blue Grass region, although some domestic wells are failures. Water is generally obtained from openings along joints or bedding planes which have been enlarged by solution. Other things being equal, these solution openings are better developed in the rocks underlying valleys than in those underlying hills. A few wells in valleys of major streams yield 50 to 225 gpm for public and industrial supplies. Limestone yields water to many springs, some of which discharge more than 500 gpm."

Upper Ordovician Series: (Northwestern half of county)

"Where thick limestone of the Upper Ordovician series crops out in the Outer Blue Grass region, it yields enough water for domestic use to about half the drilled wells. Other things being equal, the chances of obtaining a successful well are better in valleys than on ridge tops. A few wells yield as much as 25 gpm. Shale and shaly limestone generally do not yield enough water to wells for domestic use, and most wells in such rocks go dry in late summer. Numerous small springs issue from these rocks but many go dry in late summer."

SILURIAN AND DEVONIAN SYSTEMS, (Southeastern half of county) Undifferentiated

"Where limestone is covered by shale, it yields little or no water, or salty water. Shale and interbedded limestone and shale generally do not yield enough water for domestic use. In the Outer Blue Grass and Knobs regions on the east side of the Cincinnati arch, very few wells yield enough water for domestic use."

MISSISSIPPIAN SYSTEM, (Southeast portion along county line)

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 Group:

"In broad outcrop areas, limestone yields enough water for domestic use to about 4 out of 5 drilled wells. A number of wells yield more than 100 gpm for public and industrial supplies. Where rocks of the Meramec group cap narrow ridges (the underlying Osage exposed in the valleys) most wells will not yield enough water for domestic use. Where the Meramec crops out in valley bottoms (the overlying Chester exposed in the hillsides) most wells yield enough water for domestic use. Many large springs issue from these rocks, some of which discharge several hundred gallons per minute. Some of the large springs are used for public supply."

Meramec and Chester Groups: (Southeastern portion along county line) 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."

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

The Berea Sewer Commission serves Berea with separate storm and sanitary sewers. Sewage is discharged through 8- to 15-inch mains. The newly expanded system has a capacity of 1,000,000 gallons, and the average daily flow is from 500,000 to 600,000 gallons. The sewage is given primary and secondary treatment at the disposal plant. Recently, \$600,000 was spent on the expansion of the system. This expansion will accommodate Berea for the next 20 years.

Sewerage rates are based on the amount of water used.

Rates:

Less than 200,000 Cubic Feet

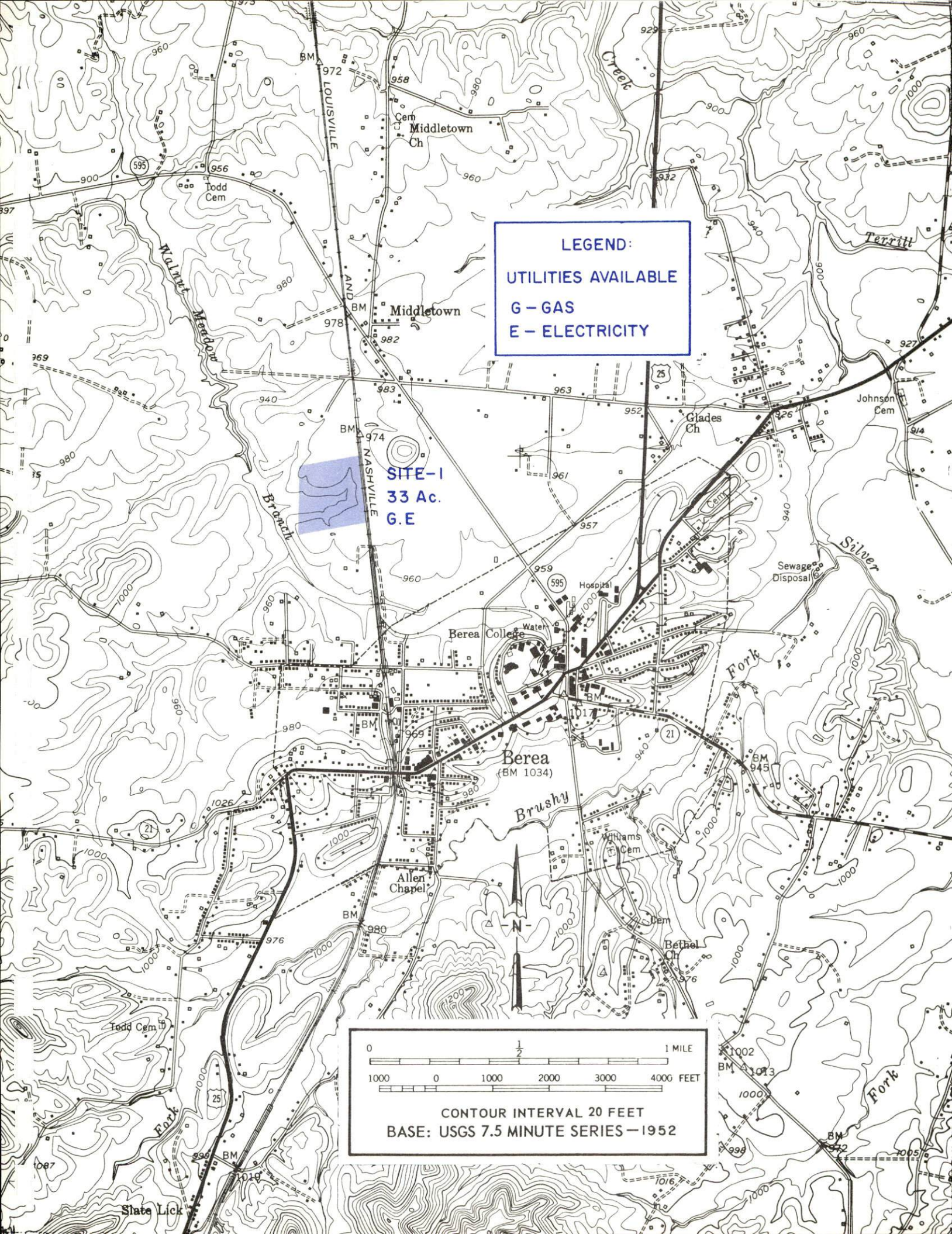
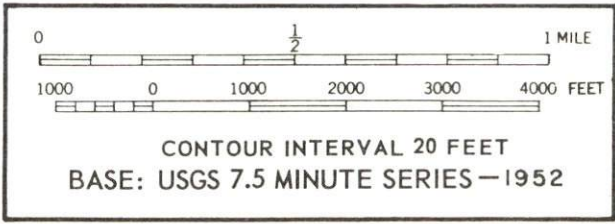
	<u>Cubic Feet</u>	<u>Per 100 Cubic Feet</u>
First	300	\$1.60 Minimum Bill
Next	700	.30
Next	3,000	.28
Next	46,000	.25
Next	50,000	.22

INDUSTRIAL SITES

SITE # 1: ACREAGE & TOPOGRAPHY: 33 acres of level terrain
LOCATION: Approximately 1/2 mile north of the city limits
of Berea on the Louisville & Nashville Railroad
HIGHWAY ACCESS: By county-maintained roads
RAILROADS: This site is bound on the east by the
Louisville & Nashville Railroad.
WATER: Water mains run within 100 feet of the site.
GAS: Delta Natural Gas Company
ELECTRICITY: Berea College Heat & Power Company
SEWERAGE: Sewer lines run within 2,000 feet of the site.

LEGEND:
U UTILITIES AVAILABLE
G - GAS
E - ELECTRICITY

SITE-1
33 Ac.
G.E.



LOCAL GOVERNMENT AND SERVICES

Type Government

City: Berea is governed by a mayor elected for a four-year term and eight councilmen elected for two-year terms.

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

Laws Affecting Industry

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

Business Licenses: Berea requires a business and occupational tax of one percent.

Planning and Zoning

The City of Berea initiated its first city planning program in 1958 which has been continuous through the present time. As of this date the following studies have been completed: Base Map, Existing Land Use Map, Existing Land Use Analysis, Zoning Ordinance and Map, Neighborhood Analysis, Community Facilities Plan, Subdivision Regulations, Major Street Plan, Economic Survey, Land Use Plan and Public Improvements Program. All of the above studies are considered adequate except for the Zoning Ordinance which was prepared several years ago, prior to the completion of the Land Use Plan. The proposed Interstate Highway under construction in the area, recent industrial growth, and growth at Berea College are bringing significant growth to the city and it is important that this growth be guided by the Land Use Plan and an up-to-date Zoning Ordinance based on the plan.

During the two-year project period, the Kentucky Department of Commerce, Division of Planning and Development, proposes to assist the city in completely re-evaluating and revising their present Zoning Ordinance to reflect the recommendations of the city's Land Use Plan. The division will also assist the city in the preparation of a Community Improvements Budget to guide the city in financing the improvement goals recommended in the city's Public Improvements Program and Community Facilities Plan.

On completion of the proposed two-year program, the city is interested in the preparation of a central business district study, an annexation study, and possibly a schools study. Also, within the next two or three years it will be necessary to update and revise the city's Major Street Plan and Subdivision Regulations.

Fire Protection

The fire department is staffed with 2 chiefs and 12 volunteer firemen. Equipment includes a 1954 Seagrave 750-gpm pumper truck with 1,500 feet of 2 1/2-inch hose, 600 feet of 1 1/2-inch hose, 300 feet of 1-inch booster hose, and a 300-gallon booster tank. The truck is also equipped with smoke masks, 5-gallon water pump cans, CO² and dry chemical, and soda acid extinguishers. Additional equipment includes a 1937 Peter Pirsch truck. Berea has a Class-6 NBFU insurance rating.

Police Protection

The Berea Police Department is staffed by a chief and six patrolmen. Motorized equipment consists of two patrol cars with two-way radios.

Garbage and Sanitation

Municipal collection is weekly in residential sections, bi-weekly in businesses, and daily in food handling establishments.

Rates for businesses depend entirely upon amount of refuse to be picked up. The residential rate is \$1.00 per month.

Financial Information

The following statements summarize the financial position of Berea and Madison County.

City Income and Bonded Indebtedness:

Income, 1964-65	\$147,731.05
Bonded Indebtedness	
Sewer	600,000.00

County Budget and Bonded Indebtedness:

Estimated Budget, 1964-65	\$319,416
Bonded Indebtedness, 1964-65	275,000

TAXES

Property Taxes

The taxing rate for Berea and Madison County is found in the following table. Additional tax information may be found in Appendix D.

TABLE 11

PROPERTY TAX RATES PER \$100 OF ASSESSED VALUE FOR
BEREA AND MADISON COUNTY, 1965

<u>Taxing Unit</u>	<u>Berea</u>	<u>Madison County</u>
City	\$.75	\$
County	.50	.50
State	.05	.05
School	<u>1.50</u>	<u>1.50</u>
Total	\$2.80	\$2.05

Real Estate Assessment Ratios

Berea	27%
Madison County	25%

Net Assessed Value of Property
(Subject to full local rate)

Berea	\$ 3,960,000
Madison County, 1965	41,013,592

OTHER LOCAL CONSIDERATIONS

Educational Facilities

Graded Schools: The Berea Independent School System has one elementary and one high school. Special teachers include two music teachers, two physical education teachers, one home economics teacher, one student guidance teacher, one librarian, one principal and one superintendent. The 1965-66 budget is approximately \$218,844.64.

The Madison County School System has constructed three new elementary schools in the last three years at a cost of \$1,187,000. Just completed is a \$65,000 addition to Madison Central High School. There are 4,512 students in this school system. The student-teacher ratio is approximately 24 to 1 in the elementary grades and 21 to 1 in the high school.

Plans for a new community school have been approved and financing has been provided by a \$1,500,000 bond issue. It will be a completely new system for both primary and secondary education.

TABLE 12

SCHOOLS, ENROLLMENT, NUMBER OF TEACHERS, STUDENT-TEACHER RATIO IN BEREA AND MADISON COUNTY

<u>School</u>	<u>Enrollment</u>	<u>No. of Teachers</u>	<u>Student-Teacher Ratio</u>
Madison County School System:			
Madison Central High School	1,108	53	21 - 1
Daniel Boone Elementary	553	21	26 - 1
Kit Carson Elementary	352	16	22 - 1
Kingston Elementary	589	25	24 - 1
Waco Elementary	454	19	24 - 1
Silver Creek Elementary	575	21	27 - 1
Kirksville Elementary	549	22	25 - 1
White Hall Elementary	332	16	21 - 1
Berea Independent School System:			
Graded	414	17	24 - 1
High School	215	11	20 - 1

Vocational Schools: Kentucky's vocational education program utilizes thirteen 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.

Berea is served by the Lafayette Vocational School, Lexington, 39 miles. Courses offered include: auto mechanics, auto body mechanics, drafting, electronics, general industrial electricity, machine shop, practical nursing, radio, sheet metal, air-conditioning and television.

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.

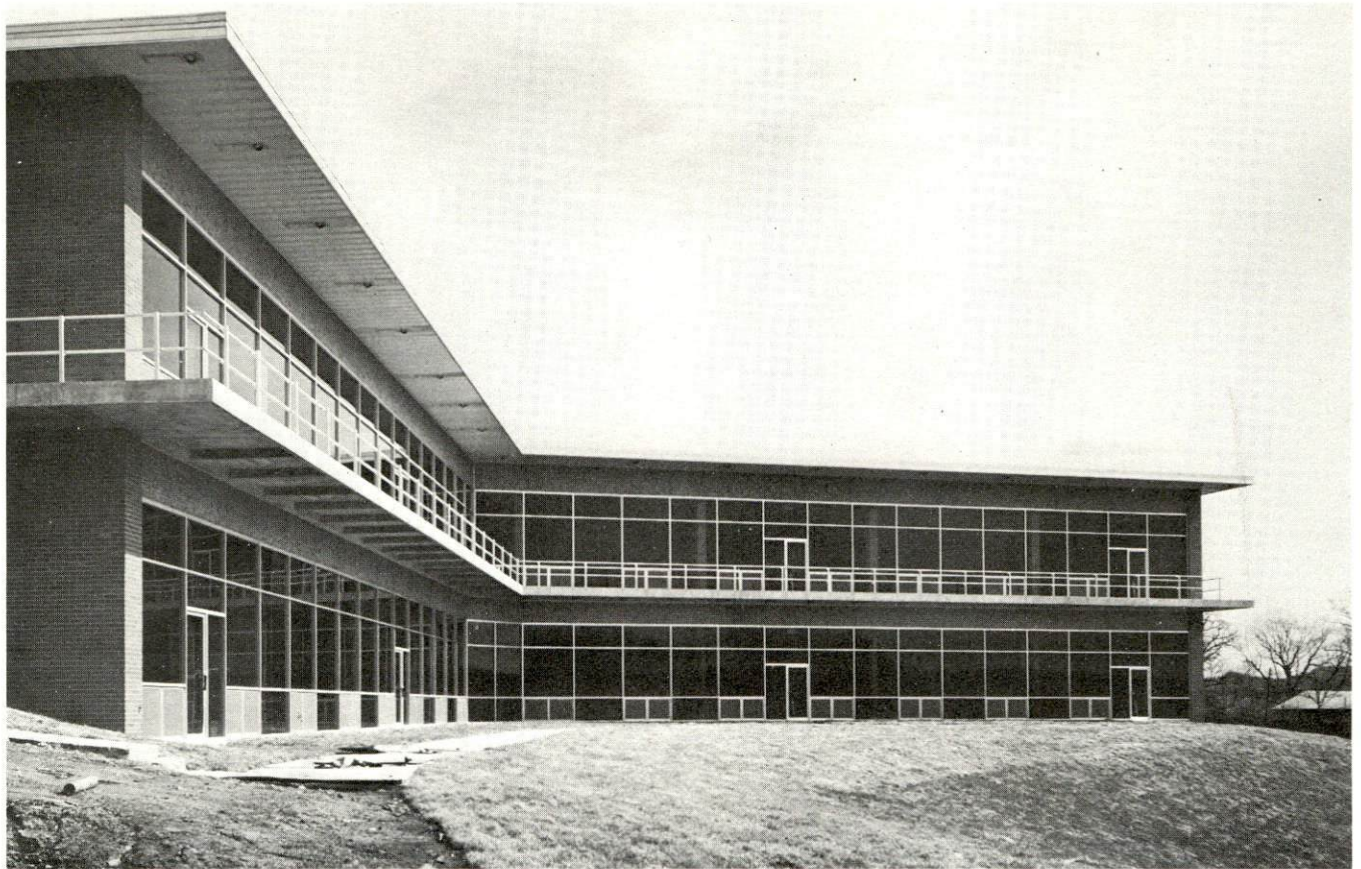
Colleges: Berea College is located in Berea. This college offers six degrees: AB, BS in Agriculture, BS in Home Economics, BS in Business Administration, BS in Industrial Arts, and BS in Nursing.

Institutions of higher learning in the area include:

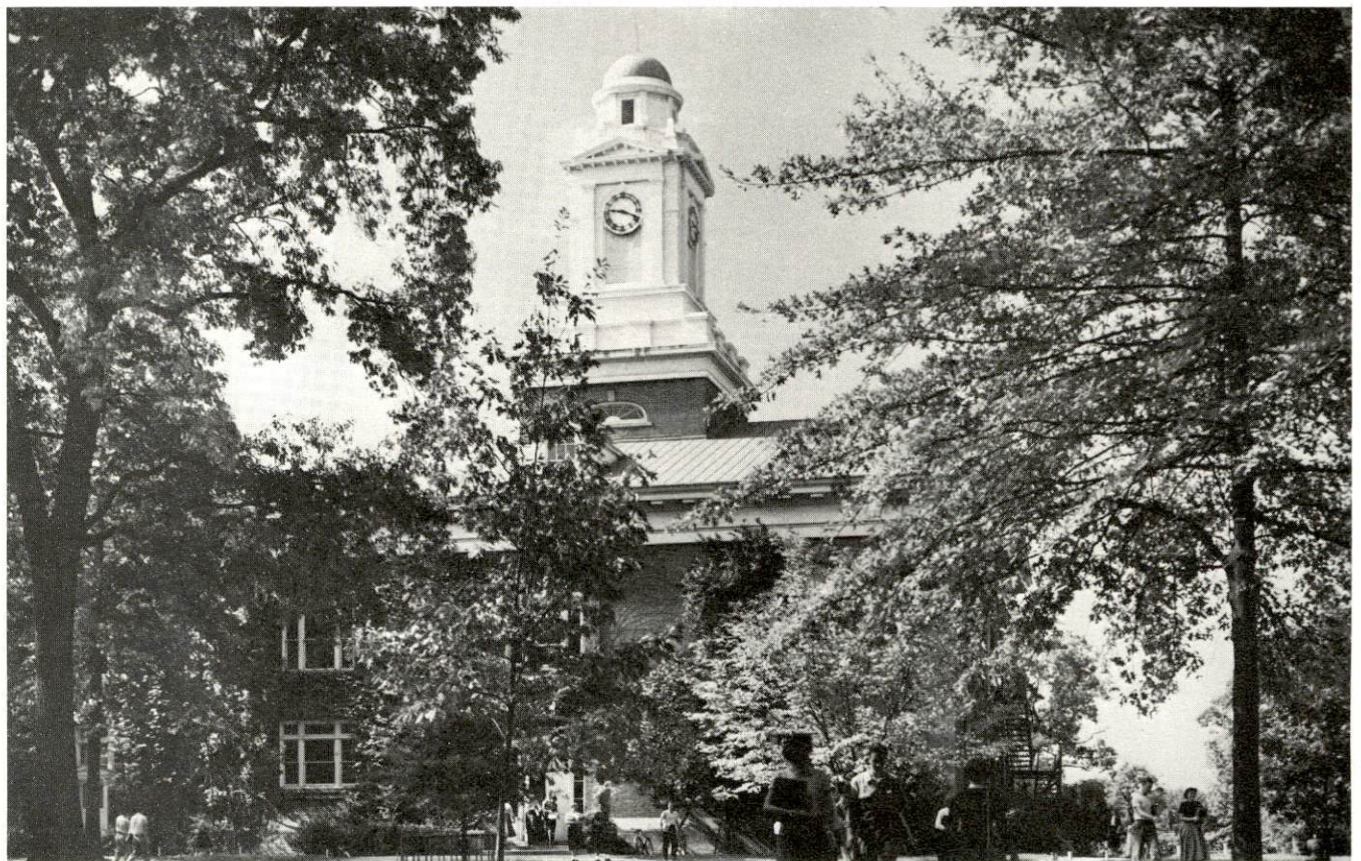
Eastern Kentucky State College, Richmond, Kentucky, 13 miles
University of Kentucky, Lexington, Kentucky, 39 miles
Transylvania College, Lexington, Kentucky, 39 miles
Asbury College, Wilmore, Kentucky, 36 miles
Centre College, Danville, Kentucky, 35 miles
Georgetown College, Georgetown, Kentucky, 51 miles

Health

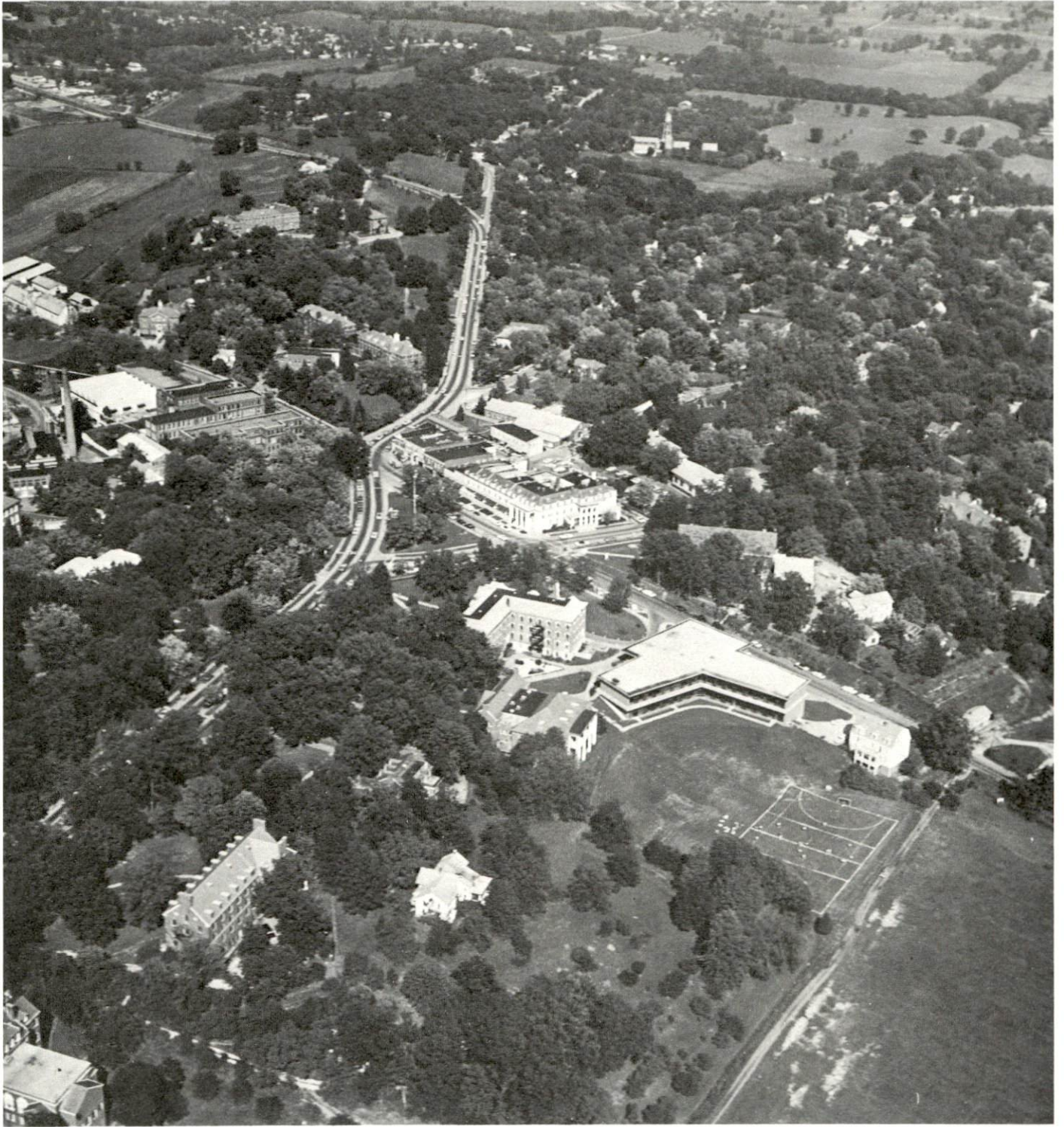
Hospitals: Berea is served by Berea College Hospital, Inc., a 75-bed, 14-bassinet, modern hospital with operating rooms, diagnostic X-ray, laboratory, obstetrics ward, outpatient clinic, physiotherapy, dietary kitchen, and emergency facilities. This hospital participates in Berea College's nurse training program offering a college nursing degree. One day each week the hospital provides service to indigent patients and, unless the patient is admitted, this service is free. A screening program for detection of disease is also being carried out. If treatment or shots are necessary, the patient is referred to the County Health Department or private physician. The staff includes 14 doctors and 21 registered nurses. A clinic is held weekly for communicable disease control and maternal services.



BEREA COLLEGE ALUMNI MEMORIAL BUILDING



BEREA COLLEGE'S PHELPS STOKES CHAPEL



AERIAL VIEW OF BEREA COLLEGE CAMPUS
AND EAST BEREA BUSINESS DISTRICT ON U. S. 25



BEREA COLLEGE HOSPITAL

Public Health: The Madison County Health Department, located in Richmond, is staffed with a doctor for three days each week, three nurses, two clerks, and a sanitarian. The health program includes: communicable disease control, maternity service, infant and preschool health, school health, dental health, chronic disease control, vital statistics, and food and milk inspection.

Plans for a new \$100,000 Federal health center have approved and construction is to begin in the near future.

Housing

A few housing units are available for rent or sale in Berea. The rental range for two- and three-bedroom houses is \$60 to \$100 per month. Construction cost for two- and three-bedroom houses is \$6,500 to \$18,000, depending on location and materials used.

Communication

Telephone and Telegraph: The General Telephone Company of Kentucky serves Berea with a modern dial system.

Telegraph service is provided by Western Union 24 hours a day.

Postal Facilities: Berea has a first-class post office with fifteen employees. Mail is received three times daily and dispatched four times daily. Postal receipts for 1964 totaled \$102,000.

Newspapers: The Citizen, a weekly newspaper with a circulation of 2,150, is published in Berea. Papers are received daily from Lexington, Louisville, and Richmond, Kentucky.

Radio: Radio reception is from WEKY, Richmond, Kentucky, and WRVK, Renfro, Valley, Kentucky. Radio reception also comes from Louisville and Lexington, Kentucky, and Knoxville, Tennessee.

Television: Television reception is received from Lexington and Louisville, Kentucky, and Cincinnati, Ohio. All three major networks are represented.

Libraries

Library service is provided by the Berea College Library with over 154,000 volumes and 800 current periodicals. The childrens room in the Lower Library has a collection of over 3,000 volumes especially adapted for pupils through the ninth grade. Berea College also serves the area with a traveling library.

Churches

There are eight churches in Berea representing the following denominations: Baptist, Catholic, Church of God, Church of Christ, Union, and Methodist.

Financial Institutions

	Statement as of June 30, 1965	
	<u>Assets</u>	<u>Deposits</u>
Berea National Bank	\$6,472,442.18	\$6,025,391.17
Berea Bank & Trust Co.	2,200,665.33	1,924,012.79

Hotels and Motels

Boone Tavern	91 rooms
Colonial Hotel	15 rooms
Eplee's Motel	30 units
Moore's Motel	34 units
Sunset Inn	21 units
Wilderness Trail Motel	28 units

Clubs and Organizations

Civic: Chamber of Commerce, Kiwanis, Rotary and Lions

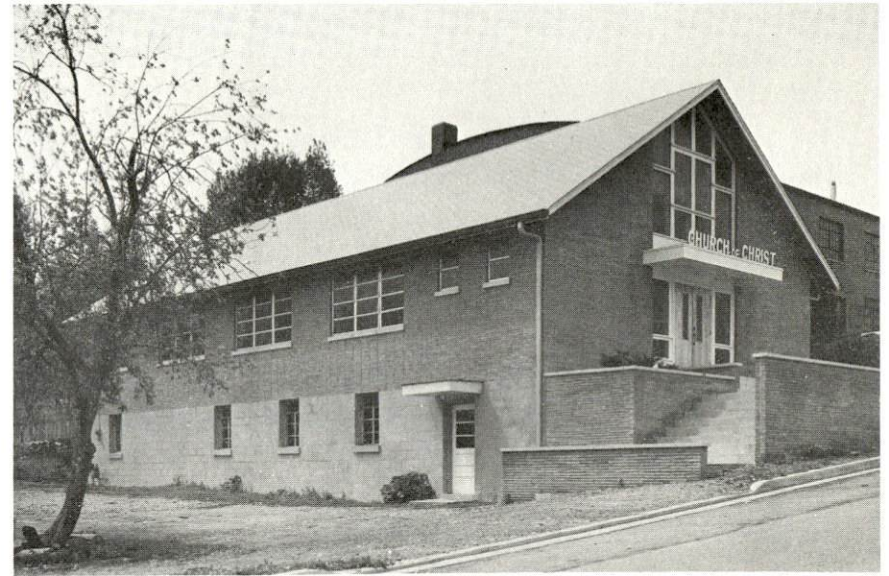
Fraternal: American Legion, Masonic, and Junior Order of United American Mechanics

Women's: Woman's Club, Beacon Light, Younger Woman's Club, Business and Professional Woman's Club, Eastern Star, Progress Club, Lioness Club, and League of Women Voters

Youth: Boy Scouts, Girl Scouts, FFA, FHA, 4-H Club, Brownies, Cub Scouts, Little League, and Teen-Age Club



WILDERNESS TRAIL MOTEL



CHURCH OF CHRIST



BOONE TAVERN HOTEL AND GIFT SHOP



CATHOLIC CHURCH

Recreation

Local: Local parks and playgrounds offer a wide variety of recreational facilities which include: a swimming pool, lighted baseball and softball field, movie theater, tennis courts, an outdoor theater with a seating capacity of 1,500, picnic area, hiking trails, and camping facilities. Little League and Junior League baseball is sponsored locally. Golfing facilities are provided by a nine-hole golf course in Berea and at the Richmond Country Club, 13 miles distant. The community also has a concert series and a wide variety of programs are sponsored by Berea College.

Area: Renfro Valley, 15 miles south of Berea, is famous for its mountain folk music. Herrington Lake, 40 miles, and Cumberland Lake, 60 miles, provide good fishing, camping, boating, swimming, and picnic facilities.

Boonesborough State Park is located 26 miles north of Berea on Kentucky 388. The finest natural sand beach in Kentucky lines this shore of the Kentucky River, and a bathhouse is just above the beach. A boat-dock with complete rental services and a launching ramp for privately owned crafts are available to boating enthusiasts and fishermen.

Community Improvements

Recent:

1. Relocation of city dump - removed from corporate limits to 3 miles from city limit.
2. New units for garbage collection and street cleaning.
3. New storage facilities for all city-owned equipment.
4. Improved street-lighting system by changing total system to mercury vapor lighting.
5. The Berea Golf Club has completed a new watering system and will be one of the finest courses in the state.
6. Recent expansions to the sewer system will accommodate Berea for the next 20 years - cost \$600,000.

Planned:

1. A new community school has been approved by the passage of a bond issue. It will be an entirely new facility for primary and secondary education. Estimated cost is \$1,500,000.
2. A new city hall is planned that will consolidate all city offices and will have space for the fire department.
3. A new medical building is in the planning stage.
4. A nursing home is under construction.
5. Two or three new residential subdivisions are being planned for opening in the near future.
6. A new library is under construction at Berea College and will be open to local residents.
7. A new water storage tank is under construction and will serve the west end of Berea.
8. The new county health office building is to be built in 1966.



BEREA GOLF COURSE



BEREA NATIONAL BANK



BEREA SWIMMING POOL



SILVER CREEK ELEMENTARY SCHOOL

NATURAL RESOURCES

Agriculture

In 1959 there were 2,363 farms in Madison County covering 265,218 acres, an average of 112.2 acres per farm. The following table shows some agricultural statistics for Madison County and Kentucky.

TABLE 13

AGRICULTURAL STATISTICS FOR MADISON COUNTY AND KENTUCKY*

<u>Crops</u>		<u>Acres Harvested</u>	<u>Yield Per Acres</u>	<u>Total Production</u>
<u>Alfalfa Hay:</u>				
Madison County	(tons)	4,400	2.45	10,780
Kentucky	(tons)	360,000	2.35	846,000
<u>Clo-Tim Hay:</u>				
Madison County	(tons)	5,800	1.10	6,380
Kentucky	(tons)	440,000	1.57	696,000
<u>Lespedeza Hay:</u>				
Madison County	(tons)	4,500	.90	4,050
Kentucky	(tons)	508,000	1.10	559,000
<u>Corn:</u>				
Madison County	(bu)	8,400	58.0	487,000
Kentucky	(bu)	1,093,000	57.0	62,301,000
<u>Wheat:</u>				
Madison County	(bu)	200	28.0	5,600
Kentucky	(bu)	160,000	32.0	5,120,000
<u>Soybeans:</u>				
Madison County	(bu)	N. A.	N. A.	N. A.
Kentucky	(bu)	260,000	22.5	5,850,000
<u>Burley Tobacco:</u>				
Madison County	(lbs)	4,860	1,950.0	9,477,000
Kentucky	(lbs)	203,000	2,025.0	411,075,000

*Kentucky Agricultural Statistics, Kentucky Crop and Livestock Reporting Service, 1964

TABLE 14

LIVESTOCK STATISTICS FOR MADISON COUNTY AND KENTUCKY*

<u>Livestock</u>	<u>Average Number on Farms During 1963</u>
<u>Milk Cows:</u>	
Madison County	3,850
Kentucky	476,000
	<u>Number on Farms as of January 1, 1964</u>
<u>All Cattle and Calves:</u>	
Madison County	50,900
Kentucky	2,495,000
	<u>Number on Farms as of January 1, 1965</u>
<u>Sheep:**</u>	
Madison County	1,700
Kentucky	206,000

Minerals

The principal mineral resources of Madison County consist of limestone and clay. Other minerals include sand and gravel, petroleum and natural gas, coal and vein minerals.

Limestone: Limestones are widely distributed and are available in quantities suitable for many uses. A limestone belt containing high-calcium limestone (95% or more CaCO_3) extends along the southeastern portion of the county in the "Knobs" region where Mississippian limestone of Chester age outcrops. An analysis of this stone taken from two ledges (9 and 13 feet thick) in an abandoned quarry at Big Hill show an average calcium carbonate content of 97.7 percent and 97.2 percent, respectively. The total thickness of the quarry face is approximately 77 feet. One quarry is currently producing stone from the Oregon formation at Boonesboro for use in highway construction, concrete aggregate and agricultural lime.

Clay: Clay deposits of Madison County include Tertiary clay from the Irvine formation and Silurian clay from the Estill and Lulbegrud formations. These clays are smooth, plastic and red burning and are suitable for brick, hollow blocks, drain tile and earthenware. Deposits near Berea are used locally by Berea College for small-scale pottery operations.

*Kentucky Agricultural Statistics, Kentucky Crop and Livestock Reporting Service, 1964

**Preliminary figure

Clays of the Irvine formation occur as high terraced deposits along the Kentucky River in the eastern third of the county. Their occurrence is widespread and shallow but individual deposits are not extensive. They have been worked extensively at Bybee and Waco for the manufacture of various kinds of stoneware which have been marketed throughout the United States and Canada. These deposits are also suitable for blue art pottery, brick, tile and other products. Two mines produced 270 tons in 1961 (Kentucky Department of Mines and Minerals).

Sands and Gravels: Sands suitable for some construction purposes can be obtained from the Kentucky River. Some isolated unconsolidated residual deposits of sands and gravels might also be present from the basal Pottsville formation in the "Knobs" area for small scale local use.

Petroleum and Natural Gas: In 1949 a total of 427 barrels of oil was produced commercially along with insignificant amounts of gas. No commercial production has been reported since.

Coal: Coal occurs as isolated ridge deposits in ample supply for small scale domestic consumption. Production was in 1940, 1949, 1950 and 1951 with an accumulative total of 11,242 tons. No production has been reported since 1951.

Vein Minerals: Very small amounts of fluorite, calcite and barite are found. Presently, these have no commercial significance.

Kentucky Mineral Production: In 1964, Kentucky ranked 14th in the nation in value of mineral production, including natural gas with a total of \$444,379,000. In order of value, the minerals produced were coal, petroleum, stone, natural gas, sand and gravel, clays, fluorspar, zinc, lead, barite, silver, and items that cannot be disclosed individually but include cement, ball clay, gem stones, and natural gas liquids. Among the states, Kentucky ranked second in production of bituminous coal, ball clay, and fluorspar (U. S. Bureau Mines).

TABLE 15

KENTUCKY MINERAL PRODUCTION, 1964 (1)
(Units in short tons unless specified)

<u>Mineral</u>	<u>Quantity</u>	<u>Value</u>
Barite	6,014	\$ 96,000
Clays (2)	920,000	1,801,000
Coal (bituminous)	82,747,000	309,896,000
Fluorspar	38,214	1,693,000
Lead (recoverable content of ores, etc.)	858	225,000
Natural Gas (cubic feet)	77,360,000,000	18,257,000
Petroleum, crude (barrels)	19,772,000	56,746,000
Sand and Gravel	6,560,000	6,297,000
Silver (recoverable content of ores, etc. - troy ounces)	1,673	2,000
Stone	21,868,000 (3)	29,594,000 (3)
Zinc (recoverable content of ores, etc.)	2,063	561,000
Value of items that cannot be disclosed: Cement, ball clay, natural gas liquids, and dimension sandstone.		19,211,000

- (1) Mineral Industry of Kentucky, Minerals Yearbook, 1964.
Production as measured by mine shipments, sales, or marketable production (including consumption by producers).
- (2) Excludes ball clay, included with "Value of items that cannot be disclosed."
- (3) Excludes dimension sandstone, included with "Value of items that cannot be disclosed."

Forests

Madison County has approximately 52,000 acres of forest land covering 18 percent of the total land area. The predominant trees are, red cedar, pine, oak, hickory, poplar, ash, and beech.

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

	<u>Population (1)</u> <u>Percent of U. S.</u>	<u>Personal Income (2)</u> <u>Percent of U. S.</u>	<u>Retail Sales (3)</u> <u>Percent of U. S.</u>
Alabama	1.8	1.2	1.3
Arkansas	1.0	0.7	0.6
Delaware	0.3	0.3	0.3
Georgia	2.2	1.7	1.9
Illinois	5.5	6.5	6.2
Indiana	2.5	2.5	2.7
KENTUCKY	1.7	1.2	1.3
Maryland	1.8	2.0	1.7
Michigan	4.2	4.5	4.4
Missouri	2.3	2.3	2.4
North Carolina	2.5	1.9	2.0
Ohio	5.3	5.4	5.3
Pennsylvania	6.0	6.1	5.7
South Carolina	1.3	0.9	0.9
Tennessee	2.0	1.4	1.6
Virginia	2.3	2.0	2.0
West Virginia	0.9	0.7	0.7
REGIONAL TOTAL	43.6	41.4	41.1

(1) 1964 Preliminary Estimate, U. S. Bureau of the Census

(2) 1964 Personal Income by States, Survey of Current Business,
U. S. Department of Commerce

(3) 1963 U. S. Census of Business, Retail Trade

In 1963, per capita personal income for Madison County was \$1,541; per capita income for Kentucky was \$1,799. In per capita income, it should be noted that Madison County ranked 38th among Kentucky's 120 counties.*

Retail sales for Madison County in 1964 were \$38,115,000.**

*Bureau of Business Research, College of Commerce, University of
Kentucky, Kentucky Personal Income, 1963, 1965

**Sales Management, Survey of Buying Power, June 10, 1965

C L I M A T E

The average annual precipitation in Kentucky ranges from 38 to 40 inches in the northern part of the state to 50 inches or more in the south-central 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 BEREA, MADISON 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>
			<u>(EST)</u>	
January	37.6	4.96	84	77
February	39.2	3.76	82	71
March	46.2	4.64	81	66
April	57.0	4.08	79	62
May	65.6	3.79	81	63
June	73.7	4.84	84	64
July	76.9	5.16	85	66
August	75.9	4.12	88	66
September	69.8	2.82	86	64
October	59.0	2.17	86	65
November	46.6	3.29	82	70
December	38.8	3.58	83	75
Annual Norm.	57.2	47.21		

*Station Location: Berea College

**Station Location: Lexington, Kentucky

Length of Record: 7:00 A.M. readings 18 years;
7:00 P.M. readings 18 years.

Days cloudy or clear: (19 years of record) 101 clear, 103 partly cloudy,
161 cloudy

Percent of possible sunshine: (19 years of record) 61%

Days with precipitation of 0.01 inch or over: (19 years of record) 129

Days with 1.0 inch or more snow, sleet, hail: (19 years of record) 5

Days with thunderstorms: (19 years of record) 49

Days with heavy fog: (19 years of record) 19

Prevailing wind: (17 years of record) South

Seasonal heating-degree days: (29 years of record) Approximate long-term means 4,683 degree days.

A P P E N D I X

History	Appendix A
Employment by Industry Division	Appendix B
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HISTORY

Madison County, the fifth in Kentucky, was officially created in 1786 while the state was under the jurisdiction of Virginia, and was named in honor of James Madison, afterward President of the United States.

Berea College, around which the town grew, was founded in 1853 as "a monument to the anti-slavery sentiment of the South." The selection of its location is due to Cassius M. Clay, who, in 1853, encouraged Reverend John G. Fee, another ardent Kentucky opponent of slavery, to establish an anti-slavery Union Church in Madison County. Two years later, at the same place and for a similar purpose, a district school was established and a student from Oberlin College, Ohio, was engaged as the teacher. In 1858, the Reverend John A. R. Rogers, also from Oberlin, became the first principal. A constitution was adopted, and the collegiate and preparatory departments were planned. From these early efforts grew the college and town of Berea.

The school prospered, notwithstanding its opposition to slavery, until December, 1859, when, soon after the John Brown episode, Rogers and ten other men of Berea and their families were driven out of the community. This act of violence stopped instruction at Berea until 1865, when the school opened again. Soon thereafter it began to admit Negroes to its classes, which it continued to do until prevented by a general state law in 1904.

Through the years Berea has become a great institution, varied in its activities and possessing properties and endowments worth several millions. It has always received support from some of the great leaders of America, including Henry Ward Beecher, Garrit Smith, Carl Schury, Andrew Carnegie, Theodore Roosevelt, President Eliot of Harvard, William E. Barton, and a host of others equally prominent. The general aim of the college is to contribute "to the spiritual and material welfare of the mountain region of the South, affording to young people of character and promise a thorough Christian education, elementary, industrial, secondary, normal and collegiate, with opportunities for manual labor as an assistant in self-support."

The name "Berea" was taken from the Bible, a town in which Paul and Silas once preached, after their preaching caused riots in Thesalonica.

The formal government of the city of Berea originated in the year 1890 as a result of an act of the General Assembly to incorporate it. The constitution of the Commonwealth provided for the incorporation of villages with a population of under one thousand persons into sixth-class cities.

Appendix A

The act provided for an election to be held on the first Saturday in May, 1890, by the qualified voters resident in the incorporated limits in order to elect five city trustees, a police judge, and a town marshall. This board of trustees was to be a "body corporate and politic" for the town of Berea.

The first property assessment and tax for the town was voted a little less than a year after its government was organized. The tax was fifteen cents on one hundred dollars worth of property, and one dollar tithe.

By July, 1893, the town's tax assessor reported \$105,511 worth of taxable property within the corporate limits. A census of the town's population taken early in 1908 showed that the city had at that time 1,224 persons as residents. The historian Collins described the town in 1884: "Berea, 15 miles south of Richmond, population about 200, is the seat of a flourishing academy or college, attended by children of both sexes, white and black."

All students at Berea pay at least part of their expenses by labor in some of the schools. Varied activities include weaving, spinning, the manufacture of furniture, and the operations of a broom factory, a college laundry, a bakery, a store, a printing shop, a farm, and a hotel.

The Fee Memorial Church, of Greek Revival design, stands almost in the center of the campus. People of many denominations worship together in the church. The Berea College Chapel, a red brick building with Greek Revival features, was presented to the college in 1904 by an anonymous donor on condition that it be erected by student labor. In the chapel tower are the William Goodell Frost Memorial Chimes, which honor a former president of the college, and were presented in 1917 by the same benefactor.

By 1936, the college owned: one hundred buildings; a campus of 140 acres; power plant, water plant, telephone system, and ice plant, which also served the town of Berea; Boone Tavern, one of the finest hotels in the state; farm of 494 acres; 5,600 acres of forest; dairy, poultry farm, creamery; bakery; candy factory; broom factory; hand looms; wood working and cabinet making shop which turned out graceful, custom built furniture; blacksmith shop; cooperative retail store; laundry; printing plant; sewing and dress-making establishments; and a hospital.

COVERED EMPLOYMENT BY MAJOR INDUSTRY DIVISION
MADISON COUNTY AND KENTUCKY

<u>Industry, June, 1965</u>	<u>Madison County</u>		<u>Kentucky</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
All Industries	3,910	100.0	521,416	100.0
Mining & Quarrying	0	0	27,670	5.3
Contract Construction	251	6.4	44,097	8.5
Manufacturing	1,526	39.0	204,060	39.1
Food & kindred products	106	2.7	24,666	4.7
Tobacco	4	0.1	10,326	2.0
Clothing, tex. and leather	61	1.6	31,720	6.1
Lumber and furniture	1	0	15,949	3.1
Printing, pub. and paper	24	0.6	11,825	2.3
Chemicals, petroleum, coal and rubber	456	11.7	17,464	3.3
Stone, clay and glass	32	0.8	6,466	1.2
Primary metals	0	0	11,433	2.2
Machinery, metals and equip.	842	21.5	70,604	13.5
Other	0	0	3,607	0.7
Transportation, Communication and Utilities	228	5.8	36,938	7.1
Wholesale and Retail Trade	1,392	35.6	135,860	26.1
Finance, Ins. and Real Estate	157	4.0	24,728	4.7
Services	345	8.8	45,943	8.8
Other	11	0.3	2,120	0.4

Source: Kentucky Department of Commerce

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

<u>Subject</u>	<u>Madison County</u>		<u>Kentucky</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
Total Population	16,408	17,074	1,508,536	1,529,620
EMPLOYMENT STATUS				
Persons 14 years old & over	11,841	12,648	1,036,440	1,074,244
Labor force	8,100	4,324	743,255	291,234
Civilian labor force	8,083	4,324	705,411	290,783
Employed	7,673	4,303	660,728	275,216
Private wage and salary	4,280	3,098	440,020	208,384
Government workers	1,059	840	58,275	44,462
Self-employed	2,214	177	156,582	16,109
Unpaid family workers	120	88	5,851	6,261
Unemployed	410	121	44,683	15,567
Not in labor force	3,741	8,324	293,185	783,010
Inmates of institutions	88	23	15,336	8,791
Enrolled in school	1,747	1,561	94,734	97,825
Other and not reported	1,906	6,740	183,115	676,394
Under 65 years old	969	5,338	91,626	539,838
65 and over	937	1,502	91,489	136,556
MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS				
All employed	7,673	4,203	660,728	275,216
Professional and technical	620	684	46,440	36,879
Farmers and farm mgrs.	1,492	18	91,669	2,339
Mgrs., officials, and props.	661	121	58,533	10,215
Clerical and kindred workers	419	939	35,711	66,343
Sales workers	473	318	39,837	25,265
Craftsmen and foremen	1,176	47	114,003	2,836
Operatives and kindred wkrs.	1,100	624	140,192	45,305
Private household workers	12	399	1,123	25,183
Service workers	456	792	29,844	40,156
Farm laborers & farm foremen	643	28	33,143	2,046
Laborers, ex. farm & mine	436	31	44,227	1,671
Occupation not reported	185	202	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 Kentucky corporate income tax is derived from 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. 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.

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.

General Property Taxes

Kentucky's Constitution provides that all property, unless specifically exempt, shall be assessed for property taxation at fair cash value. Until 1965, Kentucky courts had consistently held that uniformity of rates regardless of assessment ratios took precedence over fair cash value. However, a 1965 Kentucky Court of Appeals decision overruled this interpretation and set January 1, 1966, as the effective date when all property must be assessed at fair cash value.

In order to minimize the effect of increased assessment evaluation the First Extraordinary Session, 1965, of the General Assembly, passed legislation which limits tax revenues received by local jurisdictions to 1964 revenues. An allowance was made by the legislature which allowed all local taxing jurisdictions, after holding a property advertised public hearing, to increase taxes by no more than 10% per year for the years 1966 and 1967.

State ad valorem tax rates, applicable to the various classes of property, are shown as follows:

	Rate Per \$100 Assessed Value			
	State	County	City	School
Machinery, agricultural and manufacturing	15¢	No	No	No
Raw materials and products in course of manufacture	15¢	No	No	No
Real estate	1 1/2¢	Yes*	Yes*	Yes*
Tangible personal property** (not subject to a specific rate)	15¢	Yes*	Yes*	Yes*
Intangible personal property (not subject to a specific rate)	25¢	No	No	No

*Local rates vary. See the local taxes section of this brochure.

**Includes automobiles and trucks, merchants inventories and manufacturers finished goods, business furniture.

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 total property owned and business transacted (sales and payroll) 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	1 1/2 cents on each \$100 of assessed valuation.	Local rates vary within limits imposed by law.												
Machinery & Equipment	15 cents on each \$100 of assessed valuation.	No local taxing jurisdiction allowed to impose a property tax on manufacturing machinery and equipment.												
Inventory	15 cents on each \$100 of assessed valuation.	No local taxing jurisdiction is allowed to impose a property tax on manufacturing inventories, raw materials and goods in process.												
Sales & Use	3% retail sales and use tax with broad exemptions for new and expanded 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 border="0" style="margin-left: 20px;"> <tr> <td>Bank Deposits</td> <td>100%</td> <td>1/10 of</td> <td>1¢ per \$100</td> </tr> <tr> <td>Stocks & Bonds</td> <td>100%</td> <td></td> <td>25¢ per \$100</td> </tr> <tr> <td>Accounts Receivable</td> <td>85%</td> <td></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

103.200 to 103.285

REVENUE BONDS FOR INDUSTRIAL BUILDINGS

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.285, "industrial buildings" or "buildings" means any building, structure, or related improved area suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, fabricating plant, or parking area deemed necessary to the establishment or expansion thereof, and the necessary operating machinery and equipment, or any of these things, to be rented or leased to an industrial concern by the city or county by which it is acquired. (1964)

103.210 Issuance of bonds. In order to promote the reconversion to peacetime 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 or county 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 or the fiscal court of the county, as the case may be, 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. (1962)

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 semiannually, 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 or the fiscal court of the county, as the case may be, 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 or the fiscal court of the county, as the case may be, before issuing the bonds. (1962)

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 or the fiscal court of

the county, as the case may be, 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 six percent, except as provided in subsection (2) of 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 or county 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 or county within the meaning of the Constitution. (1962)

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. (1946)

103.245 Acquisition of industrial building; power to condemn; procedure. An industrial building within the meaning of KRS 103.200 may be acquired by a city or a county by purchase, gift, or condemnation. Whenever a city or a county shall determine that land or other property, right of way, or easement over or through any property is needed by such city or county, as the case may be, to accomplish the purposes of KRS 103.200 to 103.285, inclusive, it may by ordinance or resolution authorize the purchase or condemnation, in the name of such city or county, of said land or other property, or right of way or easement for such purposes, and may proceed to condemn and acquire such property in the same manner by which an urban renewal and community development agency is permitted and authorized to acquire property under the provision of KRS 99.420, and in accordance with the procedures therein set out, except that all property, rights of way, and easements already held by its owner or lessee for industrial development, shall be exempt from condemnation under this section. (1964)

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 or county, as the case may be, 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. (1962)

103.260 Application of revenue; charges for use. (1) At or before the issuance of bonds the city legislative body or the fiscal court of the county, as the case may be, 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. (1962)

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, or the fiscal court of the county, as the case may be, 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, or the fiscal court of the county, as the case may be, may designate, and if invested the income from such investment shall be carried into the depreciation account. (1962)

103.280 Additional bonds. (1) If the city legislative body, or the fiscal court of the county, as the case may be, 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 or county 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 or county 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. (1962)

103.285 Property acquired under KRS 103.200 to 103.280 exempt from taxation. All properties, both real and personal, which a city or county may acquire to be rented or leased to an industrial concern according to KRS 103.200 to 103.280, shall be exempt from taxation to the same extent as other public property used for public purposes, as long as the property is owned by the city or county. (1962)

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

Thelma Stovall,
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 proposed industries. During 1965, highway expenditures in Kentucky for the construction of four-lane highways totaled \$46,710,747. 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 provides labor market information for the state, giving the latest estimated employment in non-agricultural industries, estimated average hours and earnings of production workers in manufacturing, and estimated labor turnover rates in the manufacturing and mining industries. As an aid to the location of prospective industries, the Department will conduct surveys on labor supply and economic characteristics of specified areas. The Department's Division of Employment Service, with offices in 25 cities in the state is available to assist in the recruitment of both established and new industries. All local offices are equipped to administer aptitude tests for approximately 800 occupations as a part of the recruitment process, using the General Aptitude Test Battery and certain specific tests. 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.

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF HIGHWAYS POLICY ON
INDUSTRIAL ACCESS ROADS

Under established and necessary policies and within the limits of funds available for this purpose, the Kentucky Department of Highways will cooperate in constructing or improving access roads to new industrial plants, subject to the following:

1. Before the Department will approve any project, there must be a definite assurance given to the Department by the Department of Commerce that the new plant will be built.
2. The length of the project must be feasible as well as reasonable and the cost justified on a cost benefit ratio.
3. The necessary rights of way will be furnished without cost or obligation to the Department of Highways, whenever possible.
4. If approved, access roads will be built only from the nearest highway to the property line of the company. When possible, existing roads will be improved rather than new roads built.
5. No roads will be built that will serve solely as private drive-ways on plant property. No parking lots are to be built.
6. No project is to be given final approval prior to authorization by the Commissioner of Highways. No other person is authorized to make a commitment for the Department of Highways.

Henry Ward
Commissioner of Highways
Commonwealth of Kentucky