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## Industrial Resources: Bell County - Middlesboro

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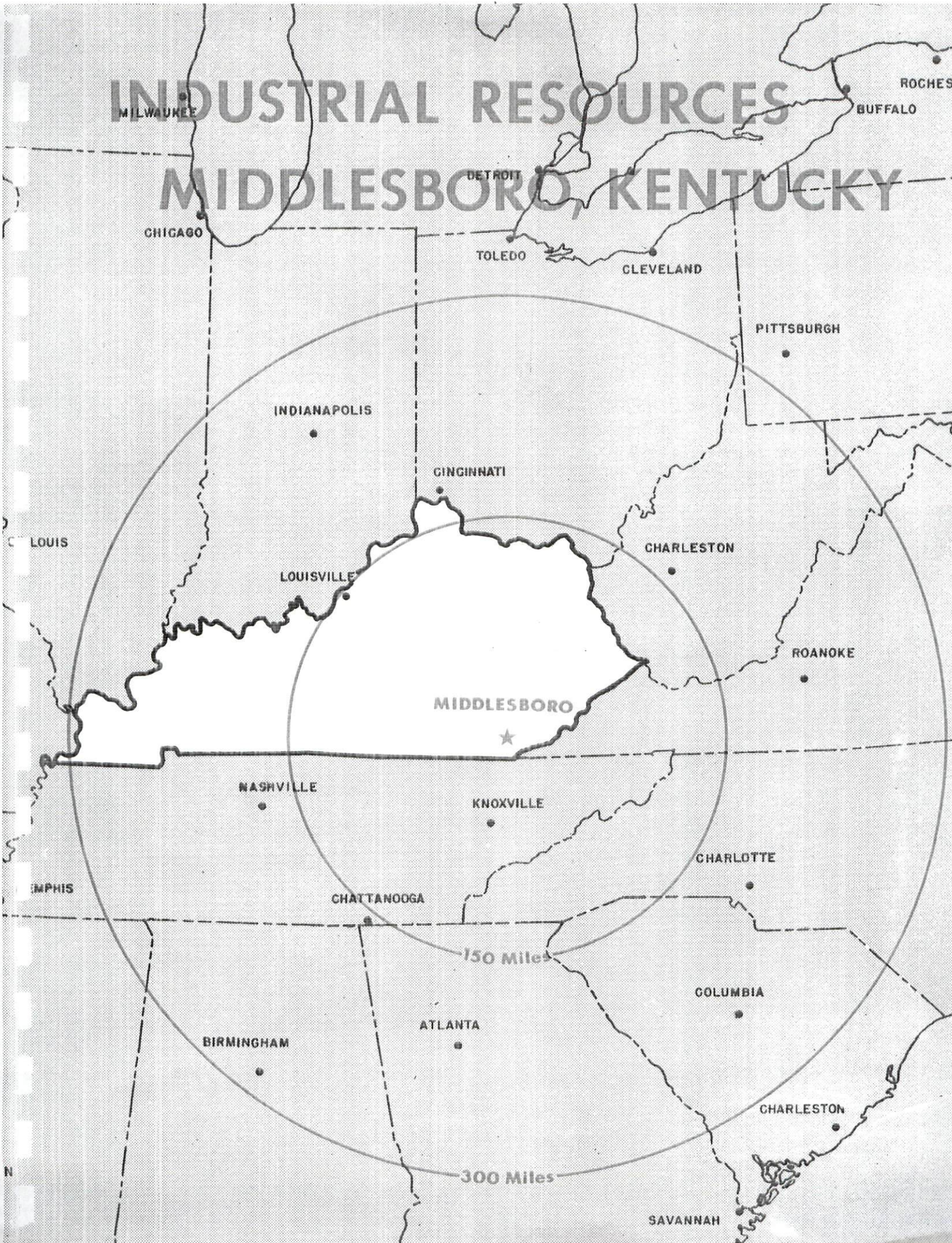
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# INDUSTRIAL RESOURCES MIDDLESBORO, KENTUCKY





INDUSTRIAL RESOURCES  
MIDDLESBORO, KENTUCKY

Prepared by

The Middlesboro Chamber of Commerce  
and  
The Kentucky Agricultural & Industrial Development Board

Frankfort  
May, 1954

# INDUSTRIAL RESOURCES - MIDDLESBORO, KENTUCKY

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# INDUSTRIAL RESOURCES - MIDDLESBORO, KENTUCKY

## FOREWORD

This report sets forth industrial location data which manufacturers will find useful in considering expansion possibilities at Middlesboro, Kentucky.

General Setting. Middlesboro, Kentucky has a population of 14,482 and is situated in the southern part of Bell County in the extreme southeastern corner of the state on the Tennessee line. Highway distances to nearby market centers are: Atlanta, 253 miles; Cincinnati, 235 miles; Louisville, 216 miles; Nashville, 257 miles; and Knoxville, 61 miles.

Labor Supply. The labor supply area of Middlesboro contained an estimated 195,643 people in April 1953. An estimated 6,900 men and 7,800 women now in low paying jobs or not now in the labor force are available for industrial jobs in this six-county area. In addition, there were about 3,500 claimants for unemployment insurance in this area during March, 1954.

In terms of per capita income in 1952, all six counties were below the U. S. average of \$1,639 and the Kentucky average of \$1,130. The estimated per capita income of Bell County in 1952 was \$597.

Transportation and Markets. The transportation system and location of the Middlesboro area makes readily available both the large industrial markets in the North and the growing consumer markets in the South. U. S. Highways 25E and 58, as well as State routes 74 and 186 serve the Middlesboro area. Bus and truck transportation is provided by the Southeastern Greyhound Lines, Hayes Freight Line, Huber and Huber, Meeks, Union Transfer and Silver Fleet.

Production Materials. Kentucky ranks 8th nationally in the value of all minerals produced. Coal, oil, natural gas, and stone are the principal minerals in order of value. Forest and agricultural products are additional resources of Kentucky contributing to lower costs of materials in the Middlesboro area.

Electric Power. Electricity is supplied by Kentucky Utilities from two 33 KV lines. Large amounts can be made available with prior arrangements.

Finally, Middlesboro offers industry significant advantages in living conditions, climate, taxes and local government services.



SUMMARY DATA FOR

POPULATION 1950: Middlesboro - 14, 482; Bell County - 47, 602.

BELL COUNTY LABOR SUPPLY AREA: Includes Bell and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area - 10, 050 men and 8, 150 women. Number of workers available from Bell County - 2, 970.

AVERAGE WEEKLY WAGES IN COVERED EMPLOYMENT, THIRD QUARTER 1953: Bell County - \$53. 41; Kentucky - \$65. 60.

EXISTING INDUSTRY:

Firm	Product	Employment		
		Male	Female	Total
Martin Brothers	Elastic & plastic goods	40	30	70
Middlesboro Tanning Co.	Leather	110	1	111
W. M. Ritter Lumber Co.	Lumber and flooring	120	0	120

SITES: Middlesboro has several available and suitable industrial sites. For example:

Site #1: 5 acres; flat; road; L&NRR; water, sewage; power; and gas.

Site #2: 50 acres; flat; road; L&NRR; water; sewage; power; and gas.

RAILWAY SERVICE: Cumberland Valley Division, L&N Railroad; and Southern Railway System. Transit time from Middlesboro:

To	Days	To	Days
Atlanta, Ga.	1	New Orleans, La.	3
Chicago, Ill.	2 1/2	New York, N. Y.	3 1/2
Detroit, Mich.	3	St. Louis, Mo.	2

TRUCK LINES: Hayes Freight Line, Huber and Huber Motor Express, Meeks Motor Freight, Union Transfer and Storage Co., Silver Fleet Motor Express.

HIGHWAY DISTANCES: From Middlesboro

To	Miles	To	Miles
Atlanta, Ga.	253	Nashville, Tenn.	257
Cincinnati, Ohio	235	Pittsburgh, Pa.	512
Louisville, Ky.	216	St. Louis, Mo.	506

BUS LINES: Southeastern Greyhound and Middlesboro-LaFollette Bus Lines.

AIRPORT: The Middlesboro-Bell County Airport. No commercial stops. The Knoxville Airport, 61 miles distant, is served by American, Capital, Delta, and Piedmont Airlines.



MIDDLESBORO, KENTUCKY

POSTAL FACILITIES: Class Post Office - 1st; mail dispatched - seven times daily; mail received - seven times daily; 1952 postal receipts - \$83,000.

TELEPHONE SERVICE: Southern Bell Telephone and Telegraph Co.  
Number of subscribers - 3245.

TELEGRAPH SERVICE: Western Union.

ELECTRICITY: Kentucky Utilities; transmission lines - 33 KV; power available - practically unlimited supply.

WATER: Kentucky Water Service Co.; source of water - Fern Lake; pumping capacity - 4,608,000 gallons per day; maximum use - 700,000 gallons per day; water rates - minimum of \$1.75 per month for 2,000 gallons, and \$.60 per thousand for the next 8,000 gallons.

GAS: Middlesboro Gas Company; source - Bell-Knox gas fields; supply very large and available for industrial use; use in 1952 - 320,000,000 cu. ft.

COAL: Source - East Kentucky coal fields. Price of yard screenings, nut and slack - \$3.00 - \$6.00 per ton, delivered.

FUEL OIL: No. 3 - \$.15 per gallon delivered.

SEWAGE: Storm and sanitary sewer system; modern sewage disposal plant; rates vary from \$3.00 to \$20.00 per month depending on size of factory and number of employees.

PROPERTY TAX RATES: Per \$100, 1953: Middlesboro - \$3.72; Bell County - \$2.30. Ratio of assessment to market value - 35%. Five year tax exemption for new industry.

LOCAL CONSIDERATIONS:

Housing: Supply is fair. Rental of two-bedroom house \$40 - \$80 per month. Construction cost of two-bedroom house: \$7,000 - \$12,000.

Schools:

<u>System</u>	<u>No. of Schools</u>	<u>Enrollment</u>	<u>No. of Teachers</u>
City	8	2,946	85
County	70	6,483	203
Parochial	3	42	2

## POPULATION AND LABOR

### Population

The 1950 population of Middlesboro was 14,482. Table 1 shows population and recent rates of growth in Middlesboro, Bell County and Kentucky:

Table 1. Population Growth in Middlesboro, Bell County and Kentucky, 1900-50

Year	Middlesboro		Bell County		Kentucky
	Population	% Increase	Population	% Increase	% Increase
1900	4,162		15,701		
1910	7,305	75.5	28,447	81.2	6.6
1920	8,041	10.1	33,988	19.5	5.5
1930	10,350	28.7	38,747	14.0	8.2
1940	11,777	13.8	43,812	13.1	8.8
1950	14,482	23.0	47,602	8.7	3.5
1953 (est.) <sup>1/</sup>			40,254	-15.3	-1.1

### Labor Force

Characteristics of the Labor Force. Of the 30,246 persons 14 years old and over in Bell County 12,156, or 40.2 percent, were in the 1950 civilian labor force. As shown in Appendix C, this percentage of persons in the labor force is substantially smaller for Bell County and each of its adjacent counties than it is for Kentucky or the United States. In Bell County 66.1 percent of the working age males and 14.9 percent of the females are in the labor force. For the United States 78.7 percent of the males and 28.9 percent of the females are in the labor force. This difference is due at least in part to the number of jobs available.

In Appendix B will be found the 1950 Census data on employment status and major occupation group of men and women in Bell County and Kentucky. Appendix A gives Bell County and Kentucky employment by industry for September, 1953.

<sup>1/</sup> Kentucky Agricultural Experiment Station, Population Estimates for Kentucky Counties, April 1, 1953 (Lexington, October, 1953).



Agriculture, Manufacturing, and Mining. In 1950 agriculture employed 647 persons in Bell County as against 684 in 1940. This was a decrease of 5.4 percent for the decade. Manufacturing employed 1,134 in 1950 and 897 in 1940, an increase of 26.4 percent. Mining employed 3,955 in 1950 and 4,000 in 1940, a decrease of 1.1 percent. Thus manufacturing was the only one of these three basic industries to increase its employment between the 1940 and 1950 Census dates, and this increase more than offsets the decrease in agriculture and mining.

Available Labor Supply. <sup>1/</sup> The Middlesboro labor supply area is defined to include Bell, Whitley, Knox, Clay, Leslie and Harlan Counties, Kentucky. This labor supply area is the geographical area from which workers could be expected to be drawn to Middlesboro on a commuting basis. Due to distances involved, commuting would be lighter in some of the counties than in others. It is also the group of counties from which workers would tend to move to Middlesboro if what appeared to be permanent jobs were increased.

It is estimated that in the six counties of the labor supply area there are approximately 6,900 men and 7,800 women, exclusive of the current unemployed who would be attracted to industrial jobs. Most of the men would represent transfers from low income jobs, particularly farming, while the women would represent new entrants into the labor market. Bell County would furnish about 800 of the men included in the above estimate and 1,300 of the women.

In addition to the potential labor supply from job shifts and additional labor force participation, during the last week of March there were about 3,500 claimants for unemployment insurance in the area with about 90% of these males. There were 870 claimants from Bell County alone. It should be kept in mind that the number of claimants is subject to a considerable amount of fluctuation, although it has been large in this area for some time due to the depressed condition of the coal mining industry.

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<sup>1/</sup> Source: Kentucky Department of Economic Security, Damon W. Harrison, Labor Supply Statement for Middlesboro, Kentucky Area, April 12, 1954. Factors upon which estimates are based: 1) population; 2) number of persons of labor force age; 3) labor force participation rates; 4) economic structure of area; 5) per capita income; 6) current manufacturing employment and past trends; 7) observations of availability of labor supply in areas where new facilities have been located; and 8) estimates of current employment.



During the next ten years, approximately 28,800 boys and 27,400 girls will become 18 years of age from the counties in this area and theoretically will be available for jobs. About 6,000 of the boys and 5,900 of the girls would be from Bell County. This indicates that a plentiful supply of labor will exist in the area in the foreseeable future,

In a recent labor survey taken by the Middlesboro Chamber of Commerce, 8,000 people from Bell County, Kentucky; Claiborne County, Tennessee; and Lee County, Virginia registered for work. The survey was conducted for the Corunna Manufacturing Company which has started the construction of a 52,000 square foot factory building.

Migration. In assessing the potential supply of labor over the coming years the trend in migration is significant. Net out-migration from Bell County between 1940 and 1950 was 4,858. Lack of job opportunities was a major factor in this shift. For Kentucky, net out-migration during the decade ending in 1950 was 303,000, and the recent increases in manufacturing in the state since that date have not begun to reduce the outflow.

Wages and Income. Some examples of wages in the area are: Clerical, \$.75 per hour; secretarial, \$1.50 per hour; laborer, \$.75 and \$1.30 per hour; semi-skilled, \$1.10 and \$1.75 per hour.

Average weekly wages in covered employment for third quarter 1953 were \$53.41 for Bell County and \$65.60 for Kentucky. Wages in manufacturing industries for the same period were \$51.50 for Bell County, and \$68.30 for Kentucky. According to the most recent data available, U. S. weekly wages in manufacturing were \$10.00 higher than in Kentucky. <sup>1/</sup>

In 1952 per capita income payments to individuals were \$597 for Bell County, \$1,130 for Kentucky, and \$1,639 for the United States. <sup>2/</sup> As shown in Appendix C, the 1949 median family income was \$1,627 in Bell County, \$2,032 in Kentucky, and \$3,073 in the United States.

Labor-Management Relations. Labor-management relations in Middlesboro are described locally as excellent.

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<sup>1/</sup> Ibid.

<sup>2/</sup> John L. Johnson, Per Capita Income of Kentucky Counties in 1952 (Bureau of Business Research, University of Kentucky, February, 1954).



Existing Firms, Products and Employment. The following list of firms indicates something of the demand for labor and products available in the immediate area of Middlesboro. Soon to be added to this list will be the Corunna Manufacturing Company, producer of television and radio cabinets. Construction has started on a 52,000 square foot factory which will cost in excess of \$300,000. Initial employment will be 400 people and the plant may employ 1,000 when in full production. The new plant is expected to be completed by July.

Table 2. Middlesboro Manufacturing Firms, Products and Employment

Firm	Product	Employment		
		Male	Female	Total
Martin Bros.	Elastic & plastic woven goods	40	30	70
Middlesboro Tanning Co.	Leather	110	1	111
J. R. Hoe & Sons, Inc.	Coal mine & tipple equip.	46	0	46
Middlesboro Coca-Cola	Bottled Coca-Cola	39	1	40
J. F. Schneider & Son, Inc.	Meat, meat products	28	8	36
Permapipe, Inc.	Plastic pipe	6	0	6
Southern Ice Co.	Ice	22	0	22
Citizens News Co.	Newspaper pub., job printing	15	3	18
Middlesboro Milling Co.	Flour, cornmeal, feeds	13	2	15
Three States Printing Co.	Newspaper publisher	7	0	7
Royal Crown Bottling Co.	Carbonated beverages	6	0	6
Brooks-Wood Woodworking	Cedar chests & wardrobes	41	1	42
W. M. Ritter Lumber Co.	Hardwood lbr., oak flooring	120	0	120
McCracken & McCall	Hardwood lbr., oak flooring	85	0	85

## MATERIALS

### Agricultural Products

Bell County covers an area of 370 square miles, or 236,800 acres. Of this area 46,690 acres, or about 19.7 percent, is in farms. The 1950 Census gives the number of farms as 1,364, averaging 34.2 acres each. In addition to this, there are some 40,000 acres owned by large landowning companies and leased to approximately 650 farmers. This makes a total of approximately 37 percent of the total area of the county under farm management.



The proportion of farm tenancy was 32.1 percent in 1940, 16.7 percent in 1945 and 19.4 percent in 1950. This shows a marked decrease in farm tenancy from 1940 to 1945 and a slight increase since 1945. In 1950 there were 752 farm operators, or 55.9 percent of the total, working off their farms, with 544 of them working off the farm 100 or more days.

The value of Bell County farm products sold in 1949 was: Crops, \$11,636; livestock and livestock products, \$134,065; and forest products, \$18,275. Table 3 shows more detailed data for crops and livestock in 1950 and 1951.

Table 3. Agricultural Statistics for Bell County <sup>1/</sup>		
Crops	1950 Production	Farm Value
Corn (bu.)	144,000	\$ 282,000
Tobacco (lbs.)	12,400	6,000
Clo-Tim Hay (tons)	860	25,000
Lespedeza Hay (tons)	1,000	26,700
Livestock	No. on Farms, 1951	Farm Value
All Cattle and Calves	2,350	\$ 282,000
Milk Cows	1,450	225,000
Hogs and Pigs	4,850	101,800
Chickens	38,300	44,000
Livestock Products	1950 Production	Farm Value
Eggs (doz.)	269,500	\$ 106,500
Milk (lbs.)	6,448,000	271,000

#### Forests

Kentucky's forests are one of its largest resources. Both the amount of timber cut and the proportion used in manufacture within the state could well be increased. The total annual net growth of Kentucky forests is substantially greater than the amount of drain, and less than one-quarter of

<sup>1/</sup> U. S. Department of Agriculture, Kentucky Agricultural Statistics, 1950 (no date or place of publication).

the lumber, veneer and bolts produced (611 million board-feet in 1948) are used in manufacture in the state.

In Bell County there were 9 sawmills that produced approximately 12 million board-feet of lumber in 1947. There are 201,000 acres, or 85% of the county, in forested area. The adjoining counties of Harlan and Leslie are also heavily forested areas. The predominant types of timber are: Oak, hickory, beech, yellow poplar, and pine.

### Minerals

The most important mineral resource of Bell County is bituminous coal. During 1950 Bell produced 2,518,755 tons and ranked ninth among the counties of the state in coal production. An average of many analyses of coal in the Harlan-Bell County region shows a heating value of about 14,000 BTU. The area lies within the Southern Appalachian District of the eastern Kentucky coal field. This district is served by the L & N Railroad and the Southern Railway System.

The following are other important mineral resources of Bell County: Natural gas occurs in the northern area of the county in the vicinity of Beverly, possibly an extension of the important Himyar-Artemis field of Knox County occurs along Bell County's western boundary.<sup>1/</sup> Commercial limestone outcrops in the high calcium limestone belt along the Pine Mountain overthrust fault. Sand suitable for building construction occurs along the stream beds and flood plains. Shale and clays suited for brick manufacture are present. Deposits of cannel coal are known, and petroleum in commercial quantities is a possibility.

There are 18 railroad mines in Bell County. The 1952 Annual Report of the Kentucky Department of Mines and Minerals showed a total production of 1,338,568 tons with 1,876 men employed. There are also 117 truck mines with a total production of 298,237 tons and 712 men employed.

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<sup>1/</sup> Unpublished report on "Himyar-Artemis Gas Field," Louise Freeman, May, 1951, for the A&ID Board. Additional data on county minerals will be furnished industrial firms on request by the A&ID Board and the Kentucky Geological Survey.



In 1950 Kentucky ranked 8th in the nation in the production of minerals. Total production was valued at \$460 million and the principal minerals were coal, petroleum, gas, and stone. In addition to the minerals shown in Table 4, significant amounts of lead, zinc, and native asphalt were mined.

Table 4. Kentucky Mineral Production, 1950 <sup>1/</sup>

Mineral	Unit	Amount
Fluorspar	Short tons	80,137
Sand and gravel	Thousand short tons	2,383
Natural gas liquids	Thousand 42 gal. bbls.	1,779
Coal	Thousand short tons	78,496
Petroleum	Thousands of barrels	10,381
Natural Gas	Million cubic feet	73,316
Stone (except limestone for cement)	Thousand short tons	7,417
Clays	Thousand short tons	719

## FUEL AND POWER

### Coal and Coke Prices

Coal is available from the Eastern Kentucky coal fields at a comparatively low price. Most coal used in Middlesboro is trucked in from the nearby mines, ten to twenty miles from the city. The price of delivered nut and slack is \$6.00 per ton and yard screenings \$3.00 per ton.

Coke could be obtained from Ashland, Kentucky. The price varies from \$17 to \$24 per ton, plus freight.

<sup>1/</sup> Source: Minerals Year-book, 1950 (Bureau of Mines, 1953).

## Gas

The Middlesboro Gas Company obtains natural gas, with a 1150 BTU content and specific gravity of .7 from the Bell-Knox fields through a 6" line. Gas is available for industrial use and local officials say the supply is practically unlimited. The company has 1,700 local connections which used 320,000,000 cubic feet in 1952.

Eastern Kentucky gas developments in 1952 were limited almost entirely to further extensions of the Big Sandy gas field. There are 194 gas wells in the eastern part of the state.

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Table 5. Gas Rates for Middlesboro, Kentucky

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Minimum monthly charge	\$2.00
First 5,000 cu. ft.	.70 per MCF
Next 5,000 cu. ft.	.65 per MCF
Next 5,000 cu. ft.	.60 per MCF
Over 15,000 cu. ft.	.45 per MCF

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## Fuel Oil

The price of No. 3 fuel oil delivered is \$.15 per gallon. Low grade bunker oil is not locally used but could be made available for \$.12 per gallon.

There is a 'Standard Oil' pipeline located at Warcer, Tennessee. Oil is trucked from this point to Middlesboro.

## Power

Electricity is supplied by Kentucky Utilities served direct from the Four-Mile plant. There are two 33,000 volt lines. The supply is practically unlimited and any amount can be made available with prior arrangements. Electric rates and service are regulated by the Kentucky Public Service Commission.

## WATER

Water is distributed by the Kentucky Water Service Company which obtains water from Fern Lake. Capacity of the chlorination plant is 1,500,000 gallons daily. The pumping capacity is 4,608,000 gallons per day. Maximum use is 700,000 gallons per day and average use is 600,000 gallons per day. There are 3,018 connections which are served by mains up to ten inches in diameter.



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Table 6. Water Rates for Middlesboro, Kentucky

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First 2,000 gal.	\$1.75
Next 8,000 gal.	.60 per M gal.
Next 10,000 gal.	.50 per M gal.
Next 30,000 gal.	.40 per M gal.
Next 50,000 gal.	.30 per M gal.
Next 100,000 gal.	.25 per M gal.
Next 200,000 gal.	.20 per M gal.

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### SITES 1/

Middlesboro has a number of available and suitable sites varying from 1 to 50 acres. Several of these have road, rail, water, sewer and power facilities available. For example:

Site No. 1. This site has 5 acres of flat terrain. Access is provided by a paved highway and a nearby rail line. Utilities available include water, sewage, power and gas.

Site No. 2. This site has 50 acres of level to rolling terrain. Access is provided by a paved road and a nearby rail line. Utilities include water, sewage, power and gas.

## TRANSPORTATION AND TRANSFER FACILITIES

### Railroads

Middlesboro is served by the Cumberland Valley Division of the Louisville and Nashville Railroad and also by the Southern Railway System. The L & N operates between Norton, Virginia; Cincinnati, Ohio; and Louisville, Kentucky. The Southern operates between Middlesboro and Knoxville, Tennessee. Local freights daily include:

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1/ More information may be obtained from the Kentucky Agricultural and Industrial Development Board, Frankfort, or the Middlesboro Chamber of Commerce.

L & N, two in and two out; and Southern, one in and one out. There is no local passenger service. Switching service is available with tracks for 12 cars. Railway express and package car service are also available. Average outbound loads per month number 25-30 cars of leather, machinery, lumber and plastic products. Inbound loads average 80-90 per month and include feed, flour, hides and general freight.

Table 7. Carload Transit Time from Middlesboro, Kentucky

To	Days	To	Days
Atlanta, Ga.	1	New Orleans, La.	3
Chicago, Ill.	2 1/2	New York, N. Y.	3 1/2
Cleveland, Ohio	2 1/2	Pittsburgh, Pa.	2 1/2
Detroit, Mich.	3	St. Louis, Mo.	2
Mobile, Ala.	2 1/2	Washington, D. C.	3 1/2

#### Motor Carriers

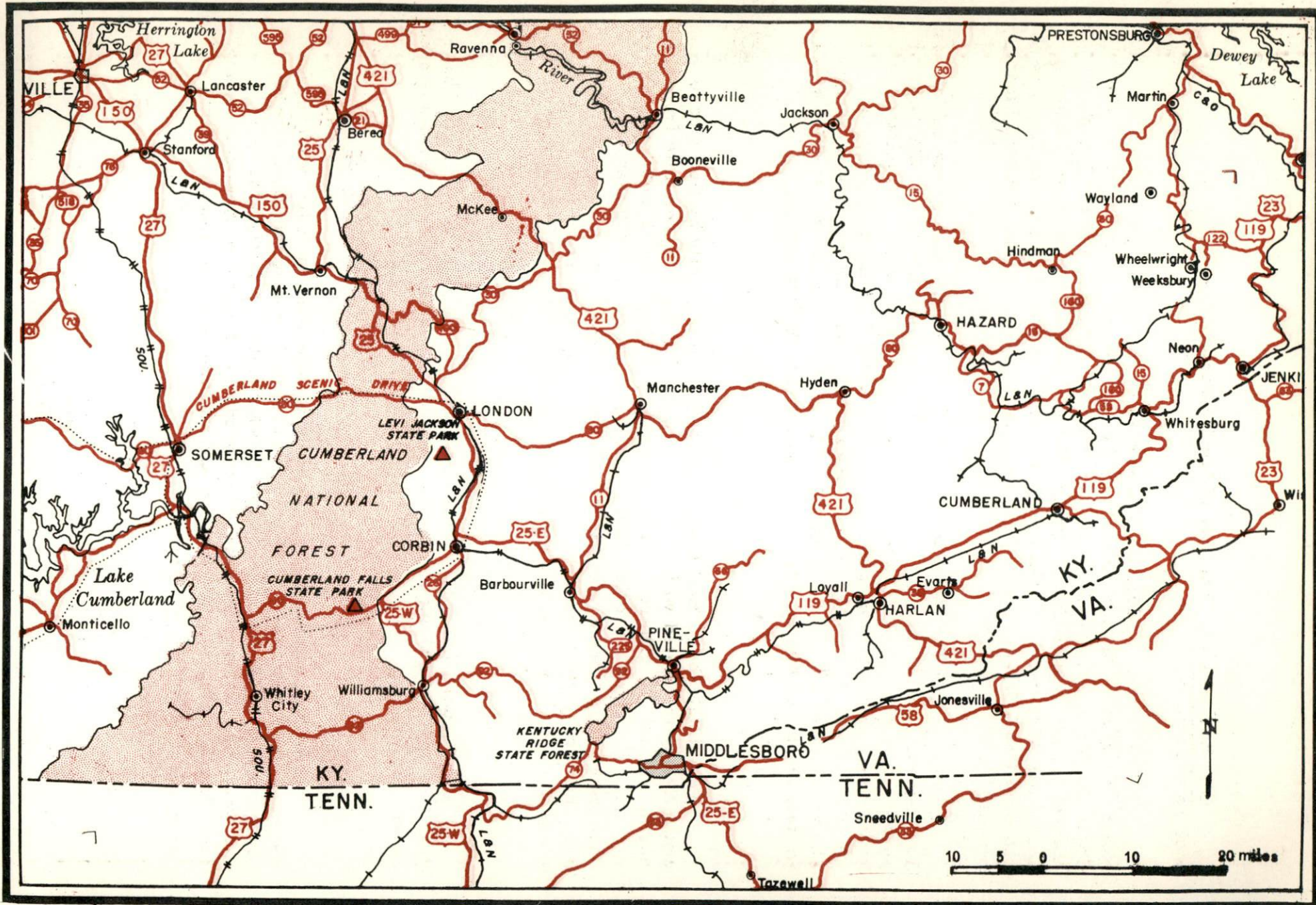
Middlesboro is served by U. S. routes 25E, 58 and 421, and by Kentucky routes 74 and 186. The transportation map on the next page shows the railroads, major highways, recreation areas, and navigable waterways in the vicinity of Middlesboro.

Table 8. Highway Distances from Middlesboro, Kentucky

To	Miles	To	Miles
Atlanta, Ga.	253	Lexington, Ky.	149
Birmingham, Ala.	331	Louisville, Ky.	216
Chicago, Ill.	513	Nashville, Tenn.	257
Cincinnati, Ohio	235	New York, N. Y.	715
Detroit, Mich.	493	Pittsburgh, Pa.	512
Knoxville, Tenn.	61	St. Louis, Mo.	506

Bus Lines. Bus service in Middlesboro is provided by the Greyhound Bus Lines, operating 12 trips daily to Louisville, Cincinnati and Knoxville; the Middlesboro-LaFollette Bus Lines, with 7 round trips daily to LaFollette and Jellico, Tennessee; and the Tri-State Bus Lines, with 4 round trips to Bristol, Tennessee and Bristol, Virginia.





**RAILROADS**  
 + + Single track  
 # # Double track

Railroads, Navigable Waterways, Major Highways and Recreation Areas of Southeastern Kentucky

**HIGHWAYS**  
 (60) Federal  
 (80) State



City Bus Service. The city of Middlesboro is served by four routes with 26 trips daily.

Truck Lines. Middlesboro is served by Hayes Freight Line, 115 North 15th Street, Matton, Illinois; Huber and Huber Motor Express, 970 South 9th Street, Louisville, Kentucky; Meeks Motor Freight, 1311 West Market Street, Louisville, Kentucky; Union Transfer and Storage Company, Spring and Vine Streets, Lexington, Kentucky; Silver Fleet Motor Express, 216 East Pearl Street, Louisville, Kentucky. There is also a Silver Fleet terminal in Middlesboro.

Sample rates for common commodities to nearby centers are as follows: Truck loads of leather to Boston, \$1.96/100 pounds; Milwaukee, \$1.10/100 pounds; Columbus, \$.85/100 pounds; less than truck load, to Nashville, \$1.53/100 pounds; Cincinnati, \$1.30/100 pounds; Columbus, \$1.58/100 pounds; Boston, \$2.74/100 pounds. The third class, average rate, to Cincinnati, \$1.60/100 pounds; to Chicago, \$2.71/100 pounds. First class rates to Detroit, \$2.66/100 pounds; to Louisville, \$1.72/100 pounds.

#### Airports

The Middlesboro-Bell County Airport, owned jointly by Bell County and the city, is located within the city limits slightly over one mile from the business district. There are two runways, 2,250 feet and 2,600 feet. There are plans to extend the 2,600 foot runway to a length of 3,400 feet. Six hangars are available as well as an office building. The field is not lighted and, therefore, operates only in daylight hours. The Knoxville airport, 61 miles distant, is served by American, Capital, Delta and Piedmont Airlines.

#### Mail Service

Middlesboro has a first class Post Office with 18 employees and 1952 postal receipts of \$83,000. Mail is received seven times daily and dispatched seven times daily.

#### Transfer Facilities

Marketing and transfer facilities in Middlesboro include: warehouses, weighing, and pickup and delivery. Packing and crating facilities can be arranged for. In addition there are 35 wholesale and distributor outlets for groceries, tobacco, liquor, farm products, drugs and chemicals, home furnishings, dry goods, automotive and machinery parts, hardware and electrical goods, and lumber.



assistant chief and seven full-time firemen. Equipment consists of 3 pumpers, each having booster tanks: a 1952 Ford rated at 500 gallons per minute; a 1941 Ford, 650 g. p. m.; and a 1926 American LaFrance, 350 g. p. m. The department has 3,000 feet of 2.5 inch hose and 600 feet of ladders. There are 111 hydrants with mains up to 24 inch and a water pressure of 110 pounds per square inch. The city has a seventh class fire insurance rating.

Fire losses for 1952 totaled \$47,460 with the department answering 220 alarms.

Police Protection. Police protection is provided by a chief, assistant chief, 3 captains, 3 sergeants, and 4 patrolmen. Four members of the force qualify as radio operators. Equipment includes 2 patrol cars with two-way radio and a motorcycle.

Streets. The city of Middlesboro has 30 miles of paved streets and 50 miles of unpaved. These are maintained by a foreman, with a crew of 4 men plus prison labor when available. Equipment consists of a dump truck, grader, tank truck, sprinkler and oiler. The downtown streets are cleaned twice weekly. The city's main thoroughfare is 100 feet wide and all intersecting streets are 60 feet wide.

Garbage. Garbage service is provided by private contractors. The business section is served daily and the residential section twice weekly. Rates are determined by the amount collected.

Sewage. There is an adequate storm and sanitary sewer system. The sewage disposal plant is a modern facility with a daily capacity of 1,168,000 gallons. Rates are shown in Table 9.

Table 9. Sewage Rates for Middlesboro, Bell County, Kentucky

Factories under 10 employees	\$3.00 per mo.
Factories - 10-30 employees	4.50 per mo.
Factories - 31-50 employees	6.00 per mo.
Factories - 51-100 employees	7.50 per mo.
Factories - 101-150 employees	9.00 per mo.
Factories - 151-250 employees	11.25 per mo.
Factories - 251-500 employees	15.00 per mo.
Dairies, cream stations, and ice cream plants	20.00 per mo.
Other mercantile businesses	4.50 per mo.



## Planning

In 1952 a Planning Commission was appointed for the City of Middlesboro for the purpose of developing a master plan to guide the future physical development of the community. Their first project was to make a detailed land use study showing areas occupied by residential, commercial and industrial uses. Using this study as a basis they devised a comprehensive zoning plan which established zones for low density residential, medium density residential, local business, general business, light industrial and heavy industrial land uses. The Planning Commission expects to continue its studies in the fields of traffic and parking problems, as well as other phases of the master plan. The activity of the Planning Commission offers assurance that the City of Middlesboro is giving proper consideration to its future growth so that the inefficiencies and waste caused by the lack of coordinated planning may be avoided, and Middlesboro may continue to enjoy the advantages of being an attractive, uncongested city.

## Taxes

Table 10 shows the property tax rates applying in Middlesboro and Bell County for 1953.

	Middlesboro	Bell County
State	\$ .05	\$ .05
County	.75	.75
City	1.42	--
School	1.50	1.50
Total	<u>\$3.72</u>	<u>\$2.30</u>

The ratio of assessment to market value is 35 percent in Middlesboro and 33 percent in Bell County. This means that the effective tax on property in Middlesboro is not \$3.72, but is \$1.30 per \$100, or 13 mills. In Bell County the effective rate is \$.76 per \$100, or 7.6 mills.

The total assessed value of Middlesboro is \$1,213,453 and that of Bell County is \$19,606,250. As permitted by state law the city does allow a five-year property tax exemption for new industry.



Total city income for the year 1952 was \$349,416; expenditures were \$304,789. City bonded indebtedness in 1953 was \$400,000 for sewer, school improvements and refunding. Total county income budgeted for the fiscal year ending 30 June, 1954 is \$192,300; expenditures are also \$192,300. County bonded indebtedness is approximately \$416,000.

## LIVING CONDITIONS

### Housing

In March, 1954, there were an average of 6 apartments and 4 houses advertised for rent in the local papers. There were 35 houses listed with local real estate agencies or advertised independently for sale. Two-bedroom houses rent for \$50 to \$80 a month and cost \$7,000 to \$12,000 to construct. In January, 1954, a modern, 100-unit, public housing project was completed, thus adding substantially to the living standards of low income groups in Middlesboro.

Contractors available are: general - 5; electrical - 1; insulation - 1; paint - 3; plumbing and heating - 5; plate glass and mirror - 1; roofing - 2; sheet metal - 2; stone, ground and concrete block - 1; and tile and flooring - 2.

### Recreation

Recreation facilities for Middlesboro include two city parks containing five acres each, a general recreation program and four school playgrounds. The Middlesboro Country Club has a nine hole golf course. There are three theaters and one drive-in. The main entrance to the Cumberland Gap National Historical Park is within the city limits of Middlesboro. The Park contains 20,000 acres and is located in the states of Kentucky, Tennessee, and Virginia. Area facilities include Mammoth Cave National Park, Great Smoky Mountains National Park, Cumberland Falls, Lake Cumberland and Dale Hollow Reservoir. Each of these provides many interesting sights as well as accommodations for tourists and vacationers.

### Health

Middlesboro Hospital and Clinic has 85 beds. The Evans Hospital has 53 beds. There are 11 MD's, 5 dentists, 60 RN's, 4 chiropractors, 4 optometrists, and 1 chiropodist in Middlesboro. Under construction is a new 80 bed United Mine Workers Hospital.



The Bell County Health Department services include: Communicable disease, venereal disease, and tuberculosis control programs; child health and crippled children's programs; and general sanitation, laboratory services, and health education.

### Education

Graded Schools. The Middlesboro area school system is adequately equipped to handle the present demand and further extension plans are in progress. The Kentucky Department of Education gives a high school rating of A to the largest schools in Bell County and Middlesboro and a rating of B to two county and one city high schools.

Table 11. Middlesboro Area Enrollment and No. of Teachers

School System	No. of Schools	Enrollment	No. of Teachers
City	8	2,946	85
County	70	6,483	203
Parochial	3	42	2

Library facilities are available in the schools and Middlesboro has a library of 10,825 volumes with an annual circulation of 22,450. A new bookmobile has just been added to service the county.

Vocational Education. The use of thirteen highly specialized regional schools is a significant and distinctive characteristic of Kentucky's vocational education program. These schools are partly integrated with regular secondary education work and partly outside it. The area trade schools prepare Kentuckians for work in a variety of trade and industrial occupations.

Middlesboro is provided vocational education facilities by the Harlan County Vocational School with an enrollment of 280. As of April 1, 1952, the following courses were available: Auto mechanics, machine shop, woodwork, electricity, general shop and mining coordination. It should be noted that the courses offered are subject to change as the demand changes.

Colleges. Colleges in the vicinity include: Pikeville, Jr. College, Pikeville, 149 miles; Sue Bennett Jr. College, London, 30 miles; University of Kentucky and Transylvania College, Lexington, 113 miles; Eastern State College, Richmond, 87 miles; Berea College, Berea, 74 miles; Morehead State College, Morehead, 162 miles; and Lincoln Memorial, Harrogate, Tennessee, 7 miles.



## Churches

Middlesboro has 16 churches, representing the following denominations: Baptist, Methodist, Catholic, Presbyterian, Christian, Episcopal, Church of God, Church of Christ, and Church of Nazarene.

## Newspaper and Radio

Middlesboro has two newspapers: the Middlesboro Daily News, a daily with a circulation of 6,252; and the Three States, a weekly with a circulation of 2,470.

WMIK is the 500-watt, local radio station owned by Cumberland Gap Broadcasting Company.

## Telephone and Telegraph

Telephone service is provided by the Southern Bell Telephone and Telegraph Company. The Middlesboro office employs 51 people and has 3,245 subscribers.

Telephone rates are as follows:

	<u>Individual</u>	<u>Two-party</u>	<u>Four-party</u>	<u>Extension</u>
Business	\$7.50	\$6.75	\$6.00	\$1.50
Residential	3.50	3.00	2.75	1.00

Telegraph service is provided by a local Western Union office.

## Hotels and Motels

Overnight accommodations are provided by the following:

<u>Name</u>	<u>No. of Rooms</u>	<u>Name</u>	<u>No. of Rooms</u>
Hotel Cumberland	124	Harris Court	18
Hotel Middlesboro	57	Sharps Court	12
Hotel Majestic	30	The Ranch House Court	18
Hotel Empire	50	VanBervers Court	16
Cumberland Mt. Hotel	22	Shelby's Court	6
Belwood Court	22	Tyler Ball-Tourist	15
Brittains Court	23	G. W. Shoffner	12
T. F. Green Court	10	Roy Shoffner	5

## Clubs

The various clubs and civic organizations include: Chamber of Commerce, Jr. Chamber of Commerce, Kiwanis, Rotary, Lions, V. F. W., American Legion, Masonic, Odd Fellows, Middlesboro Women's Club, Jr. Women's Club, Garden Club, Music Club, Art Club, Boat Club, Homemakers, American Legion Auxiliary, Eastern Star, DAR, Boy Scouts, Girl Scouts, 4-H Clubs, Cub Scouts, Outdoor Girls, PTA, Little Theater, Ministerial Society.

## Retail, Wholesale and Service Establishments

Middlesboro is considered a primary trading center city that attracts retail trade from interstate market areas including portions of Tennessee and Virginia.

The number of establishments by type are:

### Retail

Food stores	79
Eating and drinking places	35
General merchandise stores	1
Apparel stores	15
Service stations	40
Drug stores	3
Farm equipment and supply	7
Automotive dealers	14
Furniture & appliance stores	16
Lumber, hardwood, building material	2
Liquor stores	26
Other retail (book, gifts, etc.)	10

### Service

Barber & beauty shops	19
Pressing, cleaning, repairs	10
Other personal services	6
Business services	2
Auto repair and services	11
Miscellaneous repair	6
Picture theaters	3
Bowling and billiards	5
Shoe repair shops	3



## Wholesale

Groceries & produce	3
Tobacco	2
Liquor	6
Drugs & chemicals	1
Home furnishings	1
Dry goods, apparel & paper	3
Farm products	4
Automotive	3
Machinery	1
Hardware & electrical	5
Lumber and construction material	6

## CLIMATE

The average annual precipitation in Kentucky ranges from 38-40 inches in the northern part of the state to 50 inches or more in the south-central part. Most falls as rain with the greatest amounts during the spring months. Late summer is normally the driest part of the year. Thunderstorms can occur at any time, but are most frequent during March through September. Hail occasionally accompanies these thunderstorms, but the average is only once a year. Deep snowfalls are rare.

Winter is usually relatively open with midwinter days averaging 32°F. in the northern parts to 40°F. in the southern for about six weeks duration. Midsummer days average 74°F. in the cooler uplands, to 79°F. in the lowland and southern areas. The highest temperature ever recorded was 114°F., but 100°F. or more rarely occurs more often than once a year. The lowest temperature ever recorded was -30°F., but temperature 0°F. or lower occurs seldom more than once a year. 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.

Winds from the south and west prevail most of the year, but in winter, north winds may prevail for short periods. Wind velocities average 6 to 13 miles per hour with maximums of 40 to 60 m. p. h. during rare storms. Years pass without a single tornado, then several may visit the state, but the average is one a year.

Sunshine prevails for an average of at least 52% of the year, and increases to 60% or more to the southwest. Humidity is moderately high throughout the year. Mornings average about 80% during the year, and the average for noon and evening is about 60% in summer and 70% in winter.

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. The seasons differ markedly yet warm to cool weather prevails with only short spells of extreme heat and cold.



## APPENDIX

Employment by Industry Division	Appendix A
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## Appendix A

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 Covered Employment by Major Industry Division, Bell County and Kentucky:  
 September, 1953.
 

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Industry	Kentucky		Kentucky	
	Number	Percent	Number	Percent
All Industries	4337	100	438,672	100
Mining and Quarrying	1268	29.2	45,929	10.5
Contract Construction	223	5.1	47,127	10.7
Manufacturing	792	18.3	159,867	36.4
Food and Kindred Prod.	206	4.7	26,437	6.0
Tobacco	0	0.0	10,135	2.3
Clothing, Tex. & Leather	204	4.7	24,564	5.6
Lumber & Furniture	300	6.9	17,045	3.9
Printing, Pub. & Paper	30	0.7	8,322	1.9
Chemicals, Petroleum, Coal & Rubber	5	0.1	12,861	2.9
Stone, Clay and Glass	0	0.0	5,024	1.1
Primary Metals	0	0.0	8,903	2.0
Machinery, Metal & Equip.	47	1.1	42,979	9.8
Other	0	0.0	3,597	0.8
Transportation, Communi- cation & Utilities	367	8.5	29,685	6.8
Wholesale & Retail Trade	1122	25.9	108,135	24.7
Finance, Ins. & Real Estate	105	2.4	15,172	3.5
Services	460	10.6	31,729	7.2
Other	0	0.0	1,028	0.2

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Source: Kentucky Department of Economic Security, Number of Workers Covered by Kentucky Unemployment Insurance Law, Classified by Industry and County, September, 1953 (Frankfort, May, 1954).



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

Subject	Bell County		Kentucky	
	Male	Female	Male	Female
Total population	23,762	23,840	1,474,987	1,469,819
<b>EMPLOYMENT STATUS</b>				
Persons 14 years old & over	14,975	15,271	1,039,654	1,048,459
Labor force	9,891	2,271	799,094	214,162
Civilian labor force	9,885	2,271	777,155	213,916
Employed	9,339	2,145	748,658	206,328
Private wage & salary	7,519	1,590	437,752	156,377
Government workers	346	292	45,354	28,787
Self-employed	1,315	216	235,407	15,104
Unpaid family workers	159	47	30,145	6,060
Unemployed	546	126	28,497	7,588
Experienced workers	531	120	28,082	7,281
New workers	15	6	415	307
Not in labor force	5,084	13,000	240,560	834,297
Keeping house	84	10,085	5,495	665,564
Unable to work	1,669	572	70,583	38,564
Inmates of institutions	51	9	14,764	7,223
Other and not reported	3,280	2,334	149,718	122,946
14 to 19 years old	1,972	1,751	84,410	85,890
20 to 64 years old	1,104	519	47,447	28,952
65 and over	204	64	17,861	8,104
<b>MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS</b>				
All employed	9,339	2,145	748,658	206,328
Professional & technical	374	360	34,405	25,410
Farmers and farm mgrs.	410	12	169,728	2,264
Mgrs., officials & props.	755	122	57,432	9,706
Clerical & kindred wkrs.	259	349	33,228	47,520
Sales workers	466	303	35,141	20,534
Craftsmen and foreman	1,093	14	107,292	3,096
Operatives & kindred wkrs.	4,578	236	152,280	37,609
Private household workers	18	315	1,584	21,408
Service workers	336	366	30,522	28,000
Farm laborers, unpaid fam.	137	6	29,165	3,260
Farm laborers, other	74	2	38,358	788
Laborers, ex. farm & mine	700	19	49,848	1,843
Occupation not reported	139	41	9,675	4,890

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

## Appendix C

## Population, Labor Force, and Income: United States, Kentucky and Middlesboro Area

Area	Population 1950	Persons 14 Years Old and Over					Median Family Income 1949
		Total 1950	In Civilian Labor Force		Males % in Labor Force	Females % in Labor Force	
			Number	Percent			
United States	150,697,361	112,354,034	59,071,655	52.6	78.7	28.9	\$3,073
Kentucky	2,944,806	2,088,113	991,071	47.5	76.9	20.4	2,032
Middlesboro Area:	281,249	178,396	74,441	41.7	71.9	11.5	1,632
Bell Co., Ky.	47,602	30,246	12,156	40.2	66.1	14.9	1,627
Harlan Co., Ky.	71,751	44,742	19,481	43.5	74.9	11.6	2,281
Knox Co., Ky.	30,409	19,693	7,629	38.7	67.4	10.2	1,211
Whitley Co., Ky.	31,940	21,355	9,223	43.2	71.7	16.1	1,417
Clay Co., Ky.	23,116	13,761	5,966	43.4	78.0	6.9	1,210
Leslie Co., Ky.	15,537	9,033	3,809	42.2	74.0	8.9	1,302
Claiborne Co., Tenn.	24,788	16,306	6,658	40.8	72.8	8.9	1,214
Lee Co., Va.	36,106	23,260	9,519	40.9	72.9	9.0	1,497

Source: United States Department of Commerce, County and City Data Book, 1952 (Washington, 1953).



## CLIMATIC DATA FOR MIDDLESBORO, BELL COUNTY, KENTUCKY

Month	Temperature Norm*	Total Prec. Norm.*	Average Relative Humidity Readings**	
	Degrees Fahrenheit		Inches	7:30 AM
January	38.1	4.43	83	65
February	39.8	4.20	81	60
March	48.4	5.30	78	54
April	56.9	4.38	75	49
May	64.3	4.05	78	51
June	72.5	4.56	80	53
July	75.5	4.84	83	55
August	74.5	4.17	86	57
September	69.9	2.61	86	53
October	57.4	2.49	86	52
November	46.2	3.37	83	57
December	39.2	4.48	84	65
Annual Norm	56.9	48.87		

\* Thirty year norm. Station location: Middlesboro, Kentucky.

\*\* Length of record: 7:30 AM readings - 64 years; 1:30 PM readings - 34 years.  
Station location: Knoxville, Tennessee.

Days Cloudy or Clear (81 yr. rec.) - 120 days clear; 121 days partly cloudy; 124 days cloudy.

Percent of Possible Sunshine: Annual 57 percent.

Days with Precipitation Over 0.01 Inch (81 yr. rec.) - 133 days.

Days with 1.0 or More Snow, Sleet, Hail: (68 yr. rec.) - 3 days.

Days with Thunderstorms: (71 yr. rec.) - 48 days.

Days with Heavy Fog: (71 yr. rec.) - 18 days.

Prevailing Wind: (33 yr. rec.) - SW

Seasonal Heating Degree Days: (51 yr. rec.) - approx. long-term means, 3,777 degree days.

## KENTUCKY CORPORATION TAXES

### Corporation Organization Tax

Domestic corporations having capital stock divided into shares are required to pay an organization tax to the Secretary of State at the time of corporation. The tax is based upon the number of shares authorized:

	<u>Rate Per Share (Par Value)</u>	<u>Rate Per Share (No Par Value)</u>
First 20,000 shares	1¢	1/2¢
20,001 through 200,000 shares	1/2¢	1/4¢
Over 200,000 shares	1/5¢	1/5¢

The minimum tax is \$10. If additional shares are authorized the tax is computed on the basis of the total number of shares, as amended, and the tax due in excess of that already paid must be paid at the time the amendment to the articles of incorporation is filed.

The tax applies to the capital of foreign corporations in case of merger or consolidation with a Kentucky corporation.

### Corporation License Tax

All corporations except foreign insurance companies, domestic life insurance companies, building and loan associations, banks and trust companies, race track corporations, and franchise paying corporations are liable for the state corporation license tax of 70¢ on each \$1,000 value of capital stock represented by property owned or business transacted in Kentucky. The minimum license tax is \$10. An annual report of facts concerning the corporation and its business is required to be filed with the Department of Revenue not later than the 15th day of the 4th month following the close of the corporation's taxable year. The amount of the tax is computed from this return. The corporation income and license tax returns have been consolidated. Tax payment is due within 30 days after certification of the assessment of its capital stock.

### Corporation Income Tax

The corporation income tax of 4 1/2% applies to the entire net income allocable to this state. Federal income taxes are allowed as a deduction. State and national banks, trust companies, domestic building and loan associations, insurance companies, and non-profit corporations are exempt from the tax. Payment is due on the 15th day of the fourth month after the close of the tax year. Payment of one-third of the tax may be deferred until the 15th day



of the seventh month and an additional one-third until the 15th day of the 11th month following the close of the tax year without interest.

Interest, dividends, rents and royalties, and capital gains not received in connection with the regular business of a corporation are subject to taxation by this state only when such income is received from sources within this state.

Kentucky's portion of taxable corporate income derived from public utilities and the manufacture and sale of tangible property is determined by applying to net income an average of the ratios of the value of tangible property, payroll, and amount of sales in this state to the total value of tangible property, payroll, and amount of sales of the corporation.

In general, this same method is used for allocating taxable income of corporations engaged in other types of business.

#### Franchise Company Taxes

Property of franchise companies (public service companies, railroad companies, common carrier trucking companies, etc.) is subject to taxation at the following rates per \$100 value: real, 5¢; tangible personal, 50¢; non-operating intangible property, 25¢; manufacturing machinery, 50¢; franchise and rolling stock of car line companies, \$1.50; and franchise (value over and above the actual value of tangible property), 50¢. With the exception of manufacturing machinery, franchise and rolling stock of car line companies, and non-operating intangibles, such property is also subject to local taxation.

Franchise companies must, between January 1 and March 31, file an annual report of its operations during the past calendar year. Assessment of franchise property is made by the Department of Revenue as of December 31 of each year. The total over-all value of the company is fixed by various means, among which are (1) capitalizing net utility operating income and (2) determining the market value of the company's stocks and bonds.

Tax payment is due within 30 days after the department's assessment becomes final.

#### General Property Taxes

Kentucky's constitution provides that all property, unless specifically exempt, shall be subject to property taxation. Assessments are required to be at fair cash value. Classification is provided. Kentucky courts have consistently held that uniformity takes precedence over full value. The state-wide assessment level on real estate is not more than 40%, on tangible personalty considerably less than 40% generally, and on intangible personalty approximately full value.



Both foreign and domestic corporations, other than franchise companies, must pay general property taxes on tangible property situated within this state and on intangible property which has acquired a situs in Kentucky at the following rates per \$100 value: real property, 5¢; agricultural products, 25¢; other tangible personalty, 50¢; bank deposits, 10¢; brokers accounts receivable, 10¢; and other intangible property, 25¢. Manufacturing machinery, all intangibles except bank shares, and livestock are exempt from local taxation. Agricultural products in storage may be taxed by counties at the rate of 15¢ per \$100. Real estate and all other tangible personalty are subject to full local levies.

County rates have a maximum of 70¢ but average about 65¢; school rates average \$1.45 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.

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.

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 present date, in the chronological order. All articles and amendments must be accounted for in the certification of the Secretary of State of the state of incorporation. 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 process agent and place of business in Kentucky is required. Filing fee \$5.00.
3. Annual verification report of statement of corporation and annual statement of existence is required to be filed on or before July 1st, of each year. Filing fee for each is \$1.00.
4. 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 re-photostated.

For further information write to:

Charles K. O'Connell  
Secretary of State  
Commonwealth of Kentucky  
Frankfort, Kentucky



**KENTUCKY UTILITIES COMPANY**

INCORPORATED

P. S. C. No. 2

FORM KU 17-12

ELECTRIC RATE SCHEDULE

L. P.

Billing Code No. 56

**Combined Lighting and Power Service**

APPLICABLE in all territory served by Company.

**AVAILABILITY**

This rate schedule is available for secondary or primary service on an annual basis for lighting and/or heating and/or power where no class rate is available.

It is optional with the customer whether service will be billed under this schedule for the entire requirements, or under various other schedules applicable to the various services. The customers having selected this schedule will continue to be billed under it for not less than twelve (12) consecutive months, unless there should be a material and permanent change in the customer's service.

**CHARACTER OF SERVICE**

The electric service furnished under this rate schedule will be 60 cycle, alternating current. The nominal secondary voltages delivered from load centers and the phase are as follows: Single phase, 120 volts, two wire, or 120/240 volts, three wire, or 120/208 Y volts three wire where network system is used. Where company has three phase service available, such service will be supplied at 240,480 volts, or 208 Y volts when delivered from network system. The nominal primary voltages of company where available are 2400, 4160 Y, 7200, 8320 Y and 12470 Y.

**RATE****Maximum Load Charge**

\$1.75 per kilowatt for the first 25 kilowatts of the maximum load in the month, but not less than \$105.00 per year.

\$1.50 per kilowatt for all in excess of 25 kilowatts per month.

**Plus an Energy Charge**

- 2.5 cents per kilowatt-hour for the first 1,000 kilowatt-hours used per month.
- 1.5 cents per kilowatt-hour for the next 9,000 kilowatt-hours used per month.
- 1.0 cent per kilowatt-hour for the next 40,000 kilowatt-hours used per month.
- .9 cents per kilowatt-hour for the next 50,000 kilowatt-hours used per month.
- .8 cents per kilowatt-hour for the next 400,000 kilowatt-hours used per month.
- .7 cents per kilowatt-hour for the next 500,000 kilowatt-hours used per month.
- .6 cents per kilowatt-hour for all in excess of 1,000,000 kilowatt-hours used for month.

**DETERMINATION OF MAXIMUM LOAD**

The load will be measured and will be the average kilowatt load used by the Customer during the 15 minute period of maximum use during the month.

**MINIMUM ANNUAL BILL**

Service under this schedule is subject to an annual minimum of \$21.00 per kilowatt for each yearly period based on the highest monthly maximum load during such yearly period, but not less than \$105.00 per year. Payments to be made monthly of not less than 1/12 of the Annual Minimum, until the aggregate payments during the contract year equal the Annual Minimum. However, payments made in excess of the amount based on above rate schedule will be applied as a credit on billings for energy used during contract year. A new customer or an existing customer having made a permanent change in the operation of his electrical equipment that materially affects the use in kilowatt-hours and/or use in kilowatts of maximum load will be given an opportunity to determine his new service requirements, in order to select the most favorable contract year period and rate applicable.

**DUE DATE OF BILL**

Customer's monthly bill will be due within 10 days from date of bill.

**FUEL CLAUSE (Applies only to the .6 cent step of the above rate.)**

The .6 cent per kilowatt-hour step of this rate is based upon the weighted average cost of fuel consumed by the Company at the Green River, Tyrone and Pineville generating stations.

If, during any monthly period such average cost is in excess of 21 cents per 1,000,000 BTU, an additional charge will be made for the second month thereafter on the kilowatt-hours purchased by the customer at this step of the rate during said month at .001323 cents per kilowatt-hour for each .1 cent increase in the cost of fuel above 21 cents per 1,000,000 BTU. (The fuel clause applicable to the other steps of this rate was suspended until further notice as of June 1, 1944).

**RULES AND REGULATIONS**

Service will be furnished under the Company's general **RULES AND REGULATIONS** or **TERMS AND CONDITIONS**.

**PRIMARY DISCOUNT. (Applicable to customers having a maximum of 50 kilowatts or more.)**

At the option of the Customer there will be a discount of 5% of the energy charge only on monthly bills, in which there is a maximum load charge for 50 kilowatts or more, provided the Customer owns and maintains all facilities (including transformers, if necessary) for taking service from the primary distribution or transmission system from which line the customer is served, and where the service is metered at the primary voltage.

Date of Issue October 1, 1951

Date Effective November 1, 1951

Issued by  
W. REED, Vice President  
Lexington, Ky.



## COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Agricultural and Industrial Development Board, 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 A&ID Board "to coordinate development plans," contact with the following state agencies and others concerned may be established through the Board.

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, 1952, 2,542 miles of highway and bridges were placed under contract at a total cost of \$34,400,000. Kentucky has ranked in the upper fourth of all states in recent years in both the number of miles of highway construction and in the amount of money spent.

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

The Kentucky Department of Industrial Relations has been highly successful in its relations with both management and labor. Representatives of this department are available at all times to consult with industries on any matter in which they can be of service.

The Kentucky Department of Revenue offers the services of its tax consultants to industries seeking locations within the state, as well as to resident industries.

The Kentucky Agricultural and Industrial Development Board 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.