



1945

FIRST ANNUAL REPORT
OF

*The Mount Vernon
Community Trust*

★

FOR THE PERIOD ENDING
DECEMBER 31, 1945

★

THE MOUNT VERNON COMMUNITY TRUST
MOUNT VERNON, OHIO

THE MOUNT VERNON
COMMUNITY TRUST

Trustees

THE FIRST-KNOX NATIONAL BANK OF MOUNT VERNON
MOUNT VERNON, OHIO

THE KNOX COUNTY SAVINGS BANK
MOUNT VERNON, OHIO

*The Distribution Committee
of
The Mount Vernon Community Trust*

* * *

BEATTY B. WILLIAMS, Chairman
*Chairman of the Board
The Cooper-Bessemer Corporation*

CLYDE G. CONLEY
President, The Mount Vernon Bridge Company

BERT W. MARTIN
President, The Shellmar Products Corporation

THOMAS McDOWELL
The Pittsburgh Plate Glass Company

JOHN W. RUDIN
President, The Rudin Company

* * *

CHARLES M. ZELKOWITZ, Secretary
Struble Building
Mount Vernon, Ohio

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Statement of the Chairman

To the Donors and Friends of The Mount Vernon Community Trust:

On the first anniversary of the founding of The Mount Vernon Community Trust, we want to express our appreciation to all who have helped to create and foster this Living Trust for the future welfare of our community.

Although nearly one hundred such funds have been established since The Cleveland Foundation set the pattern thirty years ago, we know of none in a town as small as Mount Vernon, so that to this extent we are pioneering here in this field.

The sympathetic understanding of its purposes and the prompt recognition of its possibilities as an aid to civic and social improvement have been gratifying to all who want to make our community a better place in which to live.

In the following pages, we report the progress of the Trust during its first year and its status on December 31, 1945. You will note that gifts to the Trust from individuals, families and corporations range from \$100.00 to \$30,000.00, and total \$129,804.66. These gifts, large and small, are in the safe keeping of The Knox County Savings Bank and The First-Knox National Bank of Mount Vernon, as Trustees, who invest the funds for safety of principal and income and certify quarterly to The Distribution Committee any amount

available for distribution as directed by the donors. In the absence of such direction, the funds are disbursed in the discretion of the Committee in accordance with the purposes of the Trust.

As above indicated, the Trust is a merging of individual gifts, bequests, funds or foundations, large and small, for specific or general welfare purposes, operating under a unified management. Thus individual wishes or preferences of donors as to the use of each fund is respected while unity of service is achieved.

Provision is made for adaptation to the changing conditions and needs of the community—a factor which is basic to the life and usefulness of any endowment.

The soundness of the Community Trust principle is responsible, we believe, for its growing success and the increasing support on the part of many individuals who desire to perpetuate their benevolent interests and help promote civic and social betterment in a sound and practical way.

We invite you to read the following report and assure you of our desire to furnish any additional information upon request.

Very sincerely,

THE DISTRIBUTION COMMITTEE
BEATTY B. WILLIAMS
Chairman

December 18, 1945

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Report of the Secretary

The Mount Vernon Community Trust, established December 18, 1944, pauses for reflection upon the completion of its first calendar year, and humbly surveys its progress to December 31, 1945.

We are grateful to acknowledge the receipt of gifts totalling \$129,804.66, from which income of \$1,141.95 and profit from the sale of securities of \$932.38 were realized during the year 1945.

Already twenty donors have joined The Mount Vernon Community Trust. Some have designated a specific purpose for their gifts; others have left the disbursement of their funds to the discretion of The Distribution Committee in accordance with the educational, charitable and benevolent purposes for which the Trust was founded.

Each individual fund continues to bear the name of its founder. Each donor has by his act forever made himself an integral part of the civic welfare of the community. Each has created a living memorial whose purpose can never fail. Each will have a deferred participation in a new world he may never know, but which will nevertheless benefit from his foresight and generosity.

It is inevitable that the inception of a charitable foundation be devoted largely to the upbuilding of its

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principal funds, so that in future years their income will be available for expenditure. The following is a list of the funds that have been contributed to date and of the purpose designated by their founders:

THE ANONYMOUS FUND, whose donor has requested anonymity, is a fund in the sum of \$1,500.00, the income from which is to be paid to the Mount Vernon Board of Education for character building activities in the Mount Vernon Public Schools.

THE COOPER-BESSEMER FUND in the sum of \$30,000.00 was donated by The Cooper-Bessemer Corporation, whose plants are in Mount Vernon, Ohio, and Grove City, Pa., to be used for educational, charitable and philanthropic purposes in Mount Vernon, Ohio, and Grove City, Pa.

THE CITY PLANNING FUND illustrates the principle of the Community Trust — that a unity of effort and resources and ideals can accomplish results beyond the scope of individual philanthropy. This fund came into being through the united efforts of the members of The Distribution Committee and their desire to make Mount Vernon a better place in which to live through The Mount Vernon Community Trust. The sum of \$6,000.00 has been pledged to this fund, and one of the leading City Planning Engineers in the country is now engaged in drafting a Master Plan to be used as a guide in the future development of the City of Mount Vernon.

THE FIRST ANNUAL REPORT FUND, to be used to defray the expenses of printing this report, has been pledged by C. G. Conley and B. B. Williams.

THE KNOX COUNTY COMMUNITY FUND, carried over by its Trustees since World War I, was transferred to The Mount Vernon Community Trust by court action during 1945. This fund is a graphic example of the value of the Community Trust when the original purpose of the gift no longer exists. No court action will ever be necessary on the funds of The Mount Vernon Community Trust, regardless of changing conditions or events.

THE PUBLIC LIBRARY FUND will make available the sum of \$75,000.00 for the construction, equipment and endowment of a new Public Library in Mount Vernon if additional funds are raised by the City of Mount Vernon within five years from January 1, 1945; otherwise the fund will become an unrestricted one to be expended by The Distribution Committee in accordance with the purpose of The Mount Vernon Community Trust. Donations and pledges were made to this fund as follows:

The Cooper-Bessemer Corporation	\$25,000.00
Shellmar Products Co.	25,000.00
The J. S. Ringwalt Co., T. T. Ringwalt and Ralph C. Ringwalt	12,500.00

Beatty B. Williams and
Amy F. Williams 12,500.00

THE SHELLMAR PRODUCTS FUND in the sum of \$2,500.00 was donated by the Shellmar Products Co. for the purchase of a two-way radio for the City of Mount Vernon and the Mount Vernon Police Department.

UNRESTRICTED FUNDS:

The following have demonstrated their faith in The Mount Vernon Community Trust by the contribution of funds to be used without restriction by The Distribution Committee for the purposes of the Trust:

1. Funds from which either Principal or Income may be used:

H. L. Beecher Fund \$ 150.00
C. G. Conley Fund 1,000.00
M. C. Kinney Fund 100.00
B. W. Martin Fund 1,000.00
Republican Publishing Co. Fund 1,000.00
J. W. Rudin Fund 1,000.00
Z. E. Taylor Fund 100.00
B. B. Williams Fund 1,000.00

2. Funds from which Income only may be used:

R. M. Lamb Fund 1,000.00
Lamb Glass Co. Fund 5,000.00

Mount Vernon Bridge Co. Fund 7,500.00
The Rudin Co. Fund 5,000.00

As one of the newest Community Trusts, we look forward to the future with eagerness and enthusiasm. We believe that the greatest use of life is to spend it for something that outlasts life itself. May we offer you, through The Mount Vernon Community Trust, an opportunity to join us in accomplishing this purpose?

CHARLES M. ZELKOWITZ,
Secretary

FINANCIAL REPORT

Statement of Principal, Assets and Income of the Funds Created and Held by Trustees, for the Benefit of The Mount Vernon Community Trust, December 31, 1945, with Auditor's Report.

STATEMENT OF PRINCIPAL

Anonymous Fund	\$ 1,500.00
Cooper-Bessemer Fund	30,000.00
City Planning Fund:	
C. G. Conley	500.00
The J. S. Ringwalt Co., Ralph C. Ringwalt and T. T. Ringwalt	500.00
Shellmar Products Co.	2,000.00
J. W. Rudin	500.00
(Pledged by B. B. Williams and Amy F. Williams—\$2,000.00; Disbursed—\$500.00)	
First Annual Report Fund	
C. G. Conley	50.00
(Pledged by B. B. Williams—\$50.00)	
Knox County Community Fund	554.66
Public Library Fund	
The Cooper-Bessemer Corporation	25,000.00
Shellmar Products Co.	25,000.00

The J. S. Ringwalt Co., T. T. Ringwalt and Ralph C. Ringwalt	9,000.00
Beatty B. Williams and Amy F. Williams	8,850.00
Shellmar Products Fund	2,500.00
H. L. Beecher Fund	150.00
C. G. Conley Fund	1,000.00
M. C. Kinney Fund	100.00
B. W. Martin Fund	1,000.00
Republican Publishing Co. Fund	1,000.00
J. W. Rudin Fund	1,000.00
Z. E. Taylor Fund	100.00
B. B. Williams Fund	1,000.00
R. M. Lamb Fund	1,000.00
Lamb Glass Co. Fund	5,000.00
Mount Vernon Bridge Co. Fund	7,500.00
The Rudin Co. Fund	5,000.00
Total	\$129,304.66

STATEMENT OF ASSETS (PRINCIPAL)

CASH	\$ 44,804.66
SECURITIES OWNED:	
U. S. Government Bonds (at cost)	84,500.00
Total, representing principal	\$129,304.66

STATEMENT OF INCOME AND DISBURSEMENTS

December 18, 1944 to December 31, 1945

Cash and Securities Received (Principal).....	\$129,804.66	
Income therefrom	\$1,141.95	
Profit from sale of securities	932.38	2,089.17
		<hr/>
Total	\$131,893.83	

Less Disbursements by order of
The Distribution Committee:

City Planning Fund—

Russell V. Black, Planning Consultant	\$ 500.00	500.00
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Total, Principal, Income & Profits, December 31, 1945	\$131,393.83	
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AUDITOR'S REPORT

To Whom it May Concern:

I hereby certify that I have examined the records of The Mount Vernon Community Trust, as the same are contained in the respective Trust Departments of The First-Knox National Bank of Mount Vernon and The Knox County Savings Bank, and that the attached sheets are a true statement of the cash and investments held by each of the above named Banks in this particular Trust as of December 31, 1945.

There has been but one expenditure up to December 31, 1945, which was a check issued by The Knox County Savings Bank, upon order of The Distribution Committee, payable to Russell Van Nest Black, on November 28, 1945, in the amount of \$500.00.

Respectfully,

L. R. KEMPTON

Mount Vernon, Ohio, March 7, 1946.

*Suggested Forms of Bequests for The Mount
Vernon Community Trust*

Property of any kind may be given to any bank or trust company, having fiduciary powers, in trust for The Mount Vernon Community Trust. The following forms of bequest are suggested:

BEQUEST FOR GENERAL PURPOSES

I give and bequeath to
(name of bank) in trust for The Mount Vernon Community Trust, the sum of Dollars
(\$.....) for the purposes and upon the conditions named in that certain Resolution and Declaration of Trust of December 18, 1944, creating The Mount Vernon Community Trust, recorded in Vol. 1, at Pages 521-530 of the Miscellaneous Records of the Recorder of Knox County, Ohio.

BEQUEST FOR SPECIFIC PURPOSES

Add to the above:

Provided, however, that the net income therefrom (or principal) shall be devoted to the support of
..... (name of particular charitable institution or object)
until such time as The Mount Vernon Community Trust may otherwise direct in the manner provided in the said Resolution and Declaration of Trust.

MEMORIAL BEQUEST

Add to the above:

It is my desire that the foregoing gift be known as the
..... MEMORIAL FUND.

*Resolution and Declaration of Trust
Creating*

The Mount Vernon Community Trust

WHEREAS, there is a need in this community for the creation of a general fund permitting of flexibility in the power of distribution, to assist public educational, charitable, or benevolent enterprises;

NOW, THEREFORE, to accomplish this purpose, The Board of Directors of The First-Knox National Bank or The Board of Directors of The Knox County Savings Bank, both of Mount Vernon, resolves:

I

The First-Knox National Bank or The Knox County Savings Bank agrees to accept gifts, devises, or bequests, in trust for public educational, charitable or benevolent uses and purposes, to be administered as a single trust, known as "The Mount Vernon Community Trust".

Distribution of funds shall be made under the direction of a Committee selected for its interest in and knowledge of the public educational, charitable, or benevolent needs of the people.

II

A. THE TRUSTEE:

The Trustee shall exercise all rights of absolute ownership in the administration of all property constituting the trust, in its own discretion, without any court orders, irrespective of any statutes now or hereafter in force limiting the investments of trust companies or trustees; and it shall not be liable for any loss except for its own wilful default.

The Trustee may, in its discretion, accept any gifts, devise or bequest as part of "The Mount Vernon Community Trust" if consistent with the purposes of this Trust.

The Trustee shall quarterly certify to the Distribution Committee the amount available for distribution under the trust, and shall make the distribution upon written direction of the Committee. In so doing, the Trustee, and the Directors thereof, shall not be responsible for any act or omission of the Distribution Committee.

B. THE DISTRIBUTION COMMITTEE:

The Committee to direct the distribution shall consist of five (5) residents of Knox County, Ohio. Not more than two members shall belong to the same religious sect or denomination. No member shall hold or seek any public office, unless it be of entirely non-political and non-partisan nature.

All members shall hold office for five (5) years from the first day of January following their appointments; excepting, those first appointed shall serve for the following terms, counting from the first day of January after their appointments, although their terms shall commence as soon as appointed.

The Committee shall be appointed as follows:

One member by The Board of Directors of The First-Knox National Bank of Mount Vernon—Original Term, One Year.

One member by The Board of Directors of The Knox County Savings Bank, Mount Vernon, Ohio — Original Term, Two Years.

One member by The Board of Directors of The Mount Vernon Chamber of Commerce — Original Term, Three Years.

One member by The City Council of Mount Vernon, Ohio — Original Term, Four Years.

One member by the joint action of the Judge of the Court of Common Pleas of Knox County, Ohio, and the Judge of the Probate Court of Knox County, Ohio — Original Term, Five Years.

All members shall serve until their successors are selected and qualified.

The Committee shall organize as soon as possible, elect a Chairman and other officers, and adopt by-laws for the conduct of its affairs. It is authorized to appoint a Secretary, who need not be a member of the Com-

mittee, to keep its records and to perform other duties as directed. The members of the Committee shall serve without compensation, but expenses of the Committee shall be paid out of funds available for distribution by the Trustee. A majority of the Committee shall constitute a quorum, and a majority vote at a meeting at which a quorum is present shall constitute an action of the Committee, except as otherwise provided and except that the affirmative vote of three members of the Committee shall be required to direct the payment of money.

Should any power of appointment not be exercised for sixty days after request, the appointment shall be made by a Board composed of the members of The Boards of Directors of The First-Knox National Bank of Mount Vernon and The Knox County Savings Bank, a majority of whom shall constitute a quorum.

The Committee, in directing distribution of funds, shall respect any wishes expressed in creating the gift; provided that, if the Committee, by resolution adopted by the affirmative vote of four members and approved by the Trustee, shall determine that it is unwise or impractical to apply the gift, devise, or bequest to the purpose or in the manner indicated by the donor, or to expend income only, the Committee, with the approval of the Trustee, may thereafter direct the application of the gift, devise, or bequest to such other public educational, charitable, or benevolent purpose, or in such

other manner, or direct such expenditure of principal, as, in the opinion of the Committee, will best comply with the purposes of this trust, and will be most nearly related to the purpose indicated by the donor.

In the absence of any specific direction of the donor, the Committee shall have absolute discretion to direct the distribution of all funds as may, in its opinion, best comply with the purposes of this trust.

The members of the Committee shall not be personally liable for any misapplication of funds in violation of this trust, provided direction for such distribution shall have been made in good faith and not in willful violation of this Trust.

Should the Committee fail to direct the disbursement of funds, the Trustee shall have the power and duty to disburse the funds, to the same extent as the Committee, so that there shall be no failure to carry out this trust. The Trustee and its directors shall be fully protected in any such distribution so long as it is made in good faith and by reason of the failure of the Committee to act.

The proportion of the interest of each gift in the total fund, and the apportionment of income to or for a given beneficiary or purpose, shall be subject to the unlimited discretion of the Committee in accordance with rules to be established by the Committee, and subject to change by it.

Failure of any member of the Committee to attend a majority of the meetings of the Committee for one year,

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without excuse, or inability to perform his or her duties by reason of incompetency or other cause, or the removal of a member from Knox County, Ohio, shall, in the discretion of the Committee, operate as a resignation from membership on the Committee.

A record shall be kept of all donors to the trust, and proper recognition given to all donors, excepting those requesting anonymity.

The Committee shall annually publish in a newspaper of general circulation in Knox County, Ohio, a report of its proceedings during the preceding year, stating the aggregate of the fund, the disbursements made pursuant to its direction, and the purposes for which the disbursements were made.

The accounts of the Trustee, and the expenses of the Distribution Committee shall be annually audited by an independent auditor appointed by the Committee.

Should the Trustee resign all or part of its trust, the Committee may designate a successor, which shall be a financial institution authorized to do a trust business in Ohio, and which shall have all of the rights, powers, duties and immunities of its predecessor.

C. MODIFICATION:

All donors to this Trust, and the Trustee, shall be deemed conclusively to have agreed that the Distribution Committee, by resolution adopted by the affirmative vote of four members and approved by the Trustee,

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may, at any time, modify or amend the administrative provisions of this Resolution in any manner consistent with the purposes of this Trust, or terminate The Mount Vernon Community Trust.

D. TERMINATION:

In the event of the termination of The Mount Vernon Community Trust, the Trustee shall administer all funds entrusted to it under this Trust in such manner as will, in its judgment, best comply with the purpose of this Trust.