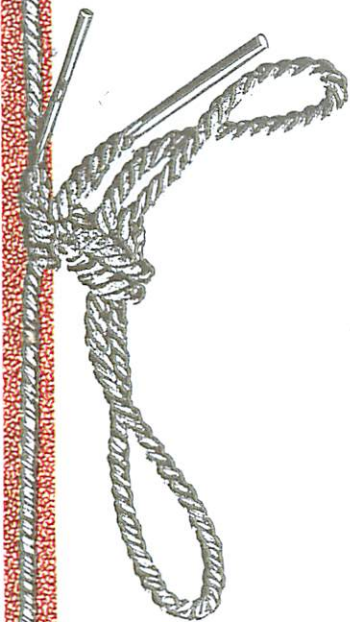




The
Mount
Vernon
Community
Trust



Together we can make a difference.

1988
Annual
Report

The Mount Vernon Community Trust is a charitable fund made up of numerous gifts placed with the Trustee at different times by individuals, families, corporations, and service groups to serve permanently the educational, charitable, health, and welfare needs of the community.

These gifts are in the keeping of the Trustee Bank, (The First-Knox National Bank), which invests them for safety of principal and income and certifies monthly to the Distribution Committee the amount available for distribution as directed by the donors. In the absence of such direction, the amounts available are disbursed at the discretion of the Committee in accordance with the purpose of the Trust.

Since the Cleveland Foundation was established in 1914, many such charitable trusts have proven their value in communities throughout the country. The plan is attractive to donors since gifts of property, such as stocks and bonds, are accepted at full market value on date of transfer, free of any capital gains or federal income taxes. The plan is flexible so that a donor can be certain his fund will be used effectively, even though conditions change. If a cause or purpose selected by the donor becomes obsolete, ceases to exist, merges with

others, or no longer requires financial aid, the fund is then used for the support of activities in a field similar to the one mentioned by the donor.

It works for the donor by safeguarding the principal and disbursing the income of his gift long after his death and by winning for him a certain immortality in the memory of friends, neighbors, and specific beneficiaries.

It works for the people of the community, all of whom are benefited by gifts for civic improvements.

Gifts can be channeled through the Trust to educational, charitable, and benevolent organizations not only throughout the United States but anywhere in the world.



More than \$113,000 in scholarship grants was donated to area youth to further their education.

**The
Mount
Vernon
Community
Trust**



Major repairs to the indoor swimming pool at the YMCA resulted from a donation from the Mount Vernon Community Trust.

P

roperty 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 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

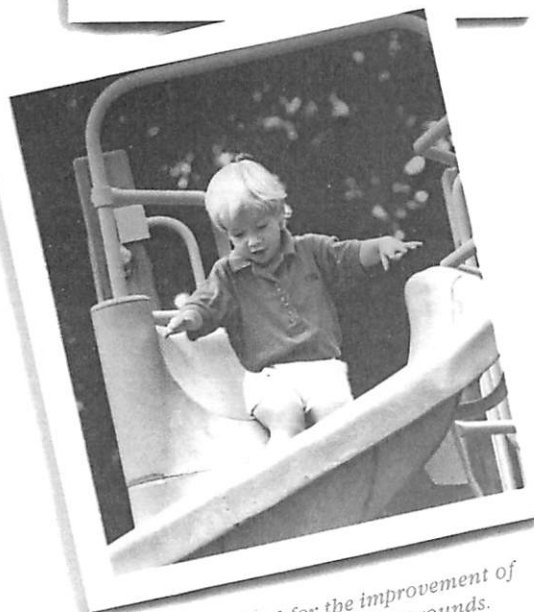
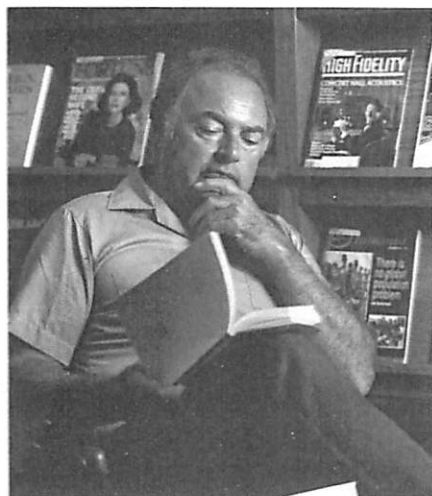
*Add to the above:
It is my desire that the foregoing gift be known as the _____
_____ MEMORIAL FUND.*

Forms
of
Bequest

Foreword

We are pleased to present the 44th annual report of the Mount Vernon Community Trust. This report details the expanding volume of activity which is the result of the continued growth of this valuable community asset.

The Mount Vernon Public Library has benefited from distributions from the Trust.



The Trust provided for the improvement of several elementary school playgrounds.

The educational scholarships that are made possible through the Trust are a source of great pride and satisfaction. The cost of higher education has continued to increase, while the necessity for advanced education in order to compete in the global economy, escalates just as quickly. Our total distribution for scholarships in 1988 amounted to \$119,600.

Payments for scholarship awards are made directly to the schools for tuition. While grants are made only to Knox County residents, it is interesting to note payments were made to 39 different schools throughout the country.

Commitments were made for four major projects as follows: \$50,000 for the renovation of historic Ascension Hall at Kenyon College, \$40,000 for the expansion of the building for Moundbuilders Guidance Center, \$40,000 for the Y.M.C.A. to expand the Fitness Center and provide a new Women's Health Center, and \$30,000 to construct an airport parking apron at the Knox County Airport.

Distributions of \$260,532.97 were made from the Special Funds and \$139,267.77 from Unrestricted Funds and General Funds. Total distributions and grants for the year amounted to \$399,800.74. Total assets of the Trust at the close of the year were \$6,990,441.04.

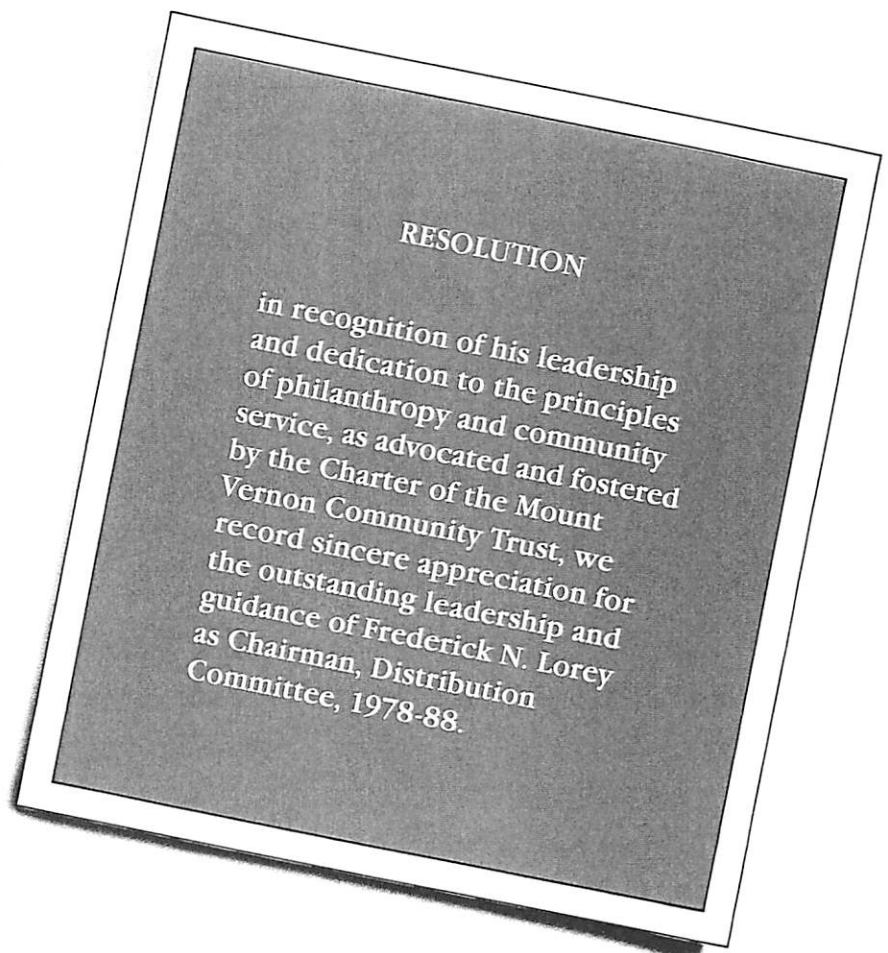
Growth of the Trust is dependent upon the receipt of additional gifts and bequests. During the past year, however, the significant growth was the result of capital appreciation gained from the Trustee's investment of our funds.

The value of the Trust results from its contribution to the present and future quality of life in Mount Vernon and Knox County. Future trust growth can only be insured through the continued giving from the citizens and industrial sector of this county. Therefore, we encourage each individual to review the past financial support that the Mount Vernon Community Trust has given and consider a lifetime or testamentary gift to this valued community asset.

On December 31, 1988, Frederick N. Lorey retired as a member and Chairman of the Mount Vernon Community Trust Distribution Committee.

In the past ten years, Fred has made a significant contribution to the Mount Vernon Community Trust. His personal attention to the development of the Trust has significantly contributed to the awareness of this valued asset throughout Mount Vernon and Knox County.

On behalf of the community, the Distribution Committee passed the following resolution as an effort to say "Thanks Fred, for a job well done!"



**Financial
Statements**

*Condensed report of Condition as of December 31, 1988
Taken from Report of Examination
by Dennis & Schisler, C.P.A.*

PRINCIPAL AND RECEIPTS

Unexpended Balance.....	\$ 6,646,171.88
Income from General Fund.....	256,922.36
Income from Special Funds.....	316,889.05
Realized Capital Gains.....	61,790.79
New Principal (See "Schedule A" for details)	<u>202,939.04</u>
<i>Beginning Balance Plus Receipts.....</i>	<i>\$ 7,484,713.12</i>

DISBURSEMENTS (See "Schedule B" for details)

From Special Funds and Restricted Funds	\$ 330,659.40
From General and Unrestricted Funds.....	<u>163,612.68</u>
<i>Total Disbursements.....</i>	<i>\$ 494,272.08</i>
<i>Fund Balance December 31, 1988</i>	<i><u>\$ 6,990,441.04</u></i>

**Schedule
A**

1988 Contributions

W.L. Earlywine	\$ 100.00	
David Railsback.....	200.00	
First-Knox National Bank	6,000.00	
Charles and Vivian Hill	100.00	
Robert Boyer Estate.....	100,000.00	
Karen Hewitt	265.00	
Perry and Louise Trinkner	500.00	
George Gelsanliter Estate	10,000.00	
J. Gordon Bone Trust	39,554.14	
Katherine Brooks Estate.....	10,000.00	
Interchurch Social Services	9,000.00	
Edward Schroeder	2,000.00	
Ohio Junior Miss Scholarship Committee.....	13,095.00	
Scholarship Refunds	<u>12,124.90</u>	
<i>Total Contributions</i>		<i>\$ 202,939.04</i>

*Grants and Disbursements During 1988
as Authorized by the Distribution Committee*

**Schedule
B**

SCHOLARSHIP AWARDS

Robert C. Appleton Scholarship Fund

Akron University - Paul Oswalt	\$1,000.00
Dennison University - Rebecca Miller	1,000.00
Ohio Northern University - Paul Nunnamaker	2,000.00
Ohio State University - Jeffrey Legg	2,000.00
Otterbein College - Jewell Osborn	1,500.00
Toledo University - Toni Marsell	1,000.00
Wittenberg University - Tracy Tannehill ...	1,000.00

Pauline B. Freeman Scholarship Fund

Akron University - Douglas Mickley	1,000.00
Akron University - Shari Knight	1,000.00
American College of Arts - Christopher Harris	2,000.00
Ashland College - Deaunna Dayton	2,000.00
Ashland University - Dennis Morgan	1,500.00
Ashland University - Jennifer Holmes	1,000.00
Bethany College - Michelle Tornichio	2,000.00
Bluffton College - Constance Reinheld	2,000.00
Bowling Green University - Cheryl Carson	2,000.00
Bowling Green University - Elizabeth Richert	2,000.00
Bowling Green University - Lisa Mickley ...	1,000.00
California University - Mary Hurley	1,000.00
Capital University - Bart Rine	1,500.00
Capital University - Kelley Frank	2,000.00
Case Western Reserve University - Karin Johnson	2,000.00
Central Ohio Technical College - Danielle Rine	1,000.00
College of Wooster - Michael Nofsinger ...	1,000.00
Defiance College - Sheryl Cammuse	1,000.00
Dennison University - Christine Camphire	1,000.00
DeVry Institute of Technology - Tracy Miller	1,000.00
DeVry Institute of Technology - Monica Kinnard	1,000.00
Heidelberg College - Stephanie Colopy ...	2,000.00
Hiram College - Rebecca Blanchard	1,000.00
Miami University - Mashawn Mizer	2,000.00
Mount Vernon Nazarene College - Dianna White Wise	2,000.00
Mount Vernon Nazarene College - Joe Totten	1,000.00
Mount Vernon Nazarene College - Kim White	1,000.00

**Schedule
B (cont'd)**

Mount Vernon Nazarene College -	
Lori Shannon	1,000.00
Muskingum College - LeeAnn Conkle	2,000.00
Ohio Northern University -	
Daryl Cammuse	2,000.00
Ohio Northern University -	
Kelly Bateman	2,000.00
Ohio Northern University -	
Kevin Gallwitz	2,000.00
Ohio Northern University - Lisa Rogers	2,000.00
Ohio Northern University -	
Neil Ringwalt	2,000.00
Ohio State University - Amy Baldrige	1,000.00
Ohio State University - Amy Hauger	2,000.00
Ohio State University - Julie Klavins	1,000.00
Ohio State University - Pearl Smith	1,000.00
Ohio State University - Robert Howard	1,000.00
Ohio State University - Stacie Colopy	2,000.00
Ohio State University - Steven Lyons	1,000.00
Ohio University - Courtney Swartz	1,000.00
Ohio University - Kimberly Fiant	1,000.00
University of Cincinnati - Diana Durbin	1,000.00
University of Denver - James Arnold	2,000.00
University of Florida - Shannon Behl	1,000.00
Utah State University - Annalisa Mowery ...	2,000.00
Wright State University - Aaron Nestich	1,000.00
General Fund of	
The Mount Vernon Community Trust	
Andrews University -	
Krista Motschieder	1,000.00
Ashland College - Charles Yough	2,000.00
Bluffton College - Karen Overholt	2,000.00
Bowling Green University - Marie Long	1,000.00
Capital University - Amy Jo Algire	2,000.00
DeVry Institute of Technology -	
Tina Simon	1,000.00
DeVry University - Brett Berger	2,000.00
Eastern Michigan University -	
Jason Carter	2,000.00
Franklin University - Cheryl Sink	400.00
Kenyon College - Todd Cline	1,000.00
Knox County Joint Vocational School -	
Sheila Miller	400.00
Knox County Joint Vocational School -	
Sherry Houston	400.00
Mount Vernon Nazarene College -	
Elaine Shaffer	2,000.00
Mount Vernon Nazarene College -	
Melissa Mickley	1,000.00
Muskingum College - Jennifer Helser	1,000.00
Ohio Northern University -	
Kristen Kershner	1,000.00
Ohio State University - Delmis Gaddis	1,000.00

Ohio State University - Ellen Brown	1,000.00	
Ohio State University - Jodie Algire	1,000.00	
Ohio University - John Dowalter	1,000.00	
Ohio University - Nelson Shuff	1,000.00	
Otterbein College - Brad Overholt	2,000.00	
Purdue University - Barton Blackburn	2,000.00	
University of Dayton - Joletta Minard	2,000.00	
University of Dayton - Marc Hawk	500.00	
University of Pittsburg - Sarah Daggert	1,000.00	
Wittenberg University - Margaret Miller....	1,000.00	
Wittenberg University - Terry Schooly	2,000.00	
Wright State University - Susan Bross	400.00	
Richard and Regina Smythe Fund and Harriet B. Lawler Scholarship Fund		
Baldwin Wallace College -		
Gretchen Ewalt	1,000.00	
Central Ohio Technical College -		
Stacy Reddick	1,000.00	
Ohio State University - Michelle Layton	1,000.00	
Ohio University - Bryan Kost	1,000.00	
<i>Total Scholarship Distributions</i>		\$ 119,600.00

OTHER DISTRIBUTIONS

General Fund of

The Mount Vernon Community Trust

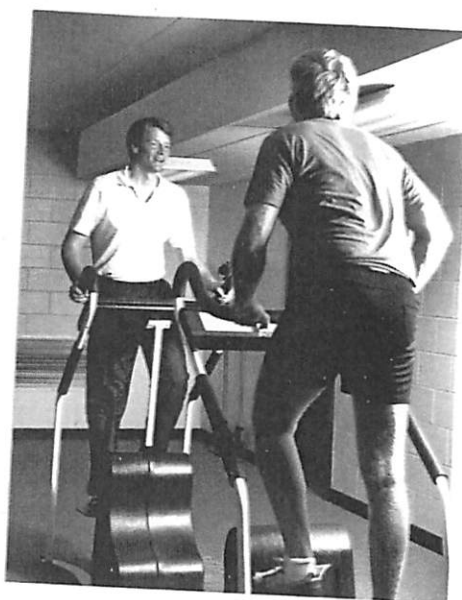
Kenyon College - Ascension Hall Project ...	\$ 16,666.66
Knox County Airport - Airport Apron	30,000.00
Knox County Extension Service -	
Distribution	500.00
Moundbuilders Guild Center -	
First Installment	10,000.00
Mount Vernon City Schools Playground -	
Dan Emmett	5,000.00
Treasurer, City of Mount Vernon -	
Basketball Courts	3,792.00
United Way of Knox County -	
Distribution	11,128.00
Centerburg Local Schools -	
Football Field Renovation	10,000.00
City of Mount Vernon -	
Planting Flowers on Public Square	800.00
Cleveland Metro Hospital -	
Marsha Hartman	400.00
Chalmers Library Fund	
Kenyon College - Books to Faculty	8,906.57
Garfield and Mazie Colgin Memorial Fund	
Messiah Church - Income Distribution	5,287.81
Jennie Debes Heart Fund	
Knox County Heart Association -	
Support Heart Fund Distribution	1,351.37

**Schedule
B (cont'd)**

W. Glenn Hess Fund	
American Red Cross -	
Income Distribution	3,054.79
Bladensburg Church of Christ -	
Income Distribution	3,054.80
Brinkhaven Church of Christ -	
Income Distribution	3,054.80
Danville Church of Christ -	
Income Distribution	3,054.80
Martinsburg Church of Christ -	
Income Distribution	3,054.79
Salvation Army - Income Distribution	3,054.79
United Way of Knox County -	
Income Distribution	3,054.79
Utica Church of Christ -	
Income Distribution	3,054.79
Interchurch Social Services Endowment Fund	
Interchurch Social Services -	
Income Distribution	2,657.00
Ohio Junior Miss Scholarship Fund	
Bowling Green University - Amy Kotnik	500.00
Dennison University - Dawn Dailey	300.00
Grove City College - Kellee Garwood	200.00
Miami University - Merrily Jackson	500.00
Mount Carmel School of Nursing -	
Amy Gilliland	200.00
Tuition/Room/Board - Rebecca Miller	700.00
Tuition/Room/Board - Jennifer Smith	3,000.00
University of Dayton - Linda Phillips	1,000.00
University of Kentucky - Carla Wilson	2,012.75
University of Toledo - Cari Heigle	400.00
Wittenburg University - Stacy Doklovic	900.00
Arthur and Grace Rawlinson Memorial Fund	
Hannah Browning Home -	
Distribution of Net Income	1,049.38
St. Paul's Episcopal Church -	
Distribution of Net Income	1,049.37
Zenno and Mae Taylor Fund	
First Congregational Church -	
Distribution of Net Income	3,158.99
Mae S. Taylor Fund	
YMCA - Distribution of Net Income	1,560.44
Amy F. Williams Memorial Fund	
First Congregational Church -	
Distribution	1,612.50
Hannah Browning Home - Distribution	1,612.50
Salvation Army - Distribution	2,418.75
YMCA - Distribution	7,256.25
B.B. Williams Library Fund	
Mount Vernon Public Library -	
Income Distribution	4,844.54

Beatty B. Williams Fund (NYC)	
First Congregational Church -	
Net Income	3,393.40
Mount Vernon Community Trust -	
Net Income	3,393.40
United Community Fund - Net Income	3,393.40
YMCA - Net Income	3,393.40
B.B. William Community Endowment Fund	
YMCA - Net Income	12,487.09
Designated General Fund Distributions	
Bird Cemetery - Zack T. Hollister Fund	160.77
Eastern Star Home - Ellen Heckler	249.00
Ebenezer United Methodist Church -	
Sterling & Edna Braddock Fund	830.00
First Congregational Church -	
First Congregational Building Fund ...	185.67
First Congregational Church -	
Walter Starr	213.31
First Congregational Church -	
First Congregational Church Fund	217.87
First Congregational Church -	
First Congregational Church Fund	261.45
First Presbyterian Church -	
Martha Walker Memorial Fund	83.00
Fredericktown Local School District -	
Music Department	2,000.00
Gay Street Methodist Church -	
H. Grant Heckler Fund	415.00
Hannah Browning Home -	
Mae Taylor Fund	917.56
Heart/Ohio Scouts -	
Alice Jewell Memorial Fund	66.48
Knox County Heart Association -	
Rose Blair	157.95
Knox County American Red Cross -	
J.K. Lyman Fund	22.00
Knox County Cancer Society -	
Rose Blair	157.95
Mount Vernon City Schools Playground -	
Elmwood	4,000.00
Mount Vernon Public Library -	
Ethel Lyman Fund	448.70
St. Paul's Episcopal Church -	
William Kahrl Memorial Fund	263.44
St. Paul's Episcopal Church -	
Fletcher Devin	83.83
St. Vincent DePaul School - James R.	
Westerheide Memorial Fund	166.00
YWCA-Allocation of Income -	
YWCA Council Scholarship Fund	1,408.10

Total Other Distributions



The Trust provided monies for the refurbishing of the Fitness Center at the YMCA.

\$ 203,572.00

**Schedule
B (cont'd)**

General Fund Expenses		
First-Knox National Bank -		
1988 Trustee Fees	13,900.44	
Zelkowitz Barry & Cullers -		
Services Rendered	1,436.47	
Donna M. Beckley - Services Rendered	1,452.00	
Postage	383.66	
N. Black Design - Annual Report	3,225.00	
Dennis & Schisler, Inc. -		
Services Rendered	425.00	
Ohio Attorney General - 1987 Filing Fee ...	100.00	
Dumbaugh Insurance -		
Insurance Premium	179.00	
John Gerlach - Tax Preparation	1,760.00	
Printing Arts Press - Stationery	283.80	
Baker & Hostettler - Services Rendered	699.54	
Special Fund Expenses		
Postage	9.44	
Zelkowitz Barry & Cullers	1,917.75	
Gene Grant - Appraisal Fee	75.00	
First-Knox National Bank - Trustee Fee	68,624.24	
<i>Total Expenses</i>		\$ 94,471.34
SPECIAL FUNDS PROVIDING INCOME TO GENERAL FUND		
Zenno and Mae S. Taylor Fund	\$ 15,988.46	
Lawrence F. and Ruby Williams Fund	10,124.90	
B.B. Williams Memorial Fund	47,121.98	
B.B. Williams (NYC) Fund	3,393.40	
<i>Total</i>		\$ 76,628.74
<i>Total Disbursements</i>		\$ 494,272.08

**Schedule
C**

<i>Principal and Income as of December 31, 1988</i>		
<i>Total Unrestricted Funds</i>		\$ 1,885,595.37
RESTRICTED FUNDS		
Frank L. & Anna L. Beam Memorial Fund	10,000.00	
Alice M. Beecher Memorial Fund	3,235.98	
H. L. Beecher Fund	525.00	
Charles F. Colville Memorial Fund	1,000.00	
Mr. & Mrs. Frank L. Fairchild Memorial Fund ...	1,500.00	
First Federal Savings & Loan Association		
in Memory of J. W. Rudin, Sr.	5,000.00	
William Grohe Memorial Fund	30.00	
Headington Family Memorial Fund	1,000.00	
Dr. George B. Imhoff Memorial Fund	1,000.00	
Lucile Imhoff Memorial Fund	130.00	
Fred W. Kahr Fund	1,000.00	
Knox County Savings Bank Fund	4,000.00	
Lamb Glass Company Fund	5,000.00	
R. M. Lamb Fund	1,000.00	
The Mount Vernon Bridge Company Fund	7,500.00	
Pond Motor Sales, Inc. Fund	400.00	

J. W. Rudin, Sr. Fund	2,000.00	
J. W. Rudin, Jr. Fund	1,000.00	
W. M. Rudin Fund	1,000.00	
The Rudin Company Fund	10,000.00	
J. W. Rudin, Sr. Memorial Fund.....	170.00	
Annie Sommerville Scholarship Fund	1,000.00	
Mrs. Walter Sperry & Family Fund	2,808.00	
Fred A. Surlas Fund	1,500.00	
Harry Strodtbeck Fund	1,000.00	
Z. E. Taylor & Mae S. Taylor Fund	12,000.00	
Claude F. Turben Fund	1,000.00	
Lawrence F. Williams Memorial Fund	135.00	
Arthur C. & Ada B. Wolfe Memorial Fund	20,000.00	
<i>Total Restricted Funds</i>		<u>\$ 95,933.98</u>
DESIGNATED FUNDS		
Sterling B. & Edna B. Braddock Fund	10,000.00	
Character Building Activities Fund	2,500.00	
Clyde G. Conley Memorial Fund	278.00	
First Congregational Church Fund	3,150.00	
First Congregational Church Fund - Tarr	2,625.61	
First Congregational Church Building Fund	2,237.57	
First Federal Savings & Loan Association Fund	3,500.00	
Larry Hall Scholarship Fund	1,863.97	
Ellen Mill Heckler Memorial Fund	3,000.00	
H. Grant Heckler Fund	5,000.00	
H. Grant Heckler Memorial Fund	305.00	
Zack T. Hollister Fund - Bird Cemetery	1,937.65	
Ethel V. Jamison Trust	5,000.00	
Alice Jewell Memorial Fund	801.40	
William G. & Jennie Johnson Memorial Fund ...	425.44	
F. William Kahrl Memorial Fund	3,174.00	
Knox County Cancer Society Fund	1,903.80	
Knox County Heart Association Fund	1,903.81	
Ila Ward Kohl Scholarship Fund	5,080.00	
Alexandra D. Letz Scholarship Fund	10,000.00	
Alexandra D. Letz Nurses School Fund	10,000.00	
Alexandra D. Letz General Scholarship Fund....	10,000.00	
Ethel H. Lyman Memorial Fund	5,406.02	
James K. Lyman Memorial Fund	265.83	
John E. Mickley Memorial Fund	350.00	
John M. Miller Memorial Fund	30.00	
Mount Vernon Livestock Co-Operative		
Association Fund	2,074.55	
Mount Vernon Theatre Guild Fund	262.56	
Nazarene College Building Fund	5,000.00	
Fred R. & Edna E. Osborn Memorial Fund	1,000.00	
Walter M. & Jane Rudin Fund	389.60	
Sanderson-Salisbury Memorial Fund	5,114.75	
St. Paul's Episcopal Church Fund	1,010.00	
Walter T. Starr Fund	2,570.41	
Student Scholarship Loan Fund	500.00	
Mae S. Taylor Fund		
f/b/o Hannah Browning Home	11,055.68	
Martha Turner Walker Memorial Fund	1,000.00	

**Schedule
C (cont'd)**

William Kay Walker Memorial Fund	735.00	
James Robert Westerheide Memorial Fund	2,050.00	
Edith H. Williams Fund	16,683.67	
L. F. Williams Memorial Fund -		
Cooper Industries	25,000.00	
Y.W.C.A. Council Scholarship for Girls	16,965.77	
Charles Zelkowitz Memorial Fund	5,000.00	
Charles M. & Helen E. Zelkowitz Fund	6,578.51	
<i>Total Designated Funds</i>		<u>\$ 193,728.60</u>
SPECIAL FUNDS		
Anonymous - Y.M.C.A.	\$ 45,560.14	
R. C. Appleton Scholarship Fund	121,668.95	
J. Gordon Bone, Jr. Aid Fund	356,560.40	
Chalmers Library Fund	130,908.95	
Garfield & Mazie Colgin Memorial Fund	88,403.22	
Jennie Debes Heart Fund	35,802.42	
Pauline B. Freeman Scholarship Fund	862,675.29	
Gelsanliter Family Fund	23,456.73	
W. Glenn Hess Fund	331,354.62	
Interchurch Social Services Fund	81,611.62	
R. B. Kincaid Fund - First Congregational Church	52,402.12	
Barbara C. Lamb Fund		
in Memory of Rex M. Lamb, Jr.	10,845.90	
Harriett B. Lawler Fund	80,567.37	
Harriet B. Lawler Scholarship Fund	254,571.26	
Ohio Junior Miss Scholarship Fund	10,130.61	
Arthur & Grace Rawlinson Memorial Fund	32,698.31	
Richard & Regina Smythe Fund	3,187.58	
Zenno & Mae Taylor -		
First Congregational Church	68,554.99	
Mae Taylor Fund - Y.M.C.A.	33,572.28	
Zenno & Mae Taylor Fund	240,876.53	
Amy F. Williams Fund	179,316.62	
B. B. Williams Library Fund	55,741.19	
L. F. & Ruby Williams Fund	161,343.15	
B. B. Williams (NYC) Fund	261,960.30	
B. B. Williams Memorial Fund	836,386.48	
B. B. Williams Community Endowment Fund ...	189,490.87	
J. Gordon Bone Student Loan Fund	14,904.69	
<i>Total Special Funds</i>		<u>4,564,552.59</u>
Less Special Fund Income Cash		<u>(267,156.99)</u>
TOTAL PRINCIPAL		<u>\$ 6,472,653.55</u>
Income Cash — General Fund	\$ 250,630.50	
Income Cash — Special Funds	267,156.99	
<i>Total Income Cash</i>		<u>517,787.49</u>
<i>Unexpended Balance December 31, 1988*</i>		<u><u>\$ 6,990,441.04</u></u>

* The balances set forth under Schedule C reflects book values. The market value of the assets within The Trust totalled \$7,946,578.45.

Alliance Capital Management
 Ralph P. Atlas
 Automotive Supplies
 Lucy E. Beckley
 Big Bear Store
 J. Gordon Bone
 W.R. Bouton
 C. Monroe Bovard
 Ralph L. & Doris Boyer
 James E. Brown
 Edmund F. Budd
 A.M. Buxton
 Thomas J. Caie
 Sara Cannon
 Oscar E. Carlin
 Lucia W. Capron
 Clyde G. Conley
 Lillian Conley
 Ruth E. Conley
 Citizens Building Loan
 & Savings Association
 Continental Can Co.
 Cooper-Bessemer Corp.
 Cooper-Bessemer
 Employees' Charities
 Ethel Cooper
 Mrs. L. Tate Cromley
 George T. Culbertson, Jr.
 Cora D. Debes
 James H. Debes
 Jennie J. Debes
 George E. Deeley
 Grover H. Detmer
 Fletcher M. Devin
 Marjorie Dowds
 Dr. John C. Drake
 Kathryn Eastman
 John Ewing
 C. Floyd & Margaret Ellis
 Jack V. Fearn
 I. W. Ferguson
 First Church of the Nazarene
 The First-Knox National Bank
 of Mount Vernon
 Dorothy Fletcher
 Geraldine Fowler
 Foster's Pharmacy
 Dennis L. Gallogly
 Hewitt A. Gehres
 George Gelsanliter
 Gelsanlitters, Inc.

C.W. Gilchrist
 Hyman Goldberg
 Paul E. Goulding
 William G. Gower
 Gregg Manufacturing Co.
 Heaton Appliances
 Heckler Drug, Inc.
 Icel Hensler
 F.B. & Gertrude J. Herendeen
 J. Abbott & Mary Herron
 Dr. R.H. Hoecker
 Hotel Curtis
 Houbler Oldsmobile -
 Cadillac Co.
 Josephine Imhoff
 Lucile Imhoff
 Information Control Corp.
 Ethel V. Jamison
 Ralph M. Jewell
 Christine Johnson
 Stanley E. Johnson, Jr.
 S.E. & Dorothy Johnson, Sr.
 K. Allin Kahrl
 Kincaid Buick Co.
 George Kingsberry
 Mark C. Kinney
 M. Curtis Kinney
 Knox County Community Fund
 Knox County Guernsey Calf Club
 Knox County Medical Society
 T.O. Kuivinen
 Rhea H. Larson
 H.D. & Priscella Lescalleet
 Peter & Alexandra Letz
 David Leventhall
 Lawrence C. Lewis
 Frederick N. & Genevieve Lorey
 Rev. J. Dayton McCormick
 Maude McCreary
 Manufacturing Printers Co.
 Bert W. Martin
 Lorenzo D. Mathews, Jr.
 Curt H. Meltzer
 Louise Meltzer
 Eugene L. Miller
 William L. Moore
 William Mosholder
 Mount Vernon High School -
 Class of 1907
 Northwestern Elevator & Mill Co.
 Ohio Cumberland Gas Co.

David & Colleen Olson
 Arthur J. Packard, Jr.
 Packard Hotels
 Nancy J. Page
 PPG Industries Foundation
 Pittsburgh Plate Glass Co.
 Mildred Poland
 Fred A. Pond
 William E. Pond
 Dr. Gordon H. Pumphrey
 Purdy Sand & Gravel Co.
 Dorothy S. Reed
 Agnes Rentz
 Republican Publishing Co.
 J.S. Ringwalt Co.
 Ralph C. Ringwalt
 John W. & Grace Rudin
 Anna M. Salisbury
 Charles W. Salisbury
 Margaret Scarbrough
 Fred D. Seibold
 Jane Semerar
 Helen C. Sevitte
 Shellmar Products Co.
 Belle Shrontz
 Robert W. & Doris Simpson
 Smith's Home & Office
 Supply Co.
 G.R. Smith & Co.
 John Speelman
 Mrs. Charles M. Stamp
 Helen Stevens
 Edward Starr
 Robert Steinbrink
 Helen D. Strong
 Fred A. Surlas
 Mrs. Zenno E. Taylor
 James W. Tighe & Son
 Timken Roller Bearing Co.
 Town & Country
 Frank J. VanVoorhis
 W. Kay Walker
 Harry L. Ward Trust
 Paul A. Warner
 Harold Weidner
 Dr. Robert L. Westerheide
 Florence L. Westlake
 Charles L. White
 Wise Jewelers, Inc.
 Jack T. Zeller

Other Contributors to the Trust

Frederick N. Lorey, Chairman

Appointed by the joint action of the Knox County Judge of the Court of Common Pleas and the Judge of the Probate Court.

Winslow Curry

Appointed by BancOhio National Bank

Helen M. Zelkowitz

Appointed by the City Council

Maureen Buchwald

Appointed by the Directors of The Mount Vernon - Knox County Area Chamber of Commerce

J. Robert Purdy

Appointed by The First-Knox National Bank

James J. Cullers, Secretary

Elected by the Distribution Committee

OTHERS WHO HAVE SERVED DISTRIBUTION COMMITTEE:

Beatty B. Williams, Clyde G. Conley, Bert W. Martin, Thomas McDowell, E.L. Miller, O.W. Stanley, Stanley E. Johnson, Jr., John W. Rudin, C.R. Jones, J. Abbott Herron, J.W. Rudin, Jr., Dr. John C. Drake, J. Gordon Bone, Dr. Richard L. Smythe, Donald E. Steele, Kenneth W. Stevenson, and Dale E. Foster

SECRETARY:

Charles M. Zelkowitz and Fred Barry, Jr.

Members and the Secretary serve without compensation.

TRUSTEE

The First-Knox National Bank, Mount Vernon, Ohio

William A. Stroud, *Chairman*

Herbert L. Belden, *Vice President and Trust Officer*

Dennis & Schisler, Inc.

Certified Public Accountants

Kenneth E. Dennis

Larry A. Schisler

The Mount Vernon Community Trust
Mount Vernon, Ohio 43050

We have audited the accompanying statement of investments of Mount Vernon Community Trust as of December 31, 1988 and the related statement of receipts and disbursements for the year then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mount Vernon Community Trust as of December 31, 1988 and the receipts and disbursements of the Trust for the year then ended in conformity with generally accepted accounting principles.

Dennis & Schisler, Inc.

Mount Vernon, Ohio
September 5, 1989

**Report
of
Accountants**