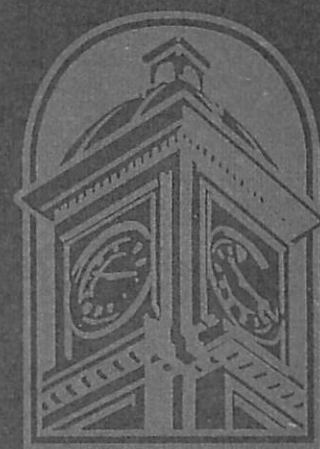




Mount Vernon/Knox County
Community Trust

Contents

Mission Statement	3
Year in Review	5
Spotlight on Philanthropy	10
Grants from Unrestricted Funds	12
Grants from Designated Funds	13
Scholarship Grants	17
Gifts to the Trust	21
Contributors	22
Funds of the Trust	23
Memorial Fund	26
Scholarship Funds	26
Financial Statement	27
Report of Accountants	28
An Endowment for All	29
1998 Distribution Committee	30

Mission Statement

The Mount Vernon/ Knox County Community Trust, having been created to receive and accept property and contributions to be administered for charitable purposes benefiting Mount Vernon and Knox County, Ohio, shall be operated so as to fulfill the following mission:

Improving...

the quality of life in Mount Vernon and Knox County through charitable giving.

Providing...

a vehicle for donors with varied interests to support charitable and community activities.

Assessing...

and responding to emerging and changing community needs in the fields of education, youth services, recreation, arts and culture, social services, and civic and community development.

Developing...

a permanent endowment for the community and serving as a catalyst to initiate vital projects.



Year In Review

With great pride, we present the 1998 report of the Mount Vernon/Knox County Community Trust.

Total book value of the assets of the Trust at the end of the year was \$14,724,527, a 12.2% increase over last year end.

Eighteen donors established new funds or contributed to existing funds for a total of \$944,859.

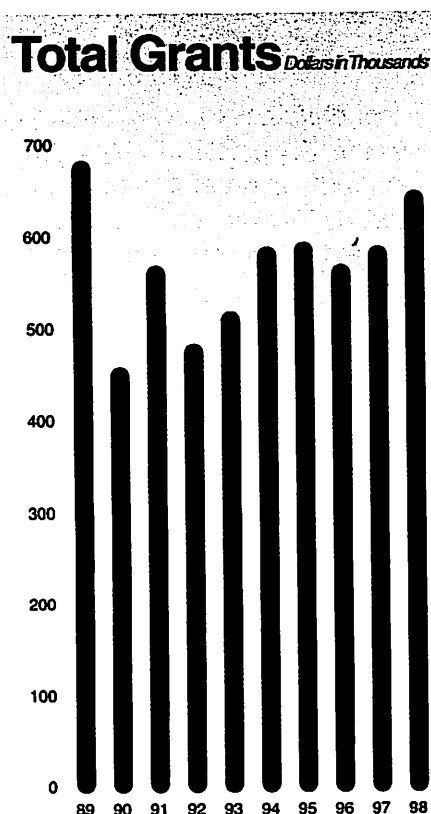
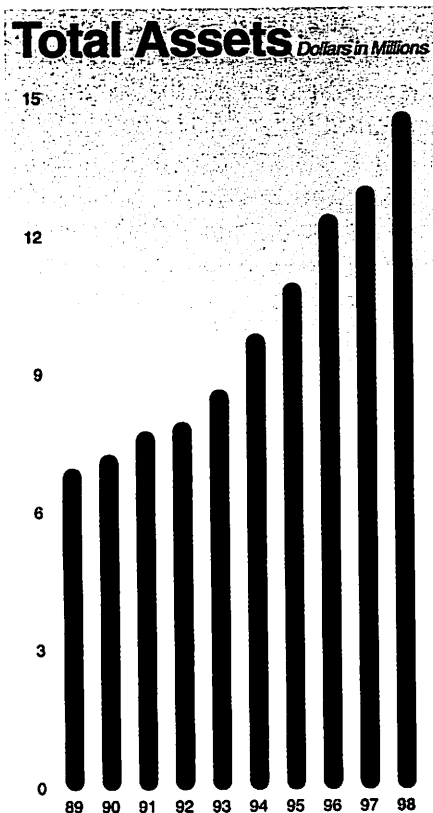
The mission of the Community Trust is to develop a pool of funds to generate income to benefit the people and communities of Knox County. The Distribution Committee is responsible for evaluating the requests for grants and to challenge the communities to improve their quality of life.

This past year, grants from the Unrestricted Funds reached \$198,415, distributions from our Designated Funds were \$242,525, and scholarship grants were \$196,234, for a total of \$637,174. Donor-advised funds distributed totaled \$17,019. The Trust distributed a grand total of \$654,193 in 1998 to benefit our community and the charitable organizations that make our community a better place in which to live.

A ten-year review of grants and distributions emphasizes the extent of the Community

The Kokosing Gap Trail Caboose, before (below) and after (left) renovation.





Trust's impact on our communities. Grants for community projects over the last ten years totaled \$2,014,571. Distributions from Designated Funds totaled \$2,151,003, and scholarship grants equaled \$1,593,039. The distribution of \$5,758,613 over this time period by the Trust helped people improve the quality of life in Mount Vernon and Knox County.

We are grateful for the organizers and early contributors who created this outstanding community asset. The growth of the Community Trust over the past fifty-four years has been the result of a steady flow of contributors desiring to improve the county in which we live. It is clear that the county has benefited from these gifts over the years, and the most recent year is no exception. However, it is important to realize the Community Trust is also an extremely flexible instrument through which willing donors can accomplish their charitable purposes, but also gain important tax advantages to make their gift even more valuable to the community. There is a word appropriate to the Community Trust that describes the winning of the donors, the winning of the receiving organizations, and the winning of the improved county - and that word is success.

There are three broad categories of funds within the Community Trust:

Unrestricted - The income from the unrestricted funds is disbursed by the Distribution Committee, after detailed evaluation, to support local charitable and community-based service projects.

Designated - Income from the designated funds is disbursed as the Trustee is directed by the donors at the time the principal is contributed to the Trust.

Donor-Advised - Income and/or principal from these funds is disbursed over time at the direction of the donor.

The thrust of the Community Trust is to focus on specific targets in the distribution of funds. These targets are: the arts, education, recreation, quality of life, and the economic well-being of the county. The donors of designated funds have had similar goals over time. A review of the recipients of designated monies will show gifts for the improvement of the quality of life through numerous churches, as well as support for the human infrastructure in gifts to the YMCA, the Public Library of Mount Vernon and Knox County, and many social service groups such as the Knox County Mental Health Association. Designated funds also provide the bulk of scholarship funds, which are clearly related to both education and the quality of life. More than thirty separate local organizations received support from funds specifically targeted to them by the donors.

Income from the Unrestricted Funds was distributed by the Committee in the areas targeted above. Over \$50,000 was distributed through scholarships to both college students and nursing students. Recreational pursuits were strengthened through a grant to resurface the tennis courts at Memorial Park. The arts were represented through a grant for the Youth Enrichment Series, which allows students throughout the county to experience the performing arts in an entertaining and educational local venue.

The Committee focused on the quality of life in three major gifting programs. The Public Library of Mount Vernon and Knox County received the final \$50,000 of a \$100,000 grant to allow automated cataloging of materials and Internet access from the Library. Kenyon College received the first installment of a \$200,000 grant for the revitalization of the science and music complexes. The Knox County Historical Society received the first \$50,000 of a major challenge grant to expand the facility to house historically significant items for the residents of the county.

Without proper nurture, the excellent quality of life experienced in the county could erode. The Committee distributed the first payment of a challenge grant to fund the Focus 2100 study, an effort that will provide a blueprint for the maintenance and improvement of our collective lifestyle. The Kokosing Gap Trail, a recreational magnet to both the residents and guests of our communities, also received additional financial support in 1998.

A singular event occurred in 1998 which has opened additional avenues to the Trust. Mary M. Miller structured a gift of her farm to the Community Trust, while retaining a life interest in the home itself. A key point to the gift from Miss Miller's perspective was the residual use of the farm. The transfer states the property, which is on the northeast corner of the Yauger and Upper Gilchrist intersection, is to remain as greenspace in perpetuity. The property, which is approximately 93 acres, borders Knox Woods on its east and contains several springs. The Trust is developing a plan for the most effective use of this property for the community.

Miss Miller's thoughtfulness and generosity coincides with the Focus 2100 study that indicates the need for greenspace areas throughout Mount Vernon and county in general. It is hoped that this property will help balance the development occurring through that area of the city. The farm is being purchased from Miss Miller on an installment basis during her life. Her gift is the difference between the market value of the farm and the price being paid by the Trust, making the value of the gift approximately \$209,500.

Another significant gift in 1998 came from Ted and Ann Schnormeier, in the creation of the Schnormeier Family Fund, with a beginning value of \$99,025. Distributions of income from this fund will benefit charitable organizations throughout the area.





Grants from the Trust frequently make the difference between success or failure for community projects. We believe it is important to continue to recognize those individuals who have established funds to benefit our communities. It is our objective to preserve the memory of these benevolent and caring people.

The year 1998 was a good year for both the Trust and the communities it serves. With your assistance, the last year of the century will be even better. The Trust stands ready to offer aid in arranging a variety of gifting options for you to help in the area's continuing enhancement. Please contact the Trustee, the First-Knox National Bank Trust Department, to arrange the program best for your situation, whether it be a current or deferred gift. The communities of Knox County will be grateful for your consideration.

Below: Miss Miller, second from the left, discusses her gift with Robert Rauzi, Secretary (left), Maureen Buchwald, Chairman (second from right), and William A. Stroud, Past Chairman of the Trust. Left: The four corners of the property are highlighted by indicators in the photograph.



SPOTLIGHT ON PHILANTHROPY



Above: The Hannah Browning Board at the gifting presentation. From left to right: Harry E. Turner, Legal Advisor, Dorothy Tanner, Vice President, Winifred Bollinger, Marjorie Slaughter, Secretary, William C. Miller, Marjorie Miller, President, Shirley Turner, Assistant Secretary, Eleanor George, Assistant Treasurer, Evelyn T. Watson, Past President, and Luanne Dunham. Below: Absent from the photograph Helen K. Tighe (left) and Margaret R. Beam, Treasurer (right).

The first non-governmental social agency in Knox County was the Women's Christian Association of Mount Vernon, incorporated by the State of Ohio February 13, 1895. The articles of incorporation state the purpose, "to unite the women of Mount Vernon in moral and educational work for the benefit of women and children, and to promote their moral, industrial, and financial interests." Among its first projects were a free kindergarten and sewing school. Nine years after its founding, the group's focus changed as a result of the misfortunes of elderly women of modest means. In 1905, the first woman was moved into the brick residence at 7 East Sugar Street in Mount Vernon and was cared for until her death. The house was formally opened for residents on April 1, 1906. Hannah Browning became its first matron. On June 6, 1923, the home officially became the Home for the Aged,



and on May 21, 1953, the Hannah Browning Home. The number of residents in the home at any one time has been as high as 23, and over the years 151 women have called it home. The Hannah Browning Home has never received public tax money, but has been supported by gifts, bequests, contributions, and income from its endowment funds.

The purpose was to provide a real home with a Christian atmosphere for elderly women who had no families to care for them. The Home provided all living needs for the women as long as they lived. Over the years, an average of twelve people were employed to provide twenty-four hour care. In recent years, more alternatives were created for potential residents, and the census slowly declined to one. In 1996, the Home was sold to the Christian Star Academy. The remaining resident who had lived there since 1976 was moved to Country Club Retirement Center, where the Board continues to provide for her care.

On September 8, 1998, the Board unanimously agreed to distribute \$55,000 to a number of local charitable organizations and turn the remainder of its funds over to the Community Trust. The transfer was conditioned on its last resident receiving care and support from the fund for the remainder of her life. After that time, the income from the fund will be divided among seven churches to be spent for programs for women and girls. The churches are: Faith Lutheran Church, First Congregational United Church of Christ, First Presbyterian Church, Gay Street United Methodist Church, Mulberry Street Methodist Church, St. Paul's Episcopal Church, and St. Vincent DePaul Church, all of Mount Vernon.

The Board of Trustees on the date of transfer was comprised of Marjorie Miller, President, Evelyn T. Watson, Past President, Dorothy Tanner, Vice President, Marjorie Slaughter, Secretary, Shirley Turner, Assistant Secretary, Margaret R. Beam, Treasurer, Eleanor George, Assistant Treasurer, Harry E. Turner, Legal Advisor, Winifred Bollinger, Luanne Dunham, William C. Miller, and Helen K. Tighe. Of particular note is the service of Margaret R. Beam who served two years as President of the Board and over forty years as Treasurer.

The Mount Vernon/Knox County Community Trust has accepted the funds from the Hannah Browning Board and the responsibilities inherent in that acceptance. The Trust salutes the Board for its service in the past and its focus on the future, where numerous women will benefit from its gift to the community. The name of the Hannah Browning Home will be long remembered.

Grants from Unrestricted Funds – \$198,415

These funds are the most responsive to changing needs in the community. These funds permit the Trust to meet urgent community needs through a high degree of flexibility. Income is distributed for local purposes and projects where the needs are the greatest as determined by the Distribution Committee.

During 1998, the Trust awarded grants as follows: 9 new projects in 1998 and 3 payments on prior year grants.

City of Mount Vernon	\$ 16,000
A grant to resurface the Memorial Park tennis courts.	
Jacket Boosters, Inc.	400
A matching grant to complete the construction of a concession/press box facility, a batting cage, new bleachers, and concrete walkways at the Mount Vernon varsity baseball field.	
Jacket Boosters, Inc.	5,000
A grant for the renovation of the weight room at the Mount Vernon High School.	
Junior Achievement, Inc.	1,750
A challenge grant to provide computer equipment for the office of Junior Achievement.	
Kenyon College	40,000
The first installment of a grant toward the revitalization of the science and music complexes.	
Knox County Educational Service Center	1,500
For the fifth consecutive year, the Trust has underwritten the Youth Enrichment Series (YES), bringing cultural programs to all Knox County Schools.	
Knox County Historical Society	50,000
The first installment of a challenge grant for the expansion of the current museum building.	
Knox County Career Center	7,000
The first installment of a grant for the Children's Garden project.	
Kokosing Gap Trail	4,500
A grant to renovate the Chesapeake & Ohio caboose at the Gambier station of the Trail.	
Mount Vernon Chamber of Commerce	4,491
The first installment of a challenge grant funding the Focus 2100 planning project.	
Public Library of Mount Vernon and Knox County	50,000
The third and final installment of a \$100,000 grant toward the computerization of the Library allowing for automated cataloging of materials and Internet access from the Library.	
YMCA of Mount Vernon	17,774
A grant for computer equipment for the offices at the YMCA.	
Total Grants from Unrestricted Funds	\$ 198,415

Grants from Designated Funds – \$242,525

Designated distributions are made according to written instructions at the time the gift is made. Grants from Designated funds reflect the charitable interests of donors and provide needed operating support to diverse charitable organizations. These funds represent a permanent memorial to the donor.

During 1998, the Trust distributed 72 grants totaling \$242,525.

Ameriflora Fund	
Town & Country Garden Club	\$ 75
Robert Black Fund	
Knox County Mental Health	5,014
Fred Barry Jr. Scholarship Fund	
Kenyon College	1,562
Mildred Bennett Fund	
East Knox Local School District	1,009
Knox County Career Center	1,009
J. Gordon Bone, Jr. Student Aid Fund	
Kenyon College	18,593
Mount Vernon Nazarene College	6,198
Sterling Braddock Fund	
Ebenezer United Methodist Church	491
Gordon and Roberta Chalmers Fund	
Kenyon College Library	9,711
Garfield and Mazie Colgin Memorial Fund	
Messiah Church	5,104
Helen H. Cooke Memorial Fund	
First Congregational United Church of Christ	30,791
Jennie Debes Heart Fund	
Knox County Heart Association	1,719
Stacy Doyle Memorial Fund	
Kokosing Gap Trail	227
First Congregational United Church of Christ Fund	
First Congregational United Church of Christ	146
First Congregational United Church of Christ - Building Fund	
First Congregational United Church of Christ	104
First Congregational United Church of Christ - Howard Tarr Fund	
First Congregational United Church of Christ	122
First Congregational United Church of Christ - Walter Starr Fund	
First Congregational United Church of Christ	119
Gelsanliter Family Fund	
Kenyon College	1,401

George and Ruth Gelsanliter Memorial Fund	
Interchurch Social Services	\$ 399
Hospice of Knox County	399
Ellen M. Heckler Memorial Fund	
Ohio Eastern Star Home	150
H. Grant Heckler Memorial Fund	
Gay Street United Methodist Church	231
W. Glenn Hess Fund	
American Red Cross	2,295
Bladensburg Church of Christ	2,295
Brinkhaven Church of Christ	2,295
Danville Church of Christ	2,295
Martinsburg Church of Christ	2,295
Salvation Army	2,295
United Way of Knox County	2,295
Utica Church of Christ	2,295
Zack T. Hollister Fund	
Bird Cemetery Association	90
Interchurch Social Services Fund	
Interchurch Social Services	4,486
Alice Jewell Fund	
Heart of Ohio Girl Scouts	39
F. William Kahrl Fund	
St. Paul's Episcopal Church	148
R. B. Kincaid Fund	
First Congregational United Church of Christ	1,986
Kiracofe Family Fund	
First Congregational United Church of Christ	462
Knox County Cancer Society Fund	
Knox County Cancer Society	88
Knox County Heart Fund	
Knox County Heart Association	88
Knox County Historical Society	
Knox County Historical Society	176
Kokosing Gap Trail Fund	
Kokosing Gap Trail Fund	156
Richard I. Landers Fund	
Knox County Career Center	10,415

Harriett B. Lawler Fund	
Gay Street United Methodist Church	\$ 7,673
Muskingum College	5,115
League of Friendship Fund	
Knox County Historical Society	113
Peter and Alexandra Letz Fund	
Hannah Browning Home	921
Ethel Lyman Memorial Fund	
Public Library of Mount Vernon and Knox County	251
James K. Lyman Memorial Fund	
American Red Cross - Knox County Chapter	12
Mount Vernon Alumni Association	
Mount Vernon Postmaster	115
National Church Homes Fund	
Woodward Development Corp.	13,699
Dr. Clyde and Dora Purdy Fund	
Gay Street United Methodist Church	595
Arthur and Grace Rawlinson Memorial Fund	
Hannah Browning Home	620
St. Paul's Episcopal Church	620
St. Paul's Episcopal Church Fund	
St. Paul's Episcopal Church	47
Delbert C. Schmidt Fund	
Faith Lutheran Church	234
Mae S. Taylor Fund	
Hannah Browning Home	514
Zenno and Mae S. Taylor Fund	
First Congregational United Church of Christ	3,195
Mae S. Taylor YMCA Fund	
YMCA of Mount Vernon	1,293
Martha Turner Walker Memorial Fund	
First Presbyterian Church	47
C. Watkins Family Fund	
Hospice of Knox County	500
United Way of Knox County	1,200
James R. Westerheide Memorial Fund	
St. Vincent De Paul School	95

Amy F. Williams Memorial Fund	
First Congregational United Church of Christ	\$ 2,550
Salvation Army	3,506
YMCA of Mount Vernon	9,244
Beatty B. Williams Endowment Fund	
YMCA of Mount Vernon	12,676
Beatty B. Williams Library Fund	
Public Library of Mount Vernon and Knox County	3,846
Beatty B. Williams for YMCA et. al.	
First Congregational United Church of Christ	2,785
YMCA of Mount Vernon	2,785
National Board of YMCA	2,785
United Way of Knox County	2,785
YMCA Endowment Fund	
YMCA of Mount Vernon	40,847
YWCA Girls Scholarship Fund	
YMCA of Mount Vernon	789
Total Designated Grants	\$ 242,525
Donor Advised Grants	\$ 17,019

Scholarship Grants - \$196,234

Grants for scholarships are made from three categories of funds: Unrestricted, Designated, and Donor Advised. The Trust has appointed an independent Scholarship Selection Committee to evaluate and select candidates for scholarship awards. The Selection Committee is composed of three members, one each from Kenyon College and the Mount Vernon Nazarene College, and a high school in Knox County.

The Trust distributed 180 grants during the past year.

Robert C. Appleton Fund	\$ 7,000
Mount Vernon Nazarene College	Angela Statler
Ohio Northern University	Todd W. Carter - David B. Kohl
Ohio University	Karen M. Hollish
Otterbein College	Angela D. Howell - Jennifer Nunley
Xavier University	Jason T. Butcher

Clark and Lucy Biggs Fund	\$ 8,000
Bluffton College	Julie D. Pruett
Dartmouth College	Bryan N. Coffing - Marc D. Fenigstein
Kent State University	Sarah E. Kepple
Lawrence University	Meredith Kolar
Miami University	Lisa A. Sinclair
The Ohio State University	Aaron P. Stockberger
University Of Toledo	Natalie A. Yarman

Charles M. Zelkowitz Community Service Award	\$ 1,000
The Ohio State University	Marie E. Norris

Helen H. Cooke Fund	\$ 39,500
Ashland University	Michelle M. Hedinger - Everett J. Murphy - Tory A. Wilkinson
Bowling Green State University	Eric A. Kintner
Capital University	Casey Braddock
Case Western Reserve University	Jason Burgholder - James M. McElroy
Hocking Technical College	Emma S. Neighbarger
Kent State University	Britney A. Misencik - Heather L. Partington
Marietta College	Amanda A. Harris
Maryland Institute College Of Art.....	Nicholas A Pecsok
Miami University	Hannah J. Boone - Courtney L. Curry - Mindi S. Overholt
Mount Vernon Nazarene College	Laura B. Burgholder - Kathy J. Swartzentruber
Muskingum College	Dawn Carpenter - Ryan Overholt
Ohio Northern University	Shelly D. Burch - Kerry D. Auten
The Ohio State University	Jennifer L. Doane - Tracie Hayes - Jonathan Hughes - Eryn L. Phillips
The Ohio State University – Mansfield	Erin P. Grimm
Otterbein College	Benjamin R. Streby
United States Coast Guard Academy	Emily L. Tharp
University Of Akron	Cynthia A. Troyer
University Of Rochester	Angela M. Yarnell
Wittenberg University	Mandy Stevens

Harold B. "Cookie" Cunningham	\$	500
Mount Vernon Nazarene College	Mark T. Carter	

Pauline B. Freeman Fund	\$ 41,000
Alderson - Broaddus College	Melissa L. Holt-Mathis
Allegheny College	Danielle N. Stephens

Ashland University	Angela K. Dayton - Courtney D. Hardesty
Baldwin Wallace College	Jeremy R. Keegan
California State University	Rhonda M. Mizer
Capital University	Kelly Kauffman
Cleveland Institute Of Art	Marijane Campbell
Coastal Carolina University	Tiersa Cooper - Brian K. Thatcher
Central Ohio Technical College	Amy M. Fletcher
Denison University	Tara Rice
Indiana Wesleyan University	Amber E. Eads
John Carroll University	Michael J. Edgehouse
Kenyon College	Adam A. Sapp
Malone College	Anna M. Hughes
Miami University	Kevin L. Kleinrichert - Elizabeth Royer - Gail M. Kleinrichert
Mount Vernon Nazarene College	Misty L. Downes - Julia Forster - Chris Kirkpatrick - Benjamin R. Oxenford - Billie-Jo Sheldon - Rachel A. Smithhisler
Ohio Northern University	Scott Pope - Matthew T. Pope
The Ohio State University	Brandy L. Berry - Scott J. Forster - Melissa Smith - Nicholas W. Tharp - Pauline A. Vales
The Ohio State University – Mansfield	Kari A. Twardzik
The Ohio State University – Newark	Jamie L. Forster
Ohio University	Liesel H. Ramsey
Ohio Wesleyan University	Maureen J. McCardel
Otterbein College	Stacy L. Campbell - Natalie M. Padula
Shawnee State University	Catherine Moore
University Of Akron	Kristy A. Meyers
University Of Cincinnati	Kevin R. Renac
University Of Detroit Mercy	Lois Montgomery
University Of Miami – Florida	Jon G. Kepko
Washington University	William W. Johnson
Westminster College	Josh D. Martin
Wilmington College	Debra M. Dugan
Unrestricted General Fund	\$ 49,300
Ashland University	Jennifer Wolfe
Austin Peay State University	Carrie E. Beeman
Bluffton College	Melissa D. Martin
Bowling Green State University	Jason L. Cadek - Aaron R. Cook - Maria T. Durbin
California State University – San Marcos	Cristin B. Durbin
Capital University	Jamie Eisnuggle - Laura E. Tucker
College Of Wooster	Katie Bomba - Amanda M. Rardin - Chad A. Spurgeon
Denison University	Amy E. Landis
Grove City College	Angela M. Metcalfe
Heidelberg College	Nicole L. Staats - Robert C. Chidester
Hocking College	Kristy M. Thomas
Hope College	Bryce Coffing
Kenyon College	Ansley E. Scott
Malone College	Traci L. Nixon
Miami University	Stacy L. Tiffany - Nicole L. Oliver
Mount Vernon Nazarene College	Mark T. Carter - James M. Van Winkle - Rodney Wilson
Muskingum College	Bryan D. Donaldson
North Central Technical College	Darcy R. Riegner
Northwestern University	Andrew J. Bodart

Ohio Northern University	David A. Fry, Jr. - Erica Harrison - Tonya J. Hunter - Joshua A. Smith
The Ohio State University	Emily B. Bisdorf - Coreen Henry - Sara L. Mosher Beth Moyer - Lindsey R. Rice
The Ohio State University – Mansfield	Tricia E. Long
Ohio University	Andrew K. Colopy - Danya Ready
Otterbein College	Kyle W. Berry - John R. Brokaw, Jr.
University Of Akron	Danielle K. Minnich
University Of Dayton	Christopher C. Bomba - Jessica R. Coe - Tasha N. Litt
University Of Michigan	Andrew Schlegel
Walsh University	Lisa Bunton
Wilmington College	William C. Smith
Wittenberg University	Courtney E. Smith
Lillian Hickman Medical Scholarship	\$ 20,000
Wright State University School Of Medicine	Timothy A. Corba - Janelle F. Pool
William S. Hunter Fund	\$ 1,000
Columbus State Community College	Joseph M. Ollam
Rex M., Jr. and Barbara C. Lamb Fund	\$ 2,000
Case Western Reserve University	Jason L. Patterson
Gordon College	Cara E. Brandenburg
Harriett B. Lawler Fund	\$ 4,000
Case Western Reserve University	Jonathan F. McCoy
Emory University	Adam J. T. Smith
Hillsdale College	Amy L. Farnham
Miami University	Kelly K. S. Barnebey
Leedy Family Fund	\$ 3,000
Central Ohio Technical College	Marcia K. McCoy
Malone College	Hollie R. Evener
The Ohio State University	Nichole M. Stricker
Frederick N. Lorey Journalism Scholarship	\$ 3,000
Brigham Young University	Jennifer G. Hansen
Kenyon College	Molly Harsh
Wittenberg University	Justin B. Dilley
Ralph V. and Anna B. Mowery Fund	\$ 3,000
Devry Institute Of Technology	Matthew T. Blanchard
Mount Vernon School Of Practical Nursing	Tammi M. Brown
Nursing Scholarship Funds	\$ 8,500
Central Ohio Technical College	Brenda S. Vernon
Knox County Career Center School Of Practical Nursing	Bernice Adkins - Leona R. Grennell - Sharon K. Hankins - Teresa L. Theiss - Cheryl A. Winegardner
Kent State University	Jennifer L. Taylor
North Central Ohio Technical College	Polly S. Green - Joann B. Platt
The Ohio State University	Nicole M. Stricker
Ohio University – Zanesville	Kelly L. Bowman

Richard Poling Fund	\$ 2,000
Bryn Mawr College	Adrea C. Lovejoy
University Of Kentucky	Robyn R. Ready
William E. and Helen F. Pond Fund	\$ 500
Pennsylvania State University	Erin D. Barajas
Stephen W. Zelkowitz Ethics Fund	\$ 600
Miami University	Stacy L. Tiffany
Rick L. Scott Memorial Fund	\$ 1,500
Miami University	Matthew L. Jenkins - Stacy L. Tiffany
Strang Family Scholarship Fund	\$ 1,000
Case Western Reserve University	Sarah B. Warren
William E. Wing Fund	\$ 500
The Ohio State University	Sara L. Mosher
Prior Year Scholarships refunded in 1998	\$ (666)
Total:	\$ 196,234

Gifts to Trust - \$944,859

The cornerstone of the Mount Vernon Community Trust is people...people who wish to make a difference. In 1998, the following new funds were established by people who care about the community and who have chosen the Trust to help make a difference. We acknowledge the vision of these generous donors and express our gratitude on behalf of our entire community.

New Funds of the Trust

Hannah Browning Home Fund	\$ 716,964
A fund that will ultimately provide funding for women and girls' programs through a variety of local churches.	
Stacy Doyle Memorial Fund	6,835
A fund created by friends and coworkers of Stacy, providing funds for the Kokosing Gap Trail.	
Mount Vernon High School Alumni Association Fund	1,245
A fund created to provide resources to an organization of the Mount Vernon High School Alumni Association.	
Schnormeier Family Fund	99,025
The income and principal of this fund will be used to support charitable activities upon direction by the donors.	
Total New Funds	\$ 824,069

Additions to Existing Funds

Ariel Corporation	\$ 60,000
Fred Barry Jr. Scholarship Fund	100
General Fund	100
Kokosing Gap Trail	1,092
Richard I. Landers Fund	10,000
Leedy Family Fund	3,000
The Memorial Fund	1,000
John and Genevieve Minor Fund	1,000
Ohio Junior Miss Scholarship Fund	19,700
Nancy J. Page Fund	48
Rick L. Scott Memorial Fund	750
Perry and Louise Trinkner Fund	1,000
Charles M. Zelkowitz Memorial Fund	8,100
Charles M. and Helen E. Zelkowitz Fund	6,965
Stephen W. Zelkowitz Scholarship Fund	7,935
Total Additions to Existing Funds	120,790
Total Gifts	\$ 944,859

1998 Contributors to the Trust

Ariel Corporation
Hannah Browning Board of Directors
Friends and Co-workers of Stacy Doyle
Mr. and Mrs. Howard Hollinger
Mr. David R. Irvin
Dr. and Mrs. Emerson Laird
Miss Ruth Leedy
Mr. Russell Leedy
Madcap Memorial

Miss Mary M. Miller
John B. and Genevieve R. Minor Foundation
Honorable William Mosholder
The Estate of Miss Nancy J. Page
Mrs. Margaret B. Riley
Mr. and Mrs. Theodore H. Schnormeier
Dr. and Mrs. Perry M. Trinkner
Mrs. Helen E. Zerkowitz
The Richard I. Landers Foundation

Other Contributors to the Trust

Lucy E. Beckley
W. R. Bouton
C. Monroe Bovard
James E. Brown
Edmund F. Budd
Clyde G. Conley
Lillian Conley
Ruth E. Conley
Cooper-Bessemer Corp.
Cooper-Bessemer Employees' Charities
Wilma Craine Memorials
Mrs. L. Tate Cromley
George T. Culbertson, Jr.
Cora D. Debes
George E. Deeley
Grover H. Detmer
Marjorie Dowds
Dr. John C. and Helen Drake
Kathryn Eastman
C. Floyd and Margaret Ellis
Jack V. Fearn
Dorothy Fletcher
Geraldine Fowler
Hewitt A. Gehres
William A. Gower
Gregg Manufacturing Co.
Heaton Appliances
Icel Hensler
Information Control Corp.
Ralph M. Jewell
Christine Johnson
Stanley E. Johnson, Jr.
S. E. and Dorothy Johnson, Sr.
K. Allin and Evelyn Kahl
Mark C. Kinney
M. Curtis Kinney

T. O. Kuivinen
Arline Landers
Rhea H. Larson
Frederick N. and Genevieve Lorey
Bert W. Martin
Lorenzo D. Mathews, Jr.
Curt H. Meltzer
Louise Meltzer
Eugene L. and Doris Miller
William L. Moore
William Mosholder
Ohio Cumberland Gas, Co.
Ohio Magazine
David and Colleen Olsen
Fred A. Pond
William E. Pond
Dr. Gordon H. Pumphrey
Purdy Sand and Gravel Co.
John and Agnes Rentz
John W. and Grace Rudin
Anna M. Salisbury
Charles W. Salisbury
Robert W. and Doris Simpson
Edward Starr
Mary Blanche Stucky
Fred A. Surlas
James W. Tighe & Son
Frank J. VanVoorhis
Wilbur D. Vernon
Paul A. Warner
Dr. Robert L. Westerheide
Florence L. Westlake
Charles L. White
Ann Wilson Memorials
Wise Jewelers, Inc.
Helen E. Zerkowitz

Funds of the Trust – \$14,724,527

The Mount Vernon/Knox County Community Trust is grateful for the many gifts received in the past 54 years. The grant-making of the Trust is made possible by the 152 individual funds listed.

Unrestricted Funds

Ariel Corporation	\$ 111,710
Thomas D. Badger Memorial Fund	1,098
Frank L. and Anna Beam Fund	14,031
Henry L. and Alice M. Beecher Fund	5,277
Luke B. Biggs Fund	131,597
Ralph L. and Doris Boyer Fund	135,782
Charles F. Colville Fund	1,402
James H. Debes Fund	140,188
Jennie J. Debes Fund	207,193
Mr. and Mrs. Frank L. Fairchild Fund	2,104
Harry and Lovella Foster Fund	103,548
General Fund of the Trust	2,010,959
Headington Family Fund	1,402
Dr. George and Lucile Imhoff Fund	1,585
Fred W. Kahrl Fund	1,402
Knox County Savings Bank Fund	5,613
Lamb Glass Company Fund	7,014
R. M. Lamb Fund	1,402
Lawrence and Josephine Lewis Fund	27,544
The Mount Vernon Bridge Company Fund	10,524
Ohio Magazine Fund	3,222
Nancy J. Page Fund	165,430
Havilah Phelps Fund	5,352
Margaret Polahar Memorial Fund	2,836
Pond Motors Sales Fund	561
Rudin Company Fund	14,031
J. W. Rudin Jr. Fund	1,402
J. W. Rudin Sr. Fund	3,044
W. M. Rudin Fund	1,402
Sanderson-Salisbury Memorial Fund	31,664
Berta H Schnebly Fund	20,232
Belle Shrontz Fund	856,082
Annie Sommerville Fund	1,402
Mrs. Walter Sperry Family Fund	3,938
Blanche Stevenson Fund	13,550
Harry Strodbeck Fund	1,402
Mary Blanche Stuckey Fund	12,803
Fred A. Surlas Fund	2,105
Zenno and Mae Taylor General Fund	434,711
Perry and Louise Trinker	8,103
Claude F. Turben Fund	1,402
Beatty B. Williams Memorial Fund	870,065
Edith H. Williams Memorial Fund	18,487
Lawrence F. and Ruby Williams Fund	266,894

Arthur C. and Ada B. Wolfe Fund	28,062
Jack Zeller Memorial Fund	1,118

Total Unrestricted Funds \$ 5,690,675

Designated Funds

Altrusa Fund	\$ 5,610
Fred Barry, Jr. Scholarship Fund	35,509
Mildred Bennett Fund	45,839
Robert Black Fund	113,913
J. Gordon Bone, Jr. Student Aid Fund	561,286
Sterling B. and Edna B. Braddock Fund	11,144
Hannah Browning Home Fund	717,998
Chalmers Library Fund	206,292
Character Building Activities Fund	2,902
Garfield and Mazie Colgin Memorial Fund	98,256
Helen Hope Cooke Memorial Fund	647,726
George Culbertson, Jr. Memorial Fund	7,556
Jennie Debes Heart Fund	34,079
Stacy Doyle Memorial Fund	6,905
First Congregational United Church of Christ Fund	3,326
First Congregational United Church of Christ Building Fund	2,363
First Congregational United Church of Christ - Howard Tarr Fund	2,773
First Congregational United Church of Christ - Walter Starr Fund	2,715
Gelsanliter Family Fund	14,958
George and Ruth Gelsanliter Memorial Fund	20,362
George S. Gelsanliter YMCA Fund	167,817
Robert T. Harnsberger Charitable Remainder Unitrust	32,383
Ellen Heckler Memorial Fund	3,417
H. Grant Heckler Fund	5,254
W. Glenn Hess Fund	415,354
Zack T. Hollister Fund for Bird Cemetery	2,047
Interchurch Social Services Fund	91,223
Alice Jewell Memorial Fund	886
F. William Kahrl Fund	3,352
R. B. Kincaid Fund	51,919
Kiracofe Family Fund	10,503
Knox County Cancer Fund	2,010
Knox County Heart Fund	2,010
Knox County Historical Society Fund	3,997
Knox County Medical Society Scholarship Fund	1,218
Kokosing Gap Trail Fund	4,276
Richard I. Landers for Knox County Career Center	12,482
Harriett B. Lawler Fund	257,083
League of Friendship Fund	2,557
Peter and Alexandra Letz Fund	20,917
Ethel H. Lyman Memorial Fund	5,708
James K. Lyman Memorial Fund	281

John and Genevieve Minor Fund	\$ 2,567
Mount Vernon Academic Boosters	1,474
Mount Vernon High School Alumni Association Fund	1,153
Mount Vernon Livestock Co-Operative Fund	3,186
Mount Vernon Theater Guild Fund	402
Ohio Junior Miss Scholarship Fund	18,550
William Pond Fund	420
Dr. Clyde and Dora Purdy Fund	15,209
Russell E. Ramser, Jr. Memorial Fund	5,714
Arthur and Grace Rawlinson Memorial Fund	27,621
Andy Rassing Fund	6,358
St. Paul's Episcopal Church Fund	1,067
Delbert C. Schmidt Fund	5,323
Schnormeier Family Fund	99,025
William A. Stroud Fund	50,621
Symposiarchs Fund	956
Zenno and Mae Taylor Fund for First Congregational United Church of Christ	63,215
Mae Taylor Fund for the Hannah Browning Home	11,674
Mae Taylor Fund for the Mount Vernon YMCA	31,542
United Way of Knox County Fund	121,554
William Kay Walker Memorial Fund	815
Martha Turner Walker Memorial Fund	1,056
C. Watkins Family Fund	28,143
James Robert Westerheide Memorial Fund	2,165
Amy F. Williams Memorial Fund	257,764
Beatty B. Williams Community Endowment Fund	290,880
Beatty B. Williams Library Fund	84,948
Beatty B. Williams for YMCA et. al.	396,471
Y.W.C.A. Council Scholarship for Girls Fund	17,918
Y.M.C.A. Endowment Fund	902,572
Total Designated Funds	\$ 6,088,569

Memorial Fund – \$2,734

The Memorial Fund of the Mount Vernon/Knox County Community Trust benefits the general purposes of the Trust. The fund is a composite of contributions made in memory of the following individuals and families:

Herbert L. Belden
John L. Burgoon
Clyde G. Conley
Leona Culbertson
H. Grant Heckler

Departed friends of Mr. and Mrs. Howard Hollinger
John E. Mickley
John M. Miller
Jean Prosser
Paul E. Slaughter, Jr.

Scholarship Funds – \$2,942,549

Arck/Crowthers Fund	\$ 3,583
Robert C. Appleton Scholarship Fund	124,481
Clark and Lucy Biggs Scholarship Fund	235,956
Charles E. Cassaday Scholarship Fund	3,307
Helen H. Cooke Scholarship Fund	699,826
Harold "Cookie" Cunningham Fund	11,491
Fredericktown Academic Loan Fund	6,493
Pauline B. Freeman Scholarship Fund	901,677
Larry Hall Scholarship Fund	2,256
Lillian C. Hickman Scholarship Fund	439,430
William S. Hunter Scholarship Fund	17,044
Ethel Jamison Scholarship Fund	6,054
Ida Kohl Scholarship Fund	5,780
Rex M., Jr. and Barbara C. Lamb Scholarship Fund	55,972
Harriett B. Lawler Scholarship Fund	87,510
Robert and Evelyn Lee Scholarship Fund	12,056
Leedy Family Fund	2,117
Alexandra Letz Scholarship Fund	24,155
Alexandra Letz Nursing Scholarship Fund	12,571
Ralph V. and Anna B. Mowery Scholarship Fund	52,178
Edna Osborn Scholarship Fund	1,064
Arthur J. Packard, Jr. Memorial Fund	17,572
Richard Poling Scholarship Fund	65,274
William and Helen Pond Scholarship Fund	10,710
Dr. Clyde and Dora Purdy Scholarship Fund	17,230
Rick L. Scott Memorial Scholarship Fund	22,172
Richard and Regina Smythe Scholarship Fund	2,353
Strang Family Scholarship Fund	24,137
Student Scholarship Fund	373
William and Jennie Johnson Scholarship Fund	270
William Wing Music Scholarship Fund	14,189
Stephen W. Zerkowitz Ethics Scholarship Fund	21,340
Charles M. Zerkowitz Fund	20,930
Helen E. and Charles M. Zerkowitz Scholarship Fund	20,998

Total Scholarship Funds \$ 2,942,549

Financial Statement

Condensed Report of Condition as of December 31, 1998 taken from Report of Examination by
Dennis & Schisler, Inc. C.P.A.

Principal and Receipts

Beginning Balance (December 31, 1997)	\$ 13,120,332
Income	819,544
Realized Gains	659,316
Contributions	944,859
Beginning Balance Plus Receipts	\$ 15,544,051

Disbursements

Grants from Unrestricted Funds	\$ 198,415
Grants from Designated Funds	242,525
Scholarship Grants	196,234
Grants from Donor-Advised Funds	17,019
Expenses of the Trust	165,331
Total Disbursements	\$ 819,524
Ending Fund Balance (December 31, 1998)	\$ 14,724,527

The balances set forth on this schedule represent book values. The market value of the Trust as of December 31, 1998, totaled \$18,351,594.

Expenses of the Trust

First-Knox National Bank

Administration Fee	\$ 14,635
Investment Advisory Fee	132,913

Odell Advertising

Annual Report	5,499
---------------------	-------

Dennis & Schisler

Audit and Tax Preparation	4,850
---------------------------------	-------

Mount Vernon News

1998 Scholars - Advertisement	1,943
-------------------------------------	-------

Designated Funds Expense

Hannah Browning Home Fund	3,341
Robert Harnsberger Unitrust	625
Special Projects	480

Others

Miscellaneous	1,045
---------------------	-------

Total Expenses	\$ 165,331
-----------------------------	-------------------

Report of Accountants



Dennis & Schisler, Inc.
Certified Public Accountants

206 South Mulberry Street, Mount Vernon, Ohio 43050
Phone (740) 397-1721 Fax 397-7044

KENNETH E. DENNIS, CPA
LARRY A. SCHISLER, CPA
M. JACQUELINE STICHERT, CPA
JANICE M. COMPTON, CPA

INDEPENDENT AUDITORS' REPORT

The Mount Vernon Community Trust
Mount Vernon, Ohio 43050

We have audited the accompanying statement of investments of The Mount Vernon Community Trust as of December 31, 1998 and 1997 and the related statement of receipts and disbursements - cash basis for the years 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also 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, 1998 and 1997 and the receipts and disbursements of the Trust - cash basis for the years then ended in conformity with the cash basis of accounting, as described in Note A.

As described in Note A, the Trust accrued certain contributions in 1998, totalling \$99,025. If the contributions had not been recorded, the fund balance of the Schnormeier Family Fund would be decreased by \$99,025 for the year ended December 31, 1998.

Dennis & Schisler, Inc.

Mount Vernon, Ohio
July 16, 1999

MEMBERS
American Institute of Certified Public Accountants
Ohio Society of Certified Public Accountants

An Endowment for All

What is the Community Trust?

The Trust is a community foundation—a nonprofit organization that supports charitable endeavors and worthy projects within a particular geographical area. In the case of the Trust, that area embraces all of Knox County, Ohio. Founded in 1944, the Trust has assets of more than \$13 million. These funds, donated by many individuals and families over the years, function as a community endowment—the principal is invested and protected; only the income is used.

What is the mission of the Trust?

The Trust seeks, broadly, to improve the quality of life in Knox County. It does this by giving grants to support projects in fields such as education, health, recreation, community planning and development, social services, culture, and the arts.

How does the Trust work?

A Distribution Committee consisting of five Knox County residents oversees the disbursement of grants. The Committee ensures that funds are used in accordance with the wishes of donors. In the case of “unrestricted” funds—those for which donors did not specify a purpose, the Committee makes grants based on community needs. Thus, the Trust functions in two ways; it serves as a vehicle through which donors can support the charitable causes of their choice and, it serves as a permanent, general endowment for Mount Vernon and Knox County.

What kinds of grants does the Trust give?

The Trust administers a substantial college scholarship program. Other grants support building funds, capital campaigns, and equipment purchases. The Trust also provides matching or challenge grants as well as seed money for charitable groups. Annual contributions are made to specific charities from funds designated by donors for that purpose. Occasionally, the Trust also coordinates fundraising drives for special community projects.

Who benefits from the Trust?

Dozens of community organizations have received support from the Trust. They include; the YMCA, the Public Library of Mount Vernon and Knox County, the city and county school systems, various recreational facilities in the county, the City of Mount Vernon, Moundbuilders Guidance Center, Station Break Senior Citizens' Center, Salvation Army, Interchurch Social Services, Hospice of Knox County, Knox County Airport, Girl Scouts and Boy Scouts, Big Brothers/Big Sisters, Kenyon College, Mount Vernon Nazarene College, Memorial Building Theater, Knox County Agricultural Museum, and the Knox County Historical Museum. Through its grants to organizations like these, and through its scholarship program, the Community Trust touches the lives of thousands of residents throughout Knox County.

Why do people give to the Trust?

The Trust offers people an opportunity to contribute to the well-being of their community. Moreover, in giving through the Trust, donors know that their gifts will benefit future generations, because the Trust spends only the income from its investments. The original gifts are safeguarded. A gift to the Trust is thus a way of perpetuating one's own memory in the community or provides a lasting memorial for someone else.

How does somebody make a gift to the Trust?

Many donors include a bequest to the Trust in their wills, while some make contributions during their lifetime. Gifts can take the form of securities, real property, or other assets as cash. Donors may make designated gifts, specifying that the money benefit a particular organization or field of interest; or unrestricted gifts, which are used to meet a wide variety of community needs.

What are the practical advantages of giving to the Trust?

The Trust professionally and prudently manages all gifts, with the goal of ensuring that they will provide lasting benefits. If a donor's designated charity ceases to exist, the Trust will preserve the donor's intentions by directing the funds to a similar purpose. The Trust is a flexible tool that can handle gifts in many forms. Moreover, Trust supporters can take full advantage of the tax benefits available to donors.

1998 Distribution Committee

Maureen Buchwald, Chairman

Appointed by the Directors of the Mount Vernon/Knox County Chamber of Commerce

John D. Ellis, Vice Chairman

Appointed by The City Council of Mount Vernon

L. Bruce Levering

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

Mark R. Ramser

Appointed by Directors of The First-Knox National Bank

Dennis L. Snyder

Appointed by National City Bank

Robert L. Rauzi, Secretary

Appointed by the Distribution Committee

Others Who Have Served On the Distribution Committee

J. Gordon Bone	Frederick N. Lorey	O. W. Stanley
Clyde G. Conley	Bert W. Martin	Donald E. Steele
Winslow Curry	Thomas McDowell	Kenneth W. Stevenson
Dr. John C. Drake	E. L. Miller	William A. Stroud
Dale E. Foster	J. Robert Purdy	Beatty B. Williams
J. Abbott Herron	John W. Rudin	Helen E. Zelkowitz
Stanley E. Johnson, Jr	John W. Rudin, Jr.	
C. R. Jones	Dr. Richard L. Smythe	

Past Secretaries

Fred Barry Jr.	James J. Cullers	Charles M. Zelkowitz
----------------	------------------	----------------------

Trustee

The First-Knox National Bank, Mount Vernon, Ohio
David L. Trautman, President and Chief Executive Officer
Ian Watson, Vice President and Trust Officer

Distribution Committee Members and Secretary serve without compensation.