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**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**

**2010**

Department of the Treasury  
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 2010, or tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_

G Check all that apply:  Initial return  Initial return of a former public charity  Final return  
 Amended return  Address change  Name change

Name of foundation <b>THE CONNEAUT FOUNDATION, INC.</b>		A Employer identification number <b>34-1752119</b>
Number and street (or P O box number if mail is not delivered to street address) <b>P.O. BOX 668</b>	Room/suite	B Telephone number <b>440-599-8004</b>
City or town, state, and ZIP code <b>CONNEAUT, OH 44030-0668</b>		C If exemption application is pending, check here <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		D 1 Foreign organizations, check here <input type="checkbox"/> 2 Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) \$ <b>1,463,856.</b> (Part I, column (d) must be on cash basis.)	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received	37,625.		N/A	
	2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	30,854.	30,854.		STATEMENT 1
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain or (loss) from sale of assets not on line 10	129,180.			
	b Gross sales price for all assets on line 6a	450,160.			
	7 Capital gain net income (from Part IV, line 2)		129,180.		
	8 Net short-term capital gain				
	9 Income modifications <small>Gross sales less returns and allowances</small>				
	b Less Cost of goods sold				
c Gross profit or (loss)					
11 Other income	12,563.	0.		STATEMENT 2	
12 Total. Add lines 1 through 11	210,222.	160,034.			
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc	0.	0.		0.
	14 Other employee salaries and wages	20,244.	5,061.		15,183.
	15 Pension plans, employee benefits				
	16a Legal fees STMT 3	8,023.	2,006.		6,017.
	b Accounting fees STMT 4	3,610.	903.		2,707.
	c Other professional fees STMT 5	9,500.	9,500.		0.
	17 Interest				
	18 Taxes STMT 6	1,793.	412.		1,237.
	19 Depreciation and depletion	328.	82.		
	20 Occupancy	3,080.	770.		2,310.
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses STMT 7	10,644.	2,661.		7,983.
	24 Total operating and administrative expenses. Add lines 13 through 23	57,222.	21,395.		35,437.
	25 Contributions, gifts, grants, and other income	66,120.			66,120.
26 Total expenses and disbursements. Add lines 24 and 25	123,342.	21,395.		101,557.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements	86,880.				
b Net investment income (if negative, enter -0-)		138,639.			
c Adjusted net income (if negative, enter -0-)			N/A		

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only			
		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1	Cash - non-interest-bearing	2,904.	14,177.	14,177.
	2	Savings and temporary cash investments	14,288.	32,888.	32,888.
	3	Accounts receivable ▶			
		Less: allowance for doubtful accounts ▶			
	4	Pledges receivable ▶			
		Less: allowance for doubtful accounts ▶			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons			
	7	Other notes and loans receivable ▶			
		Less: allowance for doubtful accounts ▶			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges			
	10a	Investments - U.S. and state government obligations <b>STMT 9</b>	92,449.	97,360.	97,360.
	b	Investments - corporate stock			
	c	Investments - corporate bonds			
11	Investments - land, buildings, and equipment basis ▶				
	Less accumulated depreciation ▶				
12	Investments - mortgage loans				
13	Investments - other <b>STMT 10</b>	1,257,180.	1,317,790.	1,317,790.	
14	Land, buildings, and equipment: basis ▶ <b>1,969.</b>				
	Less accumulated depreciation <b>STMT 11</b> ▶ <b>328.</b>	0.	1,641.	1,641.	
15	Other assets (describe ▶ )				
16	<b>Total assets (to be completed by all filers)</b>	<b>1,366,821.</b>	<b>1,463,856.</b>	<b>1,463,856.</b>	
Liabilities	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, and other disqualified persons			
	21	Mortgages and other notes payable			
	22	Other liabilities (describe ▶ <b>WITHHELD P/R TAXES</b> )	541.	560.	
23	<b>Total liabilities (add lines 17 through 22)</b>	<b>541.</b>	<b>560.</b>		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted	1,366,280.	1,463,296.	
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, bldg., and equipment fund			
29	Retained earnings, accumulated income, endowment, or other funds				
30	<b>Total net assets or fund balances</b>	<b>1,366,280.</b>	<b>1,463,296.</b>		
31	<b>Total liabilities and net assets/fund balances</b>	<b>1,366,821.</b>	<b>1,463,856.</b>		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,366,280.
2	Enter amount from Part I, line 27a	2	86,880.
3	Other increases not included in line 2 (itemize) ▶ <b>SEE STATEMENT 8</b>	3	10,517.
4	Add lines 1, 2, and 3	4	1,463,677.
5	Decreases not included in line 2 (itemize) ▶ <b>PRIOR PERIOD AUDIT ADJUSTMENT</b>	5	381.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,463,296.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE STATEMENT 16	P		
b SEE STATEMENT 17	P		
c ST CAPITAL GAIN FROM TRUST FUNDS	P		
d LT CAPITAL GAIN FROM TRUST FUNDS	P		
e CAPITAL GAINS DIVIDENDS			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 123,999.		110,070.	13,929.
b 262,651.		210,910.	51,741.
c 20,736.			20,736.
d 37,634.			37,634.
e 5,140.			5,140.

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			13,929.
b			51,741.
c			20,736.
d			37,634.
e			5,140.

2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	129,180.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	N/A

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2009	99,535.	1,191,491.	.083538
2008	146,482.	1,347,948.	.108670
2007	28,835.	1,469,620.	.019621
2006			
2005			

2 Total of line 1, column (d)	2	.211829
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.070610
4 Enter the net value of noncharitable-use assets for 2010 from Part X, line 5	4	1,321,036.
5 Multiply line 4 by line 3	5	93,278.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,386.
7 Add lines 5 and 6	7	94,664.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	101,557.

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)**

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	1,386.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	1,386.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	1,386.
6 Credits/Payments:			
a 2010 estimated tax payments and 2009 overpayment credited to 2010	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		4.
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		1,390.
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2011 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.</i>		X
1c Did the foundation file Form 1120-POL for this year?		X
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. <input type="checkbox"/> \$ 0. (2) On foundation managers. <input type="checkbox"/> \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. <input type="checkbox"/> \$ 0.		
2. Has the foundation engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col (c), and Part XV.</i>	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) <input type="checkbox"/> OH		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? <i>If "No," attach explanation</i>	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2010 or the taxable year beginning in 2010 (see instructions for Part XIV)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X

N/A

**Part VII-A Statements Regarding Activities (continued)**

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ▶ <u>N/A</u>	13	X	
14	The books are in care of ▶ <u>JUDITH YESSO</u> Telephone no. ▶ <u>440-599-8004</u> Located at ▶ <u>235 MAIN STREET, CONNEAUT, OH</u> ZIP+4 ▶ <u>44030</u>			
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>15</u> <u>N/A</u>			
16	At any time during calendar year 2010, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See page 20 of the instructions for exceptions and filing requirements for Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶	16	Yes	No X

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
1a	During the year did the foundation (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <u>N/A</u> ▶ <input type="checkbox"/>	1b	
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2010?	1c	X
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
a	At the end of tax year 2010, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2010? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years ▶ _____		
b	Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) <u>N/A</u>	2b	
c	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ▶ _____		
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
b	If "Yes," did it have excess business holdings in 2010 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2010) <u>N/A</u>	3b	
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a	X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2010?	4b	X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

- (1) Carry on propaganda... (2) Influence the outcome of any specific public election... (3) Provide a grant to an individual for travel... (4) Provide a grant to an organization other than a charitable... (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes...

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53.4945-5(d).

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

Table with 5 columns: (a) Name and address, (b) Title, and average hours per week devoted to position, (c) Compensation (If not paid, enter -0-), (d) Contributions to employee benefit plans and deferred compensation, (e) Expense account, other allowances. Row 1 contains 'SEE STATEMENT 12'.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

Table with 5 columns: (a) Name and address of each employee paid more than \$50,000, (b) Title, and average hours per week devoted to position, (c) Compensation, (d) Contributions to employee benefit plans and deferred compensation, (e) Expense account, other allowances. Row 1 contains 'NONE'.

Total number of other employees paid over \$50,000 0

Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

Table with 3 columns: (a) Name and address of each person paid more than \$50,000, (b) Type of service, (c) Compensation. Row 1 contains 'NONE'.

Total number of others receiving over \$50,000 for professional services

0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

Expenses

Table with 2 columns: Description of activities, Expenses. Row 1 contains 'N/A'.

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

Amount

Table with 2 columns: Description of investments, Amount. Row 1 contains 'N/A'.

Total. Add lines 1 through 3

0.

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities	1a	1,335,066.
b	Average of monthly cash balances	1b	6,087.
c	Fair market value of all other assets	1c	
d	<b>Total</b> (add lines 1a, b, and c)	1d	1,341,153.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,341,153.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	20,117.
5	<b>Net value of noncharitable-use assets.</b> Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,321,036.
6	<b>Minimum investment return.</b> Enter 5% of line 5	6	66,052.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	66,052.
2a	Tax on investment income for 2010 from Part VI, line 5	2a	1,386.
b	Income tax for 2010. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	1,386.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	64,666.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	64,666.
6	Deduction from distributable amount (see instructions)	6	0.
7	<b>Distributable amount as adjusted.</b> Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	64,666.

**Part XII Qualifying Distributions** (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:			
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	101,557.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:			
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	<b>Qualifying distributions.</b> Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	101,557.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	1,386.
6	<b>Adjusted qualifying distributions.</b> Subtract line 5 from line 4	6	100,171.

**Note.** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII Undistributed Income** (see instructions)

	(a) Corpus	(b) Years prior to 2009	(c) 2009	(d) 2010
1 Distributable amount for 2010 from Part XI, line 7				64,666.
2 Undistributed income, if any, as of the end of 2010				
a Enter amount for 2009 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2010:				
a From 2005				
b From 2006				
c From 2007				
d From 2008				35,539.
e From 2009				40,248.
f Total of lines 3a through e	75,787.			
4 Qualifying distributions for 2010 from Part XII, line 4: ▶ \$ 101,557.				
a Applied to 2009, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2010 distributable amount				64,666.
e Remaining amount distributed out of corpus	36,891.			
5 Excess distributions carryover applied to 2010 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	112,678.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2009. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2010. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2011				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2005 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2011. Subtract lines 7 and 8 from line 6a	112,678.			
10 Analysis of line 9:				
a Excess from 2006				
b Excess from 2007				
c Excess from 2008				35,539.
d Excess from 2009				40,248.
e Excess from 2010				36,891.

**Part XIV Private Operating Foundations** (see instructions and Part VII-A, question 9) N/A

**1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2010, enter the date of the ruling ▶

**b** Check box to indicate whether the foundation is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2010	(b) 2009	(c) 2008	(d) 2007	
<b>2 a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
<b>b</b> 85% of line 2a					
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed					
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test - enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
<b>c</b> "Support" alternative test - enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> Gross investment income					

**Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see the instructions.)**

**1 Information Regarding Foundation Managers:**  
**a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

**NONE**

**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

**NONE**

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**  
 Check here  if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

**a** The name, address, and telephone number of the person to whom applications should be addressed:

**SEE STATEMENT 13**

**b** The form in which applications should be submitted and information and materials they should include:

**c** Any submission deadlines:

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

**Part XV** Supplementary Information (continued)

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p><b>a Paid during the year</b></p> <p style="text-align: center;"><b>SEE STATEMENT 14</b></p>				
<p><b>Total</b></p>			<p>▶ 3a</p>	<p><b>66,120.</b></p>
<p><b>b Approved for future payment</b></p>				
<p><b>Total</b></p>			<p>▶ 3b</p>	<p><b>15,000.</b></p>



Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code...
a Transfers from the reporting foundation to a noncharitable exempt organization of:
(1) Cash
(2) Other assets
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule.

Table with columns Yes and No, rows 1a(1) through 1c, with 'X' marks in the No column for 1a(1), 1a(2), 1b(1) through 1b(6), and 1c.

Table with columns (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Content is N/A.

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [ ] Yes [X] No

Table with columns (a) Name of organization, (b) Type of organization, (c) Description of relationship. Content is N/A.

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge. Signature: [Signature], Date: 5-16-11, Title: Director

Paid Preparer Use Only Print/Type preparer's name: RICHARD L VANEK, CPA; Preparer's signature: [Signature]; Date: 5/12/11; Firm's name: S. R. SNODGRASS, A.C.; Firm's address: ASHTABULA, OH 44004; Firm's EIN: [ ]; Phone no.: 440-993-2142

**Schedule B**

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, 990-EZ, or 990-PF.

OBS No 1545-0047

**2010**

Name of the organization <b>THE CONNEAUT FOUNDATION, INC.</b>	Employer identification number <b>34-1752119</b>
--	---

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

- 501(c)( ) (enter number) organization
- 4947(a)(1) nonexempt charitable trust not treated as a private foundation
- 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

- For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year. ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2 of its Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2010)

Name of organization

Employer identification number

**THE CONNEAUT FOUNDATION, INC.**

**34-1752119**

**Part I Contributors** (see instructions)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<p><b>CONNEAUT CHAMBER OF COMMERCE</b></p> <p><b>235 MAIN STREET</b></p> <p><b>CONNEAUT, OH 44030</b></p>	<p>\$ <u>30,000.</u></p>	<p>Person <input checked="" type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
_____	<p>_____</p> <p>_____</p> <p>_____</p>	<p>\$ _____</p>	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
_____	<p>_____</p> <p>_____</p> <p>_____</p>	<p>\$ _____</p>	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
_____	<p>_____</p> <p>_____</p> <p>_____</p>	<p>\$ _____</p>	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
_____	<p>_____</p> <p>_____</p> <p>_____</p>	<p>\$ _____</p>	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>
_____	<p>_____</p> <p>_____</p> <p>_____</p>	<p>\$ _____</p>	<p>Person <input type="checkbox"/></p> <p>Payroll <input type="checkbox"/></p> <p>Noncash <input type="checkbox"/></p> <p>(Complete Part II if there is a noncash contribution.)</p>

Name of organization <b>THE CONNEAUT FOUNDATION, INC.</b>	Employer identification number <b>34-1752119</b>
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**Part II Noncash Property** (see instructions)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

Name of organization <b>THE CONNEAUT FOUNDATION, INC.</b>	Employer identification number <b>34-1752119</b>
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**Part III** Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
<b>Transferee's name, address, and ZIP + 4</b>		<b>Relationship of transferor to transferee</b>	

2010 DEPRECIATION AND AMORTIZATION REPORT

FORM 990-PF PAGE 1

990-PF

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Current Year Deduction
	1 DELL COMPUTER	031210SL		5.00	16	1,969.		0.	1,969.			328.
	* TOTAL 990-PF PG 1					1,969.		0.	1,969.	0.	0.	328.
	DEPR											

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 1

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
KEYBANK NATIONAL ASSOCIATION	35,994.	5,140.	30,854.
TOTAL TO FM 990-PF, PART I, LN 4	35,994.	5,140.	30,854.

FORM 990-PF OTHER INCOME STATEMENT 2

DESCRIPTION	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
FORFEITED GRANTS	12,563.	0.	
TOTAL TO FORM 990-PF, PART I, LINE 11	12,563.	0.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	8,023.	2,006.		6,017.
TO FM 990-PF, PG 1, LN 16A	8,023.	2,006.		6,017.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	3,610.	903.		2,707.
TO FORM 990-PF, PG 1, LN 16B	3,610.	903.		2,707.

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**FORM 990-PF** **OTHER PROFESSIONAL FEES** **STATEMENT** **5**


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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INVESTMENT MANAGEMENT FEES	9,300.	9,300.		0.
STATE OF OHIO FILING FEE	200.	200.		0.
TO FORM 990-PF, PG 1, LN 16C	9,500.	9,500.		0.

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**FORM 990-PF** **TAXES** **STATEMENT** **6**


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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
EXCISE TAX	144.	0.		0.
PAYROLL TAXES	1,649.	412.		1,237.
TO FORM 990-PF, PG 1, LN 18	1,793.	412.		1,237.

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**FORM 990-PF** **OTHER EXPENSES** **STATEMENT** **7**


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DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
BANK FEES	145.	36.		109.
BOARD DEVELOPMENT EXPENSE	1,542.	385.		1,157.
INSURANCE	3,210.	803.		2,407.
MEMBERSHIP DUES	565.	141.		424.
OFFICE EXPENSE	2,043.	511.		1,532.
PROMOTION	1,178.	295.		883.
TELEPHONE EXPENSE	1,803.	451.		1,352.
MISCELLANEOUS	158.	39.		119.
TO FORM 990-PF, PG 1, LN 23	10,644.	2,661.		7,983.

FORM 990-PF OTHER INCREASES IN NET ASSETS OR FUND BALANCES STATEMENT 8

DESCRIPTION	AMOUNT
UNREALIZED GAINS ON INVESTMENTS CARRIED AT MARKET VALUE	10,517.
TOTAL TO FORM 990-PF, PART III, LINE 3	10,517.

FORM 990-PF U.S. AND STATE/CITY GOVERNMENT OBLIGATIONS STATEMENT 9

DESCRIPTION	U.S. GOV'T	OTHER GOV'T	BOOK VALUE	FAIR MARKET VALUE
TREASURIES- US T-BONDS	X		97,360.	97,360.
TOTAL U.S. GOVERNMENT OBLIGATIONS			97,360.	97,360.
TOTAL STATE AND MUNICIPAL GOVERNMENT OBLIGATIONS				
TOTAL TO FORM 990-PF, PART II, LINE 10A			97,360.	97,360.

FORM 990-PF OTHER INVESTMENTS STATEMENT 10

DESCRIPTION	VALUATION METHOD	BOOK VALUE	FAIR MARKET VALUE
EQUITY FUNDS- MUTUAL & COMM/COLL	FMV	1,012,089.	1,012,089.
FIXED INCOME- MUTUAL FDS	FMV	305,701.	305,701.
TOTAL TO FORM 990-PF, PART II, LINE 13		1,317,790.	1,317,790.

FORM 990-PF DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 11

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
DELL COMPUTER	1,969.	328.	1,641.
TOTAL TO FM 990-PF, PART II, LN 14	1,969.	328.	1,641.

FORM 990-PF

PART VIII - LIST OF OFFICERS, DIRECTORS  
TRUSTEES AND FOUNDATION MANAGERS

STATEMENT 12

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JUDITH YESSO 1030 SANDUSKY STREET CONNEAUT, OH 44030	PRESIDENT 10.00	0.	0.	0.
JJ EATON PO BOX 36 CONNEAUT, OH 44030	VICE-PRESIDENT 10.00	0.	0.	0.
JAMES SUPPLEE 1374 LAKE ROAD CONNEAUT, OH 44030	TREASURER 10.00	0.	0.	0.
ANGIE MOORE 305 MAIN ST, PO BOX 740 CONNEAUT, OH 44030	SECRETARY 10.00	0.	0.	0.
JAMES FURMAN 810 MAIN STREET CONNEAUT, OH 44030	PAST PRESIDENT 10.00	0.	0.	0.
TERRY ATKINSON 5684 FURNCE ROAD CONNEAUT, OH 44030	TRUSTEE 0.00	0.	0.	0.
REV. FRANKLIN J GORE 876 GROVE STREET CONNEAUT, OH 44030	TRUSTEE 0.00	0.	0.	0.
JIM GREENFIELD 600 EAST MAIN ST, P.O. BOX 1300 ANDOVER, OH 44003	TRUSTEE 8.00	0.	0.	0.
NICK IAROCCI 213 WASHINGTON STREET CONNEAUT, OH 44030	TRUSTEE 9.00	0.	0.	0.
DAVID NOLAN 2744 STATE ROAD 307, P.O. BOX 110 AUSTINBURG, OH 44010	TRUSTEE 10.00	0.	0.	0.
LEWIS H SHILEY 522 JOANN DRIVE CONNEAUT, OH 44030	TRUSTEE 0.00	0.	0.	0.

THE CONNEAUT FOUNDATION, INC.

34-1752119

MARY ZAPPITELLI  
135 S EAGLE STREET  
GENEVA, OH 44041

TRUSTEE  
12.00

0. 0. 0.

TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII

0. 0. 0.



FORM 990-PF

GRANTS AND CONTRIBUTIONS  
PAID DURING THE YEAR

STATEMENT 14

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
CONNEAUT FESTIVAL COMMITTEE CONNEAUT, OH 44030	N/A PROJECTS FUND		1,000.
CONNEAUT FIREWORKS COMMITTEE CONNEAUT, OH 44030	N/A FIREWORKS		7,500.
CONNEAUT PORT AUTHORITY CONNEAUT, OH 44030	N/A MARKETING STUDY		16,750.
LEAF CONNEAUT, OH 44030	N/A HOME REPAIRS		4,954.
ACCESS JEFFERSON, OH 44047	N/A COLLEGE VISITS		2,916.
GOOD SHEPHERD LUTHERAN CHURCH/EAGLE SCOUTS CONNEAUT, OH 44030	N/A PLAYGROUND PROJECT		8,000.
C.A.R.E. FOR KIDS COMMITTEE CONNEAUT, OH 44030	N/A PRESS BOX UPGRADES		8,090.
KARING WAYS PRESCHOOL CONNEAUT, OH 44030	N/A CLASSROOM COMPUTERS		3,510.

THE CONNEAUT FOUNDATION, INC.

34-1752119

KINGSVILLE PUBLIC LIBRARY  
KINGSVILLE, OH 44048

N/A  
CHILD/TEEN PROGRAMING

3,400.

CATHOLIC CHARITIES OF ASHTABULA  
COUNTY  
ASHTABULA, OH 44004

N/A  
HALO PROGRAM

5,000.

CIVIC DEVELOPMENT CORPORATION  
ASHTABULA, OH 44004

N/A  
PROGRAMS

5,000.

TOTAL TO FORM 990-PF, PART XV, LINE 3A

66,120.

FORM 990-PF

GRANTS AND CONTRIBUTIONS  
APPROVED FOR FUTURE PAYMENT

STATEMENT 15

RECIPIENT NAME AND ADDRESS	RECIPIENT RELATIONSHIP AND PURPOSE OF GRANT	RECIPIENT STATUS	AMOUNT
FRIENDLY NEIGHBOR PROGRAM GENEVA, OH 44041	N/A SENIOR CITIZEN SERVICES		5,000.
C.A.R.E. FOR KIDS COMMITTEE CONNEAUT, OH 44030	N/A PRESS BOX UPGRADES		3,910.
KARING WAYS PRESCHOOL CONNEAUT, OH 44030	N/A CLASSROOM COMPUTERS		690.
KINGSVILLE PUBLIC LIBRARY KINGSVILLE, OH 44048	N/A CHILD/TEEN PROGRAMING		2,400.
W. SPRINGFIELD UNITED METHOLDIST CHURCH/ALL GOD'S CHILDREN MINISTRIES WEST SPRINGFIELD, PA 16443	N/A WHEEL CHAIR RAMPS		3,000.
TOTAL TO FORM 990-PF, PART XV, LINE 3B			15,000.

CONNEAUT FDN INC  
 Schedule D Detail of Short-term Capital Gains and Losses

34-7221990

M-T/A 20

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Short-term Gain/Loss
328.097 KT DIVERSIFIED EQUITY	04/02/2009	01/07/2010	55,727.01	42,687.26	13,039.75
41.307 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	11/30/2009	02/09/2010	452.31	456.03	-3.72
30.139 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	01/29/2010	02/09/2010	330.02	330.32	-0.30
51.434 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	10/30/2009	02/09/2010	563.20	562.69	0.51
56.094 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	09/30/2009	02/09/2010	614.23	612.55	1.68
98.082 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	12/09/2009	02/09/2010	1,074.00	1,068.11	5.89
27.284 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	12/09/2009	02/09/2010	298.76	297.12	1.64
39.882 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	12/31/2009	02/09/2010	436.71	430.73	5.98
58.792 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	08/31/2009	02/09/2010	643.77	633.78	9.99
210.103 DODGE & COX INTERNATIONAL					
AL STOC F OPEN-END FUND	01/07/2010	08/18/2010	6,572.03	6,876.67	-304.64
793.121 ROYCE FD PREMIER SER	07/14/2010	08/18/2010	13,142.01	13,173.74	-31.73
61.36 DODGE & COX INTERNATIONAL					
L STOC F OPEN-END FUND	01/07/2010	09/21/2010	2,031.03	2,008.31	22.72
1184.236 ROYCE FD PREMIER SER	07/14/2010	09/21/2010	20,582.02	19,670.16	911.86
151.723 DODGE & COX INTERNATIONAL					
AL STOC F OPEN-END FUND	01/07/2010	09/27/2010	5,063.01	4,965.89	97.12
391.586 ROYCE FD PREMIER SER	07/14/2010	09/27/2010	6,841.01	6,504.24	336.77
35.233 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	10/29/2010	11/04/2010	414.69	411.87	2.82
31.285 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	09/30/2010	11/04/2010	368.23	362.91	5.32
37.221 PIMCO FUNDS-TOTAL					
RETURN FUND OPEN-END FUND	09/27/2010	11/04/2010	438.09	431.02	7.07
340. PIMCO FUNDS-TOTAL RETURN					
FUND OPEN-END FUND INSTL C	09/27/2010	11/30/2010	3,906.60	3,937.20	-30.60
<b>Totals</b>					



CONNEAUT FDN INC  
 Schedule D Detail of Long-term Capital Gains and Losses

34-7221990

M-T/A 20

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
<b>15% RATE CAPITAL GAINS (LOSSES)</b>					
381.002 VICTORY FUND FOR INCOME FUND	03/04/2004	02/09/2010	4,423.43	4,888.25	-464.82
11.506 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	07/25/2006	03/08/2010	327.01	389.48	-62.47
117.105 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	07/25/2006	03/18/2010	3,389.01	3,964.00	-574.99
21.405 KT DIVERSIFIED EQUITY	04/02/2009	04/05/2010	3,747.06	2,950.08	796.98
77.96 KT DIVERSIFIED EQUITY	04/02/2009	04/29/2010	13,862.07	10,950.98	2,911.09
164.959 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	07/25/2006	07/14/2010	4,613.90	5,583.86	-969.96
27.515 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/15/2006	07/14/2010	769.59	928.92	-159.33
152.457 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/15/2006	07/14/2010	4,264.22	5,146.94	-882.72
5.527 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/15/2006	07/14/2010	154.59	186.58	-31.99
7.127 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/17/2007	07/14/2010	199.34	235.20	-35.86
4.252 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/17/2007	07/14/2010	118.93	140.32	-21.39
251.229 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/17/2007	07/14/2010	7,026.88	8,290.56	-1,263.68
537.617 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	06/18/2009	07/14/2010	15,037.15	12,182.40	2,854.75
267.804 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	06/24/2009	07/14/2010	7,490.00	5,926.50	1,563.98
944.28 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/22/2008	07/14/2010	26,411.51	19,480.50	6,931.01
109.033 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	12/15/2008	07/14/2010	3,049.65	2,229.73	819.92
588.15 NEUBERGER BERMAN GENESIS FD MUTUAL FUND	04/02/2009	07/14/2010	16,450.56	11,986.50	4,464.06
<b>Totals</b>					





# Account Statement

CONNEAUT FDN INC M-T/A 20-24-200-0579660

December 1, 2010 - December 31, 2010

## Holdings Detail-Principal Assets

EQUITIES	Description	Quantity	Unit price	Market value	Cost per unit	Tax cost	Unrealized gain/loss	Estimated annual income	Current market yield (%)
<b>EQUITY FUNDS</b>									
<b>MUTUAL FUNDS</b>									
	DODGE & COX INTERNATIONAL STOC F OPEN-END FUND DODFX	8,690.267	35.71	310,329.43	24.31	211,291.54	99,037.89	4,302	1.39
	LAZARD EMERGING MARKETS PORTF OPEN-END FUND INSTL CL LZEMX	3,785.290	21.78	82,443.62	18.61	70,429.02	12,014.60	958	1.16
	ROYCE FD PREMIER SER MUTUAL FUND RYPRX	4,388.796	20.35	89,312.00	16.65	73,083.60	16,228.40	1,238	1.39
	<b>TOTAL MUTUAL FUNDS</b>			<b>\$482,085.05</b>		<b>\$354,804.16</b>	<b>\$127,280.89</b>	<b>\$6,497</b>	<b>1.35</b>
<b>COMMON/COLLECTIVE FUNDS</b>									
	KT DIVERSIFIED EQUITY FUND <i>Original Investment: \$285,713.80</i>	2,261.659	185.24 12/30/10	418,957.86	143.13	323,702.53	95,255.33	8,904	2.13
	CHARITABLE MID CAP FUND <i>Original Investment: \$66,880.15</i>	617.769	179.75 12/30/10	111,045.95	127.32	78,651.88	32,394.07	1,467	1.32
	<b>TOTAL COMMON/COLLECTIVE FUNDS</b>			<b>\$530,003.81</b>		<b>\$402,354.41</b>	<b>\$127,649.40</b>	<b>\$10,371</b>	<b>1.96</b>
	<b>TOTAL EQUITY FUNDS</b>			<b>\$1,012,088.86</b>		<b>\$757,158.57</b>	<b>\$254,930.29</b>	<b>\$16,868</b>	<b>1.67</b>
	<b>TOTAL EQUITIES</b>			<b>\$1,012,088.86</b>		<b>\$757,158.57</b>	<b>\$254,930.29</b>	<b>\$16,868</b>	<b>1.67</b>



# Account Statement

CONNEAUT FDN INC M-T/A 20-24-200-0579660

December 1, 2010 - December 31, 2010

## Holdings Detail-Principal Assets

FIXED INCOME	Description	Quantity	Unit price	Market value	Cost per unit	Tax cost	Unrealized gain/loss	Estimated annual income	Current market yield (%)
<b>TREASURIES</b>									
US T-BONDS: US T-NOTES									
UNITED STATES TREAS BDS									
	DTD 11/15/96 6 50% DUE 11/15/26	75,000.00	129.81	97,359.75	105.62	79,221.00	18,138.75	4,875	5.01
	Acquired 02-22-1979			\$97,359.75		\$79,221.00	\$18,138.75	\$4,875	5.01
	TOTAL US T-BONDS: US T-NOTES			\$97,359.75		\$79,221.00	\$18,138.75	\$4,875	5.01
<b>FIXED INCOME FUNDS</b>									
<b>MUTUAL FUNDS</b>									
	PIMCO FUNDS-TOTAL RETURN FUND	12,540.545	10.85	136,064.91	10.17	127,493.80	8,571.11	\$4,414	3.24
	OPEN-END FUND INSTL CL								
	PTTRX								
	TEMPLETON GLOBAL BOND FUND	4,399.458	13.56	59,656.65	13.45	59,158.14	498.51	\$2,697	4.52
	OPEN-END FUND ADV CL								
	TGBAX								
	VICTORY FUND FOR INCOME FUND	9,505.585	11.57	109,979.62	12.35	117,413.52	-7,433.90	\$6,970	6.34
	IPFX								
	TOTAL MUTUAL FUNDS			\$305,701.18		\$304,065.46	\$1,635.72	\$14,082	4.61
	TOTAL FIXED INCOME FUNDS			\$305,701.18		\$304,065.46	\$1,635.72	\$14,082	4.61
	TOTAL FIXED INCOME			\$403,060.93		\$383,286.46	\$19,774.47	\$18,957	4.70





# Account Statement

CONNEAUT FDN INC M-T/A 20-24-200-0579660

December 1, 2010 - December 31, 2010

## Holdings Detail-Income Assets

Description	Quantity	Unit price	Market value	Cost per unit	Tax cost	Unrealized gain/loss	Estimated annual income	Current market yield (%)
<b>CASH EQUIVALENTS</b>								
Money market instruments								
KT SHORT TERM DEPOSIT FUND MMFPT	1,938.28	1.00	1,938.28	1.00	1,938.28	0.00	4	0.20
<b>Total Money market instruments</b>			<b>\$1,938.28</b>		<b>\$1,938.28</b>	<b>\$0.00</b>	<b>\$4</b>	<b>0.20</b>
<b>TOTAL CASH EQUIVALENTS</b>			<b>\$1,938.28</b>		<b>\$1,938.28</b>	<b>\$0.00</b>	<b>\$4</b>	<b>0.20</b>
<b>Total Income Assets</b>			<b>\$1,938.28</b>		<b>\$1,938.28</b>	<b>\$0.00</b>	<b>\$4</b>	<b>0.20</b>