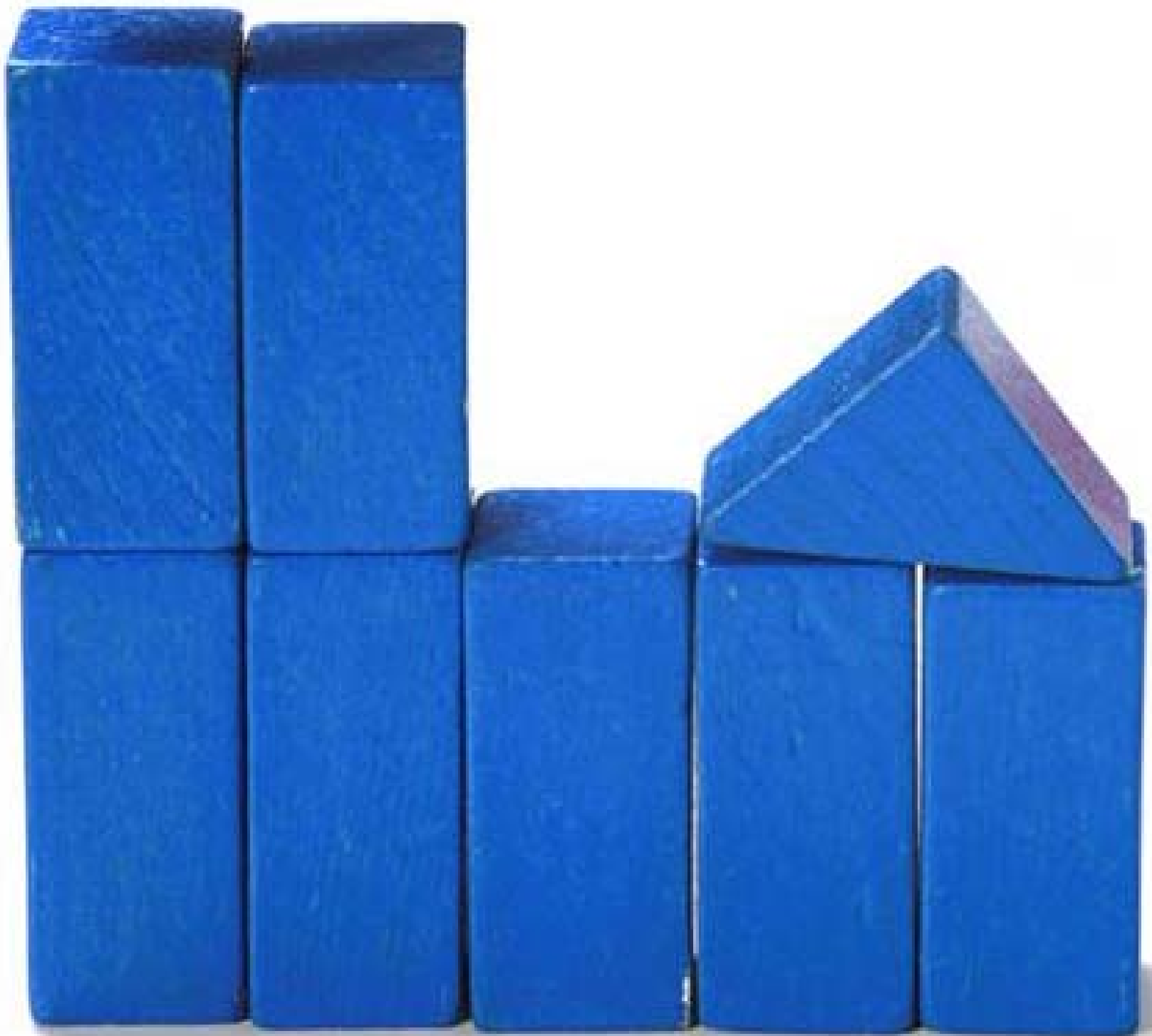




# **2012 Annual Report**

**Smoky Valley Community Foundation**  
**“Building the Community You Want!”**



# Our Mission is to meet charitable community needs through leadership, grants, and services.

The Foundation achieves its missions by:

- Building permanent endowments which can benefit local communities
- Inspiring and enabling donors to fulfill their charitable desires
- Facilitating prudent management and care of funds
- Increasing the capacity of nonprofit organizations to fulfill their individual missions
- Advocating for issues which promote community philanthropy
- Facilitating grants, awards, and scholarships

## Contents

*(Information in this report reflects Foundation activity for FY 2012, July 1, 2011 through June 30, 2012.)*

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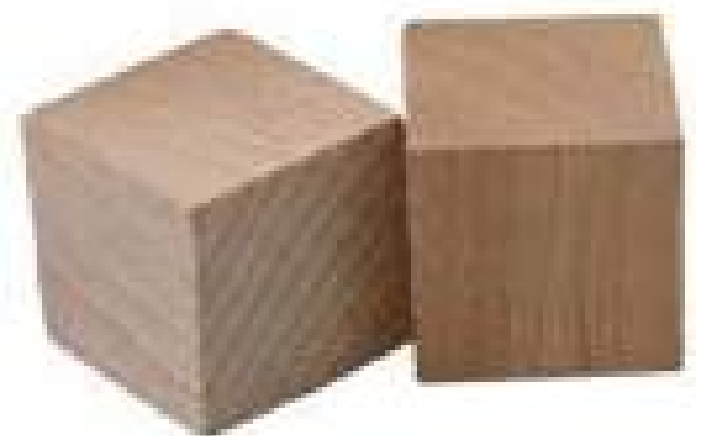
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# Letter from our Board Chair...

Dear Friends,

Building on the excitement of last year, the Smoky Valley Community Foundation has completed another successful year, fulfilling its mission to meet “charitable community needs through leadership, grants, and services.” Just to mention a few, we...

- Began to enjoy some very tangible benefits of participating in the Kansas Health Foundation’s Giving Resources to our World (GROW) II program.
- Awarded a record \$8,250 from the Foundation’s Community Enhancement fund. (Read about this on pages 10-11).
- Built a social media presence through “Philanthropy Friday” designed to raise more awareness of the Foundation in the online community.
- Sponsored our first ever workshop on planned giving for non-profit organizations, offered at no charge to area non-profits.
- Participated in a very dynamic strategic planning process for the Smoky Valley Community Foundation board that has set the course for future success.

As I write, we are also carrying out one of the objectives identified in the strategic planning process - recruiting a contract executive director. This individual, along with our board of directors, will provide an increased level of service to our donors. With a contract executive director our intent is to provide more opportunities to assist donors in fulfilling their charitable dreams.

Through the gifts of generous donors and the leadership of a dedicated board of directors, the Smoky Valley Community Foundation has laid a solid foundation for future success. However, we need YOU to help us build on this success. In the following pages you will read about how to make a charitable bequest and ideas for creative giving such as a gift of grain. Please contact me if you would like more information on building a charitable legacy of your own.

Sincerely,



Rebecca Norlin Van Der Wege, Chair  
Smoky Valley Community Foundation

# Helping Build the Community!

## 2011-2012 Board of Directors

Rebecca Van Der Wege,  
*Chair*

Jim Copple, *Vice-Chair*

Carol Gusenius, *Secretary*

John Palmquist,  
*Treasurer*

Kirsten Bruce

Aaron Esping

Jean Kozubowski

Bill Lindholm

Shane Reif

Shirley Reissig

Kathy Richardson

Steve Sjogren



*SVCF Board Member, Carol Gusenius, presents Robin Dutton with a \$25 Giving Card as part of our Philanthropy Friday Facebook Campaign.*

## Ten reasons to help build the Foundation

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### One

We are a **local organization** with deep roots in the community.

---

### Two

We are an affiliate with the Greater Salina Community Foundation who has staff with **broad expertise** regarding community issues and needs.

---

### Three

We provide **personalized service** tailored to each individual's charitable and financial interests.

---

### Four

Our funds help people **invest** in the causes they care about most.

---

### Five

We accept a wide **variety of assets**, and can facilitate even the most complex forms of giving.

---

### Six

We partner with **professional advisors** to create highly effective approaches to charitable giving.

---

### Seven

We offer maximum **tax advantage** for most gifts under federal law.

---

### Eight

We **multiply the impact** of gift dollars by pooling them with other gifts and grants.

---

### Nine

We build **endowment funds** that benefit the community forever and create legacies.

---

### Ten

We are a **community leader**, convening agencies and coordinating resources to create positive change.

# Charitable Bequests:

## Start building your legacy now

Charitable bequests are the most frequent type of planned gift made to charity. They can be created with different types of assets including land, retirement assets, or insurance. The estate receives a charitable deduction for the full amount given, so heirs pay no estate tax on the gift.

Charitable bequests are a great way to build your legacy at the Foundation while still maintaining control of needed assets during your lifetime. A bequest may be made to the Foundation in several different ways:

- Gift a percentage of your estate
- Gift of a specific dollar amount or asset
- Gift from the balance or residue of your estate

### 3 steps to a bequest

1. Update your will, trust or beneficiary designation to the Smoky Valley Community Foundation. We can provide your professional advisor with recommended language to make this a seamless process.
2. Determine your charitable legacy— education, your church, the arts, human services, etc... The options are endless.
3. Contact the Foundation to fill out a Fund for the Future fund agreement. This simple two page agreement can be revised over the years through our office without any attorney or court fees.



# Building Funds Today...

## 2011-2012 Donors

The Foundation could not exist without donors and is blessed every year with a multitude of generous donors. These gifts are contributed to a variety of funds here at the Foundation and touch several different charitable causes. Some gifts are large and some are small, but they all help build not only the Foundation, but our community!

Dorothy Ahlers	Mike & Lorita Doherty
Michael Ahlers	Laurie Donley
Karmon & Mary Ann Almquist	David & Madelene Donmyer
Brian & Rhonda Anderson	Margarete Dorsch
Donald & Dorene Anderson	Matthew & Amy Dougan
Anonymous	Dirk & Naomi Durant
Carl Applequist	Vance & Clarice Eckstrom
The Associated Churches of Lindsborg	Margaret Eddy
James Attleson	Larry & Marla Elmquist
Nancy Aumann	John & B.W. Englund
Arthur & Kristen Baker	Donald & Rose Erickson
Linda Ball	Aaron & Inge Esping
Patricia Bellah	Paul & Patricia Formo
Donald & Kathey Bengtson	Donna Forsberg
Betty Berggren	Duane & Nancy Fredrickson
Shirley Ann Bloomquist	Alejandro & Beatrice Gallardo
Carl & Steffanie Bollwinkel	James & Mary Gammell
Sharon Bruce	Clarence Goracke
Leon & Judith Burch	Byron & Leanne Grauerholz
Barbara Buskirk	Betty Nelson
Joy Callabresi & Jean Curry	John & Jennifer Greenup
David & Lois Carlson	Greater Kansas City Community Foundation/Greater Horizons
William & Doris Carlson	William & Carol Gusenius
C. J. Christensen	Arvin & Judith Hahn
Rolland & Aileen Christenson	Joel & Jennifer Hake
City of Lindsborg	Elna F. Haubold
Jim & Cindy Copple	Deanne Haverfield
K. S. & J. D. Cowee	Dorothy Hedquist
Randall & Jean Curry	Charles Hefner
Ronald & Susan Dahlsten	Russell & Theresa Hefner
Harvey & Cindy Daniels	Michael & Arlis Henry
Henrietta Dirks	

Sharon Hoffman & Deann Brodin  
 E. I. & G. J. Holdsworth  
 Holm Automotive Center  
 Delmar Homan  
 Derek & Debbie Jacobson  
 M. & Ruth Jensen  
 Arlen & Cecilia Johnson  
 Elma Johnson  
 Richard & Ann Johnson  
 Rebecca Johnson-McNichols  
 Kansas Health Foundation  
 Joan L. Kern  
 Ted & Nancy Kessinger  
 Kurt & Jean Ann Knappenberger  
 Gail & Cheryl Konzem  
 Adam Krug & Aubrey Streit Krug  
 Joseph & Kristen LaJeunesse  
 Karen L. Launsby  
 Ruth Ann Leaf  
 Fred & Geraldine Leonard  
 Robert Lindholm  
 Bill & Gay Lindholm  
 Richard & Anne Linenberger  
 Violet Linne  
 Linda G. Lungstrom  
 Ronald & Marcia MacLennan  
 Janelle Magnuson  
 John & Darlene Magnuson  
 Bobby & Jana Martin  
 Richard & Julianne Martin  
 Gary & Dixie Mattas  
 Stanley McClurg & Kelli Krase  
 Sandra McCurdy  
 Daniel & Lori McKinney  
 Kevin Mendenhall  
 James & Dancle Miracle  
 John & Judith Murphy  
 Landvis Nelson  
 Phyllis Newson  
 Clair & Jerrine Oleen  
 Warren & Lynnda Olson  
 Dennis & Elizabeth Orr  
 Eleanor R. Ostlind  
 Michael & Barbara Pappas  
 James & Mary Parker  
 Jessica Patterson  
 Peace Lutheran Church  
 John & Carol Pearson  
 Walter & Dolores Pelz  
 Leroy & Cora Petersen  
 Chester & Mary Peterson  
 Walden & Ruth Peterson  
 William & Judy Pettijohn  
 Thomas Poole  
 John & Margaret Presley  
 Tim & Pam Rankin  
 Louise Rawson  
 Mr. & Mrs. Clint Reuter  
 Travis & Tessa Rohrberg  
 Ronald & Marsha Rolander  
 Bill & Deniece Roth  
 Harold & Cheryl Rothgeb  
 Lee & Susie Ruggels  
 Shawn & Patti Rupert  
 Betty Russin  
 Melanie Ryding  
 Dale Sader & Karil Bellah  
 Salina Regional Health Foundation  
 Leanna Schmutz  
 Dave & Sharon Schrag  
 Steven & Carla Scott  
 Kenneth & Marilyn Sjogren  
 Darlene Smith  
 Walter Sobryan  
 Mrs. Nels Soby  
 William Soby  
 Ann Streufert  
 Victor & Carolyn Streufert  
 Ted & Angela Sundell  
 Julian Sundgren  
 Larry & Amy Swann  
 Dale & Kristine Swanson  
 Keir & Ashley Swisher  
 Doug & Linda Talbott

# 2011-2012 Donors (continued)

Scott & Lynn Tidmus  
Ione Toll  
Gene & Susan Unruh  
Larry & Rebecca Van Der Wege  
Aaron & Kori Walker  
Joel & Freda Woodard  
Vickie L. Woodworth

## Honorariums

A charitable gift is a wonderful way to honor someone you love or admire. The Foundation receives gifts made in honor of others throughout the year. Gifts were received in honor of:

Bill Roth

## Memorials

A memorial given to the Community Foundation in the name of a loved one will benefit the community forever. Memorials can be directed to any established fund, or can be added to the Smoky Valley Community Enhancement Fund for the Foundation to meeting ongoing community needs. Last year, gifts were received in memory of:

Dr. Charles “Chuck” Englund



# A Solid Base: Our Founders

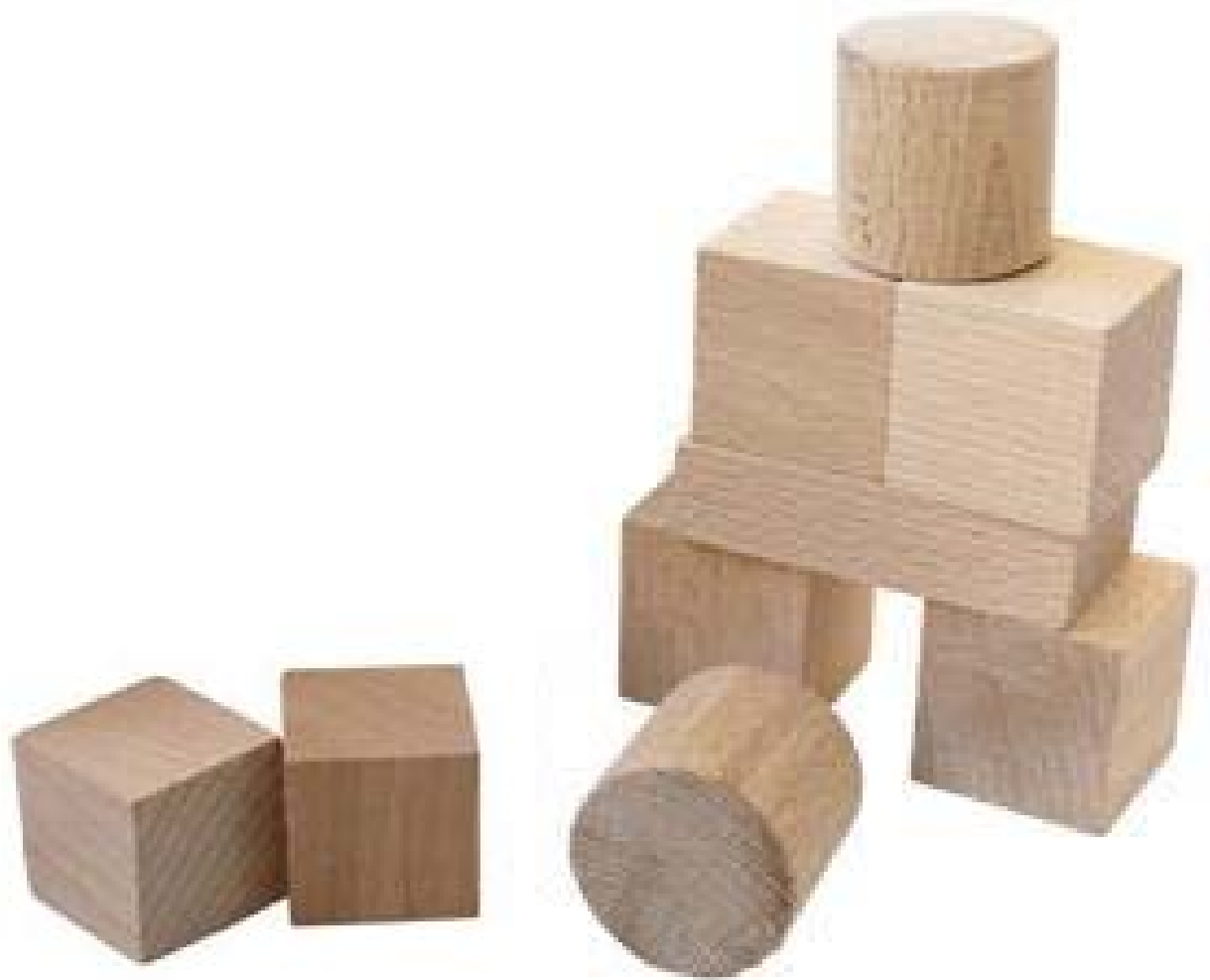
The Founding Donors built the base on which the Foundation's success stands on today. We are forever grateful for the support of these generous donors who heard the story and believed in the vision of the Smoky Valley Community Foundation. Because of them, we are truly building a better community.

## Individuals & Families

Maleta Forsberg  
Judy M. Neuschafer  
Ronald & Marsha Rolander  
Lee & Susie Ruggels

## Business Entities

Bethany College  
Bethany Home  
Carlson Accounting, Inc.  
City of Lindsborg  
Clark, Mize & Linville, Chtd.  
Lindsborg Community Hospital  
Raymer Society  
Sandzén Memorial Art Gallery



## Building Community Assets...

For over 50 years, Broadway RFD has committed to bringing quality theatre to the Smoky Valley area. To sustain this level of quality, a \$1500 grant was made to Broadway RFD to update their sound and light systems.

“Broadway RFD knew that when we started seriously considering renovating our sound and light systems, it would be a long and difficult process. Last year, SVCFC made this process easier by awarding us a grant of \$1500. We are so grateful for this money. Without it, we never would have been able to kick start our efforts,” said Christina Bartlett, *President*

The grant helped purchase an entire functioning sound system including cables, microphones, speakers and sound board. During the production of *Pirates and Penzance*, Broadway RFD was proud to be fully independent in its sound capabilities. They also refurbished existing lighting and bought four new LED lights with a goal to eventually replace the entire lighting system with LED lights.



*Broadway RFD production Pirates of Penzance, Summer 2012*

# Foundation Funds & Grants

\* Denotes new fund

Making grants— It's what we do at the Foundation. (Well, it is not the *only* thing that we do, but we do a lot of it!) At the core of our work, we make grants from funds entrusted to us by donors to fulfill charitable needs. Some grants have specific guidelines for funding, while others are open to a broad range of charitable options. Since inception, SVCF has awarded \$716,797 in charitable grants.

## Smoky Valley Community Enhancement Fund

This unrestricted grant fund allows the Foundation the flexibility to meet current community needs. Grants are awarded once during the fall in a competitive grant process.

Funding for this grant program comes from donations, memorials, and other gifts to the Smoky Valley Community Foundation. Gifts of any size are welcome additions to this important community grant fund and will help earn a 50% match from the Kansas Health Foundation's GROW II matching grant program.

**\$250—Bethany Church:** To provide healthy after school snacks for children in the Kids in Christ's Kingdom (K.I.C.K.) program.

**\$1,500—Broadway RFD:** To help upgrade their sounds and light systems.

**\$1,000—Lindsborg Arts Council:** To sponsor a public U.S. Coast Guard Band concert.

**\$2,000—Lindsborg Community Library:** To help provide a new circulation system.

**\$1,500—Lindsborg Community Hospital:** To train local medical providers, athletic directors, trainers and coaches in concussion management.

**\$2,000—Lindsborg Swedish Folk Dancers:** To help purchase a replacement Dala van.

# Foundation Funds & Grants (cont'd.)

## Organization Funds

The Foundation partners with nonprofit charitable organizations which are making a difference in our community through direct service to our neighbors. Charitable organization can establish endowments in the Foundation that provide an income stream back to them to further their charitable work, or continue to grow for future needs. Contributions to these funds come from donors and from the organizations themselves.

### Current Funds

The Associated Churches of Lindsborg Fund  
Bethany Home Association Fund  
Lindsborg Community Health Care Foundation, Inc. Fund  
Lindsborg Community Hospital Restricted Fund  
Lindsborg Community Library Fund  
Lindsborg Swedish Folk Dancer Fund

### Organization Fund 2012 Grantees

Total grants: \$13,714

Bethany Home Association  
Lindsborg Community Health Care Foundation, Inc.  
Lindsborg Community Hospital

## Scholarship Funds

Scholarship funds allow donors to provide educational opportunities for graduates of certain schools, for specific funds of study, or for study at particular institutions. With guidance from Foundation staff, donors can outline eligibility and selection requirements.

### Current Funds

The Dr. Charles Englund Memorial Scholarship Fund\*  
Judith K. Burch Scholarship Fund  
Smoky Valley Elementary Education Scholarship Fund  
Mona Peterson Community Service Scholarship Fund  
Smoky Valley Area Swedish Heritage Scholarship Fund

### Scholarship Fund 2012 Grantees

Total grants: \$1,800 (*Paid from July 1, 2011 through June 30, 2012*)

Hannah Fahrethold, *Central Christian College of Kansas*  
Rachel Norberg, *Kansas State University*  
Taylor Whittaker, *Bethany College*

## Designated Funds

For donors who know exactly what or whom they want to support, Designated Funds are the answer. Donors establish an endowed fund for their favorite charity or charities. The Foundation administers annual grants from the fund in the donor's name, forever. In the event a designated charity no longer exists the Foundation ensures that annual gifts are redirected to an appropriate charitable need, all the while keeping in mind the donor's original intent.

### Current Funds

Bethany College Designated Fund  
Joyce Challans Memorial Designated Fund  
Kansas Health Foundation Operating Fund for Smoky Valley\*  
Clyde & Glenn Lindstrom Designated Fund  
Messiah Lutheran Church Designated Fund  
Designated Fund for Lindsborg Arts Council  
Designated Fund for Trinity United Methodist Church  
Lindsborg Playground Improvement Fund  
The Roth Family Fund  
Smoky Valley Lindstrom Scholarship Fund  
Smoky Valley Westman Scholarship Fund

### Designated Fund 2012 Grantees

Total grants: \$39,701

City of Lindsborg  
Lindsborg Arts Council  
Messiah Lutheran Church  
Smoky Valley USD 400  
Smoky Valley Unified School Education Foundation  
Trinity United Methodist Church

## Donor Advised Funds

A Donor Advised fund gives donors all the benefits of a private foundation without the hassle and with better tax advantages. Once the fund is established, donors suggest grants to support their favorite charities. The Foundation handles investment, administration and correspondence.

### Current Funds

Rotary Club of Lindsborg Donor Advised Fund

# Foundation Funds & Grants (cont'd.)

## Field of Interest Funds

Field of Interest funds allow donors to designate a specific issue or geographic area for grant making, but not specific organizations. Grants are made through an application process administered by the Foundation. Sometimes an advisory group with expertise in the field of interest is utilized in the grant review process.

### Current Funds

Heritage Fund

Kansas Health Foundation Fund for Smoky Valley\*

Smoky Valley Healthy Living Fund

### Field of Interest Fund 2012 Grantees

Total grants: \$2,000

McPherson County Old Mill Museum

Midsummers Day Festival Committee

Smoky Valley Senior Writers

## Funds for the Future

Funds for the future provide a way to give for donors who prefer to contribute gifts at the end of their lifetimes.

### Current Funds

The Chester G. Peterson and Jeanette G. Peterson Fund

The Larry and Rebecca Van Der Wege Fund

## Other Funds

Smoky Valley Administrative Fund

Our administrative fund is the engine that keeps the Foundation going. It is used for operating costs as well as to provide the community with educational opportunities such as nonprofit workshops, professional advisor workshops and estate planning seminars. Continued support of this fund will eventually help us pay to have a local staff member, which will allow us to grow faster and continue to improve the quality of life for the residents of the Smoky Valley area.

# Partnering with the Kansas Health Foundation to Build Communities

After a successful first year in the Kansas Health Foundation's GROW II program, SVCF was awarded \$60,000 in matching dollars from the KHF to establish two new funds— The Kansas Health Foundation Fund for Smoky Valley, a public health fund, and The Kansas Health Foundation Operating Fund for Smoky Valley, an endowed operating fund. They were also awarded a \$10,500 operating grant for meeting certain benchmark requirements.

Grants from the Kansas Health Foundation Fund for Smoky Valley will be combined with grants from the Smoky Valley Healthy Living Fund to support public health initiatives for the Smoky Valley area. Grants from the Kansas Health Foundation Operating Fund for Smoky Valley will help support SVCF's annual operating expenses.

Since starting the Kansas Health Foundation's GROW II Challenge in 2010, the Foundation has increased its assets more than seven times from about a little over \$200,000 to over \$1.7 million.



# Gift of Grain... Building Stronger Communities One Bushel at a Time!

Making a charitable gift of grain is an easy way to help build our communities while also reaping certain tax benefits. By giving grain to SVCF, you *avoid including the sale of the grain in your farm income*. There is no charitable deduction for donated grain because no income is recognized on the donation.

## When you donate bushels instead of the cash for the sale of those bushels:

- The value of the grain is not included on Schedule F
- The expenses related to the production of that grain stay on Schedule F in the year paid.
- Federal, state, and self-employment tax are not paid on the value of the donated grain.
- Your yield records are unaffected by a gift of grain, preserving your baseline for years to come.

**To receive the tax breaks** and comply with tax code rules and regulations, the grain must be given to the Community Foundation before the sale takes place. The Community Foundation will then turn around and sell the grain.

**In a nutshell...** Take your crop to your grain buyer, tell the company how much of the grain you want to put into an account for SVCF. The grain buyer notifies SVCF, which will then sell the bushels. The amount received for the bushels will then be put into an endowed fund of your choice and will continue to grow and help build stronger communities.

**Please consult** with your professional advisor for legal and tax advice on how a gift of grain to SVCF may apply to your circumstances.





# A GROWing Opportunity!

The Smoky Valley Community Foundation is in its second year of a **\$300,000 matching grant** challenge through the Kansas Health Foundation's Giving Resources to our World (GROW II) Healthy Kansas Initiative. New endowed gifts of any size given to the SVCF by the end of 2016 will help earn either a **50% or a 25% match** from the Kansas Health Foundation (KHF). Matching dollars earned by SVCF will go towards a public health fund to benefit the Smoky Valley area as well as an administrative fund to support the Foundation's efforts.

**I would like to be part of this GROWing opportunity with a \$\_\_\_\_\_ donation to the following fund(s):**

## To earn a 50% match...

- \_\_\_ Smoky Valley Community Enhancement Fund (*unrestricted community grant fund*)
- \_\_\_ Smoky Valley Administrative Fund
- \_\_\_ Smoky Valley Healthy Living (*public health fund*)

## To earn a 25% match...

- |  |   |
|--|---|
| ___ Bethany College                    | ___ Heritage Fund   |
| ___ Joyce Challens Memorial            | ___ Bethany Home Organization                             |
| ___ Lindsborg Arts Council             | ___ Lindsborg Community Health Care Foundation, Inc.      |
| ___ Lindsborg Playground Improvement   | ___ Lindsborg Community Hospital Restricted               |
| ___ Clyde & Glen Lindstrom             | ___ Lindsborg Community Library                           |
| ___ Messiah Lutheran Church            | ___ Lindsborg Swedish Folk Dancer                         |
| ___ Roth Family Fund                   | ___ The Associated Churches of Lindsborg                  |
| ___ Smoky Valley Lindstrom Scholarship | ___ Other Fund at SVCF ( <i>fill in the blank below</i> ) |
| ___ Smoky Valley Westman Scholarship   |   |
| ___ Trinity United Methodist Church    |   |

(This fund does not qualify for a match from KHF)

\_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State, Zip)

\_\_\_\_\_  
(Phone)

\_\_\_\_\_  
(Email)

I wish to remain anonymous.

**Please make checks payable to SVCF and mail to:  
P.O. Box 84, Lindsborg, KS 67456**



## Investment Info

The Foundation believes the best long-term performance will be achieved through a balanced portfolio consisting of 75% equities and 25% fixed income and cash.

As an affiliate of the Greater Salina Community Foundation (GSCF), the funds at the Smoky Valley Community Foundation are pooled together with all the funds held by GSCF and their affiliates. The funds are invested with Vanguard and governed by a local Finance Committee at GSCF.

We are confident in our performance and rate well when compared to other investment pools.

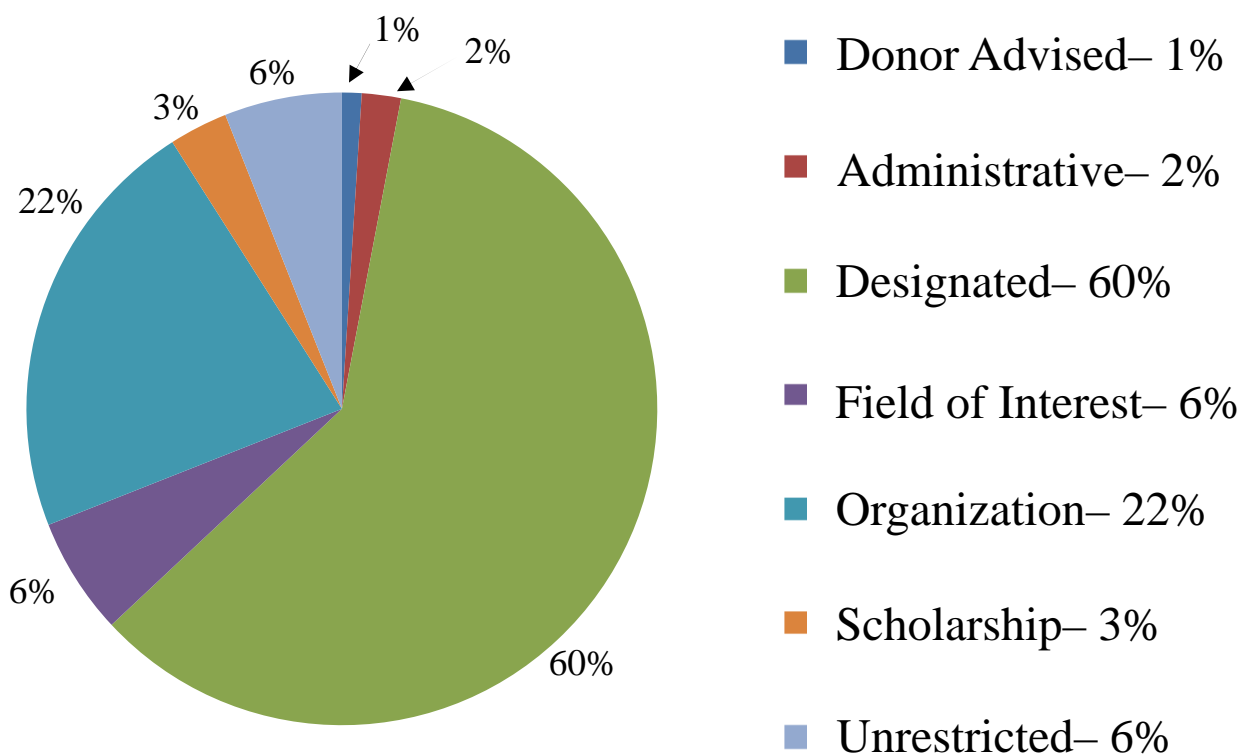
Our 5 year annualized return is 1.71%, which rates higher than the 75% S&P 500 Stock Index + 25% Barclays Intermediate Bond Index of 1.67%.

# Foundation finance

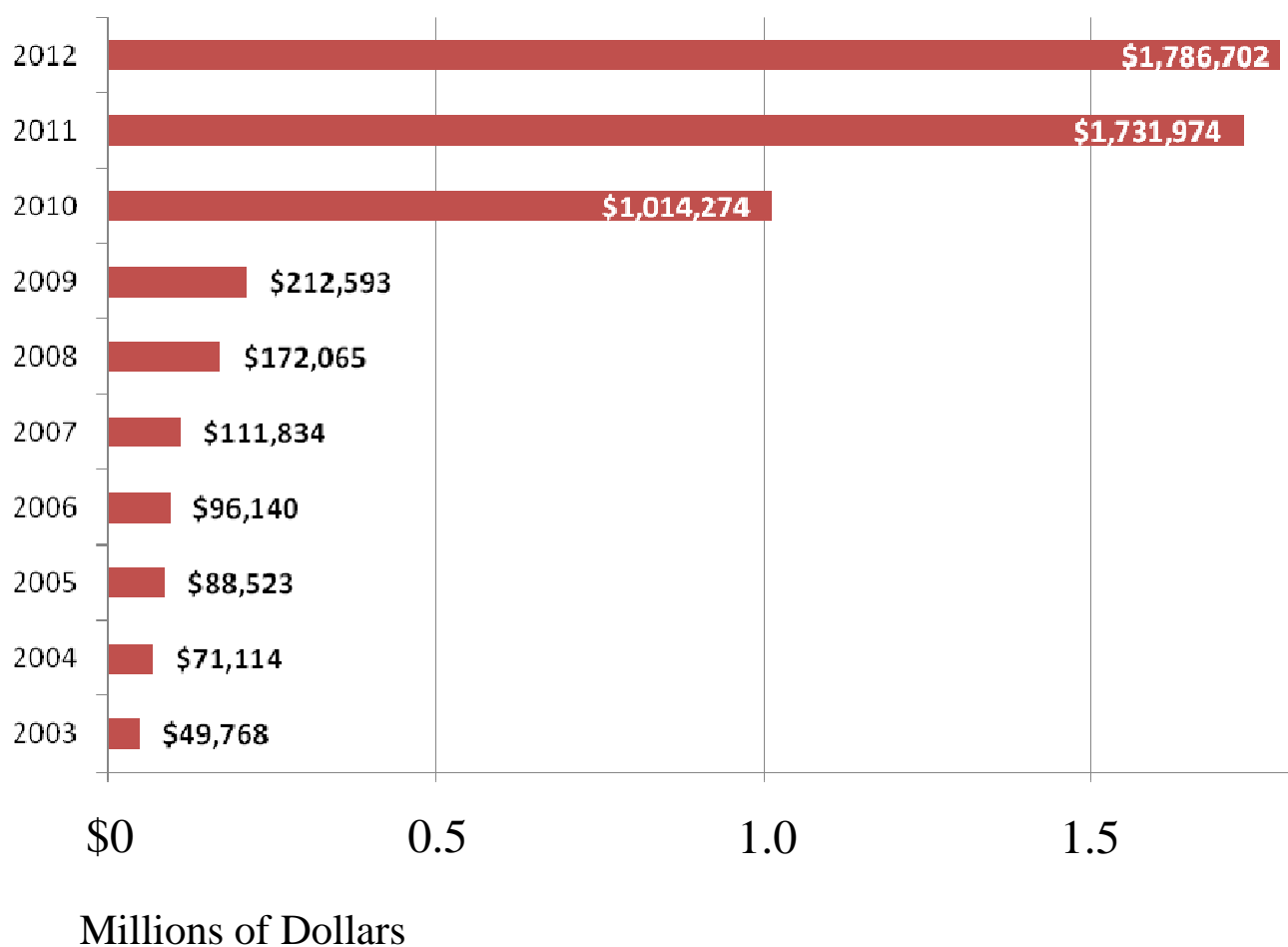
## GSCF Investment Portfolio

2nd Quarter 2012	- 3.06%
Trailing 1 Year	+ 0.65%
Trailing 3 Years	+46.16% Absolute +13.49% Annualized
Trailing 5 Years	+ 8.85% Absolute + 1.71% Annualized
Inception to Date (12.5 years)	+69.18% Absolute + 4.29% Annualized

## SVCF Assets by Type



## SVCF Total Assets



## Statement of Financial Position

June 30, 2012

### **ASSETS**

Wells Fargo CMM	\$8,769
Pooled Investment– Vanguard	1,777,933
<b>Total Assets</b>	<b>\$1,786,702</b>

### **LIABILITIES**

<b>Total Liabilities</b>	<b>\$0</b>
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### **FUND BALANCES**

Fund Balance—Principal	\$1,569,337
Fund Balance—Income	215,115
Fund Balance—Spendable	2,250
<b>Total Fund Balances</b>	<b>\$1,786,702</b>

<b>Total Liabilities and Fund Balances</b>	<b>\$1,786,702</b>
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## Statement of Activities

Year Ended June 30, 2012

### **REVENUES**

Gifts & Bequests—Principal	\$116,580
Gifts & Bequests—Income	10,675
Dividend Income	35,308
Realized Gain on Investments	3,850
Unrealized Gain on Investments	(31,431)
<b>Total Revenues</b>	<b>\$134,982</b>

### **TRANSFERS**

Interfund Gifts	(\$5,497)
Interfund Grants	4,078
<b>Total Transfers</b>	<b>\$1,419</b>

### **EXPENSES**

Grants Authorized	\$65,465
Foundation Administrative Contribution	14,193
Operating Expenses	1,994
<b>Total Expenses</b>	<b>\$81,652</b>

<b>Net Activity</b>	<b>\$54,749</b>
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Smoky  
Valley  
Community  
Foundation

An affiliate of the  
Greater Salina Community Foundation

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P.O. Box 84, Lindsborg, KS 67456

Tel: (785) 906-0238

Email: [smokyvalley@gscf.org](mailto:smokyvalley@gscf.org)

[www.smokyvalleycf.org](http://www.smokyvalleycf.org)

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