



Mount Rushmore Society

October 1, 2011 through September 30, 2012



Annual Report



Board members Tom Griffith and Phil Lampert share a humorous moment during the ice breaker at the 2011 Board Retreat in Yellowstone National Park.



Executive Director Diana Saathoff makes lunch for all National Park Service and Mount Rushmore PPI staff during the 2012 Sturgis Rally.



President Grant speaks to a sold-out crowd during An Evening with Ulysses S. Grant.

2011-2012 Mount Rushmore Team

Our Mount Rushmore Team

Mount Rushmore Society Board of Directors

Ruth Samuelsen, President | Andy Knight, Vice President | Leroy Ketel, Treasurer | Judy Allen, Secretary
 Glenn Barber* | Roxann Basham | Johnny Brockelsby* | Joe Bruch | Justin Cutler | Mike Derby* | Judy Olson Duhamel
 Dr. Sidney Goss | Nancy Gowen | Tom Griffith | Lee Groskopf | Bill Honerkamp | Al Johnson* | Kay Jorgensen | Phil Lampert
 Gene Lebrun, Past President | Mac McCracken* | Jim Nelson* | Tim Raben

*emeritus directors

Mount Rushmore Bookstore Committee

Nancy Gowen, Chair | Justin Cutler, Vice Chair | Marnie Herrmann, Treasurer
 Eileen Fleishacker | Pam Fritz | Nyla Griffith | Gene Lebrun | Eileen Rossow | Jan Sohl

National Park Service

Cheryl Schreier, Superintendent | Duane Bubac, Director - Facilities | Julie Gregg-Bubac, Director - Business Services
 Don Hart, Director - Law Enforcement, Security, and Emergency Services | Michelle Kerns, Director - Administration
 Maureen McGee-Ballinger, Director - Interpretation & Education | Blaine Kortemeyer, Assistant Director - Interpretation & Education
 Bruce Weisman, Director - Cultural & Natural Resources

Staff

Diana Nielsen Saathoff, Executive Director | Bob Dominicak, Parking Division Manager | Gary Keller, Development Director
 Debbie Ketel, Communications Director | Anna Raue, Executive Administrative Assistant
 Lynn Bauter, Finance Director | Laura Jones, Retail Manager

Presidential Parking

Bob Mudlin and Sheila Mudlin

Mount Rushmore Society: PO Box 1524 | Rapid City, SD | 57709 . 711 North Creek Dr. | Rapid City, SD 57703 | 605-341-8883
info@mtrushmore.org

Mount Rushmore Bookstores and Mount Rushmore Audio Tour: 13036 Hwy 244 | Keystone, SD 57751 | 1-800-574-3142
bookstores@mtrushmore.org

www.mountrushmoresociety.com | www.facebook.com/MountRushmoreSociety | www.twitter.com/MtRushmrSociety

The Year in Review

Dear Friends,

With a wonderful year in our rearview mirror, let us pause and reflect on some of the great accomplishments of 2011/2012.

Throughout this report are highlights of the past year, which celebrate our accomplishments through partnerships and assure future programs through a strong financial plan for the organization. We remain committed to excellence in producing interpretive and educational products, publishing quality original publications and providing great customer service. We also continue our commitment to our donors to support quality projects throughout the park and region.

We are in the midst of a fundraising campaign to construct a Youth Exploration Area shelter, which will expand programming for the next generation of park stewards. With your help, funding will be completed in 2013, and construction will be well underway.

Next, we will tackle a fantastic trail project connecting Mount Rushmore to the Mickelson Trail, which is the premiere trail system in South Dakota.

We are excited to be an integral part of the future and are

taking steps to initiate and complete legacy projects in preparation for the 75th anniversary of Mount Rushmore and the 100th anniversary of the National Park Service in 2016. Watch for your opportunity to get involved and contribute.

In the coming year, we are looking into unique ways to sustain the organization financially—expanding our efforts to partner with regional, national and state parks; ramping up our fundraising efforts to meet new challenges and ensure world-class visitor experiences; and initiating potential community outreach efforts and programming through the Mount Rushmore Institute.

You—our partners, our members, our donors, our constituents—are the reason for our success. We thank you for your continued commitment to Mount Rushmore.

Sincerely,

Ruth Samuelsen, President

Diana Nielsen Saathoff, Executive Director

Mount Rushmore Society Executive Director Diana Nielsen Saathoff, Superintendent Cheryl Schreier, Midwest Regional Director Mike Reynolds and Society President Ruth Samuelsen pose during a reception in the director's honor. The Society co-sponsored the event.



Mount Rushmore Society

Mount Rushmore Society

Membership Revenue Increases by 60%!

Due to staff training, staff sales presentations and consistent messaging in the stores and in our publications, membership revenue increased by 60% this year!

In fact, the Mount Rushmore Society Membership Program won an Honorable Mention in the Membership/Fundraising Program and Project category of the Association of Partners for Public Lands Media & Partnership Awards. The Society's new logos, brochures, website, signage, video, communications and sales direction were all a part of the branding effort that was recognized.



Ceremony at Mount Rushmore National Memorial on July 14, 2012, where approximately 100 people from 37 countries became new American citizens. Representatives of the United States District Court, United States Citizenship & Immigration Services, the United States Marshals Service and the Department of Homeland Security participated in the ceremony, among other dignitaries.

Tenth Annual Presidential Dinner

The tenth annual presidential dinner—An Evening with Ulysses S. Grant—was held on October 1, 2012, in the Carvers Café at the Memorial. Although this event is technically held in the present fiscal year, all the planning was accomplished in FY 2011/2012. Grant was portrayed by Larry Clowers of Pennsylvania. It was a successful dinner with a sell-out attendance that raised approximately \$23,000 toward the construction of the Youth Exploration Area shelter to be built off the Grand View Terrace. As part of an educational outreach sponsored by the Society, Clowers gave an audience of homeschool students a glimpse into the life of this president at Rimrock Evangelical Church. He also gave a presentation based on Grant's war philosophy to residents of Westhills Village, a retirement community in Rapid City.

Independence Day Celebration

On July 3, 2012, visitors experienced presidential re-enactors, cultural events and patriotic tributes, thanks to the Society's sponsorship.

Naturalization Ceremony

Sponsored and promoted by the Society, the United States District Court of South Dakota held a Naturalization

A naturalized citizen walks across the Amphitheater stage to accept her certificate of citizenship during the 2012 Naturalization Ceremony.





Larry Clowers portrays President Grant.



Presidential re-enactors pose during the park's Independence Celebration.



CyArk's digital scan of Mount Rushmore.

Membership Picnic

More than 90 Society members and guests attended the annual picnic in August. It included a gourmet picnic and a question-and-answer period with former Mount Rushmore carver Nick Clifford.

Black Hills Badlands & Lakes Sponsorship

The Society partnered with Black Hills Badlands & Lakes to sponsor the fireworks display at the end of the Minnesota Twins baseball game in Minneapolis, MN, on May 25, 2012, to promote Mount Rushmore to our regional neighbors.

Macy's Thanksgiving Day Parade Sponsorship

In keeping with the Society's mission of promoting the Memorial around the world, the organization partnered with South Dakota Tourism and others to sponsor the South Dakota Macy's Thanksgiving Day Parade float, which featured an 18-foot-high Mount Rushmore with entertainment by Neil Diamond in FY 2012. An average of 50 million television viewers watched the parade.

CyArk Digital Preservation Unveiling

The Society co-sponsored the CyArk unveiling of Mount Rushmore 3-D scanning efforts in June for digital preservation of the Memorial. The presentation showed how preservation specialists from Historic Scotland and the Kacyra Family Foundation captured sub-centimeter details of every perspective of the sculpture, including the top of the heads, the canyon behind the sculpture and the inaccessible Hall of Records. Results of the scanning are being used for preservation efforts and educational outreach.

Out and About

This year, Mount Rushmore Society staff promoted the audio tour, products, parking permits and the Mount Rushmore experience at the South Dakota Tourism Conference, Itineraries Midwest Writers Group, BankTravel and the Black

Hills Home Show. Various staff members attended partnership conferences in Keystone, SD, and in Colorado to strengthen partnership ties with the National Park Service.

Administration Highlights

Gary Keller joined the organization as the new development director to oversee a robust development and fundraising plan in support of projects at Mount Rushmore National Memorial, including the Youth Exploration Area shelter (detailed on p.6).



The Mount Rushmore float makes it way down the street during the Macy's Thanksgiving Day Parade.



Mount Rushmore Bookstores

Bookstore Sales

The bookstores ended FY 2011-2012 with sales over \$1.4 million, which exceeded the previous year by 10%. The product profit margin was at 57.5%.

The top five sellers by sales revenue (in descending order) include: (1) Audio Tour Wand Rental; (2) \$30 Membership; (3) *Mount Rushmore: Story Behind the Scenery* (4) *Face to Face with Mount Rushmore*; (5) and the Prestige Six-Coin Set. Our self-published titles accounted for 14% of sales revenue.

Aid-to-the-Park Funds

Through bookstore sales, online sales, the membership program and audio tour outlet, funds are raised for the National Park Service Interpretive Division to educate the public about Mount Rushmore. Since 1993, the organization has donated more than \$2.3 million back to the park to support education. This last year, the Mount Rushmore Bookstores gave \$212,000 to the park, which was used in the following ways:

- Junior Ranger badges and publications for the more than 20,000 children who participate in the program yearly.
- A donor's plaque on the Grand View Terrace

- Organization of American Historians' visit to analyze the park's interpretive message
- Volunteers in the Park Program
- Avenue of Flags replacement
- New publications
- Seasonal employees
- Cultural performers and re-enactors
- Curatorial supplies and training
- Design and/or printing of the park newspaper and promotional rack card that is distributed throughout the state and beyond

Pennies for the Parks

The Society's earliest campaign called out to schoolchildren to donate pennies for the carving of Mount Rushmore in the 1930s. Last summer, we brought back the program and asked visitors if they would like to donate their change or round-up purchases to the next dollar. We also hung promotional banners, promoting memberships and the Pennies for the Parks program in the Mount Rushmore Bookstores.

Staff from the National Park Service, Mount Rushmore Bookstores and Mount Rushmore Society accept the award for the APPL General Book Award for *Mount Rushmore Memories*.





The Mount Rushmore Audio Tour is translated in German, Spanish, Lakota and French.

Publication Award

Mount Rushmore Memories was recognized for four national awards:

- It tied for a Silver Medal in the 2012 Independent Publisher Book Awards in the Mid-West Region Nonfiction category
- It was a finalist in the 2011 *ForeWord's* Book of the Year Awards program in the Regional Category
- It was a winner of the Association of Partners for Public Lands Media & Partnership Award in the General Interest Category for Publications
- It also won a National Association of Interpreters' First Place award in the Long Book Category

Mount Rushmore Audio Tour Rentals

Wand rentals were down a little from last year with a total of 11,366 rentals, compared to 13,251 the year before. In addition, we updated all audio tour signs to reflect the new branding project implemented in the prior year.



Bonjour! Audio Tour Now in French

The Mount Rushmore Audio Tour is now available in French. The tour is also available in German, Spanish and Lakota.



Pennies for the Park

Round up your purchase in this bookstore and donate the extra pennies to park projects and education.



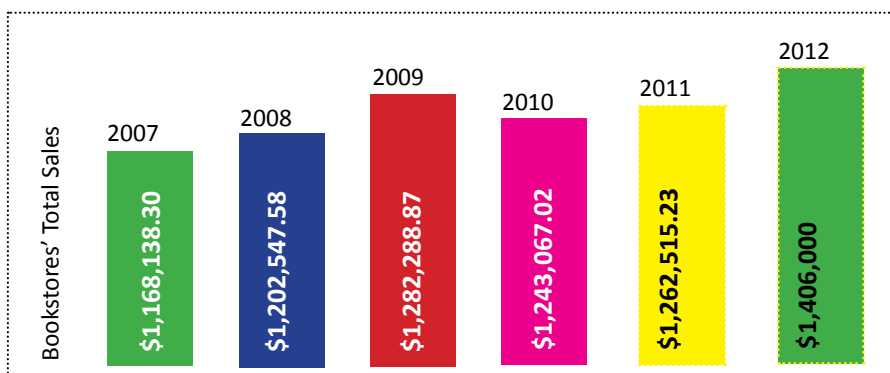
2013 Mount Rushmore Calendar Printed

We designed and printed the 2013 Mount Rushmore Calendar, incorporating many of the photographs by Rodger Slott who was featured in our popular *Carved High* book published in 2010.



The Mount Rushmore Bookstores support the sculptor-in-residence program. Above, Sculptor-in-Resident Dustin Baker displays his artwork from summer 2012.

Sales



Development Fundraising & Sponsors

Thank you!

Our community helps support the programs and projects at Mount Rushmore National Memorial in a variety of ways. Thanks to all the individuals and businesses who make donations to the organization throughout the year. Here is just a sampling of those who have helped support the organization and the park.

Youth Exploration Area

In 2011, the Society and the National Park Service (NPS) agreed that the construction of a Youth Exploration Area (YEA) shelter for hands-on learning should be the top fundraising project in preparation for celebrating the NPS's 100th anniversary in 2016. Mount Rushmore also turns 75 that year!

Black Hills Corporation Foundation pledged \$25,000 toward the project in 2011.

Upon the arrival of Development Director Gary Keller in May, the staff began developing a case statement for the project; networking with potential donors; preparing

promotional materials; photographing children participating in the temporary YEA shelter; erecting temporary signs; and developing a presence on our website, among other activities.

Keller also began applying for grants. In September, the YEA project was selected as one of only 11 "Legacy Initiative" projects for funding by the National Park Foundation in 2013, along with a commitment for \$100,000 and further assistance in fundraising.



With pledges that have been committed and other fundraising through Society events, we are pleased to report we are half way to our goal of \$396,000. All contributions, large or small, add up and will make a huge difference in meeting our timelines and commitments.

We look forward to completing the fundraising stage and seeing the smiles of kids from across the world in the Youth Exploration Area!



The proposed Youth Exploration Area shelter.

Children explore animal pelts underneath the temporary Youth Exploration Area shelter in summer 2012.





Mount Rushmore Society membership card.



Bill Groethe accepts the 2012 Corporate Friend of the Faces Award.



Worker Nick Clifford was recipient of the 2012 Individual Friend of the Faces Award.

2012 Friend of the Faces Recipients

At the 2012 Mount Rushmore Society Annual Meeting, Mount Rushmore worker Nick Clifford received the 2012 Individual Friend of the Faces Award for his consistent promotion of Mount Rushmore and education of visitors through personal interactions at the park and for his book, *Mount Rushmore Q&A*. Clifford is the last surviving carver who worked on the mountain. Bill and Alice Groethe of First Photo were awarded the 2012 Corporate Friend of the Faces Award for his contributions in the preservation of Mount Rushmore in film.

An Evening with Ulysses S. Grant

Raising almost \$23,000 toward the construction of the Youth Exploration Area shelter, the presidential dinner was a successful evening, thanks to many partners. Xanterra Parks & Resorts created and catered the meal for 225 guests, and Cask & Cork, Canyon Lake Liquors and A&B Business Solutions donated the table wine. Below is a list of the businesses and individuals who donated toward the evening in a variety of ways.



Andy & Barb Knight
Arrowhead Country Club
Dustin Baker
Black Hills Aerial Adventure
Black Hills Community Bank
Buffalo Rock Lodge
Canyon Lake Resort
Dakotah Steakhouse
Dark Canyon Coffee Company
Duhamel Broadcasting Enterprises
Girl Scouts Dakota Horizons
Great Harvest Bread Co.

Hilton Garden Inn
ISIS Hospitality
Jolly Lane Greenhouse, Inc.
Joe & Arla Bruch
Lois Marie Staples
Manchego
Mike Miller Foundation
Mount Rushmore Gold
Palmer Gulch KOA
Peregrine Pointe Bed & Breakfast
Presidential Parking, Inc.
Rapid City Rush Professional Hockey

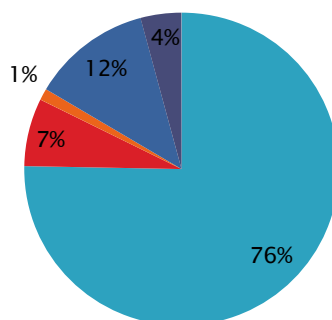
Reptile Gardens
Rushmore Spraying
Schadé Winery
Spearfish Canyon Lodge
Strider Sports
Sun Gold Trophies
Cheryl & Bill Schreier
Uncork'd Restaurant
West River Monument
Zambelli Fireworks
Zoom Soda and Candy

Special Thanks to our Media Sponsor: Duhamel Broadcasting



Membership Breakdown

Membership revenue in the Society has increased by 60% in the last year. We need your continued support. The following pie chart is a breakdown of our various levels of membership.



- Individuals 1323
- Family 123
- Supporting 21
- Lifetime 216
- Lifetime Couple 74

Parking Division

Parking Shows Visitation Increase

The parking concession revenue and visitation numbers were up 8.44% and up 7.25%, respectively in FY 2012 from FY 2011.

During the 2012 Sturgis Rally, we saw a 5.2% increase in motorcycle visitations.

We continue to maintain the parking garage by repairing pavers and concrete. We also sprayed the trees around the facility for mountain pine beetle and improved measures to keep our golf cart use safe and efficient.

State Visitation

Vehicles from South Dakota accounted for 13.3% of visitation, with Colorado at 8.52%, Minnesota at 7.85% and California at 4.99%. Since 2006, the same four states have remained in the top spots for vehicles parking at the Memorial. Last year, a vehicle from every state in the union and Canada visited the park.

Credit Cards

We began accepting credit cards at the entrance on May



Just one of the many faces who greet visitors as they come through the entrance of the Memorial.

31, 2012. Since then, credit card usage has averaged approximately 15% of transactions per day.

Parking Facility Management Agreement

The Society board of directors approved the management agreement with Presidential Parking last year. We are pleased that President Bob Mudlin and his crew will continue to operate and greet visitors every day at the park!

Motorcycles flood Mount Rushmore National Memorial during the 2012 Sturgis Motorcycle Rally.



Financials

Mount Rushmore Society Financials

Copies of the Society's completed audited financial statements are available upon request by calling Executive Director Diana Saathoff at (605) 341-8883.

STATEMENTS OF FINANCIAL POSITION SEPTEMBER 30, 2012 AND 2011

<u>ASSETS (Note 5)</u>	2012	2011
Cash and Cash Equivalents (Note 2)	\$ 3,350,495	\$ 2,620,734
Current Portion of Pledge Contribution Receivable (Note 3)	5,000	-
Investments (Note 2)	3,383,710	2,967,633
Inventory	302,778	311,624
Other	23,189	40,571
Total Current Assets	7,065,172	5,940,562
Property and Equipment, Net (Note 4)	5,348,098	6,594,527
Other Assets		
Pledge Contribution Receivable, Net of Current Portion (Note 3)	15,000	-
Restricted Deposits (Note 5)	1,109,554	1,102,587
Deferred Financing Costs, Net	28,794	28,517
Total Other Assets	1,153,348	1,131,104
TOTAL ASSETS	\$ 13,566,618	\$ 13,666,193
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 331,077	\$ 231,237
Promise to Give to Others (Note 10)	300,000	-
Current Portion of Long-Term Debt (Note 5)	791,880	945,833
Total Current Liabilities	1,422,957	1,177,070
Long-Term Debt, Net of Current Portion (Note 5)	2,279,417	3,877,352
Total Liabilities	3,702,374	5,054,422
Contingencies (Notes 8 and 10)		
Net Assets		
Unrestricted Net Assets		
Undesignated	8,318,697	6,544,152
Board Designated (Note 9)	1,502,097	2,067,619
Total Unrestricted Net Assets	9,820,794	8,611,771
Temporarily Restricted Net Assets (Note 10)	43,450	-
Total Net Assets	9,864,244	8,611,771
TOTAL LIABILITIES AND NET ASSETS	\$ 13,566,618	\$ 13,666,193

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2012**

	Unrestricted	Temporarily Restricted	Total
Support and Revenue			
Parking Fees	\$ 4,119,077	\$ -	\$ 4,119,077
Educational and Product Sales -- Net (Note 6)	705,272	-	705,272
Interest Income and Dividends	378,060	-	378,060
Other	69,363	-	69,363
Contributions (Note 10)	2,400	43,450	45,850
Net Realized and Unrealized Gain (Loss) on Investments	51,753	-	51,753
	<u>5,325,925</u>	<u>43,450</u>	<u>5,369,375</u>
Expenses (Note 7)			
<i>Program Expenses:</i>			
Parking (Notes 4 and 5)	2,576,180	-	2,576,180
Program Support and Visitor Parking Facility Maintenance for Memorial	999,655	-	999,655
	<u>3,575,835</u>	<u>-</u>	<u>3,575,835</u>
<i>Support Expenses:</i>			
Payroll and Related Expenses	268,175	-	268,175
General and Administrative Expenses	174,616	-	174,616
Promotional Expenses	98,276	-	98,276
	<u>541,067</u>	<u>-</u>	<u>541,067</u>
Total Expenses	<u>4,116,902</u>	<u>-</u>	<u>4,116,902</u>
Increase in Net Assets	1,209,023	43,450	1,252,473
Net Assets -- Beginning of Year	8,611,771	-	8,611,771
Net Assets -- End of Year	<u>\$ 9,820,794</u>	<u>\$ 43,450</u>	<u>\$ 9,864,244</u>

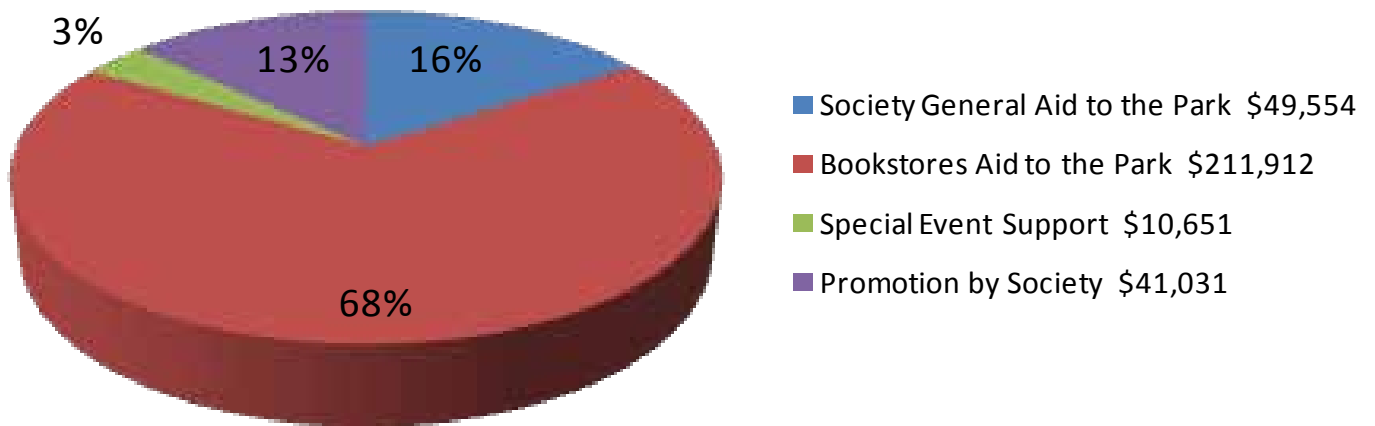
**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

	Unrestricted	Temporarily Restricted	Total
Support and Revenue			
Parking Fees	\$ 3,796,053	\$ -	\$ 3,796,053
Educational and Product Sales -- Net (Note 6)	683,238	-	683,238
Interest Income and Dividends	79,388	-	79,388
Other	41,789	-	41,789
Contributions (Note 10)	27,172	-	27,172
Net Realized and Unrealized Gain (Loss) on Investments	(166,429)	-	(166,429)
	<u>4,461,211</u>	<u>-</u>	<u>4,461,211</u>
Expenses (Note 7)			
<i>Program Expenses:</i>			
Parking (Notes 4 and 5)	2,734,696	-	2,734,696
Program Support and Visitor Parking Facility Maintenance for Memorial	647,478	-	647,478
	<u>3,382,174</u>	<u>-</u>	<u>3,382,174</u>
<i>Support Expenses:</i>			
Payroll and Related Expenses	220,159	-	220,159
General and Administrative Expenses	174,800	-	174,800
Promotional Expenses	108,890	-	108,890
	<u>503,849</u>	<u>-</u>	<u>503,849</u>
Total Expenses	<u>3,886,023</u>	<u>-</u>	<u>3,886,023</u>
Increase in Net Assets	575,188	-	575,188
Net Assets -- Beginning of Year	8,036,583	-	8,036,583
Net Assets -- End of Year	<u>\$ 8,611,771</u>	<u>\$ -</u>	<u>\$ 8,611,771</u>

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2012 AND 2011

	2012	2011
Operating Activities		
Increase in Net Assets	\$ 1,252,473	\$ 575,188
<i>Adjustments to Reconcile Increase in Net Assets to</i> <i>Net Cash Flows Provided by Operating Activities:</i>		
Depreciation	1,315,634	1,362,866
Amortization	6,042	983
Net Realized and Unrealized (Gain) Loss on Investments	(51,753)	166,428
<i>Working Capital Changes Increasing (Decreasing) Cash:</i>		
Pledge Contribution Receivable	(20,000)	-
Inventory	8,846	(84,334)
Other	17,382	(16,474)
Accounts Payable and Accrued Expenses	99,840	(67,816)
Promise to Give to Others	300,000	-
Net Cash Flows Provided by Operating Activities	2,928,464	1,936,841
Investing Activities		
Purchase of Property and Equipment	(69,205)	(101,553)
Proceeds from Sale of Property and Equipment	-	1,621
Purchase of Investments	(1,226,198)	(913,354)
Proceeds from Sale of Investments	861,874	514,553
Net Cash Flows Used in Investing Activities	(433,529)	(498,733)
Financing Activities		
Repayment of Long-Term Debt	(1,751,888)	(7,094,368)
Borrowings of Long-Term Debt	-	4,900,000
Increase in Restricted Deposits	(6,967)	(1,102,587)
Increase in Deferred Financing Costs	(6,319)	(19,358)
Net Cash Flows Used in Financing Activities	(1,765,174)	(3,316,313)
Increase (Decrease) in Cash and Cash Equivalents	729,761	(1,878,205)
Cash and Cash Equivalents -- Beginning of Year	2,620,734	4,498,939
Cash and Cash Equivalents -- End of Year	\$ 3,350,495	\$ 2,620,734
Supplemental Disclosures of Cash Flow Information		
Cash Paid for Interest	\$ 215,230	\$ 410,111

Contributions
Mount Rushmore Society Contributions
Total \$313,148



Mission

The Mount Rushmore Society—through the Mount Rushmore Bookstores, the Mount Rushmore Audio Tour, the Mount Rushmore Institute and other activities—is dedicated to the preservation, promotion and enhancement of Mount Rushmore National Memorial and the values it represents through a partnership with the National Park Service.

Mount Rushmore Society
Mount Rushmore Bookstores
Mount Rushmore Institute
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Rapid City, SD 57709

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