

70
Celebrating Mount Rushmore's
70th Anniversary

Mount Rushmore Society

October 1, 2009 through September 30, 2010



Annual Report

2009-2010 Team

Mount Rushmore Society Board of Directors

Judy Allen
Glenn Barber*
Jim Bell*
Johnny Brockelsby*
Gary Brown
Joe Bruch
Eddie Clay*
Justin Cutler
Mike Derby*
Bob Dominicak
Judy Olson Duhamel
Dr. Sidney Goss
Nancy Gowen
Tom Griffith
Al Johnson
Kay Jorgenson
Leroy Ketel, Treasurer
Andy Knight, Secretary
Jim Kuehn*
Phil Lampert
Gene Lebrun, President
Royal McCracken*
Jim Nelson*
Marilyn Owen*
Tim Raben
Ruth Samuelsen, Vice President
Debi Shelton
Fred Whiting*

*emeritus directors

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Lynn Bauter, Finance Director | Jana Young, Administrative Assistant | Laura Jones, Retail Manager
Bob Dominicak, Parking Division Manager | Bob Mudlin, Presidential Parking President

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Justin Cutler
Pam Fritz
Dr. Sidney Goss
Nancy Gowen, Chair
Lee Groskopf, Treasurer
Regina Jahr
Gene Lebrun
Bonita Cochran Ley, Secretary
Kay Martin
Marilyn Owen, Past Chair
Jan Sohl

National Park Service

Cheryl Schreier, Superintendent
Duane Bubac, Director - Facilities
Ace Crawford, Public Information Officer
Julie Gregg-Bubac, Director - Business Services
Paul Hammett, Director - Safety and Occupational Health
Don Hart, Director - Law Enforcement, Security, and Emergency Services
Michelle Kerns, Director - Administration
Blaine Kortemeyer, Acting Director - Interpretation & Education
Bruce Weisman, Director - Cultural & Natural Resources

Mount Rushmore Institute

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Mike Derby
Judy Olson Duhamel
Dr. Matthew Fairholm
Dr. Richard Gowen
Tom Griffith
Al Johnson
Kay Jorgenson
Leroy Ketel, Treasurer
Jim Kuehn
Gene Lebrun
Jim Nelson, President
Wes Shelton, Secretary
John Sundby
Fred Whiting



Year in Review

Dear Friends,

Since 1930, the Mount Rushmore Society has been the official fund-raising partner for Mount Rushmore National Memorial, working toward the creation, the promotion and education of the sculpture which is now an international symbol of freedom and democracy for all people.

The year, 2010, marked the 80th anniversary of the Mount Rushmore Society and the year of the “contract,” as we signed three new agreements to continue our partnership with the National Park Service (NPS).

- We entered into an amendment of the Parking Concession Contract which will take us through 2016, when the Society will transfer the ownership of the parking ramp to the NPS.
- We signed a new five-year Cooperating Association Agreement to continue operation of the Mount Rushmore Bookstores and Mount Rushmore Audio Tour at the park.
- We signed a new five-year Friends Group Agreement with the park which is the basic fund-raising agreement that a nonprofit must have to fulfill the important role as “partner” with the NPS.

All of the agreements listed above detail the processes and policies that both the NPS and the Mount Rushmore Society will adhere to in continuing a partnership that greatly enhances the visitor experience at Mount Rushmore.

Throughout this annual report are examples of how the Mount Rushmore Society and its divisions and committees have impacted so many at Mount Rushmore, thanks to the support of partners, our friends and our financial supporters.

Please remember that every gift, large or small, has a great impact on the future of Mount Rushmore National Memorial. We are looking forward to helping visitors enjoy Mount Rushmore for the next 70 years! Together, we will strive to provide a quality, awe-inspiring experience for future generations.

Sincerely,

Gene Lebrun, President

Diana Saathoff, Executive Director



(l-r) Mount Rushmore Bookstores Chair Nancy Gowen, Executive Director Diana Saathoff, President Gene Lebrun and Vice President Ruth Samuelsen look on as Mount Rushmore Superintendent Cheryl Schreier signs the Friends Group Agreement in December, 2010, extending the partnership between the Mount Rushmore Society and the National Park Service.

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The Mount Rushmore Society

3 Mount Rushmore Society



The Mount Rushmore Society 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.

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Rapid City, SD 57709

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Rapid City, SD 57703

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www.mountrushmoresociety.com

Find us on:

[www.facebook.com/MountRushmore Society](http://www.facebook.com/MountRushmoreSociety)

facebook

www.twitter.com/RushmrFireworks

twitter



Friends Group Agreement Signed

The Society board of directors and the National Park Service at Mount Rushmore signed the Friends Group Agreement which provides the park and the Society legal and policy guidelines to work within while embarking on mutual fund-raising goals. This agreement has an initial term of five years and encourages innovation, creativity and partnership.

Software Upgrade Completed

blackbaud™ To fully integrate the different functions of the Mount Rushmore Society, the organization purchased a software suite from Blackbaud in May, 2010. One portion of the suite is Raisers Edge which helps track members, donations and capital campaigns. The second piece is Financial Edge which is an accounting software program that is used for the accounting and bookkeeping functions of the Mount Rushmore Bookstores. It also tracks fund-raising campaigns. In addition, Counterpoint is now the point-of-sale software program utilized for the Mount Rushmore Bookstores and the Mount Rushmore Audio Tour. All three of these programs now "talk" to each other and share critical pieces of information needed to make each program and the Society's operations more efficient.

Independence Day Celebration

Although a fireworks display was not part of the festivities on July 3, 2010, visitors enjoyed cultural and patriotic entertainment by presidential re-enactors, hoop dancer Jasmine Pickner, Germans from Russia, children's entertainer Phil Baker and musician Sequoia Crosswhite, among others. The evening showcased the Porcupine Singers, a B1-B Lancer Bomber



fly-over and a military recruitment ceremony. The evening's flag-folding ceremony honored Ola Mildred Rexroat, who is the only American Indian woman who also served as a Women's Air Service Pilot during WWII. The highlight of the evening was a performance by the Black Hills Symphony (shown in the above picture). The Society contributed more than \$47,000 in cash sponsorships and in-kind donations to make the event possible.

Naturalization Ceremony

Sponsored and promoted by the Mount Rushmore Society, the United States District Court of South Dakota held a Naturalization Ceremony at Mount Rushmore National Memorial on August 19, 2010 in which approximately 100 people became new American citizens. Representatives of the United States District Court, United States Citizenship & Immigration Services and the South Dakota Army National Guard participated in the ceremony, among other dignitaries.



The gentleman above celebrates his new U.S. citizenship by waving a flag, a gift from the Society.

Presidential Dinner

The eighth annual Presidential Dinner— An Evening with Dwight D. Eisenhower—was held on October 5, 2010 in the Carvers Café at the Memorial. Eisenhower was portrayed by Bruce Hoff of Texas. It was a successful dinner with a sell-out attendance that raised almost \$14,000. As part of an educational outreach sponsored by the Society, Hoff visited three Rapid City middle schools and gave the students a glimpse into the life of this president. He also gave a presentation based on World War II to residents of Westhills Village, a retirement community in Rapid City.

Macy's Thanksgiving Parade Sponsorship

In keeping with the Society's mission of promoting the Memorial around the world, the organization was one of the sponsors of the South Dakota Macy's Thanksgiving Day Parade float which featured an 18-foot-high Mount Rushmore (shown on p. 3) with entertainment by Mannheim Steamroller. An average of 60 million television viewers watched the parade, making this parade the second highest watched one since 2001. More than three million are estimated to have attended the event.



President Eisenhower, as portrayed by Bruce Hoff, gives a presentation in October, 2010, to Southwest Middle School about the life of this famous president.

New Logo

In an effort to strengthen the organization's identity, the Society adopted a new logo and shortened its name (as well as the names of its divisions) to Mount Rushmore Society, Mount Rushmore Bookstores, Mount Rushmore Institute and Mount Rushmore Audio Tour. Implementation will be ongoing throughout 2011.

Mount Rushmore Institute



www.mountrushmoreinstitute.com

The Mount Rushmore Institute is led by the mission of "providing an environment of learning and dialogue, inspired by Mount Rushmore, to advance the cause of freedom and the principles of democracy." With five forums completed in prior years, 2010 was a year of reflection and discussion on how future programs should look. The year, 2011, will see the implementation of the American Heroes Series, in which the Institute will spotlight various patriotic heroes in partnership with the National Park Service.

FY 2010 *Membership*

807 Individuals

31 Family

15 Supporting

327 Lifetime

The Mount Rushmore Bookstores

5 Mount Rushmore Bookstores



As a committee of the Mount Rushmore Society, the mission of the Mount Rushmore Bookstores is to support the educational, historical and interpretive activities at Mount Rushmore National Memorial.

Retail Outlets:

Visitor Center Bookstore
Information Center Bookstore
Sculptor's Studio Bookstore
Mount Rushmore Audio Tour

13036 Hwy 244
Keystone, SD 57751
1-800-699-3142

(605) 574-3142
Fax (605) 574-3144
moru_mrha@nps.gov
www.mtrushmorebookstore.com

Bookstore Sales

Despite the economy, the Mount Rushmore Bookstores experienced a great year with \$1,243,067 in total sales. Sales were down from last year, however, the previous year was the best year ever in the stores' history. The organization had a \$69,800 increase in gross profit over the budget. The top five sellers by sales revenue (in descending order) include: (1) Audio Tour Wand Rental; (2) *Mount Rushmore: The Story Behind the Scenery* (3) The Mount Rushmore Collector's Coin (4) our self-published children's book, *Face to Face with Mount Rushmore*; (5) and the National Parks Passport Book. Our self-published titles accounted for 16% of sales revenue.

Aid-to-the-Park Funds

Through bookstore sales, online sales, a membership program and audio tour outlet, funds are raised for the National Park Service Interpretive Division to educate the public about Mount Rushmore. The Association contributed \$176,329 in 2010 to the park that was used in the following ways.

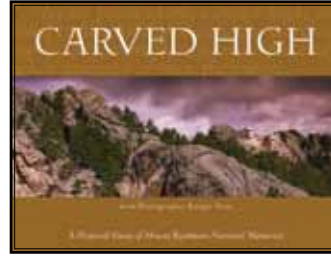
- **A forest-management exhibit**, which includes a film about the impact of the mountain pine beetle.
- **Seasonal National Park Service employees.**
- **School bus scholarships** which allow children from low-income schools to attend educational opportunities at the park.
- **Cultural demonstrations** at the Lakota, Dakota & Nakota Village.
- **Avenue of Flags** replacement.
- **Junior Ranger badges** for the more than 20,000 children who participate in the program yearly.
- New rugs for the **Sculptor's Studio.**
- **Cultural events.**
- **Publication development costs** for the publishing of books and products to be sold at the mountain and throughout the region.
- **Interpretive program supplies.**

Publications

The following publications were reprinted and are now available for sale in the three bookstores, on the website and through wholesale outlets: the children's book, *Who Carved Mount Rushmore: The Story of Mount Rushmore* by Jean L.S. Patrick; the children's book, *Rhyming on Rushmore* by Jodi Holley Latza; and *America's Shrine of Democracy* by T.D. Griffith.

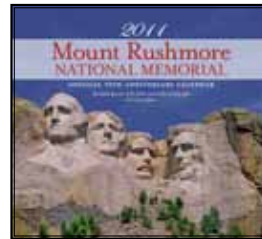
Publication Awards

Carved High, which was published in 2010, won two national awards. The book won a Silver ADDY Award for Book Design during the American Advertising Federation (AAF) of the Black Hills ADDY Awards. The awards recognize creative excellence in the art of advertising. In addition, the book won a bronze award in the Gift/Holiday/Specialty Book Category in the 2010 PubWest Design Awards. The national design awards are presented by Publishers Association of the West and recognize superior design and outstanding production quality of books in 20 different categories. *Carved High* features photography by local photographer Rodger Slott, with historic photographs and quotes by Gutzon Borglum and others associated with the carving.



New Publication

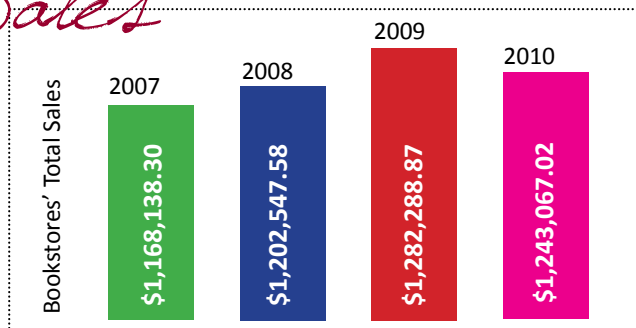
We published the 2011 *Mount Rushmore National Memorial 70th Anniversary Calendar* which featured spectacular photography and spotlighted the park's most influential people, history and curious facts.



Organizational Changes

The Mount Rushmore Bookstores experienced a year of change with the implementation of Counterpoint (see p. 3), a new point-of-sale software. The software has resulted in faster sales, enhanced reporting and more efficient inventory management. In addition, Laura Jones joined the organization as the new retail manager to further implement the software and develop in-depth training for bookstore staff.

Sales



Aid to the Park

Since 1993, the Mount Rushmore Bookstores have donated over \$1.9 million back to the park in aid-to-the-park funds.

Marketing

The organization continued marketing efforts, including ads in nationwide magazines, attendance at national conferences and enhancing membership outreach to maintain online sales, audio tour sales and wholesale sales.

The Society sponsored the **Mountain Plains & Museum Association** and the **Midwest Travel Writers** at Mount Rushmore in order to promote the audio tour and bookstores.

Mount Rushmore Audio Tour

Wand Rentals

Wand rentals were down from last year, with a total of 11,460 rentals (compared to over 13,000 in 2009). We continue to serve bus tour groups like Tauck Tours, AmericaTours West, Black Hills Central Reservations and the Educational Travel Institute as an additional service to their clients.

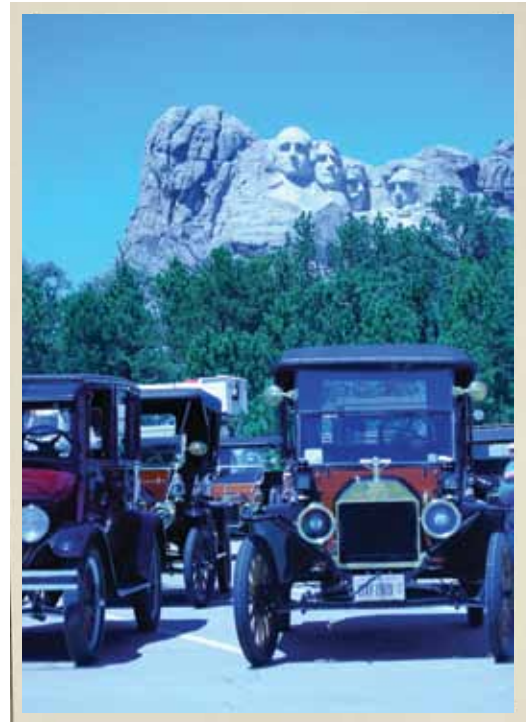


The Parking Division

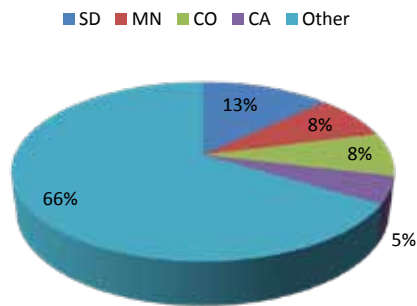


Parking Stats Show Visitation Increase

The Mount Rushmore Society operates the parking concession at Mount Rushmore National Memorial through Presidential Parking Inc. and reports a 1.9% increase in total vehicles at the park during the organization's fiscal year (ending September, 2010). This reflects a continual increase in visitation, as 2009 saw an even larger increase of 11% in total vehicles over 2008.



State Visitation



For 2010, vehicles from South Dakota account for 12.9% of visitation, with Minnesota at 7.9%, Colorado at 7.8% and California at 4.85%. 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.

New Parking Division Manager

Past Mount Rushmore Society Board Member Bob Dominicak became the parking division manager in 2010. Before joining the Society, he spent six years with the City of Rapid City in the growth management department as a project manager and assistant director.



A Presidential Parking employee applies the motorcycle parking pass to a visitor's bike during the 2010 Sturgis Rally Week at Mount Rushmore. PPI increases staff during that time to accommodate the more than 29,100 motorcycles that roar through!

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Rapid City, SD 57703

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www.mountrushmoresociety.com

Thank you!

Our community helps support the programs and projects at Mount Rushmore National Memorial in a variety of ways. We also thank the many individuals and businesses who make donations to the organization throughout the year.



Members and staff go through the buffet line at the August Member Picnic which over 80 members, sponsors, volunteers and staff attended.

Independence Day Celebration

Although a fireworks display was not a part of the 2010 Independence Day Celebration, the Mount Rushmore Society contributed more than \$47,000 in order to make an educational and cultural event possible, thanks to the generous sponsors pictured in the photo to the right. Many of these businesses have supported this event and the fireworks display for over 10 years! The Society thanks them for their continued support of an event that puts Mount Rushmore (and South Dakota) on the map and generates additional revenue for our area retailers and tourism businesses.

An Evening with Dwight Eisenhower



Raising almost \$14,000, the presidential dinner was a successful evening, thanks to many partners. Xanterra Parks & Resorts created and catered the meal for 200 guests.

Below is a list of many of the businesses and individuals who donated toward the evening in a variety of ways.

- | | |
|-------------------------------|------------------------------|
| Arrowhead Country Club | Deb Morris |
| Black Hills Community Theatre | Bob Mudlin |
| Canyon Lake Liquors, LTD | Perfect Hanging Gallery |
| Custer State Park Resorts | Rapid City Rush |
| Mike Derby | Professional Hockey |
| Duhamel Broadcasting | Rapid City Rush Nugget |
| Bill and Judy Duhamel | Reptile Gardens |
| Firehouse Brewing Company | Laurie Root |
| Eric Gardner | Peregrine Pointe |
| Grizzly Creek Gifts | Ruth Samuelsen |
| Kay Jorgensen | Shade Winery |
| KBarS Lodge | Spearfish Canyon Lodge |
| Phil Lampert | Perry and Gretchen Strombeck |
| Mammoth Site | Fred Whiting |
| Kay Martin | Zambelli Fireworks |
| Modrick's Travel | |



Special Thanks:
to First Interstate Bank for donating the Mount Rushmore Society office space in Rapid City.



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

**STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2010 AND 2009**

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>
Cash and Cash Equivalents (Note 2)	\$ 4,498,939	\$ 4,439,375
Investments (Notes 2 and 8)	2,735,260	1,639,601
Inventory	227,290	213,564
Other	24,097	30,630
Total Current Assets	7,485,586	6,323,170
Property and Equipment, Net (Note 3)	7,857,461	9,148,309
Other Assets		
Deferred Financing Costs, Net	10,142	11,959
Total Assets	\$ 15,353,189	\$ 15,483,438
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 299,053	\$ 293,376
Current Portion of Long-Term Debt (Note 4)	1,009,952	954,107
Total Current Liabilities	1,309,005	1,247,483
Long-Term Debt (Note 4)	6,007,601	7,017,553
Total Liabilities	7,316,606	8,265,036
Contingencies (Notes 8 and 10)		
Net Assets		
Unrestricted Net Assets		
Undesignated	5,945,737	5,174,360
Board Designated (Note 8)	2,090,846	2,044,042
Total Net Assets	8,036,583	7,218,402
Total Liabilities and Net Assets	\$ 15,353,189	\$ 15,483,438

The accompanying notes are an integral part of these financial statements.

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
UNRESTRICTED NET ASSETS		
Support and Revenue		
Parking Fees	\$ 3,935,207	\$ 3,783,528
Educational and Product Sales – Net (Note 5)	691,238	700,030
Net Realized and Unrealized Gain on Investments	93,834	9,935
Unrestricted Support	69,780	231,945
Interest Income	59,042	84,948
Other	20,902	45,605
	4,870,003	4,855,991
Expenses (Note 7)		
<i>Program Expenses:</i>		
Parking (Notes 3 and 4)	2,947,748	4,622,435
Maintenance and Interpretation of Memorial Facilities	569,841	503,764
	3,517,589	5,126,199
<i>Support Expenses:</i>		
Payroll and Related Expenses	216,883	249,325
General and Administrative Expenses	220,527	205,387
Promotional Expenses	96,823	484,049
	534,233	938,761
Total Expenses	4,051,822	6,064,960
Increase (Decrease) in Net Assets	818,181	(1,208,969)
Net Assets -- Beginning of Year	7,218,402	8,427,371
Net Assets -- End of Year	\$ 8,036,583	\$ 7,218,402

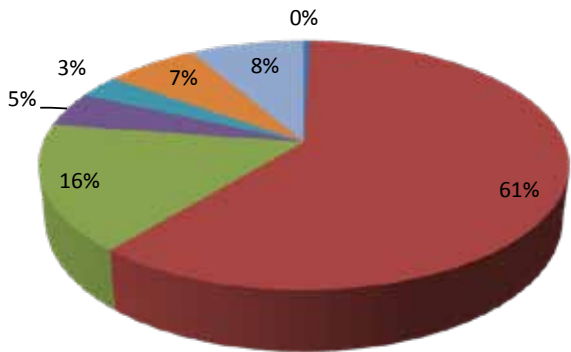
The accompanying notes are an integral part of these financial statements.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2009**

	2010	2009
Operating Activities		
Increase (Decrease) in Net Assets	\$ 818,181	\$ (1,208,969)
<i>Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Flows Provided by Operating Activities:</i>		
Depreciation and Amortization	1,365,837	2,988,297
Net Realized and Unrealized Gain on Investments	(93,834)	(9,935)
<i>Working Capital Changes Increasing (Decreasing) Cash:</i>		
Inventory	(13,726)	41,548
Other	6,533	(13,717)
Accounts Payable and Accrued Expenses	5,677	9,954
Net Cash Flows Provided by Operating Activities	2,088,668	1,807,178
Investing Activities		
Purchase of Property and Equipment	(73,172)	(43,395)
Purchase of Investments	(1,014,434)	(806,423)
Sale of Investments	12,609	824,497
Deferred Financing Costs	-	(12,716)
Net Cash Flows Used in Investing Activities	(1,074,997)	(38,037)
Financing Activities		
Repayment of Long-Term Debt	(954,107)	(9,713,347)
Borrowings of Long-Term Debt	-	8,500,000
Net Cash Flows Used in Financing Activities	(954,107)	(1,213,347)
Increase in Cash and Cash Equivalents	59,564	555,794
Cash and Cash Equivalents – Beginning of Year	4,439,375	3,883,581
Cash and Cash Equivalents – End of Year	\$ 4,498,939	\$ 4,439,375
Supplemental Disclosures of Cash Flow Information		
Cash Paid for Interest	\$ 446,561	\$ 689,431

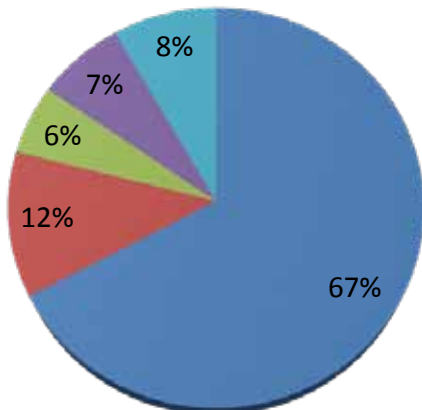


Contributions to Mount Rushmore: \$291,503



- Society General Aid to the Park \$1,400
- Bookstores Aid to the Park \$176,329
- Independence Day Support \$47,769
- Special Event Support \$13,261
- Promotion by Society \$8,802
- Promotion by Bookstores \$19,667
- In-Kind Donations \$24,275

Source of Funds for Contributions to Mount Rushmore: \$291,503



- Bookstore Sales \$195,996
- Sponsorships \$34,350
- Parking Revenue \$16,342
- Unrestricted Contributions \$20,540
- In-kind Donations \$24,275

Mount Rushmore Society
Mount Rushmore Bookstores
Mount Rushmore Institute
PO Box 1524
Rapid City, SD 57709

Address Service Requested

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