

## FY 21 Cross-Country Ski GIA Program Funding Update

The Cross-Country Ski Grant-in-Aid (GIA) Program is funded fully from revenue from the sale of the [Great Minnesota Ski Pass](#). Revenue from the ski pass is deposited into the cross-country ski pass dedicated account. This account also supports some of the costs associated with grooming ski trails at state parks and state forests. Ski passes are required to ski on GIA as well as state ski trails. The GIA Program is budgeted about \$285,000 each year and another \$75,000 is allocated to grooming ski trails in state parks.

### Ski Pass Revenues are Low

Last winter cross-country ski pass sales reached 13,785 passes sold – an increase of 20% compared to the 5-year average. While sales were still lagging behind the trend of the 2014 season high (when a total of 17,774 passes were sold) with the ski pass fee increase, revenue to the ski account was greater last ski season than any time in the last 10 years. However, due to the statutory framework of the ski account, by law funds had to be transferred from the Grant-in-Aid appropriation to the state appropriation. This has left additional funds in the state appropriation and insufficient funds currently available in the Grant-in-Aid appropriation to pay ski benchmarks timely. The DNR will continue to request a legislative change to the account, but this cannot be changed until after January 2021 when the Minnesota legislature reconvenes.

### Ski Account Expenditures

As communicated in the FY20 funding update, the ski account was projected to become negative starting this winter (FY21). In recent years, cross-country ski account expenditures (both to GIA and for state park grooming) have been higher than revenues. Initially, this was not a serious concern as the account balance was high (FY11-14) and it was important to allocate these funds to on-the-ground grooming. Ski GIA funding was increased around this time, as was funding to support grooming in state parks. Since then, however, lower than expected sales of ski passes had caused the account balance to fall faster than anticipated. To address this issue, the DNR brought forward legislation last session to be able to provide additional funds to grant-in-aid clubs, but this bill was not passed during the session.

### Impacts to FY21 Cross-Country Ski GIA Benchmarks and Grooming Payments

Due to the uncertainties in revenue from the ski pass in the coming year, DNR will not be able to make payments for the trail maintenance benchmarks (40% of the grant) or for grooming until after February 15, 2021. It is hoped that by this time there will have been enough revenue into the ski account to fully process these payments. However, if there are not enough ski passes sold, grants may have to be reduced. We are hoping this is not the case, but want to make everyone aware of the situation in order to plan accordingly. DNR asks all ski GIA clubs and sponsors to be extra prudent this year with their funding, with the anticipation of these potential impacts. In the event ski pass sales come in early or bring increased revenue, the DNR will be prepared to pay benchmarks as soon as the funds are available.