



DATE: March 28, 2016

TO: All GIA Club Administrators and GIA Sponsors

FROM: Minnesota Department of Natural Resources Division of Parks and Trails and
Minnesota United Snowmobilers Association

SUBJECT: Management of Grant-in-Aid (GIA) Snowmobile Grooming and Maintenance Grants

The GIA snowmobile trail program is a great asset to Minnesota. The success of the program is based on a network of dedicated volunteer club members that support outstanding snowmobiling opportunities throughout the state which contribute significantly to the state's cultural and economic vitality.

The primary purpose of this memo is to share important information about the GIA snowmobile program so everyone is up to date and has an understanding of the shared expectations regarding management of maintenance and grooming grant monies from the dedicated snowmobile account.

Financial realities for the GIA program include:

- The snowmobile account relies on registration fees, state trail stickers and gas taxes and is highly dependent on year-to-year weather trends, and the account balance cannot go below zero.
 - It is important for everyone to keep their snowmobile registrations current, as these revenues help to support the trail system in good snow years as well as in bad.
- Because weather plays a huge part in the account's yearly revenue stream, there is no guarantee for the same level of yearly funding available for GIA maintenance and grooming grants.
- The account has never been designed to fund all of the costs associated with GIA trails. Other monies generated by clubs often supplement the GIA grant funds.

Expectations and best practices for financial management of a GIA club include:

- Expect annual fluctuations in revenue and expenses.
- It is everyone's responsibility to be efficient and effective in the delivery of maintenance and grooming services.
- Financial planning should be a significant part of managing a GIA club including the setting of annual budgets.
- Grant monies received during low snow years should be saved for future years so it's available for years when normal or above normal snowfall occurs.

- The quality of product should not be reduced during above normal snow years. Clubs need to plan ahead for up years and down years so that every club is able to groom when it is needed.
- The current GIA program, in place since 2008, is more effective in providing a reliable source of income to fund the infrastructure and equipment necessary to provide excellent trail riding opportunities.
- The current GIA program's level of funding is based on funding rate zones across the state, which was established in 2007/2008 through a public process and in partnership with the DNR and the Minnesota Snowmobile Advisory Committee. The main factors that went into determining the rate zone rates included long-term trends, such as the length of the snow season, amount of snowfall, historical grant amounts based on established costs, level of trail usage, quality of trails, tourism, and average grooming trips per week.
- The previous GIA program, prior to 2007, required clubs to submit requests for reimbursement based on the amount of grooming and maintenance that was performed. That program was not able to provide consistent adequate financial assistance during low snow years. It also was administratively burdensome for everyone involved.

Continuous improvement is an important factor for the on-going success of the GIA program:

- GIA clubs and local MnDNR staff should make it a priority to develop and continue to nurture solid and productive working relationships with each other.
- These relationships should include working together on issues related to public safety, land owners, trail maintenance and grooming, law enforcement, funding, and for a sustainable future for trails and riding.
- MnUSA and MnDNR leadership will continue to work together to effectively manage the long-term future of the dedicated snowmobile account and provide program direction.
- For questions or comments regarding club and trail management, always feel free to contact your MnUSA Regional Director network or your DNR Parks and Trails Area Supervisor, they are a valuable resource that can help make your club and the trails the best they can be.