

RED RIVER SNOWMOBILE CLUB (RRSC)

BOARD OF DIRECTORS MEETING MINUTES

Date: Monday, September 14, 2026

Time: 5:30 PM

1. Approval of Previous Meeting Minutes

A motion was made by **Brian C.** and seconded by **R. Scott Pearson** to approve the RRSC Board meeting minutes from **September 2, 2026**.

Motion carried and approved.

2. Removal of Former Treasurer from FIBT Financial Accounts

A motion was made by **Brian C.** and seconded by **Jay Alsop** to remove former treasurer **Dave Peterson** from the club's FIBT financial accounts.

Motion carried and approved.

3. Addition of President to FIBT Financial Accounts

A motion was made by **Brian C.** and seconded by **R. Scott Pearson** to add new President **Jay Alsop** to the club's FIBT financial accounts.

FIBT will require the appropriate identification and account documentation, including driver's license, Social Security number, signature card, and contact information.

Motion carried and approved.

4. FIBT Bank Resolution / Proposed Line of Credit

The Board discussed the three-page bank resolution regarding a proposed line of credit with FIBT.

Amber asked whether the club should obtain rates from other financial institutions. Following discussion, the Board noted that the proposed arrangement has no hidden fees and no penalty for early payoff. The Board also discussed the club's longstanding relationship with FIBT.

Amber made a motion to approve the resolution seeking a line of credit of **no more than \$300,000 with FIBT**. **Kyle Kozel** seconded the motion. **Motion carried unanimously.**

5. Groomer Shack Construction Update

- **Greg Stortroen (A&S Concrete):** Forms are complete and ready for the plumber.
- **Nick Schuler (Total Care Plumbing):** Is seeking the necessary permit; the layout was changed.
- **Jody Beauchamp (Eagle Electric):** Provided advice regarding the revised layout.

6. Property Tax Exemption

The club's property tax exemption application has been filed and approved. The exemption is reviewed every three years.

The property will remain exempt from property taxes as long as the circumstances supporting the exemption do not change.

7. Insurance Update

Jeff Bowen of Insure Forward provided an insurance update and discussed the possibility of working with local insurance providers.

Builders Risk Insurance:

- Quote received for approximately **\$1,300 annually**.
- Jeff recommended a monthly payment plan and cancellation of the builders risk coverage when it is no longer needed.
- The club would then transition to commercial insurance.

Groomer Shack Insurance:

- Policy renews **November 1, 2026**.
- Insure Forward has located a company that is expected to reduce the annual premium from approximately **\$791 to roughly half that amount**.

Club Liability Insurance:

- The club is seeking a **\$1,000,000 liability policy**.
- Insurance options remain limited, as only a small number of companies in the United States are willing to provide this type of coverage.

8. Community Center Groundbreaking

Amber suggested holding a groundbreaking ceremony at the new building site to involve the community, generate excitement, and provide an opportunity to encourage donations.

The proposed event is **September 24, 2026, at 5:00 PM**.

Plans discussed included:

- Bring-your-own beverage (BYOB).
- Chairs requested.
- Pizza and beer to be provided.
- Announcement to be distributed by email, including a photo opportunity.
- Consider advertising through the **Grand Forks Herald** and **East Grand Forks Exponent**.
- Pop-up tents will be available in case of rain.

9. Groomer Shack Highway 17 Sign

Randy B. proposed that **Matt Stengl** donate the sign work for the Groomer Shack Highway 17 sign.

10. Groomer Tracker

The tracking device has been installed in the groomer and is ready to be activated.

11. Construction Camera / Internet / Trail Camera / Verizon

Brian will investigate acquiring and purchasing a trail camera for the construction site at minimal cost.

12. Corporate and Private Donations

The Board discussed strategies for approaching corporate donors and soliciting private, tax-deductible donations to support the new community center project.

13. Minnesota DNR Grant-in-Aid Funding

The club will pursue assistance from **Senator Mark Johnson, Minnesota District 1**, regarding potential additional Minnesota DNR Grant-in-Aid funding when funding becomes available.

The goal is to seek reimbursement for the currently unfunded trail section from **East Grand Forks, Minnesota, to Alvarado, Minnesota**, approximately **19 miles**.

14. Community Center Donor Recognition Wall

The Board discussed creating a donor recognition wall in the community center to recognize individuals and organizations that make significant financial and in-kind contributions to the project.

Proposed recognition levels:

Built through the generosity and support of our community!

- **Founder's Circle:** \$25,000+
 - Financial contributions at this level will receive special recognition.
- **Community Builder:** \$10,000–\$24,999
 - Businesses whose generosity, discounts, and support helped make the project possible.
- **Trailblazer:** \$5,000–\$9,999
- **Snowmobile Supporter:** \$2,500–\$4,999
- **Community Supporter:** \$1,000–\$2,499
- **Friends of RRSC:** \$500–\$999
- **Supporters of RRSC:** Under \$500

15. Builders & Trades Partners

The Board discussed recognizing businesses and trades partners that helped make the Red River Snowmobile & Community Center possible through donated labor, materials, and services.

Proposed recognition list:

- **GW & Son's** — Building Partner
- **Eagle Electric** — Power & Electrical Partner
- **All Pro Electric** — Power & Electrical Partner
- **Lakeside Construction** — Site Work Partner
- **A&L Potato** — Earthwork & Hauling Partner
- **RJ Zavoral & Son's** — Septic Materials Partner
- **A&S Concrete** — Concrete Site Work Partner
- **Kost Materials** — Concrete Materials Partner

16. Grant Updates

Sno Barons Grant: Brian has submitted the application.

Federal Trail Grant: The club will complete and submit the required paperwork before the **February 28, 2027** deadline. An example discussed was a potential **\$75,000 grant** for groomer equipment and related needs.

Polaris Grant: Brian has applied for a **\$10,000 grant**.

BRP Grant: Brian has applied for a **\$5,000 grant**.

17. Gaming / Exempt Permit Discussion

The Board discussed the options and requirements associated with gaming activities, including gaming locations, licensing, and the role of a gaming manager.

The club will investigate the requirements for a gaming location, gaming license, and gaming manager.

The club plans to apply for a **2027 Bingo and Gaming Exempt Permit**, which may include raffles, bingo, tip boards, and similar activities, subject to applicable requirements and prize limitations. The application fee discussed was **\$100**. Prizes for the year cannot exceed \$50,000

18. Gun/Purse Bingo Fundraiser

A **Gun/Purse Bingo fundraiser** is planned for **Thursday, January 21, 2027**. Eagles or VFW

19. End-of-Season Raffle Fundraiser

A large raffle fundraiser is planned for the **End-of-Season Party on April 15, 2027**.

Proposed raffle structure:

- 30 guns
- \$10,000 cash prize
- \$50 per ticket
- 2,000 tickets
- 200 books of 10 tickets
- Projected gross proceeds: **\$100,000**
- Fundraising goal: approximately **\$72,000 net** for the new community center

20. Region 1 Meeting / Membership Drive

The **Region 1 Meeting and annual membership drive** will be held **November 21, 2026, at 10:00 AM in Warren**.

21. VFW / Eagles Fundraising Discussions

The club is currently in discussions with a local **Eagles** organization regarding a potential future location for bingo and larger fundraising events.

22. Pinehurst Trip

A club trip to **Pinehurst** is planned for **Friday and Saturday, January 29–30, 2027**.

23. Opening Trail Day

The club's **Opening Trail Day** is planned for **December 1, 2026**.

The Board discussed the possibility of accepting gifts or donations online as part of the event.

24. Christmas Party

The Board discussed keeping this year's Christmas party financially conservative because of the ongoing construction expenses.

Items discussed:

- Negotiate a reasonably priced meal.
- Potential meal choices to include beef, chicken, pork, or salad.
- Hold a **50/50 raffle at \$1 per ticket**.
- Include the **\$10,000 cash / 30-gun raffle** booth for sale that night.
- Use name tags to encourage networking among attendees.

25. End-of-Season Party

The **End-of-Season Party** is scheduled for **Thursday, April 15, 2027**

This night could potentially have 200-300 people. Last Chance to sell Gun/CASH raffle tickets. **DRAWING** for **\$30,000** in **PRIZES** that night.

26. Meeting Procedures and Club Conduct

The Board discussed maintaining orderly and professional meetings, including the use of a gavel and following **Robert's Rules of Order** where applicable.

Amber suggested discontinuing the **\$100 door prize** currently offered at meetings. She expressed the view that members should attend meetings because of their interest and involvement in the club rather than because of a door prize.

The matter will be discussed with the club membership at the first official season meeting on **October 12, 2026**.

The Board also discussed maintaining a positive **family culture**, including appropriate language and conduct around children.

The Board emphasized the importance of professionalism, noting that the club's meetings and conduct will be visible to and judged by members of the community.

27. Adjournment

A motion to adjourn was made by **R. Scott Pearson** and seconded by **Brian C.**

Motion carried.

The meeting was adjourned.

RED RIVER SNOWMOBILE CLUB

BOARD OF DIRECTORS RESOLUTION

AUTHORIZATION OF \$300,000 LINE OF CREDIT

Date: Monday September 14, 2026

WHEREAS, Red River Snowmobile Club is a Minnesota nonprofit corporation and a recognized 501(c)(3) charitable organization; and

WHEREAS, Red River Snowmobile Club is undertaking the construction and development of its new **Red River Snowmobile & Community Center**, mailing address P.O. Box 501, located at **2009 170th Street SW, East Grand Forks, Minnesota 56721**; and

WHEREAS, the Board of Directors has determined that additional financing is necessary to assist with construction costs, project expenses, cash-flow requirements, and completion of the building project; and

WHEREAS, **First International Bank & Trust (FIBT)** has offered to provide Red River Snowmobile Club with a **line of credit in an amount not to exceed \$300,000**; and

WHEREAS, the Board of Directors considers this financing to be in the best interests of Red River Snowmobile Club and necessary to further the organization's charitable, community, and snowmobile-related purposes;

NOW, THEREFORE, BE IT RESOLVED:

1. Authorization to Borrow

Red River Snowmobile Club is hereby authorized to obtain from **First International Bank & Trust (FIBT)** a line of credit in an aggregate principal amount **not to exceed \$300,000**, subject to the final terms and conditions approved by the Board of Directors and set forth in the applicable loan and credit documents.

2. Purpose of Financing

The proceeds of the line of credit shall be used for legitimate organizational purposes, including construction, completion, furnishing, equipping, and other expenses associated with the **Red River Snowmobile & Community Center**, together with related project and operating expenses approved by the Board.

3. **Authorized Officers**

The **President** and **Treasurer** of Red River Snowmobile Club are hereby authorized, on behalf of the Corporation, to negotiate, execute, deliver, and perform the loan documents and other instruments necessary or appropriate to obtain and administer the line of credit.

The authorized officers are specifically authorized to execute, as applicable, the credit agreement, promissory note, loan agreement, mortgage, security agreement, financing statements, resolutions, certifications, disbursement requests, and other documents reasonably required by First International Bank & Trust.

4. **Corporate Authority**

Each authorized officer is permitted to sign documents **solely in his or her official capacity as an officer of Red River Snowmobile Club** and not individually, except to the extent a separate personal guarantee or other individual obligation is specifically approved by the Board.

5. **Collateral**

If required by First International Bank & Trust, the authorized officers may execute documents granting the lender a security interest in property of Red River Snowmobile Club, including real estate, buildings, equipment, accounts, or other organizational assets, provided such collateral is consistent with the final loan documents approved by the Board.

6. **Compliance With Organizational Documents**

The officers are directed to ensure that the borrowing and related documents are consistent with the Articles of Incorporation, Bylaws, applicable Minnesota law, and the charitable purposes of Red River Snowmobile Club.

7. **Further Actions**

The President and Treasurer are authorized to take any additional actions and execute any additional documents reasonably necessary to carry out the intent of this Resolution and complete the financing with First International Bank & Trust.

8. **Ratification**

Any prior actions taken by the officers or directors of Red River Snowmobile Club that are consistent with the purposes of this Resolution are hereby ratified and approved.

CERTIFICATION

The undersigned Secretary of the Red River Snowmobile Club hereby certifies that the foregoing Resolution was duly adopted by the Board of Directors at a duly called meeting of the Board on the date indicated below, at which a quorum was present and voting.

Date Resolution Adopted: Monday September 14, 2026

RED RIVER SNOWMOBILE CLUB

By: Jay Alsop Signature on filed document

President & Chief Executive Officer: Jay Alsop

Date: Monday September 14, 2026

By: Brian Chandler Signature on filed document

Treasurer & Financial Officer: Brian Chandler

Date: Monday September 14, 2026

Attested by:

By: Linda Skarsten Signature on filed document

Secretary: Linda Skarsten

Date: Monday September 14, 2026

BOARD VOTE

Motion made by: Board Vice President Amber Stegman

Seconded by: Board member Kyle Kozel

Vote:

☐ Approved unanimously

☐ Approved by majority vote

☐ Other: _____

Number voting in favor: _____

Number voting against: _____

Number abstaining: _____