Mead Lake District

Special Meeting Minutes – Draft

Date:	August 30, 2025
Time:	9:00 a.m. – 9:30 a.m.
Location:	Mead Lake Pavillion at the Dam

1. Thirty-six (36) voters signed in and showed their voter IDs.

2. Meeting called to order by Commissioner Rick Mews

3. Roll Call: Schalow
   - Present: Rick Mews - Chair, Mary Schalow - Secretary, Greg Evans, Larry Koschak, Bob Eckes (Town of Mead).
   - Absent: Will Ruemmele - Treasurer, Roy Tyznik (Clark County)
   - Quorum reached

4. Amend 2026 Budget:
   - *From Agenda:*
     1. *Amend 2026 Budget to include Revenue Source: Only the Expense side of the 2026 budget was approved at the annual meeting. Since the tax revenue for this year was eliminated, we need to move some of our extra funds to this budget to legally cover our expenses in 2026. The revised budget needs approval by a majority of the Mead Lake District voters in attendance at this special meeting.*
   - Chair Rick Mews asked Larry Koschak to explain the motion. Larry read a two-page personal statement he had written (attached) and Larry instructed Secretary Schalow to include it with the minutes. At the end of the letter was the following statement.

i. "…I propose the following amendment to todays' motion. It meets open meeting law with an 'incidental' change to the motion."

1. *"Amend the 2026 budget by transferring necessary funds ($13,800) from the capital / general reserve account to revenue to cover approved expenses. This transfer shall be considered temporary. The Board of Commissioners is directed to propose at the 2026 Mead Lake District Annual Meeting, a revenue mechanism to restore the capital / general reserve balance. ($69,589.07)"*

- Larry's motion was seconded by Jenny Polhemus; motion carried by hand vote of 34-2.

5. Chairman Bob Eckes stated the dump will be open on the second and third weekends in October.
6. Motion was made and seconded to adjourn; motion carried.

Mary Schalow, Mead Lake District Commissioner / Secretary

Letter to the Mead Lake District Commissioners, Mead Lake Electors and Property Owners.

Presented and read aloud by Larry Koschak, Mead Lake District Commissioner, on August 30, 2025 at the Mead Lake District Special meeting for a 2026 budget amendment procedure.

To: The Mead Lake District Commissioners, Electors and Property owners.

Our District meetings should be the most boring in the world. Lately they have been anything but that.

Many members have told me they are frustrated, ashamed, angry, or simply unwilling to attend another meeting because of the combative, argumentative tone.

Recent comments in meetings have taken an accusatory tone of improprieties, willful budget mismanagement, illegal surplus funds and illegality by commissioners.

We are here today because of this rhetoric. These claims are without foundation and serve only to undermine trust in the District.

Integrity of Volunteers

Some rhetoric has also become personal.

I have heard outside remarks suggesting that aeration test data would be manipulated to guarantee success of the NanoBubbles pilot program. Because I am one of the volunteers collecting and submitting samples, I find this offensive.

Our volunteers are trained by the WDNR and the Eau Claire River Watershed Association. We follow NR 109 permit requirements. There is nothing to gain by falsifying samples. These derisive, slanderous comments are without foundation. Any suggestion otherwise misrepresents the diligent work of myself, my wife, and Phil Strand. Please - stop spreading unfounded accusations.

It has also been assumed that Moleaer, the manufacturer of our NanoBubbles equipment, drives this project. That is false. Moleaer does not collaborate with us on planning, nor do they receive water samples or test results.

For reliable information, I encourage everyone to read the updated Mead Lake Management Plan (2025- 2030), approved by WDNR this spring. My contact information is on the District website, and I welcome any inquiry.

Background on District Funds

Looking to today's meeting regarding the District treasury, here are some facts from early years of the Mead Lake District. The Capital Reserve Funds that have been shown on the treasurer's reports since their creation, are intended to fund Capital Projects for improving water quality and the sustainability of Mead Lake. All of the retrievable evidence produced to date supports the Districts' long standing intention that these funds are to be used for capital project purposes. Some remember "dredging" as an original purpose. Therefore, this earmark as Capital Reserve Funds makes them unusable to cover annual operational expenses by Statute 33.

I have copies of those reports as gathered from the District files in the Mead Township office.

Unfortunately, many years of missing minutes and changes in terminology have blurred the distinction between capital project funds and operational funds. This has caused confusion.

We are now left with a conundrum and face a difficult choice today.

The vote to use capital or general reserve funds for operations will solve a short-term problem. Clearly the vote needs to pass to ensure the district is prepared for 2026; however, it also sets us on a slippery slope.

No organization, whether it is an association or entity of government should ever eliminate a source of revenue. This was a mistake. Once a source of revenue is eliminated, it is very hard to restore. Using reserves for operations drains funds needed for lake improvement projects, delays progress, and increases the likelihood of higher taxes later.

A major disappointment for me is today's motion offers only one option. The Mead Lake District members are entitled to choice. Possible practices could have included:

1. Using the existing reserve fund until it is spent down.

2. Affirming the nonlapsable fund and voting a tax levy to cover any shortfall.

3. Reinstating the previous $100 tax levy, as suggested by electors at the August 9th meeting.

• I would have recommended this practice but, unfortunately, I was not provided opportunity to offer this recommendation before the meeting agenda sent out. As a commissioner I hoped for more collaboration and transparency with other board members in constructing the agenda.

Unfortunately, Open Meetings law prevents us from adding such substantive options today because the agenda notice did not allow for them. Electors, property owners cannot broaden the action to impose a tax levy unless the agenda notice explicitly includes wording such as "set or approve tax levy". Electors should not have been locked out of these choices.

While none of the practices are truly ideal the burden would have been relieved.

Bottom Line

Funds in a general reserve account, a capital reserve account, a nonlapsable account, whatever name they are given, are never intended for operational expenses. While I too wish the terminology used in the treasury reports were more precise, I still understood the expectations for their use. There has never been a true "surplus" in the District treasury Using reserves for expenses is nothing more than robbing Peter to pay Paul - and Peter always demands to be paid back. Not to mention we may be forced to do this again in 2026.

With this in mind I propose the following amendment to todays' motion. It meets open meeting law with an 'incidental' change to the motion.

Therefore; I motion to: Amend the 2026 budget by transferring necessary funds ($13,800) from the capital / general reserve account to revenue to cover approved expenses. This transfer shall be considered temporary. The Board of Commissioners is directed to propose at the 2026 Mead Lake District Annual Meeting, a revenue mechanism to restore the capital / general reserve balance. ($69,589.07)

This amendment provides immediate relief while protecting the long-term financial health of the District and ensuring that capital improvement goals are not abandoned.

Respectfully presented.

Larry Koschak, Commissioner Mead Lake District and Riparian property owner

Mr. Chairman - I relinquish the floor.