**Interlaken Town Council Regular Meeting Agenda**
**Tuesday, 11 August 2026, 6:30 PM – 8:00 PM**

**Meeting Held Though Zoom Video Conferencing Software**
Zoom Meeting ID: 516 337 9977
Password: 84049
Zoom Meeting Link
https://us02web.zoom.us/j/5163379977?pwd=QlJNT3loV3J4Nm83TFJOdGVSUE1ldz09

1. **Call to Order**
2. **Roll Call**
3. **Presentations:** None
4. **Public Comment:** Comments will be taken by the Town Council on any non-agenda items. Comments are limited to four minutes per speaker. The Council may or may not respond to non-agenda issues brought up under public comment. Those wishing to comment should stand, state their full name and address, whom they represent, and the subject matter to be addressed. Total time allocated to public comments will be no more than twenty minutes.
5. **Approval of Agenda or Changes**
6. **Approval of 6/30/2026 Public Hearing Minutes – Fees and Fines**
7. **Approval of 6/30/2026 Council Regular Meeting Minutes**
8. **Approval of 8/4/2026 Public Hearing Minutes – Truth in Taxation**
9. **Consolidated Fine Ordinance - Discussion and Motion to Approve**
10. **State Auditor Limited Review Report Discussion**
11. **FY2026 End of Year Financial Reports**
12. **Optional Fall Fire Mitigation Discussion**
13. **FY2027 Budget Process Status**
14. **2026 Summer Roadwork, Signage, Fencing**
    - Eckles Top Coating Status
    - Speed Bumps Status
    - Asphalt Patching, Shoulder Work
    - Signage and Painting
    - Water Tank Fencing
15. **Planning Commission Permit Report**
16. **Other Business**
17. **Council Comments**
18. **Adjournment**

**Interlaken Town Council Regular Meeting Minutes**
**Tuesday, 11 August 2026, 6:31 PM – 7:30 PM**

**Meeting Held Though Zoom Video Conferencing Software**
Zoom Meeting ID: 516 337 9977
Password: 84049
Zoom Meeting Link
https://us02web.zoom.us/j/5163379977?pwd=QlJNT3loV3J4Nm83TFJOdGVSUE1ldz09

1. **Call to Order -** Mayor Harrigan called the meeting to order at 6:31 pm
2. **Roll Call**

Greg Harrigan, Mayor
Sue O'Nan, Council Member and Treasurer
Jill Jacobson, Council Member
Lynn Chadderdon, Council Member
Erin Merryweather, Council Member

Scott Merryweather, Planning Commission Chair
Bart Smith, Interlaken Town Administrator

3. **Presentations:** None
4. **Public Comment:**

Steve Connor, 322 Jungfrau Hill Rd., Steve read the Park Record article about the state auditor report and suggested we consider using an LLC to cover the issue regarding hiring of contractors. He also suggested we use an ombudsman or other type position to handle incoming calls about traffic issues.

Greg noted that we use QUO to handle incoming calls. It's an AI based answering service that can handle most calls and questions.

David Gardella, 451 Bern Way, David asked if we plan to do another fire mitigation pickup in the fall. He also suggested we survey the town to see if residents support a major road project, upgrading all the Interlaken roads as we did with lower Interlaken Drive 2 years ago.

Bob Marshall, 270 Interlaken Dr., Bob noted that we have been doing 2 brush pickups a year. He thinks we should schedule the spring pickup later to accommodate folks that return later, and keep doing the fall pickup as well.

5. **Approval of Agenda or Changes**

**Motion:** Council Member O'Nan moved to approve the agenda.
**Second:** Council Member Jacobson seconded the motion.
**Discussion:** no discussion.
**Vote:** The motion was approved with the Council Members unanimously voting Aye.

6. **Approval of 6/30/2026 Public Hearing Minutes – Fees and Fines**

**Motion:** Council Member O'Nan moved to approve the 6/30/26 minutes for the Public Hearing for Fees and Fines.
**Second:** Council Member Chadderdon seconded the motion.
**Discussion:** no discussion.
**Vote:** The motion was approved with the Council Members O'Nan, Jacobson, and Chadderdon voting Aye. Council member Merryweather abstained.

7. **Approval of 6/30/2026 Council Regular Meeting Minutes**

**Motion:** Council Member O'Nan moved to approve the town council 6/30/26 minutes.
**Second:** Council Member Chadderdon seconded the motion.
**Discussion:** no discussion.
**Vote:** The motion was approved with the Council Members O'Nan, Jacobson, and Chadderdon voting Aye. Council member Merryweather abstained.

8. **Approval of 8/4/2026 Public Hearing Minutes – Truth in Taxation**

**Motion:** Council Member O'Nan moved to approve the 8/4/26 Truth in Taxation Public Hearing minutes.
**Second:** Council Member Chadderdon seconded the motion.
**Discussion:** no discussion.
**Vote:** The motion was approved with the Council Members O'Nan, Jacobson, and Chadderdon voting Aye. Council member Merryweather abstained.

9. **Consolidated Fine Ordinance - Discussion and Motion to Approve**

The consolidated fine schedule was discussed in detail at the 6/30/26 public hearing. Smith presented the schedule encoded as Ordinance No. 22, Adopting a Consolidated Fine Schedule, which includes the approved fine schedule as Exhibit A. See the attached ordinance for details.

**Motion:** Council Member O'Nan moved to approve Ordinance No. 22, Adopting a Consolidated Fine Schedule.
**Second:** Council Member Jacobson seconded the motion.
**Discussion:** no discussion.
**Vote:** The motion was approved with the Council Members unanimously voting Aye.

10. **State Auditor Limited Review Report Discussion**

Greg: It must have been a slow news week because we made KPCW and the Park Record. We were contacted in January of this year by the auditor's office. They received a complaint about excessive pay and favoritism. After 6 months of investigating us, which cost the town thousands of dollars, in administration and legal fees, this is their final report. There was no finding of excessive pay or favoritism. They did have 3 findings. The first two were about procurement policy. We need to have a written procurement policy. We're working on that now. Every expenditure we make, we discuss as a council exhaustively sometimes, everything is on our website. I feel we are more transparent about our finances that many other towns. You can find any information about our finances on our website. We have spreadsheets galore.

When we hired Bart in 2017 and Derek in 2024, we didn't follow a written procurement policy because we advertised for both positions, and we had one applicant for both positions. So based on this report, we are working on a written procurement policy, and we'll adhere to the state guidance on that. So the first 2 findings were about a written procurement policy and the hiring of these 2 positions. The other finding was the auditor's office opinion was that we were misclassifying employees as contractors, specifically Bart and Derek. We have Derek doing primarily work on the water system. We wanted to have someone who is paid less than Bart to run projects like topcoat sealing or signage. They think we misclassified them as contractors instead of employees. We've had legal advice in the past that we were in compliance. A partner in our attorney's firm who specializes in employment law is helping us navigate this. There's a chance we'll have to reclassify Bart, and we have a workaround for Derek. Steve brought this up in public comment, using an LLC. I'm not a lawyer but it seems that we don't' merit the level required for having employees versus contractors. And the biggest reason we've done contractors is because it saves us thousands of dollars. If we had to convert our contractors to employees, it would cost our town probably $10,000 a year.

We've already spent thousands of dollars on this. That price tag is going up - we have attorneys working on this. If we change things, we'll have a lot more fees and costs associated with that. It's really unfortunate that this individual didn't come to the town and say, hey I think you're doing this wrong, I think you should do it like this, but decided to go tattle tale to the state to try and get us into trouble. Again, there was zero finding of excessive pay or favoritism. There was the issue of a procurement policy and this unknown question for the IRS classification. Unfortunately, I don't see him online so if he was here he could speak to his reporting.

I'm happy to take questions from the council or the public. It's unfortunate, its's a waste, but it is what it is. Any thoughts, questions or comments?

No comments from the council or the public. See the attached auditor report for more information.

**11. FY2026 End of Year Financial Reports**

Bart Smith presented the year end FY2026 reports – both accrual and cash reports. See the attached reports for details. Things to note on the cash Revenue and Expenses report - the green highlighted numbers were better than the budget; the red were worse than budget. Revenue in the town's General fund and Water enterprise fund exceeded budget. Expenses in the General fund were less than budget, but expenses in the Water fund were greater than budget due to unplanned system improvements and repairs. The bottom line, the fund balance at the end of year, was just under budget at $865,223 compared to the budgeted $869,210.

**12. Optional Fall Fire Mitigation Discussion**

Greg supported a second brush pickup this fall. Sue agreed. She felt that the spring pickup was too early – she couldn't tell what oak was dead or alive. Jill also agreed and noted that since we didn't get much precipitation over the winter there could be significant dead wood on the ground. Lynn also agreed. Bart will set it up for October with Brother B.

**13. FY2027 Budget Process Status**

Smith – we're very close to the end. Tonight will cap off one of the requirements, approval of the TNT minutes. There's just a few more documents we need to submit in order to complete the state requirements and then they will decide whether or not to approve the proposed $6,995 increase.

**14. 2026 Summer Roadwork, Signage, Fencing**

- Eckles Top Coating Status - completed
- Speed Bumps Status - completed
- Asphalt Patching, Shoulder Work – not yet started
- Signage and Painting – road painting is complete. Smith requested a vote to approve the proposed expenditure on our signage. Smith presented the sign quotes and mockups. See the attached quotes and mockups.

  **Motion:** Council Member O'Nan moved to approve the quotes for the proposed signage.
  **Second:** Council Member Chadderdon seconded the motion.
  **Discussion:** no discussion.
  **Vote:** The motion was approved with the Council Members unanimously voting Aye.

- Water Tank Fencing – completed.

Greg asked about water system being hacked. The fencing was to prevent physical access. He wondered if someone could shut us down from outside through a cyber-attack.

Smith – That's a good question for a security specialist. The system is connected through a 5G network. That's how the telemetry system works. For example, when the tank needs more water it sends a signal through 5G to the pumphouse, and the pumphouse turns on pump 1. And when the tank if full, it sends another signal to shut it off. The on/off process goes through a 5G network. Is that hackable? Yes, the same way your phone is hackable. Whatever security we have in place is standard 5G security – we don't pay any extra money for that. Technically it could be a vulnerability. Greg didn't think we needed to do anything more but was wondering about it.

**15. Planning Commission Permit Report**

Scott Merryweather did not have any permit updates. He noted that the planning commission met on 6/17/26 and 7/15/26. Smith presented new documents used to determine remodel fees and deposits. See the attached documents.

**16. Other Business** - None

**17. Council Comments** - None

**18. Adjournment**

Council member O'Nan moved to adjourn the meeting. Council member Jacobson seconded the motion. The motion passed unanimously. The meeting was adjourned at 7:30pm. The next regular town council meeting is scheduled for Tuesday September 1, 2026, 6:30pm at the town pumphouse and remotely via Zoom.

**INTERLAKEN TOWN**
**WASATCH COUNTY, UTAH**

**ADOPTION OF A CONSOLIDATED FINE SCHEDULE**
**August 11, 2026**

ORDINANCE NO. 22

AN ORDINANCE AMENDING THE TOWN CODE CREATING A GENERAL PENALTY CLAUSE AND ESTABLISHING MUNICIPAL FINES FOR CODE VIOLATIONS AND ADOPTING A CONSOLIDATED FINE SCHEDULE.

WHEREAS, INTERLAKEN TOWN, Utah, is authorized by Utah Code § 10-3-703 to enforce obedience to its ordinances by fine, imprisonment, or civil penalty; and

WHEREAS, the Town Council finds it necessary to establish a clear, centralized system to ensure public compliance with local municipal codes; and

WHEREAS, INTERLAKEN TOWN maintains the right to set rules and fines to protect public health, safety, and welfare;

NOW, THEREFORE, be it ordained by the Town Council of Interlaken Town, Wasatch County, Utah:

SECTION 1. General Penalty for Municipal Code Violations.
Except where a specific penalty is provided within an individual chapter of Interlaken Municipal Code, or specified any person, firm, or corporation found in violation of any provision of this Town Code shall be deemed guilty of an offense and penalized as follows:

- Class B Misdemeanor: Any offense expressly designated as a Class B Misdemeanor, or any prohibited act where no specific category is assigned, shall be punishable by a criminal fine not to exceed $1,000.00, imprisonment for a period not to exceed six (6) months, or both.
- Class C Misdemeanor: Any offense designated as a Class C Misdemeanor shall be punishable by a criminal fine not to exceed $750.00, imprisonment for a period not to exceed ninety (90) days, or both.
- Infractions: Any offense designated as an infraction shall be punishable by a fine not to exceed $750.00, but shall not carry any jail or imprisonment term.

SECTION 2. Civil and Administrative Penalties.
The Interlaken Town Council hereby adopts the Town Consolidated Fine Schedule, attached hereto as *Exhibit A*. Pursuant to Utah Code § 10-3-703(2), the Town may elect to pursue civil/administrative penalties through a notice of violation in lieu of criminal prosecution. Civil penalties shall be tiered and assessed according to the Town Consolidated Fine Schedule, not to exceed $1,000.00 per violation.

SECTION 3. Continuing and Separate Offenses.
Each day that any violation of this Code continues uncorrected shall constitute a separate and distinct offense, and fines may be stacked or aggregated accordingly without requiring a separate citation for each day.

SECTION 4. Limits on Residential and Pet Fines.
In accordance with Utah state law, no criminal penalty greater than an infraction shall be imposed for code violations pertaining strictly to an individual's household pet or the domestic use of an individual's primary residence, unless the violation forms a documented health/safety threat or is a fourth offense within a 12-month window.

SECTION 5. Centralized Fee Schedule Coordination.
All exact dollar calculations for administrative fees, code infraction bails, and civil citations shall be recorded in the Interlaken Town Consolidated Fine Schedule, *Exhibit A*, which may be reviewed, updated, and re-adopted annually via town council resolution.

SECTION 6. Indigent Defense Services Statement.
As mandated by Utah Code § 10-3-704(7), for any designated criminal code offense carrying the potential restriction of an individual's liberty via imprisonment, the Town acknowledges its responsibility to provide indigent defense services where constitutionally required.

SECTION 7. Severability and Effective Date.
If any part of this ordinance is ruled invalid, the remaining text remains fully intact. This Ordinance shall take effect immediately upon its proper passage, posting, and publication as required by law.

PASSED AND ADOPTED BY THE TOWN COUNCIL THIS 11th DAY OF August 2026.

APPROVER:

Mayor: Gregory Harrigan

ATTEST:

Town Clerk and Administrator: Bart Smith

(SEAL)

# INTERLAKEN TOWN CONSOLIDATED FINE SCHEDULE

| Fine Reference | Title | Current Code Date | Code Section | Fine Amount | Schedule |
|---|---|---|---|---|---|
| **Violation of Interlaken Municipal Code Fine Schedule** | | | | | |
| **F27-001** | Fine for building a wood fire outdoors | 7/3/16 | 11.06.250 | $1,000.00 | per incident |
| **F27-002** | Fine for using sparklers | 7/3/16 | 4.02.120 new | $1,000.00 | per incident |
| **F27-003** | Fine for using firecrackers | 7/3/16 | 4.02.120 new | $1,000.00 | per incident |
| **F27-004** | Fine for using roman candles, aerial cakes, mortars, rockets, or launching other combustibles and explosives | 7/3/16 | 4.02.120 new | $1,000.00 | per incident |
| **F27-005** | Faliure to Obey Road Closures | 9/10/24 | Ordinance No. 14 | $500.00 | per incident |
| **F27-006** | Parking in the road right of way from November 1 through April 1, of each year, any time of day | 1/7/25 | 6.02.040 | $500.00 | per Incident |
| **F27-007** | Parking in the road right of way for 3 or more consecutive hours between the times 11:00 pm through 6:00 am the following day | 1/7/25 | 6.02.040 | $200.00 | per Incident |
| **F27-008** | Parking in the road right of way for 24 or more consecutive hours from April 2, through October 31, of each year, any time of day | 1/7/25 | 6.02.040 | $200.00 | per Incident |
| **F27-009** | Spillage of debris on public roads or right-of-way | 1/7/26 | 9.05.090 | | |
| **F27-010** | Short Term Rental Violation | 5/19/20 | 11.04.030 | $750.00 | per day |
| **F27-011** | Violation of Disturbing the Peace, Municipal Code Chapter 4.05 - First Violation | 1/6/26 | 4.05.010 and new 4.04 | $50.00 | per incident |
| **F27-012** | Violation of Disturbing the Peace, Municipal Code Chapter 4.05 - Additional Violations | New | 4.05.010 and new 4.04 | additional $25 per incident, 1st- $50, 2nd - $75, 3rd - $100... | |
| **F27-013** | Violation of Outdoor Lighting Regulations, Municipal Code Chapter 11.06.240 - First Violation | New | 11.06.240 | $50.00 | per day |
| **F27-014** | Violation of Outdoor Lighting Regulations, Municipal Code Chapter 11.06.240 - Additional Violations | New | 11.06.240 | additional $25 per day, 1st- $50, 2nd - $75, 3rd - $100... | |
| **F27-015** | Violation of Building Permit Requirement | New | 11.11.010 | $500.00 | per incident |
| **F27-016** | Misuse of Town Dumpster - Waste left outside dumpsters | New | None | $100.00 | per violation |
| **F27-017** | Noxious Weed Violation - Failure to Abate Noxious Weeds | New | 4.03.020 and new 4.04 | $100.00 | per day if the offense continues after a request by any authorized representative of the Town to desist or cease. Additional fine of $25 per day added after 1st violation. |
| **F27-018** | Cross Connection Control Violation - Failure to complete annual backflow device testing | New | Ordinance No. 11 | $100.00 | per day if the offense continues after a request by any authorized representative of the Town to desist or cease |
| **F27-019** | Storage of Junk and Debris in Residential Zones | New | 11.06.060 | $50.00 | per day |
| **F27-020** | Drainage of Debris onto Adjacent Lots and Streets | New | 11.06.100 | $50.00 | per day |
| **F27-021** | Violation of Allowable Contruction Work Hours | New | 9.07.010 | $50.00 | per incident |
| **F27-022** | Violation of Building Site Waste/Debris Disposal Requirement | New | 9.07.040 | $50.00 | per day |
| **F27-023** | Violation of Building Site Toilet Facility Requirement | New | 9.07.050 | $50.00 | per day |
| **F27-024** | Littering on Town Property or Right-of-Way | New | None | $100.00 | per incident |
| **F27-025** | Occupying a Condemned Property or Home prior to Issuance of a Certificate of Occupancy | New | None | $200.00 | per day |
| **F27-026** | Operating a Home Business in Violation of Permitted Uses | New | 11.06.190 | $200.00 | per day |

State of Utah
Office of the Utah State Auditor

Tina M. Cannon
Utah State Auditor

# Interlaken Town

## Limited Review

**For the period July 2024 to January 2026**

**Report No. INTT25SP**

**Office of the Utah State Auditor**

Audit Leadership:
Tina M. Cannon, State Auditor
Julie Wrigley, CPA, CFE, Special Projects Director
Leslie Larsen, CPA, CFE, Special Projects Manager

Utah State Capitol, Suite 260, Salt Lake City, UT 84114, (801) 538-1025

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STATE OF UTAH
OFFICE OF THE UTAH STATE AUDITOR

TINA M. CANNON
UTAH STATE AUDITOR

# Report No. INTT25SP

July 28, 2026

Mayor Greg Harrigan and Interlaken Town Council
P.O. Box 1256
Midway, UT 84049

Dear Mayor Harrigan and Members of the Council:

The Office of the Utah State Auditor (Office) operates a hotline program through which we receive complaints with financial or compliance implications related to state or local governments. The Office received a complaint pertaining to Interlaken Town (Town). This complaint included allegations of excessive pay and favoritism during the procurement of services for the Town.

To determine the credibility of these allegations, we performed the following procedures for the period July 2024 through January 2026 unless otherwise noted:

1. Examined the compensation history from 2017 through January 2026 and verified Town Council approval for certain contracted employee pay increases;
2. Reviewed procurement records related to the contract for the Town's public works manager;
3. Evaluated the contracts with and invoices submitted by the Town's Public Works Manager and his company;
4. Reviewed applicable Town Council meeting minutes and performed inquiry with elected Town officials.

The findings portion of this letter communicates three findings and recommendations to the Mayor and Town Council.

Our procedures were limited to matters related to the complaint. As such, we did not perform a comprehensive review of all financial activity of the Town. Had we performed additional procedures, other matters may have come to our attention that would have been reported to you.

We appreciate the courtesy and assistance extended to us by the Town. We look forward to a continuing professional relationship. If you have any questions, please contact me.

Sincerely,

Tina M. Cannon

Tina M. Cannon
Utah State Auditor

# Background

Interlaken Town, established in 2015, operates under the Five-Member Council form of government with the mayor filling one seat. The Town maintains minimal staffing by contracting out its town administrator and public works manager positions. Transparent Utah[1] compensation records indicate that the current Town Administrator (referred to as the Town Clerk prior to 2022) has been with the Town since at least 2017. The Public Works Manager, hired in 2024, owns his own excavation company that has regularly performed work for the Town since at least 2023.

[1] Transparent.utah.gov

# Findings and Recommendations

## Finding 1. Improper Procurement of Town Services

The Town's procurement process to contract for the town administrator and public works manager positions did not comply with various provisions of *Utah Code* 63G-6a, Utah Procurement Code (Code). The Town indicated they "hired" for these positions, however, the facts indicate these two positions are contractor-vendor relationships rather than employer-employee relationships. We found the following problems:

- The Town has issued a new annual contract to the same individual each year since at least 2017 to fill the role initially as town clerk and later as town administrator without following any established procurement process. This has resulted in the improper procurement of services.
- The Town's October 2024 local newspaper posting for the public works manager indicated it was a contract position; however, it was placed in the "Help Wanted" section of the newspaper and was more consistent with a job advertisement than a procurement notice. As a result, the advertisement did not contain all required information,[2] such as instructions for submitting the bid or proposal, the deadline for doing so, detailed criteria regarding how the submission would be evaluated, the time and manner in which the submission would be opened, or the terms and conditions intended to be in the resultant contract. The advertisement also did not comply with public notice requirements found in *Utah Code* 63G-6a-112.[3]
- The Town executed a contract in the name of the company owned by the public works manager instead of the individual himself. This appears to have caused confusion or misunderstanding about what was procured and covered in the contract and has led to improper procurement of additional public works services as follows:
    - The public works manager contract includes management services of the Town's roads, water system, building permits, etc., but it does not cover actual performance of such duties by his company. However, since 2023 the Town has regularly hired the company to perform infrastructure repair and maintenance projects, including water system upgrades and replacements. No procurement process was followed for these

[2] It is unclear whether the Town was attempting to issue an invitation for bids, which is subject to requirements found in *Utah Code* 63G-6a-603, or a request for proposals, which is subject to *Utah Code* 63G-6a-703

[3] *Utah Code* 63G-6a-112 requires that a procurement notice be posted for at least seven days on the main procurement website for the Town or on a state website that is owned, managed by, or provided under contract with, the Utah Division of Purchasing for posting a public procurement notice.

services either before or after contracting with the Public Works Manager. It is clear that these services are not covered under the public works manager contract as the services have been billed at a different rate than the contract stipulates and the contract contains no clause regarding use/rental of equipment, supplies and materials needed to perform such duties, the use of additional laborers, and other such elements, all of which have been charged to the Town by the company.

  - In 2024, the company was hired to perform emergency water infrastructure repairs. Under certain circumstances, Code allows for the procurement of emergency services without following a standard procurement process provided specific documentation is posted on the procurement unit's website within 14 days of the emergency procurement.[4] However, the Town did not issue a contract for the emergency work and did not post the required documentation. Again, the public works manager contract does not cover these types of services for the reasons stated above.
- A new annual contract for the public works manager, again in the name of his company instead of the individual himself, was issued in November 2025 without any further procurement activities. This has continued the improper procurement of services.

These problems occurred because the Town was unaware they are subject to Code and did not have its own written procurement policy (see Finding 3). Improper procurement practices increase the risk of collusion, bias and favoritism when selecting a contractor. Further, the Town risks noncompliance with Internal Revenue Service rules regarding employment versus independent contractor as discussed in Finding 2 which could result in penalties for the Town.

## Recommendation:

In coordination with the recommendation in Finding 2, we recommend that the Town:

- As soon as practicable, cancel the existing town administrator and public works manager contracts and re-procure the services in compliance with Code and Town procurement policy (see Finding 3), or
- Hire traditional employees to fill these roles according to the Town's personnel policies and procedures.
- Review the public works manager position to determine whether the Town is seeking to hire an individual to perform management duties or a company to perform public works projects

[4] *Utah Code* 63G-6a-803(3)(b) requires (i) a written document describing the specific emergency that necessitated the emergency procurement; (ii) the name of the highest-ranking government official that approved the emergency procurement; and (iii) each written contract related to the emergency procurement.

or a combination of these two options. Depending on the determination, the Town should also be aware of potential implications and disclosure requirements found in *Utah Code* 10-3 Part 13, Municipal Officers' and Employees' Ethics Act.

- Complete procurement training and review resources provided by the Utah Division of Purchasing to various types of public entities at purchasing.utah.gov/training/for-agencies-training/.
- Procure all future goods and services in accordance with Code and Town procurement policy.

## Finding 2. Possible Noncompliance with Internal Revenue Code

In addition to the procurement issues addressed in Finding 1 regarding the town administrator and public works manager positions, the nature of these employment relationships indicates potential noncompliance with the Internal Revenue Code. According to IRS Publication 15-A, an ongoing, indefinite relationship with a worker generally signifies employment rather than independent contracting. The Town Administrator has been with the Town since at least 2017, and his role has expanded significantly during that time. It also appears that the Town expects that the public works manager relationship will continue beyond a specific project or period. As a result, the Town's treatment of these positions as contracted employees or vendors may be in noncompliance with Internal Revenue Code and IRS Publication 15-A.

The Town appeared to be unaware of all relevant considerations when making the decisions to contract the administrator and public works positions. Misclassifying employees could result in violation of Internal Revenue Code and has significant employment tax implications.

### Recommendation:

We recommend that the Town:

- Consult with legal counsel and review relevant Internal Revenue Code and IRS Publication 15-A to determine whether the town administrator and public works manager should be classified as traditional employees rather than independent contractors.
- In coordination with the recommendations in Finding 1, review the public works manager position to determine whether the Town is seeking to hire an individual to perform management duties or a company to perform public works projects or a combination of these two options. Depending on the determination, the Town should also be aware of potential implications and disclosure requirements found in *Utah Code* 10-3 Part 13, Municipal Officers' and Employees' Ethics Act.

## Finding 3. Lack of Written Procurement Policy

The Town does not have a written procurement policy. *Utah Code* 63G-6a-103(48) specifies that a municipality is subject to the Utah Procurement Code in its entirety unless the municipality has adopted its own procurement code by ordinance. The Town has not adopted its own procurement code by ordinance and is, therefore, subject to Utah Procurement Code. However, additional written policy is still advised as the Code does not address all potential procurement-related issues or requirements, such as dollar thresholds for various procurement types or instructions for obtaining and documenting competitive quotes for small purchases, etc. The lack of written policy likely contributed to the procurement problems noted in Finding 1.

**Recommendation:**

We recommend that the Town either:

- Adopt its own comprehensive procurement code by ordinance, or
- Adopt a supplemental procurement policy to address specific details that the Code does not address and other matters the Town deems necessary.

# Town’s Response

*Interlaken Town*
*P.O. Box 1256*
*Midway, UT 84049*
*435) 565-3812*

July 21, 2026

TO: Tina M. Cannon, Utah State Auditor

RE: Utah State Auditor Report No. INTT25SP

Dear State Auditor Cannon,

Attached, you'll find Interlaken Town's response to State Auditor report No. INTT25SP. Please contact me with any additional questions or comments.

Sincerely,

Gregory Harrigan

Interlaken Town Mayor

Interlaken Town
P.O. Box 1256
Midway, UT 84049
435) 565-3812

## Interlaken Town Response to State Auditor Report No. INTT25SP

**Finding 1. Improper Procurement of Town Services, and**
**Finding 3. Lack of Written Procurement Policy**

The town understands that the absence of a written procurement policy can lead to issues regarding transparency and uncertainty as to the process of hiring and contracting vendors to perform town functions, such as town administration, management of the town's utilities and infrastructure, and work performed on these systems. The findings of the auditor's report, "Improper Procurement of Town Services" and "Lack of Written Procurement Policy" would be addressed in the coming months as the town develops and adopts a written procurement policy. Development and approval of the procurement policy will at minimum take 90 days to draft and adopt. Due to the importance and weight of the auditor's report, the town feels a minimum 90-day timeframe to draft, discuss, complete a review with the town attorney, and adopt a procurement policy is not unreasonable. The town council meets monthly, and with summer travel schedules and holidays, it would be pressed to complete this task in a shorter timeframe.

As a first step in addressing specific issues presented in the auditor's report, the town's approach towards procurement would likely include the following elements for discussion and adoption of the policy:

Rebid the contracts for the following work:

- Town Administrator Contract – hourly rate
- Public Works Manager Contract – hourly rate
- Excavation and Utilities Professional Services Contract – based on time and materials

Note that the work performed on the town's infrastructure, for example excavation and repair of systems, would be bid out separately from tasks associated with the oversight duties of the town's public works manager. The above bids would be presented to the council for review and approval at a public meeting. The approved bids will remain in place for 2 years at which time the process will be re-opened for bidding. The bidding process would begin within 60 days of the council's adoption of a procurement policy.

The town will set a small purchase threshold for town projects. Projects under this threshold may be approved by the Town Administrator or Mayor and would be assigned to the company awarded the Excavation and Utilities Professional Services Contract.

*Interlaken Town*
*P.O. Box 1256*
*Midway, UT 84049*
*435) 565-3812*

For larger projects, with a threshold exceeding the small purchase threshold, the projects will be individually bid out, reviewed and approved by the town council.

**Finding 2. Possible Noncompliance with Internal Revenue Code**

The auditor's report references IRS Publication 15-A in finding a possible noncompliance issue with use of vendor services. The town and our attorney have reviewed this publication and believe the contract positions for town administrator and public works manager are compliant with regulations governing hiring of vendors. Both these positions do not receive additional benefits from the town beyond the contracted hourly wage. Neither position is given an office, a vehicle, equipment, additional training, or reimbursed for expenses related to job performance. Both positions have significant investment in equipment, supplies, office space, utilities, and other necessary expenses in order to conduct their business.

# Auditor’s Concluding Remarks

Based on the complete guidance and criteria contained in IRS Publication 15-A, the Office continues to have concerns that the Town Administrator and Public Works Manager positions may be misclassified as independent contractors. While the Town's response discusses certain factors that may support independent contractor status, IRS Publication 15-A requires that worker classification be determined by evaluating the totality of the relationship under the behavioral control, financial control, and relationship-of-the-parties’ factors. No single factor is determinative, and the absence of employee benefits, office space, equipment, or expense reimbursement does not, by itself, establish independent contractor status.

As noted in our report, both positions appear to involve ongoing, indefinite relationships that are integral to the Town's core governmental operations. These and other relevant factors, when considered collectively, continue to raise concerns regarding the appropriateness of the current classifications. Accordingly, our recommendation remains that the Town consult with qualified legal counsel and carefully evaluate the positions using the complete guidance contained in IRS Publication 15-A and other applicable Internal Revenue Service authorities to determine whether the positions should be classified as employees rather than independent contractors.

# Interlaken Town

## Statement of Revenue and Expense

July 2025 - June 2026

| | TOTAL | |
|---|---|---|
| | JUL 2025 - JUN 2026 | JUL 2024 - JUN 2025 (PY) |
| Income | | |
| Miscellaneous Revenue | 0.00 | 0.00 |
| 60000 Base Usage Water Revenue | 246,192.00 | 211,929.82 |
| 60100 Overage Usage Water Revenue | 19,223.80 | 19,138.55 |
| 60101 Wasatch County Tax Assessment | 219,096.01 | 200,852.57 |
| 60102 State Sales Tax Revenue | 31,936.60 | 30,052.70 |
| 60103 B and C Road Tax Revenue | 30,857.26 | 35,271.32 |
| 60104 Lot Transfer Fees | 1,950.00 | 450.00 |
| 60105 Late Fees | 470.00 | 1,430.00 |
| 60106 Revenue from RMA Agreement | 25,241.04 | 36,865.00 |
| 60110 Permit fees for town engineer | 1,386.75 | 0.00 |
| 60112 Misc. Water Revenue | 400.00 | 0.00 |
| 60200 Building Fee | 12,065.08 | 12,559.10 |
| 60201 Application Fee | 3,147.30 | 2,500.00 |
| 60202 Water connection Fee | 2,300.00 | 700.00 |
| 60203 Road Impact Fee | 5,500.00 | 10,500.00 |
| **Total 60200 Building Fee** | **23,012.38** | **26,259.10** |
| 60800 Interest Income | 3,790.65 | 3,436.45 |
| 60801 Municipal Fines | 100.00 | 5,020.00 |
| **Total Miscellaneous Revenue** | **603,656.49** | **570,705.51** |
| **Total Income** | **$603,656.49** | **$570,705.51** |
| GROSS PROFIT | **$603,656.49** | **$570,705.51** |
| Expenses | | |
| 70000 Administrative Expenditures | 0.00 | 0.00 |
| 70100 Animal Control | 3,349.08 | 1,654.25 |
| 70101 Council, Commissions, Appointee Stipends | 4,925.00 | 0.00 |
| 70102 Town Council Equip and Supplies | 445.18 | 0.00 |
| 70103 Accounting and Bookkeeping Fees | 21,383.10 | 20,218.93 |
| 70104 Bank Charges, Checks | (16.11) | 535.16 |
| 70105 Plan Review & Inspections | 10,342.50 | 11,260.28 |
| 70106 Consulting Services | 0.00 | 18.75 |
| 70108 Town Attorney Legal Fees | 3,554.44 | 2,179.19 |
| 70110 Office Expense | 804.27 | 3,353.38 |
| 70111 Town Administrator and Clerk | 126,505.00 | 108,834.50 |
| 70114 Web Hosting and IT Services | 4,679.63 | 2,677.34 |
| 70115 Misc. Admin Expenses | 89.34 | 76.78 |
| 70116 Association Memberships | 1,190.00 | 329.00 |
| 70117 Road Signage | 0.00 | 4,080.90 |
| 70119 Meeting Advertising | 0.00 | 64.76 |
| 70120 Insurance | 5,476.14 | 5,066.40 |

# Interlaken Town

## Statement of Revenue and Expense

July 2025 - June 2026

| | TOTAL | |
|---|---|---|
| | JUL 2025 - JUN 2026 | JUL 2024 - JUN 2025 (PY) |
| 70125 Safety and Enforcement | 944.90 | 627.12 |
| 70130 Public Works Manager | 13,792.50 | 7,125.00 |
| **Total 70000 Administrative Expenditures** | **197,464.97** | **168,101.74** |
| 70303 Payroll Expenses | 0.00 | 32,136.74 |
| Taxes | 2,305.94 | 27.00 |
| Wages | 28,864.00 | 0.00 |
| **Total 70303 Payroll Expenses** | **31,169.94** | **32,163.74** |
| Road Maintenance Expenditures | 0.00 | 0.00 |
| 70118 Annual DPW Site Maintenance Exp | 0.00 | 85.41 |
| 70201 Annual Road Repair | 2,070.00 | 58,749.50 |
| 70202 Additional Contract Services | 22,321.80 | 13,436.40 |
| 70203 Road Maint. supplies, salt, sand | 0.00 | 1,696.54 |
| 70204 Snow Removal | 67,500.00 | 65,000.00 |
| 70205 Brush Removal and Fire Mitigation | 26,900.00 | 20,300.00 |
| 71000 Depr. Expense-Roads | 26,212.00 | 314,594.67 |
| **Total Road Maintenance Expenditures** | **145,003.80** | **473,862.52** |
| Water System Expenditures | 0.00 | 0.00 |
| 70300 Interest Expense | 19.03 | 0.00 |
| 70301 Chemicals and Monitoring | 3,046.33 | 620.00 |
| 70302 Meter Repair/Replacement (deleted) | 22,699.37 | 35,388.76 |
| 70304 Telemetry System | 1,213.40 | 76,620.43 |
| 70305 Utilities Gas and Electric | 8,385.49 | 8,304.88 |
| 70306 Water Share Fee, Education | 403.00 | 948.00 |
| 70308 Water System Maint and Repair | 27,741.42 | 8,912.35 |
| 70309 Misc. Water Expense | 1,809.75 | 2,502.56 |
| 70310 Annual Memberships | 50.00 | 0.00 |
| 70311 Water system contract services | 40,253.50 | 1,536.98 |
| 71001 Depr. Expense- Water System | 9,970.63 | 0.00 |
| **Total Water System Expenditures** | **115,591.92** | **134,833.96** |
| **Total Expenses** | **$489,230.63** | **$808,961.96** |
| NET OPERATING INCOME | **$114,425.86** | **$ (238,256.45)** |
| NET INCOME | **$114,425.86** | **$ (238,256.45)** |

# Interlaken Town

## Statement of Assets, Liabilities, and Fund Balance

As of June 30, 2026

| | TOTAL | |
|---|---|---|
| | AS OF JUN 30, 2026 | AS OF JUN 30, 2025 (PY) |
| ASSETS | | |
| Current Assets | | |
| Bank Accounts | | |
| General Fund | 1,469.77 | 0.00 |
| 10001 General Fund GVB7730 | 156,056.51 | 138,112.56 |
| 10102 10102 - Water Rev Fund GVB7811 | 132,032.39 | 299,136.24 |
| 10201 Building Fund GVB7803 | 87,422.59 | 129,240.96 |
| Reserve Funds | 0.00 | 0.00 |
| 10300 Transportation Reserve Fund GVB7854 | 156,137.09 | 2,938.63 |
| 10301 Transp Cap Facilities Res GVB7854 | 82,069.29 | 82,009.69 |
| **Total 10300 Transportation Reserve Fund GVB7854** | **238,206.38** | **84,948.32** |
| Water Reserve Funds | 462.46 | 462.46 |
| 10401 Water Sys Cap Facilities GVB | 234,356.80 | 151,583.17 |
| **Total Water Reserve Funds** | **234,819.26** | **152,045.63** |
| **Total Reserve Funds** | **473,025.64** | **236,993.95** |
| **Total General Fund** | **850,006.90** | **803,483.71** |
| **Total Bank Accounts** | **$850,006.90** | **$803,483.71** |
| Accounts Receivable | | |
| 20000 Accounts Receivable | 7,085.03 | 7,085.03 |
| **Total Accounts Receivable** | **$7,085.03** | **$7,085.03** |
| Other Current Assets | | |
| QuickBooks Tax Holding Account | 900.31 | 0.00 |
| **Total Other Current Assets** | **$900.31** | **$0.00** |
| **Total Current Assets** | **$857,992.24** | **$810,568.74** |
| Fixed Assets | | |
| 25900 Accumulated Depeciation | (1,810,569.72) | (1,810,569.72) |
| Amortizable Expenditures | 0.00 | 0.00 |
| 26000 Bond Fees | 25,000.00 | 25,000.00 |
| 26100 Accumulated Amortization | (23,541.67) | (23,541.67) |
| **Total Amortizable Expenditures** | **1,458.33** | **1,458.33** |
| Depreciable Assets | 0.00 | 0.00 |
| Property, Plant and Equipment | 0.00 | 0.00 |
| 25000 Garbage Site | 98,318.85 | 98,318.85 |
| 25100 Equipment | 31,366.00 | 31,366.00 |
| 25200 Roads | 705,967.00 | 705,967.00 |
| 25300 Water System | 1,712,694.73 | 1,712,694.73 |
| **Total Property, Plant and Equipment** | **2,548,346.58** | **2,548,346.58** |
| **Total Depreciable Assets** | **2,548,346.58** | **2,548,346.58** |
| **Total Fixed Assets** | **$739,235.19** | **$739,235.19** |

# Interlaken Town

## Statement of Assets, Liabilities, and Fund Balance

As of June 30, 2026

| | TOTAL | |
|---|---|---|
| | AS OF JUN 30, 2026 | AS OF JUN 30, 2025 (PY) |
| Other Assets | | |
| 25400 Land | 16,965.00 | 16,965.00 |
| 25500 Water Rights | 37,508.00 | 37,508.00 |
| **Total Other Assets** | **$54,473.00** | **$54,473.00** |
| **TOTAL ASSETS** | **$1,651,700.43** | **$1,604,276.93** |
| LIABILITIES AND EQUITY | | |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | | |
| 30000 Accounts Payable | (502.77) | 61,749.62 |
| **Total Accounts Payable** | **$ (502.77)** | **$61,749.62** |
| Other Current Liabilities | | |
| 30100 Road Damage Deposit | 54,557.89 | 59,057.89 |
| 30200 Completion Deposit (refundable) | 34,171.04 | 34,021.04 |
| 30300 Payroll Liabilities | (621.55) | (591.55) |
| Federal Taxes (941/943/944) | 0.00 | 522.48 |
| Federal Unemployment (940) | 8.26 | 24.00 |
| UT Income Tax | 89.00 | (89.00) |
| UT Unemployment Tax | 18.25 | 28.00 |
| **Total 30300 Payroll Liabilities** | **(506.04)** | **(106.07)** |
| **Total Other Current Liabilities** | **$88,222.89** | **$92,972.86** |
| **Total Current Liabilities** | **$87,720.12** | **$154,722.48** |
| Long-Term Liabilities | | |
| Division of Finance | 0.00 | 0.00 |
| 30400 Note Payable UT Div. of Finance | 2,000.00 | 2,000.00 |
| 30401 Undisbursed Principal | 2,526.34 | 2,526.34 |
| **Total Division of Finance** | **4,526.34** | **4,526.34** |
| **Total Long-Term Liabilities** | **$4,526.34** | **$4,526.34** |
| **Total Liabilities** | **$92,246.46** | **$159,248.82** |
| Equity | | |
| 50000 Fund Balance | 1,445,028.11 | 1,683,284.56 |
| Net Income | 114,425.86 | (238,256.45) |
| **Total Equity** | **$1,559,453.97** | **$1,445,028.11** |
| **TOTAL LIABILITIES AND EQUITY** | **$1,651,700.43** | **$1,604,276.93** |

Better than Budget

Worse than Budget

| | Jul-Jun | Interlaken Town Statement of Revenue and Expense | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Jul-Jun, 2026 | | | | | | | | | |
| | | GVB 7811 | | GVB 7862 | | GVB 7854 | | GVB 7803 | | GVB 7730 | |
| | | Water Revenue | | Water Reserve | | Road Way Reserve | | Building | | General | |
| | | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget |
| | **Revenue - All Accounts** | | | | | | | | | | |
| 5 | Annual Wasatch County Tax Assessment | | | | | | | | | $ 217,237 | $ 210,000 |
| 8 | 1% State Sales Tax (estimate) | | | | | | | | | $ 31,937 | $ 34,000 |
| all | Interest Income | $ - | $ 200 | $ 2,774 | $ 800 | $ 1,017 | $ 800 | $ - | $ 150 | $ - | $ 130 |
| 13 | B&C Road Tax (estimate) | | | | | | | | | $ 30,857 | $ 29,000 |
| 15a | Federal Grant Revenue | | | | | | | | | $ - | $ - |
| 15b | State and Local Grant Revenue | | | | | | | | | $ - | $ - |
| 15c | Miscellaneous Revenue | | | | | | | | | $ 298 | $ - |
| 15d | Fines for municipal code violations | | | | | | | | | $ 100 | $ 200 |
| 73a | Revenue From RMA Agreement & 3rd Party Contributions | | | | | $ 25,241 | $ 18,000 | | | | |
| 73b | Revenue from Federal & State Transporation System Grants | | | | | $ - | $ - | | | | |
| 92 | Annual Water Utility Base Usage Fee | $ 248,422 | $ 245,000 | | | | | | | | |
| 95 | Charge for Services: Metered Water (overages) | $ 19,224 | $ 22,000 | | | | | | | | |
| 95b | Water Billing Late Fees and Additional Administrative Fees | $ 470 | $ 1,200 | | | | | | | | |
| 95c | New Owner Transfer Fees | $ 1,950 | $ 450 | | | | | | | | |
| 95d | Misc. Water Revenue | $ 0 | $ - | | | | | | | | |
| 150 | Revenue from Federal & State Water System Grants | | | $ - | $ - | | | | | | |
| 169 | Building Permit Application Fees | | | | | | | $ 3,550 | $ 1,800 | | |
| 170 | Water Connect Fees | | | | | | | $ 2,300 | $ 700 | | |
| 171 | Road Impact Fees | | | | | | | $ 5,500 | $ 7,000 | | |
| 172 | Damage Deposits - Refundable | | | | | | | $ 14,000 | $ 8,000 | | |
| 173 | Completion Deposits - Refundable | | | | | | | $ 8,000 | $ 8,000 | | |
| 173a | Plan Review & Inspections (Town Engineer) | | | | | | | $ 13,199 | $ 19,000 | | |
| 173b | Variance Application Fees | | | | | | | $ - | $ 240 | | |
| | **Total Revenue** | **$ 270,066** | **$ 268,850** | **$ 2,774** | **$ 800** | **$ 26,258** | **$ 18,800** | **$ 46,549** | **$ 44,890** | **$ 280,429** | **$ 273,330** |
| | | | | | | | | | | | |
| | **General Fund - Transfer In** | | | | | | | | | | |
| 19 | Transfer from Building Fund (Application Fees for admin costs) | | | | | | | | | $ 31,325 | $ 2,000 |
| 20 | Transfer from Water Revenue for Share of Admin. Expenses | | | | | | | | | $ 200,000 | $ 200,000 |
| 21 | Transfer from Transportation Reserves for Capital expenses | | | | | | | | | $ - | $ - |
| | **General Fund - Transfer Out** | | | | | | | | | | |
| 28 | Transfer of B&C Road Tax to Transportation Reserve Fund | | | | | | | | | $ (31,000) | $ (29,000) |
| 29 | Contribution to Capital Improvements | | | | | | | | | $ (80,000) | $ - |
| 30 | Transfers into Building Fund - Special Engineering Projects | | | | | | | | | $ - | $ - |
| | **Water Revenue Fund - Transfer In** | | | | | | | | | | |
| 100 | Transfer from Building Fund (Water Connect Fees) | $ 4,200 | $ 2,300 | | | | | | | | |
| 101 | Transfer from Bond Sinking Fund for current year Water Bond payment | $ - | $ - | | | | | | | | |
| 102 | Transfer from Water System Reserves for Capital Improvements | $ - | $ - | | | | | | | | |
| | **Water Revenue Fund - Transfer Out** | | | | | | | | | | |
| 105 | Transfer to Water System Reserve Capital Fund | $ (80,000) | $ (150,000) | | | | | | | | |
| 109 | Transfer to General Fund for Share of Administrative expenses | $ (200,000) | $ (200,000) | | | | | | | | |
| | **Transportation Reserve Fund - Transfer In** | | | | | | | | | | |
| 77 | Trfr from General Fund of B&C Road Tax to Trans. Reserve Capital Fund | | | | | $ 31,000 | $ 29,000 | | | | |
| 78 | Transfer from General Fund for Capital Improvement Reserves | | | | | $ 80,000 | $ - | | | | |
| 80 | Transfer from Building Fund of Road Impact Fee | | | | | $ 16,000 | $ 20,000 | | | | |
| | **Transportation Reserve Fund - Transfer Out** | | | | | | | | | | |
| 83 | Transfer to General Fund for Transportation Capital Expenses | | | | | $ - | $ - | | | | |
| | **Water Reserve Fund - Transfer In** | | | | | | | | | | |
| 154 | Trfr from Water Revenue Fund to Capital Reserves | | | $ 80,000 | $ 150,000 | | | | | | |
| 154a | Trfr from Water Bond Fund to Capital Reserves | | | $ - | $ - | | | | | | |

Revenue

| | Jul-Jun | Interlaken Town Statement of Revenue and Expense | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Jul-Jun, 2026 | | | | | | | | | |
| | | GVB 7811 | | GVB 7862 | | GVB 7854 | | GVB 7803 | | GVB 7730 | |
| | | Water Revenue | | Water Reserve | | Road Way Reserve | | Building | | General | |
| | | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget |
| | **Water Reserve Fund - Transfer Out** | | | | | | | | | | |
| 161 | Transfer to Water Revenue Fund for Capital Improvements | | | $ - | $ - | | | | | | |
| | **Building Fund - Transfer In** | | | | | | | | | | |
| 177 | Transfer from General Fund - Special Engineering Projects | | | | | | | $ - | $ - | | |
| | **Building Fund - Transfer Out** | | | | | | | | | | |
| 180 | Transfer to General Fund - Building Permit Application Fees | | | | | | | $ (31,325) | $ (2,000) | | |
| 181 | Transfer to Water Revenue Fund - Water Connect Fees | | | | | | | $ (4,200) | $ (2,300) | | |
| 182 | Transfer to Transportation Reserve Fund - Road Impact Fees | | | | | | | $ (16,000) | $ (20,000) | | |
| | **Total Transfers Between Funds** | **$ (275,800)** | **$ (347,700)** | **$ 80,000** | **$ 150,000** | **$ 127,000** | **$ 49,000** | **$ (51,525)** | **$ (24,300)** | **$ 120,325** | **$ 173,000** |
| | | | | | | | | | | | |
| | **General Fund Expenses** | | | | | | | | | | |
| | **Administrative Expense** | | | | | | | | | | |
| 37 | Town Council, Commission, Appointee Stipends | | | | | | | | | $ (4,800) | $ (5,700) |
| 38 | Town Administrator & Clerk | | | | | | | | | $ (127,723) | $ (105,000) |
| 39 | Association Memberships | | | | | | | | | $ (1,240) | $ (2,000) |
| 40 | Web Hosting & IT Services (WIX, GoDaddy, Zoom, Dropbox, ViaSat, Calling Post) | | | | | | | | | $ (4,833) | $ (1,500) |
| 40a | Town Council Equipment & Supplies | | | | | | | | | $ (370) | $ (1,000) |
| 41 | Meeting Advertising | | | | | | | | | $ - | $ (200) |
| 42 | Bookkeeping, Accounting & CPA fees | | | | | | | | | $ (22,287) | $ (18,000) |
| 43 | Bank Charges, Checks | | | | | | | | | $ 340 | $ (500) |
| 44 | Town Attorney | | | | | | | | | $ (3,554) | $ (10,000) |
| 45a | Animal Control through Interlocal Agreement w/ Heber City | | | | | | | | | $ (3,349) | $ (3,000) |
| 45b | Municipal Election Balloting & Noticing, Advertisements | | | | | | | | | $ (409) | $ (200) |
| 46 | Misc. Admin. Expenses | | | | | | | | | $ (89) | $ (1,500) |
| 47 | Insurance | | | | | | | | | $ (5,476) | $ (5,000) |
| 48 | Office Supplies (postage + supplies) | | | | | | | | | $ (465) | $ (1,500) |
| 51 | Additional Consulting Fees | | | | | | | | | $ - | $ (2,000) |
| 51a | Federal IRS Taxes | | | | | | | | | $ - | $ (5,500) |
| 51c | Safety and Enforcement (Wasatch County Sheriff Agreement) | | | | | | | | | $ (945) | $ (12,000) |
| 51d | Public Works Manager | | | | | | | | | $ (16,343) | $ (45,000) |
| | **Total Administrative Expenses** | | | | | | | | | **$ (191,544)** | **$ (219,600)** |
| | | | | | | | | | | | |
| | **Annual Road Maintenance Expense from General Fund** | | | | | | | | | | |
| 55 | Annual Road Repair & Maintenance | | | | | | | | | $ (84,407) | $ (85,000) |
| 56 | Additional Contract Services - Recycling, Noxious Weed Control | | | | | | | | | $ (15,380) | $ (10,000) |
| 56a | Road Signage | | | | | | | | | $ - | $ (5,500) |
| 57 | Contract Service (Snow Removal) | | | | | | | | | $ (67,500) | $ (70,000) |
| 58 | Supplies - Salt, Sand, etc | | | | | | | | | $ - | $ - |
| | **Annual Fire Mitigation Expenses** | | | | | | | | | | |
| 58b | Brush Removal and other Widlfire Mitigation | | | | | | | | | $ (28,200) | $ (20,000) |
| | **Annual General Fund Capital Expenses** | | | | | | | | | | |
| 59a | Capital Equipment Investment | | | | | | | | | $ - | $ - |
| 60 | Capital Investment in Roads | | | | | | | | | $ - | $ (3,000) |
| | **DPW Expenses** | | | | | | | | | | |
| 60b | DPW Site Construction - Capital Investment | | | | | | | | | $ - | $ - |
| 60c | Annual DPW Site Maintenance Expenses | | | | | | | | | $ - | $ (500) |
| 61 | **Total Road Maintenance, Capital Improvements, DPW Expenses** | | | | | | | | | **$ (195,486)** | **$ (194,000)** |
| | | | | | | | | | | | |
| | **Total General Fund Expenses** | | | | | | | | | **$ (387,030)** | **$ (413,600)** |

Expense

| | Jul-Jun | Interlaken Town Statement of Revenue and Expense | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Jul-Jun, 2026 | | | | | | | | | |
| | | GVB 7811 | | GVB 7862 | | GVB 7854 | | GVB 7803 | | GVB 7730 | |
| | | Water Revenue | | Water Reserve | | Road Way Reserve | | Building | | General | |
| | | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget | Actual | Budget |
| | **Water Revenue Fund Expenses** | | | | | | | | | | |
| | **Operating Expenses** | | | | | | | | | | |
| 116 | Payroll - Water Masters | $ (26,217) | $ (31,500) | | | | | | | | |
| 117 | Bank Charges, Checks | $ (8) | $ (500) | | | | | | | | |
| 118 | Chemicals & Monitoring | $ (2,688) | $ (800) | | | | | | | | |
| 119 | Telemetry System Operating Costs | $ (1,213) | $ (2,700) | | | | | | | | |
| 120 | Water Share Fee, Education, etc. | $ (447) | $ (450) | | | | | | | | |
| 121 | Gas Heat | $ (505) | $ (800) | | | | | | | | |
| 122 | Electricity | $ (7,906) | $ (7,000) | | | | | | | | |
| 123 | Payroll Taxes - Water Masters | $ (9,956) | $ (4,000) | | | | | | | | |
| 123a | Workman's Comp Insurance for Water Masters | $ (15) | $ (1,200) | | | | | | | | |
| 123b | Misc. Water Expenses | $ (3,036) | $ (1,500) | | | | | | | | |
| | **Capital Investment in Water System** | | | | | | | | | | |
| 123f | Purchase of Generator and Installation | $ - | $ - | | | | | | | | |
| 123g | Water System Capital Upgrades, Replacements | $ (36,521) | $ - | | | | | | | | |
| 123h | Capital Equipment Investment - Water System | $ - | $ (1,000) | | | | | | | | |
| | **Repair and Maintenance** | | | | | | | | | | |
| 125 | Additional Water System Contract Services | $ (52,120) | $ (70,000) | | | | | | | | |
| 126 | Annual Generator Maintenance | $ (620) | $ (1,700) | | | | | | | | |
| 126a | General Water System Maintenance & Repair | $ (23,270) | $ - | | | | | | | | |
| | **Total Water Revenue Fund Expenses** | **$ (164,522)** | **$ (123,150)** | | | | | | | | |
| | | | | | | | | | | | |
| | **Building Fund Expenses** | | | | | | | | | | |
| 187 | Refunds of Damage Deposits | | | | | | | $ (14,500) | $ (8,000) | | |
| 188 | Refunds of Completion Deposits | | | | | | | $ (6,000) | $ (4,000) | | |
| 188a | Plan Review & Inspections (Town Engineer) | | | | | | | $ (10,090) | $ (10,000) | | |
| 188b | Additional Contractual Services (Town Engineer) | | | | | | | $ - | $ - | | |
| 188c | Plan Review by Planning Commission | | | | | | | $ - | $ - | | |
| | **Total Building Fund Expenses** | | | | | | | **$ (30,590)** | **$ (22,000)** | | |
| | | | | | | | | | | | |
| | **Total Expenses (General, Water Revenue, Building)** | **$ (164,522)** | **$ (123,150)** | | | | | **$ (30,590)** | **$ (22,000)** | **$ (387,030)** | **$ (413,600)** |
| | | | | | | | | | | | |
| 66 | **General Fund Balance to be Appropriated** | | | | | | | | | | **$ (100,000)** |
| 85 | **Appropriation to Transportation Reserve Fund** | | | | | | **$ 100,000** | | | | |
| | | | | | | | | | | | |
| | **Net Change in Balance = Revenue+Transfers+Expenses+Appropriations** | **$ (170,256)** | **$ (202,000)** | **$ 82,774** | **$ 150,800** | **$ 153,258** | **$ 167,800** | **$ (35,566)** | **$ (1,410)** | **$ 13,723** | **$ (67,270)** |
| | Starting Balance for Reporting Period | $ 304,129 | $ 304,129 | $ 151,583 | $ 151,583 | $ 84,948 | $ 84,948 | $ 129,241 | $ 129,241 | $ 151,388 | $ 151,388 |
| | Rounding Adjustment | | | | | | | | | | |
| | **Ending Balance** | **$ 133,873** | **$ 102,129** | **$ 234,357** | **$ 302,383** | **$ 238,206** | **$ 252,748** | **$ 93,675** | **$ 127,831** | **$ 165,111** | **$ 84,118** |

Expense

FY2026 Total Year End Cash - Actual: $865,223

FY2026 Total Year End Cash - Budget: $869,210

Wasatch Back Signarama
FULLY PROMOTED
Branded Products & Marketing Services

1520 South Hwy 40
Heber City, UT 84032
(435) 654-5965

# ESTIMATE
## EST-22788

Payment Terms: Cash Customer

**Created Date:** 7/30/2026

**DESCRIPTION:** Speed Bump Signs

**Bill To:** Interlaken Town
P.O. Box 1256
MIdway, UT 84049
US

**Pickup At:** Wasatch Back Signarama
1520 South Hwy 40
Heber City, UT 84032
US

**Requested By:** Bart Smith
Email: admin@interlakenut.gov
Work Phone: (435) 565-3812
Cell Phone: (435) 565-3812

**Salesperson:** Tika Soelberg
Email: tika.soelberg@signarama.com

| NO. | Product Summary | QTY | UNIT PRICE | AMOUNT |
|---|---|---|---|---|
| 1 | SPEED BUMP SIGNS; double sided w/ 2 x 2 x 12' posts<br>3 Double sided Speed bump signs<br>mounted to 2x2 post | 3 | $394.3033 | $1,182.91 |
| 2 | install | 1 | $360.00 | $360.00 |

All orders require a payment of half down to start production. Final payment is due on completion of install or receipt of product.

| | |
|---|---|
| **Subtotal:** | $1,542.91 |
| **Taxes:** | $0.00 |
| **Grand Total:** | $1,542.91 |

This estimate is good for 30 days.

**Signature:** ______________________ **Date:** ______________________

**Formerly CRC deSIGN**

Wasatch Back Signarama
FULLY PROMOTED
Branded Products & Marketing Services

1520 South Hwy 40
Heber City, UT 84032
(435) 654-5965

# ESTIMATE
## EST-22794

Payment Terms: Cash Customer

**Created Date:** 7/31/2026

**DESCRIPTION:** Misc. Metal Signs

**Bill To:** Interlaken Town
P.O. Box 1256
MIdway, UT 84049
US

**Pickup At:** Wasatch Back Signarama
1520 South Hwy 40
Heber City, UT 84032
US

**Requested By:** Bart Smith
Email: admin@interlakenut.gov
Work Phone: (435) 565-3812
Cell Phone: (435) 565-3812

**Salesperson:** Tika Soelberg
Email: tika.soelberg@signarama.com

| NO. | Product Summary | QTY | UNIT PRICE | AMOUNT |
|---|---|---|---|---|
| 1 | Stop Sign<br>Standard reflective stop sign<br>Size: ~~36x36~~ 30x30 | 3 | $123.85 | $371.55 |
| 2 | Restricted Area Signs<br>Digital print reflective metal sign<br>Size: 12x18<br>Artwork to match what customer provided | 4 | $59.145 | $236.58 |
| 3 | Federal Offense Signs<br>Digital print reflective metal sign<br>Size: 12x18<br>Artwork to match what customer provided | 2 | $67.125 | $134.25 |
| 4 | Fire Danger Signs<br>Digital print reflective metal sign<br>Size: 18x24<br>Artwork to match what customer provided | 1 | $134.25 | $134.25 |
| 5 | Emergency Contact Signs<br>Digital print metal sign<br>Size: 12x18<br>Artwork to match what customer provided<br>x1 - Emergency Contact TANK<br>x1 - Emergency Contact TRAIL | 2 | $42.00 | $84.00 |
| 6 | No Motorized Vehicles Sign<br>Digital print metal sign<br>Size: 18x12<br>Artwork to match what customer provided | 1 | $57.00 | $57.00 |

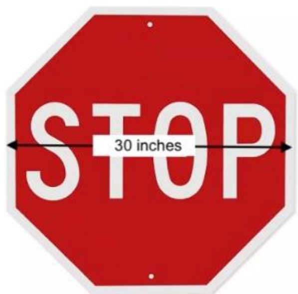
All orders require a payment of half down to start production.  Final payment is due on completion of install or receipt of product.

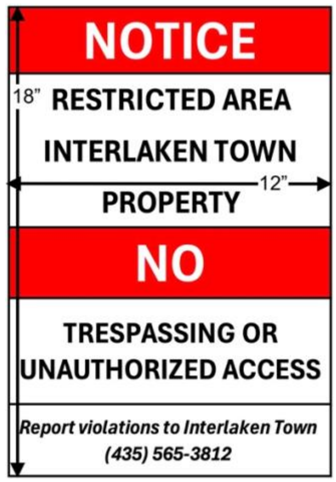
| | |
|---|---|
| **Subtotal:** | $1,017.63 |
| **Taxes:** | $0.00 |
| **Grand Total:** | $1,017.63 |

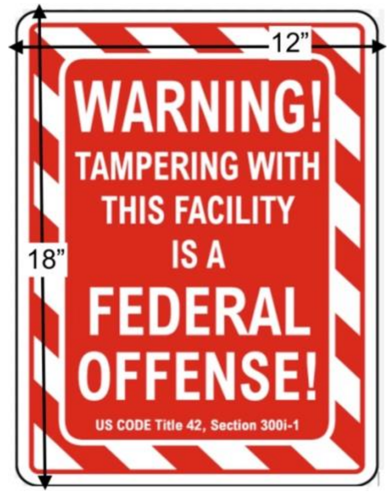
This estimate is good for 30 days.

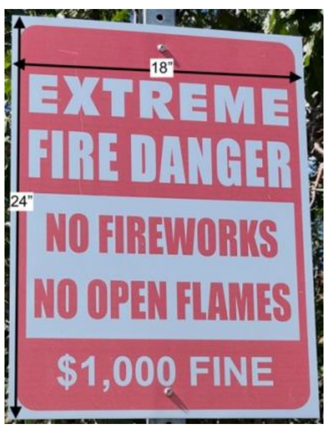
**Signature:** ______________________ **Date:** ______________________

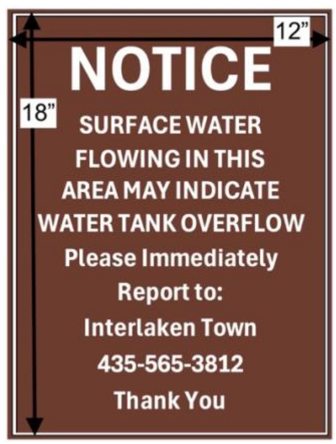
**Formerly CRC deSIGN**

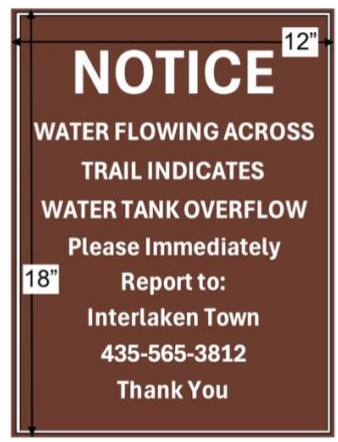

STOP
30 inches


NOTICE
18”
RESTRICTED AREA
INTERLAKEN TOWN
12”
PROPERTY
NO
TRESPASSING OR
UNAUTHORIZED ACCESS
Report violations to Interlaken Town
(435) 565-3812


12”
WARNING!
TAMPERING WITH
THIS FACILITY
18”
IS A
FEDERAL
OFFENSE!
US CODE Title 42, Section 300i-1


18”
EXTREME
FIRE DANGER
24”
NO FIREWORKS
NO OPEN FLAMES
$1,000 FINE


12”
NOTICE
18”
SURFACE WATER
FLOWING IN THIS
AREA MAY INDICATE
WATER TANK OVERFLOW
Please Immediately
Report to:
Interlaken Town
435-565-3812
Thank You


12”
NOTICE
WATER FLOWING ACROSS
TRAIL INDICATES
WATER TANK OVERFLOW
Please Immediately
18”
Report to:
Interlaken Town
435-565-3812
Thank You

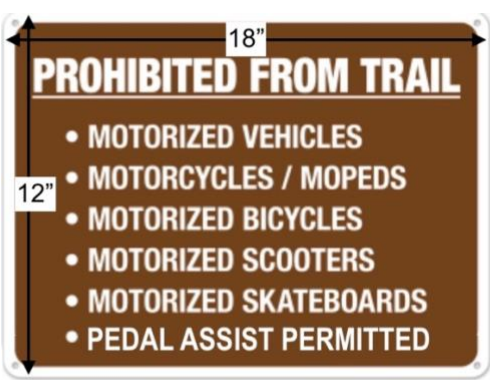

18”
PROHIBITED FROM TRAIL
• MOTORIZED VEHICLES
12”
• MOTORCYCLES / MOPEDS
• MOTORIZED BICYCLES
• MOTORIZED SCOOTERS
• MOTORIZED SKATEBOARDS
• PEDAL ASSIST PERMITTED

Exhibit A

# INTERLAKEN TOWN FEE SCHEDULE

Effective 07/01/26

## BUILDING AND CONSTRUCTION

All fees are collected with the permit application, except for *Engineering Fees which are collected after an initial engineering review and assessment

+Base Fee for new water service installation does not include additional fees associated with roadway excavation, hot tap connections, repair and replacement of asphalt surfaces.

Additional installation fees based on materials and labor costs.

*For these projects the Road Impact Fee, Damage Deposit, and Completion Deposits are scaled and based on project scope, with a maximum set.

| Permitted Project Description | | Permit Application Fee | Water Service Fee | Road Impact Fee | Damage Deposit (refundable) | Completion Deposit (refundable) | *Engineering Fees |
|---|---|---|---|---|---|---|---|
| **Project Category** | **Project Scope** | **Administrative fee for permit setup and management** | **+Base Fee for installation of new water service or upgrade of existing service. Additional fees for installation exceeding base install.** | **Fee for use and degradation of town road right way** | **Deposit against damage to town property, including the road right of way** | **Deposit against charges for unpaid engineering services, other charges** | **Plan review, inspection, and other miscellaneous fees** |
| New Building Construction exceeding 200 ft2 | New Structure exceeding 200 ft2 | $1,500 | $6,700 | $5,000 | $5,000 | $4,000 | *Engineering fees set after plan review |
| Demolition | Removal of existing structure exceeding 200 ft2 | $500 | $0 | $5,000 maximum* | $5,000 maximum* | $4,000 maximum* | *Engineering fees set after plan review |
| Remodel - Structural Addition/Reconfiguration | Addition or modification of structural elements requiring engineering review | $1,000 | $6,700 for service upgrade | $5,000 maximum* | $5,000 maximum* | $4,000 maximum* | *Engineering fees set after plan review |
| Remodel - No Structural Changes, No Demolition | No change in structural elements, load bearing walls, or square footage of structure | $1,000 | $0 | $0 | $3,000 maximum* | $3,000 maximum* | *Engineering fees set after plan review |
| Right of Way Work | Excavation or work performed in the town 33 foot wide right of way | $500 | $0 | $5,000 maximum* | $5,000 maximum* | $4,000 maximum* | $300 |
| Flat Work - New Construction | Non-structural concrete, asphalt surface work exceeding 200 ft2 surface area | $500 | $0 | $5,000 maximum* | $5,000 maximum* | $4,000 maximum* | $300 |

Exhibit A

# INTERLAKEN TOWN FEE SCHEDULE

Effective 07/01/26

## BUILDING AND CONSTRUCTION

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Site Disturbance - Excavation/Rock Walls/Fences/Engineered Construction | Excavation or disturbance of surface exceeding 200 ft2, rock walls greater than 4 feet high, fences greater than 6 feet high | $500 | $0 | $5,000 maximum* | $5,000 maximum* | $4,000 maximum* | *Engineering fees set after plan review |
| Solar PV Array Permit | Installation must meet code requirements, section 11.06.240 | $300 | $0 | $0 | $300 | $200 | $300 |
| Electrical Work - Additions, Replacements | Must meet current code, and requires an inspection, eg meter base replacement | $300 | $0 | $0 | $0 | $0 | $300 |
| Minor Interior Remodels - R&R Appliances, Electrical, Plumbing, HVAC | Minor interior work not requiring engineering review or inspection | Fees are waived if lot owner notifies the town administrator and completes town construction activity agreement | | | | | |
| Maintenance and Repair | Minor electrical, mechanical, HVAC, or plumbing repairs or replacements | Permit not required, no fees are collected | | | | | |
| Replacing siding, roofing, decking | No permit required if no changes in structure or size | Fees are waived if lot owner notifies the town administrator and completes town construction activity agreement | | | | | |
| Painting - Interior and Exterior, Finish Work | No permit required | Permit not required, no fees are collected | | | | | |
| Repair or Replacement of existing driveway, walkway, concrete or asphalt flat surface | No permit required if no changes in surface area | Fees are waived if lot owner notifies the town administrator and completes town construction activity agreement | | | | | |

# *Interlaken Town Building Permit - Remodel Checklist*

Interlaken Town Remodel Checklist

Modification or Expansion of an Existing Structure, Utilities, Appliances

Contact the Town Administrator with questions: admin@interlakenut.gov, 435-565-3812

| Item# | Checklist | | | | Remodel Element | Provide Details for Remodel Element |
|---|---|---|---|---|---|---|
| 01 | | YES | X | NO | Change in structure's footprint or liveable space - provide square footage of modification | |
| 02 | X | YES | | NO | Exterior walls - modification, specify if load bearing | An added exterior window is planned on a load bearing wall, North facing |
| 03 | | YES | X | NO | Interior walls - modification, specify if load bearing | |
| 04 | | YES | X | NO | Site excavation - provide a site plan and approximate square footage of disturbance | |
| 05 | | YES | X | NO | New or upgraded water meter | |
| 06 | | YES | X | NO | Foundation, footings, structural elements - new addition or modification | |
| 07 | X | YES | | NO | Demolition and removal of existing building materials, provide descriptive list | Removing old cabinetry, countertops, some old appliances for recycling, some fixtures |
| 08 | | YES | X | NO | Roof - re-roofing or modification of roofline, square footage, dormers, other modifications | |
| 09 | | YES | X | NO | New or upgraded meter base for electrical service | |
| 10 | X | YES | | NO | Appliances - replacement or new installation | New Range, Hood Vent, and microwave/speed oven; keeping existing fridge, DW |
| 11 | | YES | X | NO | HVAC - replacement or new installation | |
| 12 | | YES | X | NO | Natural gas service - replacement or new service | |
| 13 | | YES | X | NO | Flatwork - modification or new construction - non structural concrete, asphalt, other | |
| 14 | | YES | X | NO | Exterior deck or patio - replacement or new installation | |
| 15 | X | YES | | NO | Electrical - addition or modification of existing circuits | New lighting and new applicable outlets for appliances |
| 16 | X | YES | | NO | Plumbing - addition or modification of existing lines | New sink/faucet location (not far from current) |
| 17 | | YES | X | NO | Irrigation - new addition or modification | |
| 18 | | YES | X | NO | Landscaping - new addition or modification | |
| 19 | X | YES | | NO | Dumpster onsite - if NO, please explain how construction trash will be contained | We have a dump trailer that may stay on the property at times |
| 20 | X | YES | | NO | Portable toilet onsite - if NO, please explain access to toilet facilities | We always have this for the duration of any of our projects |
| 21 | | YES | X | NO | Planned Right of Way work | We should be contained to the property |
| 22 | X | YES | | NO | Windows and exterior doors - new addition or replacement | New window in front of house by driveway |
| 23 | | YES | X | NO | Replacement of exterior siding | |
| 24 | X | YES | | NO | Insulation - new or replacement of existing | There may be some minor replacement between floors from work |

## *Interlaken Town Building Permit - Remodel Checklist*

| Item# | Provide Additional Comments Here |
|---|---|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

| | Interlaken Remodel Permit Fee and Deposit Structure | |
|---|---|---|
| **Category A** | **Remodel Includes any one of these items** | |
| **Item#** | **Description** | **Criteria** |
| 01 | Change in structure's footprint or liveable space - provide square footage of modification | |
| 04 | Site excavation - provide a site plan and approximate square footage of disturbance | Excavation > 200 ft2 |
| 06 | Foundation, footings, structural elements - new addition or modification | |
| 08 | Roof - re-roofing or modification of roofline, square footage, dormers, other modifications | Change in roofline, dormer, other modifications |
| 13 | Flatwork - modification or new construction - non structural concrete, asphalt, other | Flatwork > 200ft2 |
| 21 | Planned Right of Way work | Any disturbance of asphalt surface |

| **Category B** | **Remodel Includes any one of these items, and Nothing from Category A** | |
|---|---|---|
| **Item#** | **Description** | **Criteria** |
| 01 | Change in structure's footprint or liveable space - provide square footage of modification | Change in liveable space, no change in footprint |
| 02 | Exterior walls - modification, specify if load bearing | |
| 03 | Interior walls - modification, specify if load bearing | |
| 04 | Site excavation - provide a site plan and approximate square footage of disturbance | Excavation <= 200ft2 |
| 13 | Flatwork - modification or new construction - non structural concrete, asphalt, other | Flatwork <= 200ft2 |

| **Category C** | **Remodel Includes any remaining items not in Category A or B** | |
|---|---|---|
| **Item#** | **Description** | **Criteria** |
| 03 | Interior walls - modification, specify if load bearing | Non-load bearing, no structural changes, no addtl ft2 |
| 13 | Flatwork - modification or new construction - non structural concrete, asphalt, other | Flatwork <=200ft2 |
| | Electrical, plumbing, HVAC, Natural Gas, Applicances, Lighting | |

| **Category** | **Application Fee** | ***Road Impact Fee** | **Damage Deposit** | **Completion Deposit** |
|---|---|---|---|---|
| A | $1,000 | $2K - $5K | $5,000 | $4,000 |
| B | $1,000 | $0 | $4,000 | $3,000 |
| C | $1,000 | $0 | $2,000 | $1,000 |

| **Category** | ***Road Impact Fee** | **Road Impact Fee Considerations** |
|---|---|---|
| A | $5,000 | Concrete trucks, right of way road cut, additional story or footprint increase >15% |
| A | $4,000 | Roof structural changes, addition of dormer, foundation, footings, other structural changes, footprint increase <= 15% |
| A | $3,000 | Site excavation > 200 ft2, flatwork > 200 ft2, right of way work |
| A | $2,000 | No footprint increase, none of the above |

# Interlaken Building Permit Application

**INVOICE** Interlaken Permit Fees and Deposits

Date: 23-Jul-26

Permit type: Remodel

Invoice No: RE-052-0726.t01

Applicant/Owner: Elizabeth Hora, Rhett Cook

Contractor: Kate Bradley - Fine Custom Construction

Lot Number: 052

Interlaken Address: 275 Interlaken Drive

| | |
|---|---|
| Permit Application Fee | $1,000 |
| Water Service Installation | $0 |
| Road Impact Fee | $0 |
| Damage Deposit (refundable) | $2,000 |
| Completion Deposit (refundable) | $1,000 |
| Engineering Fees | *Billed Separately* |
| **TOTAL Due** | **$4,000** |

Payments may be made by check to:
Interlaken Town
PO Box 1256
Midway, UT 84049

Or through a bank transfer - follow this link for more information.
Be sure to enter "2. Building Fund" to direct your payment to the correct account.
https://www.interlakenut.gov/online-bill-pay

If you have Questions - Contact the town administrator:
Bart Smith admin@interlakenut.gov
Text or voice (435) 565-3812