



BOARD REPORT

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES

FROM: MATT ANASTASIA, FINANCE DIRECTOR/TREASURER

SUBJECT: DISCUSSION: UTILITY BILLING POLICY (CONTINUED)

AGENDA: 9/16/2025

DATE: 9/9/2025

ISSUE

Shall the Village Board discuss amending the Utility Billing Policy, specifically regarding credits for irrigation and watering.

DISCUSSION

At the August 19, 2025, the Village Board had a discussion regarding the Utility Billing policy, specifically regarding Watering/Irrigation System Credits and Pool Filling Credits. During the discussion, there was additional information requested:

Irrigation System Certification

The Village requires every irrigation system to be certified annually. The Village does not charge for the certification; the certification charge is paid to the company who manages the certification for us BSI Systems. The Village is just provided the certification that is complete. Currently, the Village has 714 registered backflow system for irrigation systems.

Watering/Irrigation System Credits

The data received on how other communities handle credits for Watering/Irrigation system did not change from the data provided at the August 19, 2025, meeting. I was able to receive a response from Fox Metro on how they determine a credit for sewer:

“For any outdoor watering including filling a pool, we have a formula in place that we will use the three invoices that cover winter usage to calculate their average. Anything 20% over that amount will be adjusted and credited. We do review their history to ensure it makes sense to request for the water credit. Proof is not required, and a credit is not guaranteed to be issued.”

Sewer Credits

An example of how much this potentially cost the Village in revenue, utilizing the usage of the resident who spoke about this issue:

Average 3-month summer usage is 31,159 gallons and average 3-month winter usage is 2,971 gallons; a credit of 28,188 gallons at \$4.99/1,000 gallons = \$140.66 average monthly. The estimate is roughly \$100,431.24 annually if only 1-credit is given per year.

This does not include anyone else that calls in for a watering credit that does not have an irrigation system, this is not able to be estimated as the number is unknown.

Kane County Smart Irrigation

The Village has been notified of a program Kane County is currently in the Pilot stages of for residents to participate. It is a Smart Irrigation System to save water with water efficient sprinkler systems. This could be a good option for those residents who would like to continue with their irrigation systems. The presentation and flyer are attached for reference.

COST

There is no cost to discussing an update to the Utility Billing Policy.

ATTACHMENTS

- Utility Billing Policy
- Village Code Section 8-1-14-1: Water Conservation
- Prior Utility Billing Survey
- Kane County Smart Irrigation Systems Presentation and Flyer

RECOMMENDATION

The Village Board discuss the Utility Billing Policy and provide feedback to Staff.

- Inexhaustible (i.e. land)
- Construction in progress

Disposition

When a capital asset is disposed of, its cost and accumulated depreciation shall be removed from the Village's capital asset records and a gain or loss be recognized, if applicable. Disposition of an asset may be due to destruction, obsolescence, retirement, sale, trade, scrap, or donation. In addition, the Village shall approve an ordinance to sell, trade, convert, or dispose of said property when it is determined by the Village that personal property is no longer necessary or useful to or for the best interest of the Village pursuant to 65 ILCS 5/11-76-4 of the Illinois Municipal Code.

Transfers

Capital assets transferred from one department to another should be reported by the department who is initiating the transfer. The asset shall be reported at its current book value as of the date of said transfer.

Property control

Assets below the capitalization threshold but warranting control or considered sensitive may include, but are not limited to, weapons, radios, personal computers, laptop computers, printers, and small power tools. Stewardship of these minor but sensitive items is the express responsibility of the department utilizing these assets. The responsible department shall maintain control and keep an inventory list of these assets. The inventory shall include a description, location, and other information that assists in control or is deemed relevant.

Utility Billing Policy

Purpose

The purpose of this policy is to establish and document utility billing procedures. All agreements, adjustments, credits and/or refunds on any account shall not be completed without the approval of the Finance Director or Village Administrator prior to issuance.

Pool Filling Credit

The Village will offer a credit on the Sewer usage portion of the Utility bill in the month the usage is calculated on the bill in which the pool filling occurred. To calculate the credit, the Village will review the prior 3-months of average sewer usage. The account will be credited for the amount above the average sewer usage of the prior 3-month average. A credit will be allowed 1-time each calendar year for each Utility Billing account. A resident must call the Village to request the credit.

Sod Watering Credit

The Village does not offer any credit for Sod Watering.

Waiving of Penalty

Each account is allowed 1 waiving of their penalty within each 12-month period. The penalty will only be waived if the account has had no missed payments within the past 12-months, or there was an error that occurred out of the control of the Resident/Account Holder.

Payment Agreement Policy

The Village acknowledges that unique facts and circumstances may arise from time to time. In such a case, the Village Administrator, or his or her designee, may elect to take additional actions not listed herein on a case-by-case and non-precedential basis.

This policy is herein established to ensure that all customers of the Village are treated equally and provides guidelines to ensure the integrity of the Water, Sewer, and Refuse accounts. Further, this policy is meant to ensure, that due to the inability of some customers to make payment, the system remains solvent and the inability of some does not cause any undue burden to others.

Definitions

Delinquent/Late Payment:	Any payment not received on or before its due date.
Shut Off:	Water service termination.
Payment Agreement:	Agreement between customer and the Village to extend payments over an agreed amount of time to bring the account current.

Guidelines

As a courtesy to customers with unpaid utility/refuse bills, the Village of Sugar Grove may grant a payment plan if upon review of the facts and circumstances the Finance Director or their designee deems a payment plan to be warranted. Only one such plan shall be allowed per account during any rolling 12-month period.

- The customer must agree to pay a deposit. The deposit amount will be \$100.00 or 1/4 of the outstanding bill rounded up to the nearest even dollar amount, whichever amount is less.
- No agreement shall be longer than five (6) months (1st month Deposit, 5 months of payments).
- An agreement will not be established after the due date of any month.
- Late fees and other charges will **stop** accruing as long as plan is followed.
- Deposit must be submitted when agreement is signed.
- Agreement may only be signed by the resident and an authorized person in the Finance Department.
- Agreement must be signed to be considered in force.
- A copy of the signed payment agreement will be given to the signer. A copy will also be mailed to the service address.
- On a monthly basis, the customer must pay the payment agreement amount **plus** the current amount on or before the due date.
- The Payment Agreement shall be considered delinquent and service may be disconnected with no further notice if:
 - payment is not received on or before the monthly billing due date
 - no payment is received
 - a payment is returned or reversed for any reason

- Shut off of service will result unless the full amount outstanding be due and payable immediately in cash, cashier's check, money order, or credit card.
- If a customer moves within our service territory, the Agreement will transfer to the new account and continue without interruption. If the customer moves out of our service territory, they will be required to pay off the Agreement with the final bill.
- Discretion may be used in individual cases as circumstances warrant.

Special Extension Periods

Notwithstanding the foregoing, there are two (2) situations where payment plans may be established with special extension periods:

- Leak Not Eligible for Adjustment - When a leak on a property does not fall within the policy for a leak adjustment, a payment plan may be allowed for up to 12 months.
- Back Billing - An account that requires back billing for up to three years may have a payment plan established for a maximum of 1 year / 12 months.
- Financial Hardship of Resident/Account Holder.

Responsible Village Official

The Finance Director or their designee shall be the Village official responsible for the overall implementation and administration of this Policy.

Payment Plan Breakdowns

# Months	Amount Due
2	\$1 - \$149
3	\$150 - \$299
4	\$300 - \$449
5	\$450 - \$599
6	\$600 +

Outstanding Utility Account Balance

As a part of the building permit issuance process, the Community Development Department will review the Account Address' account balance. A building permit shall not be issued if there is an outstanding balance on the Utility Account more than the current months Utility Bill, until the account is current.

Account Delinquency Policy

The Village of Sugar Grove Utility Bill delinquency Policy is herein established to maintain the integrity of Village Utility and Refuse Accounts.

The Village acknowledges that unique facts and circumstances may arise from time to time. In such a case, the Finance Director, or their designee, may elect to take additional actions not listed herein on a case-by-case and non-precedential basis.



This policy is herein established to ensure that all customers of the Village are treated equally, provide guidelines, and ensure the integrity of the Water, Sewer, and Refuse accounts. Further, this policy is meant to ensure, that due to the inability of some customers to make payment, that the systems remain solvent and the inability of some does not cause any undue burden to others.

Definitions

Past Due Notice:	Letter sent to customer and/or owner regarding past due account (30 days).
Delinquent Notice:	Letter sent to customer and/or owner regarding delinquent account (60 days).
Shut Off:	Water service termination.
Penalty:	Billing for services received/provided and not billed.
Tag:	Notice of service termination.
Tag Fee:	Fee assessed when a door tag is placed to notify customer of impending shut off.
Restoration Fees:	A fee assessed to restore services.
Payment Agreement:	Agreement between customer and the Village to extend payments out over an agreed amount of time to bring the account current.

Guidelines

On a monthly basis an aged trial balance shall be produced. Customers that are 90 days delinquent shall be notified. The notification shall include:

- Delinquent amount
- Current Amount
- Due Date
- Payment type accepted
- Last date payment will be accepted
- Form of payment:
 - Payments that are made on or prior to the due date shall be taken in all current acceptable forms of currency.
 - Payments made after the due date shall be accepted only in cash, cashier's check, money order, or credit card. No exceptions shall be made.

All unpaid charges shall result in a lien being filed on the property. Liens shall be prepared as authorized in the Village Code 8-1-21. A notice of lien shall be filed with the Kane County Recorder with a copy sent to the property owner.

As a courtesy to customers with unpaid utility bills, the Village may grant one (1) payment plan per account per the Payment Plan Agreement Policy guidelines.

Responsible Village Official

The Finance Director or their designee shall be the Village official responsible for the overall implementation and administration of this Policy.

Account Adjustment Policy

The purpose of this policy is to establish procedures regarding customer billing and payment concerns and provide guidelines for billing adjustments.

The Village of Sugar Grove Utility Bill Account Adjustment Policy is herein established to maintain the integrity of the Village Utility and Refuse Accounts.

The Village acknowledges that unique facts and circumstances may arise from time to time. In such a case, the Village Administrator, or their designee, may elect to take additional actions not listed herein on a case-by-case and non-precedential basis.

This policy is herein established to ensure that all customers of the Village are treated equally, provide guidelines and ensuring the integrity of the Water, Sewer, and Refuse accounts.

Definitions:

Unusual Charges:	Undercharged or overcharged as a result of incorrect meter readings, incorrect application of the rate schedule, incorrect connection of the meter, faulty meter, or other similar reason.
Adjustment:	A change in meter reading or charges incurred.
Manual Meter Reading:	A reading obtained from the physical meter head.
Estimated:	A reading produced by the billing system when no reading is obtained.
Seasonal Pattern:	For the water/sewer system the usage months of June/July/August/September.
Mechanical Failure:	Water Meter and/or Transmitter fails to provide a reading (blank) or has remained the same reading for at least 2 months.
Shut Off:	Water service termination.
Back billing:	Billing for services received/provided and not billed.
Tag:	Notice of service termination.

Guidelines

Billing / Read Adjustments

The following items are to be followed when considering adjusting a meter reading. This pertains to those customers that contact the Village regarding what they consider an inaccurate meter reading.

If the meter is functioning, the Unusual Charges procedure shall be followed. Estimated readings are not considered unusual charges.

Customers calling regarding an estimated read shall be asked to provide a manual read. No adjustments shall be considered until a reading is obtained and/or equipment is replaced.

Fee Adjustments

- Voiding of a late or tag fee may be allowed once in a rolling calendar year (12 months).

Unusual Charges

- Unusual water usage as measured by the meter.
- The meter appears to be working properly.
- In the event of a leak, the Village may adjust the sewer portion of the billing by 50%.
- The customer is unable to identify any reason for the unusual usage.
- The Village may adjust the water and sewer usage for unusually high amounts by up to 50% of the amount above normal.
 - Normal usage shall be determined by an analysis of 24 months prior use.
 - Only prior actual reads will be utilized.
 - Seasonal patterns should be utilized when identifiable.
 - If prior use pattern shows other unusually high reads, no adjustment will be provided.
- If new information comes to light at a later date indicating that there was a strong likelihood that there was in fact a meter error, the charge for the remaining usage above normal shall be credited/returned.
- Discretion may be used in individual cases as circumstances warrant.

Meter Test

At times a meter may warrant testing or be requested by the customer to check for accuracy.

- If the Village believes there is reason to test the meter, removal and testing, either in-house or through an outside testing service, will be 100% at the Village's expense.
- If the Village does not believe a test is warranted, a customer may request the meter be removed and tested. Customer will be responsible for paying 100% of the cost including staff time. Current costs are \$250 for in-house testing and \$350 for outside testing. If the meter is found to be less than 95% accurate, the customer will not be charged the meter testing fee.
- If the meter is found to be greater than 95% accurate, it may be reinstalled at the Village's discretion. There will be no charge for reinstallation.
- If the meter is found to be greater than 95% accurate, the customer may request a new meter with the customer paying 100% of the meter charge.
- No late fees or penalties shall accrue on the disputed portion of the bill while the investigation is underway.
- If the customer record indicates current or past attempts to falsify readings, disconnect or damage the meter or in any other way defraud the Village, no adjustment will be provided.
- If a customer has been undercharged or overcharged as a result of an incorrect application of the rate schedule or incorrect connection of the meter, there shall be an adjustment made.
- Customer should be provided verbally with instructions on how to check for leaks in their residence or directed to the Village's website containing the information.

Mechanical Failure

- Normal usage shall be determined by an analysis of 24 months prior use.
- Only prior actual reads will be utilized.
- Seasonal patterns should be utilized when identifiable.
- The Village may adjust the water and sewer usage by up to 50% of the amount above normal.
- Adjustment to be made upon replacement of meter.

Responsible Village Official

The Finance Director or their designee shall be the Village official responsible for the overall implementation and administration of this Policy.

8-1-14-1: WATER CONSERVATION:

A. Definitions: The following words and phrases when used in this section shall, for the purpose of this section, have the following meanings:

DRIP IRRIGATION SYSTEM: A soaking hose that when in use does not result in an actual dissipation of water.

DRIP LINE: Pertaining to a tree or shrub, the ground area immediately beneath the branches of the tree or shrub.

LANDSCAPE/LANDSCAPING: Gardens, trees, shrubs, and other living plants excluding new sod and seeded turf lawns.

PERMITTED HOURS OF WATER USE: A time period between six o'clock (6:00) A.M. and nine o'clock (9:00) A.M. and between six o'clock (6:00) P.M. and nine o'clock (9:00) P.M. each day.

PERSON: Any individual, firm, partnership, association, corporation, company, organization, or entity of any kind.

SOD AND/OR SEEDED TURF LAWNS: Areas of mowed or cultivated grass species, including, but not limited to, rye grass, fescue, bent grass, Bermuda, and/or zoysiagrass, exceeding one hundred (100) square feet in area.

VILLAGE: The village of Sugar Grove.

WATER: The water provided by and obtained by a person from the village water supply and distribution system.

B. Application:

1. The provisions of this section shall apply to all persons using water, and to all properties within the village or unincorporated areas that are connected to the village's water supply and distribution system, regardless of whether any person using the water has a contract for service with the village.

2. Pursuant to subsection C2 of this section, the provisions of this section shall apply annually from January 1 through December 31, subject to any modifications thereof, including application of these or other regulations during this or any other time, by an emergency proclamation.

C. Restricted Hours And Days For Specified Uses:

1. There shall be no restrictions as to hours or days when water from the village water distribution system may be used for the following:

a. Landscape watering or sprinkling where such watering or sprinkling is done by a person using a handheld watering device;

b. Filling swimming pools with a volume of fifty (50) gallons or less;

c. The automatic watering of trees and shrubs by means of automatic root feed or drip irrigation within the drip line of the tree or shrub;

d. Vehicle and equipment washing; or

e. Any other lawful use of water from the village water distribution system such as bathing, clothes washing, and other normal household uses not otherwise specifically restricted by the provisions of this section.

2. Water from the village water distribution system may only be used for the watering or sprinkling of gardens, lawns (except sod and/or seeded turf lawns planted or installed in the then current year), shrubs or other outdoor plants or for filling swimming pools, as follows:

a. All properties with even numbered street numbers (i.e., numbers ending in 0, 2, 4, 6, 8) may use village distributed water for outdoor plant watering or pool filling on even numbered calendar dates during permitted hours of water use.

b. All properties with odd numbered street numbers (i.e., numbers ending in 1, 3, 5, 7, 9) may use village distributed water for outdoor plant watering or pool filling on odd numbered calendar dates during permitted hours of water use.

D. Restrictions For Sod Laying And Lawn Seeding For Lawns: Notwithstanding the provisions of subsection C of this section, the following special regulations shall apply:

1. Use of water from the village water distribution system for the establishment of a sod and/or seeded turf lawn planted or installed in the then current year is prohibited from July 1 through August 31 each year unless the source of watering for said sod, lawn seeding and/or landscaping is derived from an imported water source or means other than the village of Sugar Grove water system. This prohibition shall not apply to soil erosion and sedimentation plans required pursuant to village ordinances (with approved plans) or for restorations due to required repairs of public utilities (e.g., water main breaks). Any required sedimentation plans or utility repair restorations shall follow the schedule delineated in subsections D2a through D2c of this section.

2. Except for the period of July 1 through August 31 of each year, water from the village water distribution system may be used for the establishment of sod and/or seeded turf lawns planted or installed in the then current year, only as follows:

Prior to sod laying or lawn seeding, a sod watering permit must be obtained from the village of Sugar Grove.

a. On the day new sod or seed has been placed on a property, a person may use an automatic sprinkling device to apply water to the sod or seed for a total period of time not to exceed eight (8) hours.

b. For the next nine (9) days thereafter, a person may apply water to said sod or seed each day during permitted hours of water use.

c. Following the first ten (10) days after the sod or seed is placed, the provisions of subsection C of this section shall apply if the provisions of subsections D2a and D2b of this section have been completed prior to July 1 of the current year, notwithstanding subsection D1 of this section.

3. Prior to the execution of any real estate contract for the sale of newly constructed property, the builder or owner of such new construction shall:

a. Inform prospective purchasers of the restrictions upon the installation of new lawns set forth in this section;

b. Attach a copy of these regulations to the contract; and

c. Obtain the signature of the purchaser(s) on a statement that he, she or they has (have) been informed of the new lawn installation restrictions set forth in this section.

4. The applicant for a certificate of occupancy for any newly constructed property shall submit as a part of his application, a copy of said signed statement. When an application for certificate of occupancy is submitted prior to sale of the property, and the future occupant is unknown, the applicant shall submit his signed statement that he shall comply with the requirements of this section at the time the real estate contract is executed.

E. Waste Of Water Prohibited: No person shall allow a continuous stream of water to run off into any gutter, ditch, drain, or street inlet while using water for restricted purposes during the permitted hours of water use.

F. Exceptions: The provisions of this section shall not apply to any commercial or industrial entity for which use of water is necessary to continue normal business operations, or to maintain stock or inventory. Provided, however, this exception shall not apply to any and all uses of water not essential to normal business operations or maintenance of inventory or stock, and specifically shall not apply to landscape watering or pool filling.

G. Bulk Water Rates: Bulk water rates shall be increased to two (2) times the nonresident water rate.

H. Hydrant Use Prohibited: Hydrants connected to the village water supply and distribution system are for the purpose of providing water for firefighting and protection. Fire hydrants shall not be opened by any person, other than authorized village personnel, fire district personnel or permitted users.

I. Emergency Proclamation:

1. Whenever the water supply of the village is diminished from any cause, including, but not limited to, prolonged dry period, increased water demand, equipment failure, or water quality concerns, to an amount which in the opinion of the utilities supervisor or the director of public works is or is likely to become dangerous to the health and safety of the public, the village president, village administrator or his designee is hereby authorized and empowered to issue an emergency proclamation in the form of a public notice containing other additional regulations or restrictions on the use of water from the village water distribution system.

2. Such regulations or restrictions may provide for the limitations on usage of water, limitations on days and hours of use for some or all purposes and the prohibition of specified uses.

3. Upon issuing such proclamation, the village president, village administrator or his designee shall make the contents thereof known to the public by news release to the local newspapers and radio media and may also notify the citizens in any other practical manner that shall be devised. Further, the village president, village administrator or his designee shall immediately notify all members of the village board of the nature of the emergency and the regulations that have been imposed.

4. The emergency proclamation of the village president, village administrator or his designee and the regulations imposed thereby, shall remain in full force and effect until any one of the following shall occur:

a. The village president, village administrator or his designee determines that the emergency no longer exists and that the emergency proclamation, and the regulations imposed thereby, shall no longer continue in effect.

b. The village board modifies, repeals or makes permanent the emergency proclamation, and the regulations imposed thereby, by means of ordinance passed at any regular or special meeting of the village board.

5. Any village employee or officer may, at the direction of the village administrator or his designee, notify and warn any persons of the effect of said emergency proclamation and direct said person to comply with said watering or sprinkling restrictions. If any said person, after having first been warned about said restrictions of the emergency proclamation, shall continue to violate said restrictions of the proclamation, they shall be deemed in violation of this section and penalties assessed as stated in subsection J of this section.

J. Penalty:

1. Any person who or which violates, disobeys, neglects, fails to comply with or resists enforcement of the provisions of this section other than subsection D1 of this section, shall, within ten (10) days of receiving notice of such violation, pay at the village of Sugar Grove, a fine, as follows:

- a. Fifty dollars (\$50.00) for a first offense;
- b. One hundred twenty five dollars (\$125.00) for a second offense; and
- c. Five hundred dollars (\$500.00) for each subsequent offense.

2. Any person who violates subsection D1 of this section shall, within thirty (30) days of receiving a notice of such violation, be subject to imposition of a fine up to seven hundred fifty dollars (\$750.00) for each offense.

3. Each day a violation occurs or continues shall be considered a separate violation for purposes of this section.

4. The amount of any fine due, if not paid as provided herein, shall be added to the bill for water consumption for the property at which the offense occurred. (Ord. 2005-12-06F, 12-6-2005)

Municipality	Pool Filling Credit	Sod Watering Credit	Waiving of Penalty	Payment Plan
Batavia	Yes	Yes	1 per 12-months	No
Elburn	No	No	Case by Case	1 per 12-months
Geneva	No	No	1 per 12-months	1 per 12-months
Genoa	Yes - Temp. Meter Provided	Yes - Only for New Homes	1 per 12-months	Yes
Gilberts	No	No	No	1 per 12-months
Hampshire	No	No	Case by Case	Yes
Kingston	Yes	No	Case by Case	Yes - Extreme Cases
Maple Park	No	No	1 every 5 years	Case by Case
Montgomery	No	No	1 per 12-months	1 per 12-months
Pingree Grove	No	No	One-Time Adjustment	No
Poplar Grove	Yes - 1 per year	Yes - Only for New Homes, within one year of closing	Case by Case	Yes
Sleepy Hollow	No	No	Case by Case	Case by Case
Wauconda	No	No	1 per 12-months	Case by Case - No more than 4 months
Yorkville	No	No	1 per 12-months	Yes - Late Fees not waived.

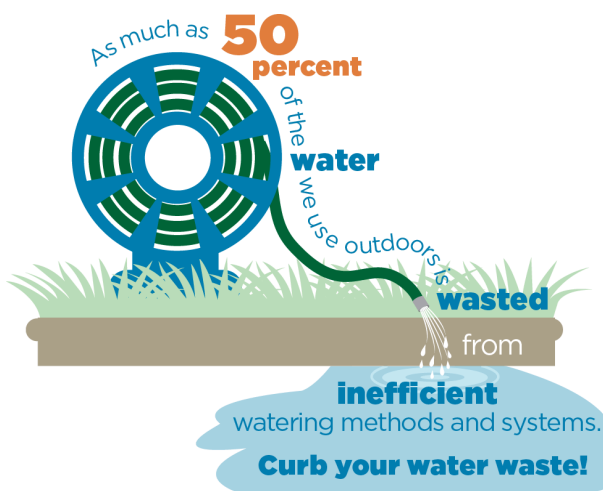
SAVE WATER WITH AN EFFICIENT SMART SPRINKLER SYSTEM

Kane County is launching a pilot program to help residents save money on their water bill. Our aquifers have been steadily declining over the past century and we're calling on residents to help us conserve water for future generations.

Using smart sprinkler systems can reduce water usage by 47% while maintaining a green beautiful lawn.

	Water Days	Gallons Per Watering	Gallons Unused
Traditional	90	2,500	225,000
Smart	48	2,500	120,000

Chicago Metropolitan Agency of Planning predicts Kane County needs to reduce its water usage by 12.2 million gallons a day to maintain a sustainable water supply



Source: WaterSense: An EPA Partnership Program



Kane County is running a pilot program to study water conservation using the the Orbit B-hyve Smart Indoor/Outdoor Sprinkler Timer



Orbit has saved over 250 billion gallons of water since its launch in 2016

It is estimated in Illinois the 40k Orbit users have collectively saved 4.5 billions gallons of water.

If you are a resident or small business and your water bill is around \$300 or more per month and you are interested in sharing your data you may qualify for a free Orbit Smart Timer.

Contact Sarra Hinshaw if you are interested in participating
Email: HinshawSarra@kanecountyil.gov
Phone: 630-208-8665