

**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: KARIN JOHNS, FINANCE DIRECTOR
SUBJECT: RESOLUTIONS: AMENDING CERTAIN WATER AND SEWER RATES
AGENDA: JUNE 16, 2026 REGULAR BOARD MEETING
DATE: JUNE 5, 2026

ISSUE

Shall the Village Board approve a Resolution to amend the Water, and Sewer Rates.

DISCUSSION

In 1994, there was a settlement between the Village of Sugar Grove and Prestbury Citizens Association regarding the setting of Utility Water & Sewer Rates. Within the settlement, it was required for the Village to hold a Utility Rate Committee every 3 years, to discuss the next 3-years of potential Water & Sewer Rates. This Committee is an advisory committee, with the Village Board making the final decision on the Utility Rates annually. The Committee met on May 13, 2026 which covered the advisory rates through Fiscal Year 2029. As this meeting the Committee, recommended an increases of 1% for Fiscal Year 2027, 2% in Fiscal Year 2028 and 2% in Fiscal Year 2029. These proposed rate increases are well below the current CPI of 3.8%.

At the budget workshops held at the Board meetings on 27th, the rate changes for Water and Sewer Rates were discussed and presented in the Fiscal Year 2027 budget. The Water and Sewer Fund is expecting a surplus for Fiscal Year 2026 which will be utilized along with existing fund balance for the large amount of capital projects in the next 5 years.

At the May 19th Village Board Meeting, the Village Board requested additional information on future capital spending and existing reserves.

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
	Actual	Projected	Department	Estimated	Estimated	Estimated	Estimated
Water Operating Revenue	4,227,649	4,472,384	4,502,395	4,736,092	4,879,266	5,006,308	5,106,267
Water Operating Expense	4,638,910	4,182,327	4,476,861	4,687,765	4,798,623	5,073,753	5,387,143
Net	(411,260)	290,057	25,534	48,327	80,643	(67,444)	(280,876)
<i>Operating Unrestricted Net Position</i>	<i>1,018,451</i>	<i>1,308,508</i>	<i>1,334,042</i>	<i>1,382,369</i>	<i>1,463,011</i>	<i>1,395,567</i>	<i>1,114,691</i>
	22%	31%	30%	29%	30%	28%	21%

The attached Water and Sewer Fund Forecast include fee increases of 1% in Fiscal Year 2027 and 2% in subsequent years. Revenue projections include 100 new homes consuming water and 100 new building permits being issued annually. General expenses including personnel are estimated to increase 3-5% annually with more volatile expenses such as electricity, fuel and health insurance increasing 15-20% annually.

The Water and Sewer Fund has a robust capital schedule in future years including Water Main replacements in Maple St, Joy Court, Well #11 Improvements, Wells #8,#10, and #11 Water Treatment Plant Improvements, Water Tower Improvements at New Bond Road and Railroad Street. Also included is the widening of Rt 47.

The following resolution is attached for approval of all proposed and discussed changes:

- Resolution 20260616F1 – Amending Certain Water & Sewer Rates and Fees for the Village – Increase of 1%
 - Current Rates (Resident):
 - Water Maintenance Charge - \$16.32
 - Sewer Maintenance Charge - \$14.68
 - Water Usage – per 1,000 gals. - \$4.96
 - Sewer Usage – per 1,000 gals - \$4.99
 - Proposed Rates (Resident):
 - Water Maintenance Charge - \$16.48
 - Sewer Maintenance Charge - \$14.83
 - Water Usage – per 1,000 gals. - \$5.01
 - Sewer Usage – per 1,000 gals - \$5.04
 - Current Rates (Non-Resident):
 - Water Maintenance Charge - \$16.32
 - Sewer Maintenance Charge - \$14.68
 - Water Usage – per 1,000 gals. - \$6.47
 - Sewer Usage – per 1,000 gals - \$6.48
 - Proposed Rates (Non-Resident):
 - Water Maintenance Charge - \$16.48
 - Sewer Maintenance Charge - \$14.83
 - Water Usage – per 1,000 gals. - \$6.53
 - Sewer Usage – per 1,000 gals - \$6.54

COST

The rate and fee changes are included in the FY2027 budget. Approval will result in no budget action. If not approved, there will be an uncalculated negative impact to the FY2027 Budget.

RECOMMENDATION

That the Village Board approve Resolution 20260616F1



**VILLAGE OF SUGAR GROVE
KANE COUNTY, ILLINOIS
Resolution No. 20260616F1**

**Resolution Amending Certain Water & Sewer Rates and Fees
For the Village of Sugar Grove**

Adopted by the
Village President and Board of Trustees
of the Village of Sugar Grove
Kane County, Illinois
this 16th day of June 2026

Published in Pamphlet Form
by authority of the Village President and Board of Trustees
of the Village of Sugar Grove
Kane County Illinois
this 16th day of June 2026

RESOLUTION NO. 20260616F1

A RESOLUTION AMENDING CERTAIN WATER & SEWER RATES AND FEES FOR THE VILLAGE OF SUGAR GROVE

BE IT RESOLVED by the President and Board of Trustees for the Village of Sugar Grove, Kane County, Illinois, as follows:

WHEREAS, the Village of Sugar Grove is not a home rule municipality within Article VII and therefore acts pursuant to the powers granted to it under 65 ILCS 5/11-129-1, et seq.; and,

WHEREAS, the Village has the power to make all needful rules and regulations in connection with its water and sewer supply systems, including the establishment of rates and charges; and,

WHEREAS, pursuant to the provisions of the code of ordinances of the Village of Sugar Grove, the Board of Trustees have determined that there is a need to amend the rates and fees for the Village water and sewer system.

NOW, THEREFORE, BE IT RESOLVED, by the President and Board of Trustees for the Village of Sugar Grove, Kane County, Illinois, effective with the June 1, 2026 Utility Bill, water and sewer rates and charges are as follows:

(A)	Village of Sugar Grove (Resident)		
	Customer Charge	Per Month Water	\$16.48
	Customer Charge	Per Month Sewer	\$14.83
	Water Rate (Usage)	Per 1,000 Gallons	\$5.01
	Sewer Rate (Usage)	Per 1,000 Gallons	\$5.04
(B)	County (Non-Resident)		
	Customer Charge	Per Month Water	\$16.48
	Customer Charge	Per Month Sewer	\$14.83
	Water Rate (Usage)	Per 1,000 Gallons	\$6.53
	Sewer Rate (Usage)	Per 1,000 Gallons	\$6.54

RESOLVED, utility accounts (water, sewer and refuse) that are delinquent as defined by the code of ordinances of the Village of Sugar Grove shall hereby be assessed:

Delinquent Accounts:	10% of Current Bill
NSF Charge:	\$35.00 per Occurrence
Tag Fee:	\$35.00 per Occurrence

Shut On/Off Fee:

Within Regular Working Hours	\$35.00 per Occurrence
After Regular Working Hours	\$75.00 per Occurrence

RESOLVED, that all sections of previous Resolutions setting charges and rates in conflict herewith are hereby rescinded.

BE IT FURTHER RESOLVED that the Village will credit \$1.00 per month to those accounts who choose to utilize the direct debit form of payment due to the reduction in administrative time involved.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, on this 16th day of June 2026.

Sue Stillwell, Village President

ATTEST: _____
Tracey Conti, Village Clerk

	Aye	Nay	Absent	Abstain
Trustee Matthew Bonnie	___	___	___	___
Trustee Heidi Lendi	___	___	___	___
Trustee Nora London	___	___	___	___
Trustee Sean Michels	___	___	___	___
Trustee Michael Roskopf	___	___	___	___
Trustee Anthony Speciale	___	___	___	___
Village President Sue Stillwell	___	___	___	___

WATER & SEWER OPERATING

	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
	Actual	Projected	Department	Estimated	Estimated	Estimated	Estimated
Building Permits	-	95	-				
Water Penalties	24,508	22,094	22,279	23,430	23,430	23,430	24,115
Sewer Penalties	22,262	20,496	20,697	22,601	22,601	22,601	23,134
Water Sales	2,163,736	2,267,871	2,266,865	2,346,719	2,418,723	2,492,668	2,542,521
Sewer Sales	1,984,265	2,049,627	2,069,717	2,300,072	2,371,243	2,444,340	2,493,226
Meter Sales	5,366	16,000	95,712	30,000	30,000	10,000	10,000
Reimbursement	-	-	-				
Sewer - Other Charges	13,233	13,270	13,270	13,270	13,270	13,270	13,270
Interest Income - Investments	-	-	13,855				
Miscellaneous Income	14,280	82,931	-				
Proceeds - Capital Asset Sale	-	-	-				
Water Tap-On Fees	-	-	-				
Sewer Tap-On Fees	-	-	-				
Total Water Operating Revenues	4,227,649	4,472,384	4,502,395	4,736,092	4,879,266	5,006,308	5,106,267
I.T. Services	55,129	71,580	70,578	74,107	77,812	81,703	85,788
Telecommunications	35,339	38,832	38,835	40,777	42,816	44,956	47,204
Salaries - Full-Time	150,226	170,957	248,800	244,996	252,897	260,484	268,298
Salaries - Part-Time	48,010	52,542	72,562	53,533	56,477	58,172	59,917
Medical/Dental Insurance	20,063	23,122	39,990	56,858	66,524	77,833	91,065
Group Life Insurance	183	200	225	250	258	283	297
OPEB Pension Expense	(1,994)	-	-				
Social Security Contributions	14,087	14,200	17,098	22,837	23,667	24,377	25,108
IMRF Contributions	9,101	13,870	14,729	20,151	20,883	21,509	22,155
Training, Memberships, & Conferences	8,035	5,042	10,943	11,271	11,271	11,609	11,958
IMRF Pension Expense	104,655	-	-				
Legal Services	90	1,000	1,050	25,000	25,750	26,523	27,318
Audit Services	13,375	13,650	13,715	14,264	14,834	15,428	16,045
Medical Services	-	-	16,551	100	125	150	175
I.T. Services	15,541	16,069	71,355	17,379	18,247	4,444	1,082
Other Professional Services	76,731	71,953	910	73,496	75,701	77,972	80,311
Rentals	1,420	910	-	1,000	1,030	1,082	1,136

Repair & Maintenance - Equipment	956	-	17,650	-	-	-	-
Postage & Delivery	16,375	17,400	3,505	18,533	19,459	20,432	21,454
Telecommunications	3,392	3,505	500	3,680	3,864	4,057	4,260
Publishing	379	500	1,325	515	530	546	563
Printing	650	1,835	45	1,890	1,985	2,084	2,188
Mileage Reimbursement	-	-	150	50	50	53	55
Recruitment	-	50	135,425	150	150	150	150
Insurance Premiums	35,377	128,464	450	495	545	599	659
Bad Debt Expense	-	100	-	450	450	450	450
General Office Supplies	632	500	1,650	1,700	1,750	1,803	1,857
Transfer to Equipment Repl. Fund	216,337	501,144	501,144	605,000	653,400	705,672	762,126
Transfer to Infrastructure Repl. Fund	1,000,000	886,000	887,000	950,000	1,026,000	1,108,080	1,196,726
Depreciation Expense - Admin.	852,396	-	-	-	-	-	-
Debt - Principal	(0)	195,000	200,000	195,000	23,500	24,675	25,909
Debt - Interest	29,181	26,125	20,200	13,300	4,700	4,935	5,182
Fiscal Agent Fees	475	475	500	500	500	525	551
ARO Amortization	16,466	-	-	-	-	-	-
Salaries - Full-Time	705,220	750,733	739,943	792,109	824,908	857,471	891,440
Salaries - Overtime	8,977	15,000	40,000	40,000	40,000	40,000	40,000
Salaries - Part-Time	14,672	15,153	16,065	16,547	17,043	17,555	18,081
Medical/Dental Insurance	108,152	90,473	93,350	110,218	128,955	150,877	176,527
Group Life Insurance	1,035	989	1,100	1,210	1,331	1,464	1,611
Social Security Contributions	53,822	57,152	60,895	64,922	67,469	69,999	72,638
IMRF Contributions	34,408	51,615	52,289	57,284	59,532	61,764	64,093
Training, Memberships, & Conferences	7,671	8,300	10,600	8,715	8,976	9,246	9,523
Uniform Allowance	3,254	3,750	4,000	4,120	4,244	4,371	4,502
Legal Services	180	500	1,000	1,050	1,103	1,158	1,216
Engineering Services	1,469	2,500	2,500	2,625	2,756	2,894	3,039
Medical Services	1,033	775	780	819	860	903	948
Other Professional Services	6,831	5,745	8,245	8,492	8,747	8,747	8,747
JULIE Services	3,573	4,000	6,000	6,180	6,365	6,365	6,365
SCADA Services	2,725	15,000	20,000	20,600	21,218	21,218	21,218
Rentals	1,354	806	806	830	855	855	855
Repair & Maintenance - Equipment	7,438	14,650	7,150	7,365	7,585	7,585	7,585
Repair & Maintenance - Buildings	108,759	47,954	11,825	12,180	12,545	12,545	12,545
Repair & Maintenance - Vehicles	17,078	15,000	20,000	20,600	21,218	21,218	21,218
General Equipment	11,468	8,500	3,500	3,605	3,713	3,713	3,713

Postage & Delivery	363	400	400	412	424	424	424
Telecommunications	(256)	905	910	937	965	965	965
Printing	140	475	555	572	589	589	589
Mileage Reimbursement	98	200	200	206	212	212	212
Receptions & Entertainment	550	1,750	1,750	1,803	1,857	1,857	1,857
Recruitment	-	-	350	361	371	371	371
Water & Sewer	1,543	4,905	2,210	2,276	2,345	2,345	2,345
Employee Activities	292	500	500	515	530	530	530
Fuels & Lubricants	35,967	48,000	46,500	53,475	55,079	55,079	55,079
Custodial Supplies	1,772	1,500	1,500	1,545	1,591	1,591	1,591
Specialized Supplies	16,698	10,667	18,000	18,540	19,096	19,096	19,096
Safety Supplies	7,295	3,800	4,200	4,326	4,456	4,456	4,456
Building Materials & Supplies	1,551	3,000	3,000	3,090	3,183	3,183	3,183
Equipment Maintenance Supplies	4,233	3,000	5,000	5,150	5,305	5,305	5,305
General Office Supplies	1,257	1,800	1,800	1,854	1,910	1,910	1,910
Vehicle Maintenance Supplies	14,102	20,000	15,000	15,450	15,914	15,914	15,914
Other Professional Services	87,585	82,255	116,753	120,256	123,863	123,863	123,863
IEPA Water Sampling	24,592	23,000	25,000	25,750	26,523	26,523	26,523
Rentals	1,614	1,800	1,800	1,854	1,910	1,910	1,910
Repair & Maintenance - Equipment	13,675	8,500	13,500	13,905	14,322	14,322	14,322
Repair & Maintenance - Buildings	18,671	17,000	26,000	26,780	27,583	27,583	27,583
Natural Gas	1,793	2,400	2,400	2,760	3,174	3,650	4,198
Electricity	268,242	250,000	275,000	316,250	363,688	418,241	480,977
Bad Debt Expense	-	4,500	1,000	1,030	1,061	1,061	1,061
Specialized Supplies	59,191	77,500	142,500	146,775	151,178	151,178	151,178
Landscaping Supplies	984	3,500	3,500	3,605	3,713	3,713	3,713
Chemicals & Lab Supplies	176,217	176,000	200,000	206,000	212,180	212,180	212,180
Traffic Control Supplies	-	2,000	2,000	2,060	2,122	2,122	2,122
Building Materials & Supplies	3,142	2,000	2,000	2,060	2,122	2,122	2,122
Equipment Maintenance Supplies	6,344	3,000	500	515	530	530	530
Other Professional Services	15,702	12,500	25,500	26,265	27,053	27,053	27,053
Rentals	864	1,500	1,500	1,545	1,591	1,591	1,591
Repair & Maintenance - Equipment	13,088	6,000	14,000	14,420	14,853	14,853	14,853
Repair & Maintenance - Buildings	250	1,500	500	515	530	530	530
Natural Gas	4,707	7,500	7,500	8,625	9,919	11,407	13,118
Electricity	13,756	13,000	13,500	15,525	17,854	20,532	23,612
Bad Debt Expense	-	3,750	500	515	530	530	530

Specialized Supplies	9,276	13,000	8,000	8,240	8,487	8,487	8,487
Chemicals & Lab Supplies	963	1,000	1,000	1,030	1,061	1,061	1,061
Building Materials & Supplies	-	2,300	1,800	1,854	1,910	1,910	1,910
Equipment Maintenance Supplies	10,927	2,300	2,300	2,369	2,440	2,440	2,440
Total Water Operating Expenses	4,638,910	4,182,327	4,476,861	4,687,765	4,798,623	5,073,753	5,387,143
Water Operating Revenue	4,227,649	4,472,384	4,502,395	4,736,092	4,879,266	5,006,308	5,106,267
Water Operating Expense	4,638,910	4,182,327	4,476,861	4,687,765	4,798,623	5,073,753	5,387,143
Net	(411,260)	290,057	25,534	48,327	80,643	(67,444)	(280,876)
Operating Unrestricted Net Position	1,018,451	1,308,508	1,334,042	1,382,369	1,463,011	1,395,567	1,114,691
	22%	31%	30%	29%	30%	28%	21%

WATER & SEWER CAPITAL

Debt Issuance				2,500,000.00			
Water/Sewer Capital Fee	33,274	85,000.00	173,387	350,000	350,000	350,000	350,000
Reimbursement	48,705	568,328.00	70,496	70,496	70,496	70,496	70,496
Interest Income - Investments	98,468	89,137.00	55,502	50,000	50,000	50,000	50,000
Interfund Transfer Income	1,216,337	1,387,144.00	1,137,572	1,555,000	1,679,400	1,813,752	1,958,852
Total Water Capital Revenues	1,396,783	2,129,609	1,436,957	4,525,496	2,149,896	2,284,248	2,429,348
Debt Service				140,000	140,000	140,000	140,000
Engineering Services	102,598	346,000					
Financial Services	11,325	14,000					
Building Improvements	-	100,000					
Equipment			594,688	-	-	476,842	304,973
Vehicles		430,500	285,487	743,614	525,000	350,000	371,511
Streets/ROW Improvements	77,776	702,000					
Capital Improvements				2,862,400	750,000	709,000	4,745,000
Total Water Capital Expense	191,699	1,592,500	880,175	3,746,014	1,415,000	1,675,842	5,561,484
Net Revenue	1,205,084	537,109	556,782	779,482	734,896	608,406	(3,132,136)
Capital Unrestricted Net Position	3,542,241	4,079,350	4,636,132	5,415,614	6,150,510	6,758,916	3,626,780