

Village of Malcolm

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Water Rate Update Effective June 1, 2026

The Malcolm Board of Trustees would like to inform residents and businesses that water rates will increase beginning June 1, 2026. This decision was made after careful review of a comprehensive Water Rate Study and discussions by the Village Board. The full Water Rate Study and the newly adopted rate schedule will be attached to this newsletter so the community can review the information in detail.

Over the past several years, the Village's water utility has experienced significant financial losses. The Water Rate Study clearly shows a trend of declining revenue and rising operational costs across the last five fiscal years, with the last three years shown in the study provided. Because the water system operates as a self-supporting enterprise fund, the cost of providing water service must be covered by water system revenues rather than property taxes. When revenues fall short of expenses, it becomes difficult to maintain reliable service, perform repairs, replace equipment, meet regulatory requirements, and plan for future infrastructure improvements. Without action, the Village would continue to fall behind on necessary system investments.

The Water Rate Study reviewed the revenue losses from the last three fiscal years, evaluated the current water rate structure, examined projected future operating and maintenance costs, and provided recommended rate adjustments to stabilize the water utility fund. The study concluded that the existing rates no longer generate enough revenue to support the water system at the level required to provide safe and reliable service to the community.

The Village Board carefully evaluated the study and considered several key priorities when making its decision. The Board's primary goal was to stop ongoing financial losses and stabilize the water utility fund so it can cover operating expenses moving forward. Another important priority was protecting long-term infrastructure, as water systems require ongoing maintenance and proactive investment to avoid larger, more sudden increases in the future caused by deferred maintenance or emergency repairs. The Board also worked to balance affordability and sustainability by reviewing the current rates, the recommended rates from the study, and several potential rate scenarios before selecting the final structure.

At the April 20, 2026 Village Board meeting, the Board officially approved the new water rates. The attached Water Rate Study and rate schedule allow residents to review the financial losses from the past three years and compare the current rates, the recommended rates, and the adopted rates that will take effect. These changes are necessary to ensure the Village can continue providing safe, reliable water service now and into the future.

The Village Board understands that rate increases impact households and businesses, and this decision was not made lightly. However, it is a necessary step to maintain the integrity and reliability of Malcolm's water system for years to come. Residents with questions are encouraged to contact the Village Hall or attend an upcoming Village Board meeting on May 5, 2026. The Board appreciates the community's understanding and continued support.

Sincerely,

Village of Malcolm Board of Trustees

EXHIBIT A

Water Maintenance Line Fee: Monthly Rate Schedule

End Use Category	Monthly Fee				
	Effective June 1, 2026.	Effective June 1, 2027.	Effective June 1, 2028.	Effective June 1, 2029.	Effective June 1, 2030.
Single-Family Residence	\$45.25	\$47.51	\$49.89	\$52.38	\$55.00
School(s)	\$135.00	\$141.75	\$148.84	\$156.28	\$164.09
Multi-Family; Building Owner	\$100.00	\$105.00	\$110.25	\$115.76	\$121.55
Multi-Family; Unit Maintenance Line	\$30.00	\$31.50	\$33.08	\$34.73	\$36.47
Commercial, Industrial, Religious, or SF Residence Outside of Village	\$67.75	\$71.14	\$74.69	\$78.43	\$82.35

Water Maintenance Line Fees will be charged to all residential, school, commercial, industrial, and religious properties connected to the Village water system, inside or outside the Village, regardless of water service status.

EXHIBIT B

Water Service Charge Schedule

Inside Village Limits	Usage Fee				
	Effective June 1, 2026.	Effective June 1, 2027.	Effective June 1, 2028.	Effective June 1, 2029.	Effective June 1, 2030.
0 - 5,000 Gallons	\$5.75	\$6.04	\$6.34	\$6.66	\$6.99
5,001 - 10,000 Gallons	\$9.00	\$9.45	\$9.92	\$10.42	\$10.94
10,001+ Gallons	\$11.50	\$12.08	\$12.68	\$13.31	\$13.98
Outside Village Limits					
0 - 5,000 Gallons	\$7.18	\$7.54	\$7.92	\$8.31	\$8.73
5,001 - 10,000 Gallons	\$13.87	\$14.56	\$15.29	\$16.06	\$16.86
10,001+ Gallons	\$16.35	\$17.17	\$18.03	\$18.93	\$19.87

Water service ranges inside or outside Village limits are **per thousand gallons**, including any part within the appropriate range. For example, a July 1, 2026 service charge for 15,000 gallons inside village limits would total \$131.25: \$28.75 for 0 - 5,000 gallons; \$45.00 for 5,001 - 10,000 gallons; and \$57.50 for 10,001-15,000 gallons.

Special Categories	Usage Fee				
	Effective June 1, 2026.	Effective June 1, 2027.	Effective June 1, 2028.	Effective June 1, 2029.	Effective June 1, 2030.
Industrial Users, 10,000+ Gal/Mo	\$23.25	\$24.41	\$25.63	\$26.91	\$28.26
Bulk Water Rate (Weekly Service Charge)	\$100.00	\$100.00	\$100.00	\$100.00	\$100.00
Bulk Water Rate	\$23.25	\$24.41	\$25.63	\$26.91	\$28.26

The Industrial User and Bulk Water Rates are each per thousand gallons.

Water Rate Worksheets

Village of Malcolm

March 2026



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NEBRASKA RURAL WATER ASSOCIATION
WATER RATE STUDY FOR VILLAGE OF MALCOLM 3/31/2026

	2022-2023	2023-2024	2024-2025	AVERAGE
Salaries	\$ 25,420.27	\$ 30,193.67	\$ 45,620.53	\$ 33,744.82
Employee Benefits	\$ 2,133.79	\$ 1,267.83	\$ 4,497.15	\$ 2,632.92
Payroll Taxes	\$ 2,138.31	\$ 2,458.76	\$ 7,589.08	\$ 4,062.05
Legal Fees	\$ 3,223.18	\$ 3,100.00	\$ 6,295.76	\$ 4,206.31
Accounting	\$ 2,969.38	\$ 6,634.02	\$ 3,308.45	\$ 4,303.95
Engineering	\$ -	\$ 72,100.27	\$ 14,893.36	\$ 28,997.88
Bank Charges	\$ -	\$ -	\$ 6.00	\$ 2.00
Insurance	\$ 78.23	\$ 12,986.95	\$ 9,129.91	\$ 7,398.36
Seminars	\$ 542.95	\$ 332.17	\$ 1,231.27	\$ 702.13
Repairs & Maintenance	\$ 54,761.10	\$ 51,994.80	\$ 149,363.57	\$ 85,373.16
Utilities	\$ 9,135.35	\$ 9,622.61	\$ 12,964.18	\$ 10,574.05
Testing	\$ 2,116.00	\$ 1,673.00	\$ 1,494.75	\$ 1,761.25
Fuel	\$ 814.85	\$ 893.67	\$ 2,612.87	\$ 1,440.46
Sales Tax	\$ 6,205.82	\$ 938.79	\$ 1,494.44	\$ 2,879.68
Cell Phone	\$ 200.07	\$ 411.46	\$ 783.40	\$ 464.98
Misc.	\$ 460.00	\$ 1,977.97	\$ 8,243.15	\$ 3,560.37
Mileage	\$ -	\$ -	\$ 93.71	\$ 31.24
Dues	\$ 593.23	\$ 1,213.24	\$ 1,475.16	\$ 1,093.88
Supplies	\$ 104.16	\$ 650.64	\$ 2,335.65	\$ 1,030.15
Postage/Shipping	\$ 1,239.96	\$ 1,250.05	\$ 678.25	\$ 1,056.09
Printing	\$ -	\$ 150.00	\$ -	\$ 50.00
Capital Outlay	\$ 11,945.50	\$ 42,930.97	\$ 72,000.00	\$ 42,292.16
ARPA money expense	\$ -	\$ 32,347.08	\$ -	\$ 10,782.36
ANNUAL EXPENSES	\$ 124,082.15	\$ 275,127.95	\$ 346,110.64	\$ 248,440.25
WATER SALES	\$ 117,440.65	\$ 107,547.68	\$ 131,354.86	\$ 118,781.06
GRANT INCOME	\$ -	\$ 19,800.00	\$ 73,774.50	\$ 31,191.50
TOTAL REVENUE	\$ 117,440.65	\$ 127,347.68	\$ 205,129.36	\$ 149,972.56
GAIN (LOSS)	\$ (6,641.50)	\$ (147,780.27)	\$ (140,981.28)	\$ (98,467.68)

NEBRASKA RURAL WATER ASSOCIATION
 WATER RATE STUDY FOR VILLAGE OF MALCOLM 3/31/2026

CURRENT RATE			
No. of users	Monthly Fee	Annual Revenue	
176	\$ 20.70	\$	43,718.40
1	\$ 64.47	\$	773.64
2	\$ 51.61	\$	1,238.64
2	\$ 40.10	\$	962.40
24	\$ 10.00	\$	2,880.00
Water Sold			
1310000	\$ 2.03	\$	2,659.30
13663000	\$ 4.13	\$	56,428.19
1410000	\$ 6.17	\$	8,699.70
171560	\$ 9.49	\$	1,628.10
Total Annual Revenue		\$	118,988.37

SUGGESTED RATE			
No. of users	Monthly Fee	Annual Revenue	
176	\$ 45.25	\$	95,568.00
1	\$ 90.50	\$	1,086.00
2	\$ 67.75	\$	1,626.00
2	\$ 90.50	\$	2,172.00
24	\$ 22.75	\$	6,552.00
Water Sold			
1310000	\$ 5.75	\$	7,532.50
13663000	\$ 9.00	\$	122,967.00
1410000	\$ 11.50	\$	16,215.00
171560	\$ 10.00	\$	1,715.60
Total Annual Revenue		\$	255,434.10

SUGGESTED RATE W/FLAT USAGE CHARGE			
No. of users	Monthly Fee	Annual Revenue	
176	\$ 45.25	\$	95,568.00
1	\$ 90.50	\$	1,086.00
2	\$ 67.75	\$	1,626.00
2	\$ 90.50	\$	2,172.00
24	\$ 22.75	\$	6,552.00
Water Sold			
16554	\$ 8.25	\$	136,570.50
Total Annual Revenue		\$	243,574.50