



Fiscal year 2021 budget adopted

Water rate set for 2020 season

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The Merced Irrigation District Board of Directors adopted a \$105 million budget today for its 2021 Fiscal Year. An in-District water rate of \$50 per acre foot was set for the remainder of the 2020 irrigation season. No restrictions were placed on in-District water availability this season. The MID Water Management Implementation Plan and packets for 2020 will be mailed to MID growers in the coming days.

Also today, the Board made up to approximately 20,000 acre-feet of water available to potential water purchasers who are outside of District boundaries but located within the Merced groundwater basin. That water is being made available at a price of \$180 per acre foot. Future pricing and availability will be reconsidered by the Board at a meeting tentatively scheduled for March 24, 2020.

MID began taking water orders from in-District growers on March 1 due to dry conditions.

Although in-District water was initially set at a \$40 rate, all orders made by District growers will be charged at the \$50 rate beginning at midnight Tuesday, March 10.

The water rate this year helps ensure a balanced budget while responding to multiple external financial challenges. Hydroelectric revenue has been negatively affected by energy markets. Water transfers have been hampered by capacity issues elsewhere in the state. The increased cost of materials, construction and professional services have also contributed to overall increased operating costs for the District. Meanwhile, MID expects to see increased costs associated with protecting its water rights, both locally and at the state level.

In meeting its budgetary needs, MID committed to delaying some capital improvement projects.

The \$105 million consolidated budget includes revenues of approximately \$22.6 million from the Water Resources Department, \$12.4 million from the Hydroelectric Department and approximately \$66.9

million from the Energy Resources Department. MID will continue meeting all its bond covenant requirements and cash reserve guidelines for fiscal year 2021.

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