



MID's Finances Upgraded By Moody's

For Immediate Release: Feb. 12, 2013

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MERCED, CA – Moody's Investor Services has upgraded the rating of Merced Irrigation District's infrastructure-improvement bonds.

The upgrade illustrates that the District is on solid – and improving – financial footing. Further, it benefits MID ratepayers by reducing costs associated with the future selling of bonds for infrastructure improvements and potential refinancing of existing bonds.

“Ensuring a strong and healthy financial plan for the District remains a top priority,” said MID General Manager John Sweigard. “In the past couple years we have put in place tighter controls, improved our policies, increased our reserves and increased transparency.”

Moody's stated that it was upgrading MID's 2003 electric service bonds from Baa3 to Baa2, reflecting a higher degree of investment security.

The bonds were initially sold in 2003 to assist the District expand and reinforce its electrical infrastructure.

Moody's cited the following strengths in MID's financial operations:

- Strong debt service coverage.
- Improving financial performance.
- System liquidity of 180 days of cash on hand.
- Overall growth in electric services despite economic and demographic challenges.

“We will continue to do all we can to protect our finances and do the right thing for MID ratepayers,” said MID Director of Finance Brian Stubbert. “We are committed to increasing our bond rating even further as we move forward.”

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