

**VERDI TELEVISION MAINTENANCE DISTRICT
VERDI, NEVADA**



Financial Statements

June 30, 2025



Knott
Certified Public Accountant
65 Regency Way, Suite C
Reno, Nevada 89509

**VERDI TELEVISION MAINTENANCE DISTRICT
TABLE OF CONTENTS**

	<u>Page No.</u>
Accountant's Compilation Report	1
Financial Statements:	
Statement of Assets, Liabilities and Fund Equity (Modified Cash Basis)	2
Statement of Revenues, Expenses and Changes in Fund Equity (Modified Cash Basis) – Budget and Actual	3
Statement of Cash Flows (Modified Cash Basis)	4
Notes to Financial Statements	5

KNOTT

Page 1

Certified Public Accountant
65 Regency Way, Suite C
Reno, Nevada 89509

(775) 746-2900

Accountant's Compilation Report

Board of Trustees
Verdi Television Maintenance District
Verdi, Nevada

Management is responsible for the accompanying financial statements of Verdi Television Maintenance District (the District), which comprise the statement of assets, liabilities, and fund equity (Modified Cash Basis) as of June 30, 2025, with comparative totals as of June 30, 2024, and the related statement of revenues, expenses, and changes of fund equity – budget and actual (Modified Cash Basis), and the statement of cash flows (Modified Cash Basis) for the years then ended, and the related notes to the financial statements in accordance with modified cash basis of accounting. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements have been prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Property and equipment are not capitalized or depreciated under the cash basis of accounting. Management has informed us that the District capitalized and depreciated property and equipment totaling \$864,305. If property and equipment were not capitalized and depreciated, property and equipment, net of \$217,183 would not be recorded and fund equity would be decreased by \$239,457, as of June 30, 2025, and net income would be increased by \$22,274 for the year then ended.

Management has omitted the management's discussion and analysis information that is required to be presented for the purposes of additional analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context.

Knott CPA

Reno, Nevada
December 30, 2025

VERDI TELEVISION MAINTENANCE DISTRICT
Statement of Assets, Liabilities and Fund Equity (Modified Cash Basis)
June 30, 2025
(With comparative totals for 2024)

ASSETS

	2025	2024
Current Assets		
Cash and cash equivalents	\$ 772,265	\$ 728,679
Property and Equipment		
Building and improvements	56,383	52,699
Machinery and equipment	807,922	807,922
	864,305	860,621
Less: accumulated depreciation	(647,122)	(621,164)
Total Property and Equipment, Net	217,183	239,457
Total Assets	\$ 989,448	\$ 968,136

LIABILITIES AND FUND EQUITY

Current Liabilities	\$ -	\$ -
Fund Equity - Unrestricted	989,448	968,136
Total Liabilities and Fund Equity	\$ 989,448	\$ 968,136

See accountant's compilation report and accompanying notes.

VERDI TELEVISION MAINTENANCE DISTRICT
Statement of Revenues, Expenses and Changes in Fund Equity (Modified Cash Basis)
For Year Ended June 30, 2025
(With comparative totals for 2024)

	2025		Favorable (Unfavorable)	2024
	Budget	Actual		Actual
Operating Revenues				
Rental income	\$ 600	\$ 600	\$ -	\$ 600
Operating Expenses				
Advertising	-	272	(272)	438
Board profession fees	30,000	30,000	-	29,500
Bookkeeping/Secretarial fees	6,000	6,000	-	6,000
Depreciation	20,000	25,958	(5,958)	25,316
Donations	5,000	5,000	-	5,000
Insurance	6,000	2,238	3,762	-
Legal and accounting	8,000	5,544	2,456	4,988
Licenses	500	-	500	-
Office expense	1,600	394	1,206	1,045
Rent	8,300	8,195	105	8,184
Repairs and maintenance	201,000	28,021	172,979	5,246
Utilities	9,000	6,505	2,495	7,893
Total Operating Expenses	295,400	118,127	177,273	93,610
Operating Gain (Loss)	(294,800)	(117,527)	177,273	(93,010)
Non-Operating Revenue				
Tax revenue	142,393	138,839	(3,554)	134,348
Net Income (Loss)	<u>\$(152,407)</u>	21,312	<u>\$ 173,719</u>	41,338
Fund Equity – Beginning of Year		<u>968,136</u>		<u>926,798</u>
Fund Equity – End of Year		<u><u>\$989,448</u></u>		<u><u>\$968,136</u></u>

See accountant's compilation report and accompanying notes.

VERDI TELEVISION MAINTENANCE DISTRICT
Statement of Cash Flows (Modified Cash Basis)
For Year Ended June 30, 2025
(With comparative totals for 2024)

	2025		Favorable (Unfavorable)	2024
	Budget	Actual		Actual
Cash Flows from Operating Activities				
Cash received from rents	\$ 600	\$ 600	\$ -	\$ 600
Cash paid for goods and Services	<u>(275,400)</u>	<u>(92,169)</u>	<u>183,231</u>	<u>(68,294)</u>
Net cash provided (used) Operating activities	(274,800)	(91,569)	183,231	(67,694)
Cash Flows from Investing Activities				
Purchase of fixed assets	(201,000)	(3,684)	197,316	(179,840)
Tax revenue received	<u>142,393</u>	<u>138,839</u>	<u>(3,554)</u>	<u>134,348</u>
Net cash provided (used) Investing activities	<u>(58,607)</u>	<u>135,155</u>	<u>193,762</u>	<u>(45,492)</u>
Net Increase (Decrease) In Cash	(333,407)	43,586	376,993	(113,186)
Cash Balance, Beginning of Year	<u>351,627</u>	<u>728,679</u>	<u>377,052</u>	<u>841,865</u>
Cash Balance, End of Year	<u>\$ 18,220</u>	<u>\$ 772,265</u>	<u>\$ 754,045</u>	<u>\$ 728,679</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating income (loss)		\$ (117,527)		\$ (93,010)
Adjustments to reconcile Operating loss to net cash provided by operating activities				
Depreciation		<u>25,958</u>		<u>25,316</u>
		<u>25,958</u>		<u>25,316</u>
Net Cash (Used) Provided by Operating Activities		<u>\$ (91,569)</u>		<u>\$ (67,694)</u>

See accountant's compilation report and accompanying notes.

VERDI TELEVISION MAINTENANCE DISTRICT
Notes to Financial Statements
June 30, 2025

1. SUMMARY OF ACCOUNTING POLICIES

Reporting Entity

The financial statements present the financial position, results of operations, changes in fund equity and cash flows for the Verdi Television Maintenance District (the District), which is under the jurisdiction of the Verdi Television Maintenance District's Board of Trustees (the Board). The District was created and operates under Chapter 318 of the Nevada Revised Statutes. The District is fiscally independent of all other government entities and has no component units nor is it a component unit of another entity.

The District provides television rebroadcast services for the people living within the District and is managed by five trustees elected by popular vote. The Board does not have the power to levy taxes.

The Board annually certifies the amount of money necessary to maintain equipment and property of the District. The revenues, which the District is entitled to receive, are established by the Nevada Revised Statutes.

Fund Accounting

The accounts of the Verdi Television Maintenance District are organized into one fund, an Enterprise Fund. The measurement focus of an Enterprise Fund is to determine net income and, as such, the Verdi Television Maintenance District accounting records are maintained on the modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues and expenditures/expenses which result from cash transactions with a provision for depreciation. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

VERDI TELEVISION MAINTENANCE DISTRICT
Notes to Financial Statements
June 30, 2025

1. SUMMARY OF ACCOUNTING POLICIES (Continued)

Fixed Assets

Valuation – The basis for valuing the District’s capital assets has primarily been historical cost.

Depreciation – Depreciation is calculated using the straight-line method over the estimated useful lives of fixed assets. Total depreciation for the years ended 2025 and 2024 is \$25,958 and \$25,316, respectively.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported assets and liabilities and the reported amounts of revenues and expenses for the year ended June 30, 2025. These estimates are based on management’s knowledge and experience and due to their prospective nature, actual results could differ from those estimates.

Reclassifications

Certain reclassifications have been made to prior year financial statements in order to conform to current year presentation. The previously reported change in fund equity and total fund equity were unaffected by the reclassifications.

Economic Dependency

The District receives funds from Washoe County based on an estimated resident population as of July 1 for each year. If the population base in Verdi should significantly decrease, the revenues of the District would decrease correspondingly.

Budget Policies

The Verdi Television District is exempt from certain budget requirements under Nevada Revised Statutes which would ordinarily require the submission of a tentative budget each year. The petition for exemption must be submitted to the Nevada Department of Taxation on or before March 1 each year to be effective for the succeeding fiscal year. Thus, the Verdi Television District is in compliance with the Local Government Budget Act within the Nevada Revised Statutes.

VERDI TELEVISION MAINTENANCE DISTRICT
Notes to Financial Statements
June 30, 2025

1. SUMMARY OF ACCOUNTING POLICIES (Continued)

Budget Policies (Continued)

1. The Budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). All appropriations lapse at year end.
2. Budget amounts may be transferred if amounts do not exceed the original budget. Budget augmentations in excess of original budgetary amounts may be implemented by including the augmentation in the next quarterly report to the Department of Taxation. Budget transfers and augmentations must be approved by the Board of Trustees.
3. In accordance with State Statute and the Nevada Administrative Code, actual expenses may not exceed the sum of budgeted operating and non-operating expenses.

There were no amendments to the 2024-2025 budget during the year.

Summary of Accounting Basis Used in Financial Statements

The accompanying financial statements are presented on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Accounting principles generally accepted in the United States of America require all revenue and accounts receivable to be recorded in the period in which revenue is earned, and expenses and accounts payable to be recorded in the period in which they are incurred. In the accompanying financial statements, certain revenue has been recorded when cash is received, and certain expenses have been recorded when cash is disbursed.

Cash

The District maintains all of its cash accounts with the Washoe County Treasurer in Reno, Nevada. The carrying amount is the same as the amount on deposit with the Washoe County Treasurer. The treasurer obtains collateral held in the name of the District.

	<u>2025</u>	<u>2024</u>
Carrying amount	\$ 772,265	\$ 728,679
On deposit with County Treasurer	\$ 772,265	\$ 728,679

VERDI TELEVISION MAINTENANCE DISTRICT
Notes to Financial Statements
June 30, 2025

2. PROPERTY AND EQUIPMENT

	2025	2024
Building and improvements	\$ 56,383	\$ 52,699
Machinery and equipment	807,922	807,922
	864,305	860,621
Less: accumulated depreciation	(647,122)	(621,164)
Total Property and Equipment	\$217,183	\$239,457

3. SUBSEQUENT EVENTS

The District did not have any subsequent events through December 30, 2025, which is the date the financial statements were available to be issued for events requiring recording or disclosure in the financial statements for the year ended June 30, 2025.