

## MPBN Annual Report *Special Section*

Dear Friends and Supporters of MPBN,

We are pleased to report to you that our financial condition is very strong. This is due to several factors, which we will discuss briefly.

For the year ended June 30, 2011, we had a surplus (revenue over expense) of \$595,000. Virtually all of this surplus will be placed in our Capital Reserve Account to support our statewide infrastructure. One such use of the account this year was to fund a new translator to improve TV reception in the greater Bangor area.

Revenue was ahead of budget in all major fundraising categories: membership, corporate support and major and planned giving. It is appropriate here to thank the taxpayers of Maine, the Governor's office and the Maine Legislature for their support over the past 20 plus years. Expenses came in under budget in most areas as managers continue to place a high priority on operating within their respective budget guidelines. Finally, our balance sheet is strong with Total Assets of \$17 million, Liabilities of \$750,000 and a net worth of \$16.2 million. If you would like more information, you can see our IRS Form 990 on our website at mpbn.net under the "About" tab.

The reason we exist is to produce, create and deliver content to the people of Maine and beyond that will have a positive impact on your life. We provide content from NPR, PBS and others but are most proud of our local programs such as *Maine Things Considered*, *Maine Watch with Jennifer Rooks*, *Morning Edition with Irwin Gratz*, *Morning Classical Music with Suzanne Nance* and *Speaking in Maine*, to name just a few.

Your interest in these programs has made us the most consumed media outlet in Maine and produced a large and loyal audience and membership base. While Maine is our focus and always will be, we recognize that our broadcast audience goes well beyond Maine to include friends in New Hampshire, Massachusetts and Atlantic Canada. In Canada, we have just formed a Canadian registered charity to better connect with our friends there.

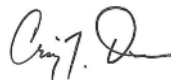
We are hard at work putting the case for a Comprehensive Capital Campaign together to help fuel some of our important initiatives as well as add surplus to our Endowment Fund. This campaign will provide the resources to strengthen our commitment to high-quality radio, television and digital content and will provide additional stability during periods of economic uncertainty.

One other area we want to comment on briefly is our Community Outreach efforts. Five years ago when we were developing our Five-Year Strategic Plan, we visited over a dozen communities throughout Maine. One message we heard was keep up the town meetings. We are delighted to report we have and, in fact, have had over 30 such MPBN town meetings all over Maine and beyond and have benefited greatly for your input and have made many friends along the way.

We would like to conclude this letter on a personal note and thank everyone connected with MPBN for their help and support during our terms as Chair and President these past three and five years, respectively. Serving with a smart, independent-minded and loyal board alongside a creative and mission-driven staff has been a once in a lifetime gift to each of us. Thank you for that privilege, and thank you to the people of Maine and beyond for appreciating and supporting MPBN!



Jim Dowe, *President & CEO*

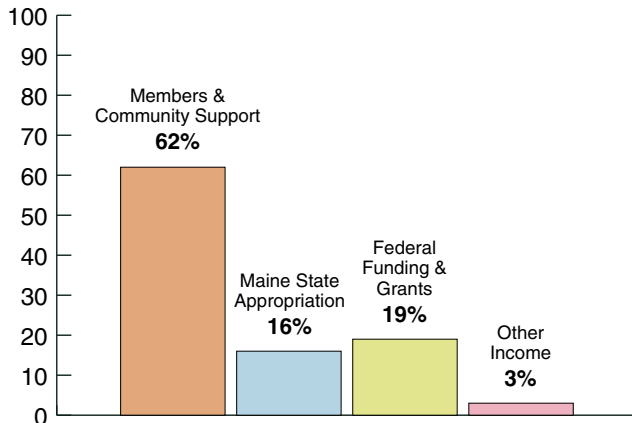


Craig Denekas, *Chairman of the Board*

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## MPBN Financial Support

MPBN derives by far the largest share of its operating revenue from the generous support of individual Members and program Underwriters. A complete list of MPBN's Underwriters and supporting Foundations as well as MPBN's audited financial statements, operating budget and IRS Form 990 Tax Exempt Annual Filing can be found on our website at [mpbn.net](http://mpbn.net).



## Two MPBN Reporters Cited for Excellence by Journalistic Peers

Veteran reporters Irwin Gratz and Susan Sharon, with nearly 40 years of combined experience at MPBN, were recently recognized by journalistic peers beyond Maine's borders for the quality of their reporting.

Irwin is one of four recipients of this year's Yankee Quill Award, which recognizes career contributions to the betterment of journalism in the six New England states and is presented annually by the Academy of New England Journalists through the auspices of the New England Society of Newspaper Editors Foundation. The foundation cited Gratz for his "remarkable leadership in the Society of Professional Journalists, [his] contributions to in-depth radio news coverage of issues critical to Maine, and [his] unrelenting advocacy for the highest ethical standards." A member of the SPJ since 1983, Irwin has held positions as a state chapter president, a member of its national board and was the SPJ's national president in 2004-05.

Susan Sharon was recognized nationally for her outstanding beat reporting, specifically for her coverage of environmental issues in Maine. The Society for Environmental Journalists awarded her third place in the small market category for her continuing coverage of efforts in Augusta to weaken Maine's environmental regulations after Republicans took control of the Blaine House and both houses of the Maine Legislature in January.

In a press release, MPBN President and CEO Jim Dowe said, "All of us who follow the news in Maine know Irwin and Susan are outstanding journalists. Together these awards illustrate the journalistic value and service Mainers receive in return for their investment in MPBN."

## MPBN's Mission

Every day, the Maine Public Broadcasting Network connects the people of Maine to each other and to the world through the open exchange of information, ideas and cultural content. As Maine's premier, independent media resource, we create exceptional opportunities for the communities we serve to engage with critical issues, compelling stories and quality entertainment.

## As of June 30, 2011

### Board of Trustees

Craig Denekas, *Chair*, Portland  
William Adams, *Vice-Chair*, Waterville  
Marjorie Bradford, Bangor  
Bill Burke, Cape Elizabeth  
William Cohen, Brooklin  
Jim Dowe, Portland  
Jay Fortier, Orono  
Al Glickman, Cape Elizabeth  
Elaine Tuttle Hansen, Lewiston  
George Isaacson, Brunswick  
Phyllis Jalbert, North Yarmouth  
Mark Lawrence, South Berwick  
Kevin McCarthy, Portland  
Marjorie Murray Medd, Norway  
Barry Mills, Brunswick  
Wayne Newall, Princeton  
Richard Pattenaude, Bangor  
Thomas Platz, Auburn  
Henry Schmelzer, Somesville  
Jim Shaffer, Cape Elizabeth  
Anna Marie Thron, Portland

### Trustees Emeriti

Bonnie Adams  
Suzanne Austin  
Sally Beaudette  
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Donald Harward  
Tabitha King  
Lincoln Ladd  
David Morse  
Neil Rolde  
Wickham Skinner  
Robert Umphrey  
John Wasileski

# MPBN Annual Report *Special Section*

## Maine Public Broadcasting Corporation *Statement of Financial Position*

As of June 30, 2011

	<b>FY2011</b>	<b>Comparison FY2010</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 1,198,872	\$ 2,006,296
Cash and short term investments for CIF	349,563	347,322
Accounts receivable	414,836	5,494
Pledges receivable within one year	1,417,820	1,159,558
Prepaid expenses	119,418	74,133
<b>TOTAL CURRENT ASSETS</b>	<u>3,500,509</u>	<u>3,592,802</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land and improvements	259,978	259,978
Building and improvements	4,500,783	4,417,344
Broadcast equipment (exclude DTV)	10,185,274	10,356,114
Broadcast equipment (for DTV)	10,700,915	11,218,262
HD Radio equipment	791,476	791,476
Office equipment and furniture	3,040,045	2,800,511
Automotive equipment	609,551	550,346
	<u>30,088,022</u>	<u>30,394,032</u>
Less: Accumulated depreciation (exclude DTV)	(14,084,262)	(14,415,290)
Less: Accumulated depreciation (for DTV)	(7,163,021)	(7,185,179)
<b>TOTAL PROPERTY AND EQUIPMENT</b>	<u>8,840,739</u>	<u>8,793,563</u>
<b>OTHER ASSETS</b>		
Unemployment compensation deposit	19,791	19,781
Investments	4,076,908	3,380,747
Pledges receivables after one year	540,000	582,000
<b>TOTAL OTHER ASSETS</b>	<u>4,636,699</u>	<u>3,982,528</u>
<b>TOTAL ASSETS</b>	<u>\$ 16,977,947</u>	<u>\$ 16,368,893</u>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 71,508	\$ 174,264
Accrued expenses	556,989	596,938
Deposits	0	0
<b>TOTAL CURRENT LIABILITIES</b>	<u>628,497</u>	<u>771,202</u>
<b>LONG-TERM LIABILITIES</b>		
Accrued post-retirement benefits	116,864	124,464
<b>TOTAL LIABILITIES</b>	<u>745,361</u>	<u>895,666</u>
<b>TOTAL NET ASSETS 6/30/2010</b>	15,473,227	15,762,830
<b>ADJ INC IN ASSETS 6/30/2011</b>	<u>759,359</u>	<u>(289,603)</u>
<b>TOTAL NET ASSETS 6/30/2011</b>	16,232,586	15,473,227
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 16,977,947</u>	<u>\$ 16,368,893</u>

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## Maine Public Broadcasting Corporation *Schedule of Revenues and Expenses*

As of June 30, 2011

	<b>FY2011</b>	<b>Comparison FY2010</b>
<b>REVENUES</b>		
State of Maine	\$ 1,902,198	\$ 1,954,235
Auction	378,543	391,933
Corporation for Public Broadcasting (Federal)	1,504,736	1,574,366
Membership	4,041,688	3,935,884
Underwriting	1,589,498	1,479,104
Contributions	1,200,649	1,404,995
Interest on Short-term Investment	4,362	17,384
Investment Income (loss)	758,521	322,577
Investment amount allocated under spending formula	(140,000)	(140,000)
In-Kind Revenue	34,855	58,666
Federal Government Grants	657,412	33,016
Loss on Bad Debt	(16,253)	(11,366)
Other	<u>145,912</u>	<u>136,515</u>
<b>TOTAL REVENUES (LOSS)</b>	<b>12,202,121</b>	<b>11,297,309</b>
<b>EXPENSES</b>		
<u>Program Service</u>		
Technical	2,098,875	1,928,460
Programming and Production	4,444,543	4,288,424
Public Information	210,107	410,308
<u>Support Service</u>		
Development	2,245,010	2,239,383
Administration	<u>1,355,865</u>	<u>1,340,569</u>
Total Expense Before Depreciation	10,354,400	10,207,144
Depreciation Expense (exclude DTV)	602,888	589,707
Depreciation Expense (for DTV)	485,474	790,061
<b>TOTAL EXPENSES</b>	<u>11,442,762</u>	<u>11,586,912</u>
<b>Revenues Over/(Under) Expenses</b>	<u>\$ 759,359</u>	<u>\$ (289,603)</u>

MPBN's Digital Conversion was a one-time project that ended in FY2005. The project was funded by individual donations, federal grants and the State of Maine bond offerings. Expenses for DTV listed above are solely for Depreciation.

The above schedule is a summary of MPBN's Revenues and Expenses for FY2011, with a comparison to FY2010. For a full presentation of MPBN's Audited Financial Statements, in accordance with GAAP, please refer to our website (<http://www.mpbn.net>) or contact Chief Financial Officer John Isacke ([jisacke@mpbn.net](mailto:jisacke@mpbn.net)).

The Maine Public Broadcasting Network is a non-profit, 501(c)3 charitable organization, registered in the State of Maine.