

**WBJB-FM RADIO  
A PUBLIC RADIO STATION OPERATED BY  
BROOKDALE COMMUNITY COLLEGE**

Financial Statements

June 30, 2009 and 2008

(With Independent Auditors' Report Thereon)

## Independent Auditors' Report

The Board of Trustees  
Brookdale Community College:

We have audited the accompanying statements of net assets of WBJB-FM Radio, a public radio station operated by Brookdale Community College (WBJB-FM Radio) as of June 30, 2009 and 2008, and the related statements of revenues, expenses, and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of Brookdale Community College's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

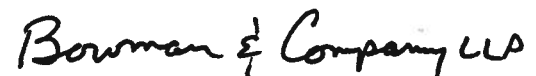
As discussed in note 1, the financial statements of WBJB-FM Radio are intended to present the financial position, and the changes in its financial position and its cash flows that are attributable to the transactions of this department of Brookdale Community College. They do not purport to, and do not, present fairly the financial position of Brookdale Community College as of June 30, 2009 and 2008, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WBJB-FM Radio, a public radio station operated by Brookdale Community College as of June 30, 2009 and 2008, and the changes in its financial position and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying management's discussion and analysis (MD&A) is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

This report is intended solely for the information and use of the Board of Trustees and management of Brookdale Community College and the Corporation for Public Broadcasting and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully Submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants

Voorhees, New Jersey  
September 29, 2009

**WBJB-FM RADIO**  
**A PUBLIC RADIO STATION OPERATED BY**  
**BROOKDALE COMMUNITY COLLEGE**

Management's Discussion and Analysis  
For fiscal years ended June 30, 2009, 2008, and 2007

**Introduction and Reporting Entity**

The following Management Discussion and Analysis is an overview of the financial condition and operations of WBJB-FM Radio (the Station) for fiscal years ended June 30, 2009, 2008, and 2007. This discussion is supplemental to, and should be read with, the financial statements and related footnotes that follow this section.

WBJB-FM Radio is a public radio station operated by Brookdale Community College. They first broadcasted on January 13, 1975. The radio station currently reaches approximately 39,000 listeners on a weekly basis, featuring informational top of the hour National Public Radio (NPR) newscasts and local features which include traffic, news, weather, community bulletin boards, public service announcements, and pertinent College information – all of which is integrated into the Adult, Album Alternative musical format, publicly providing informative, educational and artistic programming.

**General Financial Information**

The Station's basic financial statements include a statement of net assets, a statement of revenues, expenses and changes in net assets, and a statement of cash flows. The financial statements are prepared in accordance with the accounting principles established by the Governmental Accounting Standards Board (GASB).

**Summary of Assets and Liabilities**

		2009	2008	2007
Assets				
Current assets	\$	63,898	20,387	6,684
Net capital assets		87,238	100,377	119,895
Total assets		151,136	120,764	126,579
Current liabilities	\$	-	-	6,684

The increases in current assets were due to increases of \$43,884 and \$18,027 in the due from Brookdale Community College account for fiscal years 2009 and 2008 respectively. The decreases in net capital assets were due to depreciation expense of \$13,139 and \$19,518 in fiscal years 2009 and 2008 respectively. No new capital assets were purchased during fiscal years 2009 or 2008.

(Continued)

**WBJB-FM RADIO**  
**A PUBLIC RADIO STATION OPERATED BY**  
**BROOKDALE COMMUNITY COLLEGE**

Management's Discussion and Analysis  
For fiscal years ended June 30, 2009, 2008, and 2007

**Summary of Revenues, Expenses, and Changes in Net Assets**

The Station receives its revenue from three major sources: College Support and Appropriation, Service Revenue (membership and underwriting), and Center for Public Broadcasting Grants.

**SUMMARY OF REVENUES, EXPENSES, AND CHANGE IN NET ASSETS**  
**AS OF JUNE 30, 2009**

	2009	2008	2007
Operating revenues:			
CPB Grant	\$ 89,639	100,402	54,651
Service revenue	152,170	124,703	132,203
General College appropriation	206,271	198,417	213,049
Institutional & administrative College support	51,187	48,081	45,749
Total operating revenues	499,267	471,603	445,652
Operating expenses:			
Programming & production	269,935	264,555	291,628
Broadcasting	80,237	72,215	64,079
Program information	10,077	14,211	10,541
Management & general	138,524	136,075	136,216
Fund raising & membership development	16,636	23,813	-
Depreciation	13,139	19,518	19,516
Total operating expenses	528,548	530,387	521,980
Operating loss	(29,281)	(58,784)	(76,328)
Nonoperating revenue			
Contributions	59,653	59,653	56,812
Net increase (decrease) in net assets	30,372	869	(19,516)
Net assets			
Net assets as of beginning of year	120,764	119,895	139,411
Net assets as of end of year	\$ 151,136	120,764	119,895

**Fiscal Year 2008 to 2009**

In fiscal year 2009, total operating revenues increased overall by \$27,664 or 6% over fiscal year 2008 total operating revenues. While CPB grant revenue decreased approximately \$11,000 due to a drawdown timing issue, service revenue increase 22%, as listenership rose to all-time station high as a result of program modifications. This increase led to a rise in listener donations, sponsorships and underwriting contracts. The General College appropriation increased \$7,854, or 4%, directly related to salary increases as prescribed by existing labor negotiations, which the College funds.

Operating expenses in the net experienced an immaterial decrease of \$1,839 from fiscal year 2008. Salary increases were responsible for modest increases in programming & productions, and broadcasting costs. Program information and fundraising & membership development decreased \$4,134 and \$7,177 respectively, because the majority of costs associated with the change in program format were in fiscal year 2008. Depreciation decreased \$6,379, or 33% due to a decrease in those assets eligible for capitalization.

(Continued)

**WBJB-FM RADIO**  
**A PUBLIC RADIO STATION OPERATED BY**  
**BROOKDALE COMMUNITY COLLEGE**  
Management's Discussion and Analysis  
For fiscal years ended June 30, 2009, 2008, and 2007

**Fiscal Year 2008 to 2009 (Cont'd)**

The Station was successful in meeting its qualifications for the CPB funding due to significant program modifications, which will hopefully continue to result in additional membership revenue for the upcoming fiscal years.

**Fiscal Year 2007 to 2008**

In fiscal year 2008, the CPB Grant increased \$45,751 over fiscal year 2007. This was a direct result of restricted expenses for programming and production, broadcasting, program information and membership development increasing.

Programming and production expenses decreased \$27,073 from fiscal year 2007 due to a concentrated effort on the part of management to focus more on membership development, as noted by an increase of \$23,813 in fiscal year 2008.

The Station continues to meet its challenges and qualifies for CPB funding by reaching the designated Listening Index or Direct Financial Support criteria. The Station has more effectively reallocated the CPG funds to cover other expenditures that were previously covered by the Auxiliary budget, thereby increasing the existing fund balance. In fiscal year 2007, the station made significant programming modifications, which resulted in a shift in memberships and listeners. It is anticipated that this shift will result in additional membership revenue in the upcoming fiscal years.

**WJB-FM RADIO**  
**A PUBLIC RADIO STATION OPERATED BY**  
**BROOKDALE COMMUNITY COLLEGE**

Statements of Net Assets  
As of June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<b>ASSETS</b>		
Current assets:		
Due from Brookdale Community College	\$ 61,911	\$ 18,027
Due from customers	<u>1,987</u>	<u>2,360</u>
Total current assets	<u>63,898</u>	<u>20,387</u>
Noncurrent assets:		
Capital assets, net	<u>87,238</u>	<u>100,377</u>
Total assets	<u>151,136</u>	<u>120,764</u>
<b>NET ASSETS</b>		
Invested in capital assets (note 2)	87,238	100,377
Unrestricted	<u>63,898</u>	<u>20,387</u>
Total net assets	<u>\$ 151,136</u>	<u>\$ 120,764</u>

See accompanying notes to financial statements.

**WBJB-FM RADIO**  
**A PUBLIC RADIO STATION OPERATED BY**  
**BROOKDALE COMMUNITY COLLEGE**  
Statements of Revenues, Expenses, and Changes in Net Assets  
For the fiscal years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<b>Operating revenues:</b>		
CPB Grant	\$ 89,639	\$ 100,402
Service revenue	152,170	124,703
General college appropriation	206,271	198,417
Institutional and administrative college support	51,187	48,081
	<hr/>	<hr/>
Total operating revenues	499,267	471,603
	<hr/>	<hr/>
<b>Operating expenses:</b>		
Programming and production	269,935	264,555
Broadcasting	80,237	72,215
Program information	10,077	14,211
Management and general	138,524	136,075
Fund raising and membership development	16,636	23,813
Depreciation	13,139	19,518
	<hr/>	<hr/>
Total operating expenses	528,548	530,387
	<hr/>	<hr/>
Operating loss	(29,281)	(58,784)
	<hr/>	<hr/>
<b>Nonoperating revenues:</b>		
Contributions	59,653	59,653
	<hr/>	<hr/>
Increase in net assets	30,372	869
	<hr/>	<hr/>
<b>Net assets:</b>		
Net assets as of beginning of year	120,764	119,895
	<hr/>	<hr/>
Net assets as of end of year	\$ 151,136	\$ 120,764
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.

**WBJB-FM RADIO**  
**A PUBLIC RADIO STATION OPERATED BY**  
**BROOKDALE COMMUNITY COLLEGE**  
 Statements of Cash Flows  
 For the fiscal years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<b>Cash flows from operating activities:</b>		
Payments to suppliers	\$ (136,234)	\$ (127,762)
Payments for employee salaries and benefits	(283,336)	(274,738)
Contractual payments	(139,350)	(128,756)
Service Revenue	152,170	124,703
General College Appropriation	206,271	198,417
Institutional and administrative college support	51,187	48,081
Grants	89,639	100,402
	<hr/>	<hr/>
Net cash used in operating activities	(59,653)	(59,653)
	<hr/>	<hr/>
<b>Cash flows from noncapital financing activities:</b>		
Contributions	59,653	59,653
	<hr/>	<hr/>
<b>Cash flows from capital financing activities:</b>		
Purchases of equipment	—	—
	<hr/>	<hr/>
Net increase in cash	—	—
	<hr/>	<hr/>
Cash as of beginning of the year	—	—
	<hr/>	<hr/>
Cash as of end of the year	\$ —	\$ —
	<hr/> <hr/>	<hr/> <hr/>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>		
Operating loss	(29,281)	(58,784)
Adjustment to reconcile operating loss to net cash used in operating activities		
Depreciation	13,139	19,518
Change in assets and liabilities:		
Due from customers	(43,884)	(18,027)
Due to Brookdale Community College	373	4,324
Due from Brookdale Community College	—	(6,684)
	<hr/>	<hr/>
Net cash used in operating activities	\$ (59,653)	\$ (59,653)
	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to financial statements.



**WBJB-FM RADIO  
A PUBLIC RADIO STATION OPERATED BY  
BROOKDALE COMMUNITY COLLEGE**

Notes to Financial Statements

For the fiscal years ended June 30, 2009 and 2008

**(1) Organization and Summary of Significant Accounting Policies**

***Organization***

WBJB-FM Radio (the Station) is a department of Brookdale Community College (the College). The College does not routinely produce separate financial statements for its departments; however, for purposes of complying with the Corporation for Public Broadcasting's financial reporting guidelines, the accompanying financial information is presented as if the Station is a separate entity. In order to obtain the accounting information necessary to produce the accompanying financial statements, common expense items of the College were allocated to the Station.

***Summary of Significant Accounting Policies***

***Basis of Presentation***

The accounting policies of the Station conform to accounting principles generally accepted in the United States of America as applicable to colleges and universities. In addition to complying with all applicable Governmental Accounting Standards Board (GASB) pronouncements, the Station's financial statements comply with the guidance provided by the Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and the Committee on Accounting Procedure issued on or before November 30, 1989. GASB pronouncements take precedence when there is a conflict or contradiction between pronouncements. The College has elected not to apply FASB pronouncements issued after November 30, 1989.

***Net Assets***

The College classifies its resources into two net asset categories:

- ***Invested in Capital Assets*** – Capital assets, net of accumulated depreciation.
- ***Unrestricted*** – Net assets that are not subject to externally-imposed stipulations, unrestricted net assets may be designated for specific purposes by action of management to the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

***Measurement Focus and Basis of Accounting***

The financial statements of the Station have been prepared on the accrual basis of accounting using the economic resources measurement focus. The Station reports as a business type activity, as defined by GASB Statement No. 35 business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

***Equipment***

Equipment is recorded at cost or, in the case of donated equipment, at estimated fair value at date of receipt. Depreciation is recorded on a straight-line basis over the estimated useful lives of the respective assets, which range from 5 to 10 years.

(Continued)

**WBJB-FM RADIO  
A PUBLIC RADIO STATION OPERATED BY  
BROOKDALE COMMUNITY COLLEGE**

Notes to Financial Statements

For the fiscal years ended June 30, 2009 and 2008

**(1) Organization and Summary of Significant Accounting Policies (Cont'd)**

*Summary of Significant Accounting Policies (Cont'd)*

*Financial Dependency*

The Station receives appropriations and support from the College, and is economically dependent on these amounts to carry on its operations.

*Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of support and revenue and expenses during the reporting period. Actual results could differ from these estimates.

*Classification of Revenues*

The Station has classified its revenues as either operating or nonoperating revenues in accordance with the guidelines established by GASB No. 34.

*Income Taxes*

The College is exempt from income taxes under section 115 (1) of the Internal Revenue Code, as amended. As a department of the College, the Station is also exempt from income taxes.

**(2) Capital Assets**

Capital asset activity for the years ended June 30, 2009 and 2008 was as follows:

	<u>June 30, 2008</u>	<u>Additions</u>	<u>June 30, 2009</u>
Equipment	\$ 644,815	—	644,815
Less accumulated depreciation	<u>544,438</u>	<u>13,139</u>	<u>557,577</u>
	<u>\$ 100,377</u>	<u>(13,139)</u>	<u>87,238</u>