

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements (Together with Accountants' Compilation Report)

For The Nine Months Ended September 30, 2018

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.
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ACCOUNTANTS' COMPILATION REPORT

Northeast Power Coordinating Council, Inc.
1040 Avenue of the Americas, 10th Floor
New York, New York 10018

Management is responsible for the accompanying financial statements of Northeast Power Coordinating Council, Inc. (the "Company"), which comprise the statement of financial position as of September 30, 2018, and the related statement of activities for the nine months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with 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.

Management has elected to omit substantially all the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and the statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Northeast Power Coordinating Council, Inc.



New York, New York
November 27, 2018

Northeast Power Coordinating Council, Inc.
Statement of Financial Position
(See Accountants' Compilation Report)
September 30, 2018

	Regional Entity Division	Criteria Services Division	Total
Assets			
Cash	\$ 5,448,471	\$ 791,647	\$ 6,240,118
Restricted cash	259,878	10,360	270,238
Investments	1,585,148	247,467	1,832,615
Prepaid expenses	248,801	13,287	262,088
Other assets	214,024	1,296	215,320
Equipment and leasehold improvements, net	579,826	39,876	619,702
Total Assets	\$ 8,336,148	\$ 1,103,933	\$ 9,440,081
Liabilities and Net Assets			
Accrued expenses and other liabilities	\$ 1,850,222	\$ 103,548	\$ 1,953,770
Deferred revenue	-	254,786	254,786
Deferred rent	502,248	37,224	539,472
Total Liabilities	2,352,470	395,558	2,748,028
Net Assets - Unrestricted:			
Operations	5,043,678	648,375	5,692,053
Board designated	940,000	60,000	1,000,000
Total Unrestricted Net Assets	5,983,678	708,375	6,692,053
Total Liabilities and Net Assets	\$ 8,336,148	\$ 1,103,933	\$ 9,440,081

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Nine Months Ended September 30, 2018

	Regional Entity Division			Criteria Services Division			Total	
	2018 Budget	Year to Date Actual	Percent of Budget	2018 Budget	Year to Date Actual	Percent of Budget	2018 Budget	Year to Date Actual
Revenue								
41000-Assessments	\$ 14,341,787	\$ 10,756,340	75.00	\$ -	\$ -	-	\$ 14,341,787	\$ 10,756,340
41100-Penalty Sanctions	75,000	120,000	160.00	-	-	-	75,000	120,000
42100-Non-Statutory Funding	-	-	-	1,019,141	764,356	75.00	1,019,141	764,356
47000-Workshops	64,000	33,810	52.83	-	-	-	64,000	33,810
49000-Interest Income	-	18,675	-	-	1,084	-	-	19,759
Total Revenue	14,480,787	10,928,825	75.47	1,019,141	765,440	75.11	15,499,928	11,694,265
Expenditures								
Salaries								
51000-Direct Salaries	7,057,483	5,059,450	71.69	404,848	277,219	68.47	7,462,331	5,336,669
51200-Employment Agency Fee	10,000	5,010	50.10	-	-	-	10,000	5,010
51300-Temporary Office Services	40,116	8,681	21.64	-	-	-	40,116	8,681
Total Salaries	7,107,599	5,073,141	71.38	404,848	277,219	68.47	7,512,447	5,350,360
Payroll Taxes								
52000-Payroll Taxes-FICA	270,078	261,720	96.91	15,846	15,398	97.17	285,924	277,118
52100-Payroll Taxes-Medicare	106,291	78,953	74.28	5,216	4,640	88.96	111,507	83,593
52200-Payroll Taxes-SUI	8,263	3,924	47.49	800	239	29.88	9,063	4,163
52300-Payroll Taxes-FUI	1,720	1,667	96.92	167	100	59.88	1,887	1,767
52400-Payroll Taxes-MCTMT	25,088	17,678	70.46	1,384	1,039	75.07	26,472	18,717
Total Payroll Taxes	411,440	363,942	88.46	23,413	21,416	91.47	434,853	385,358
Benefits								
54000-Benefits-Education Reimbursement	30,000	-	-	-	-	-	30,000	-
54001-Benefits-Training Classes and Seminars	44,232	25,508	57.67	2,568	-	-	46,800	25,508
54100-Benefits-Medical	811,369	673,886	83.06	21,880	20,169	92.18	833,249	694,055
54200-Benefits-Life	72,465	64,553	89.08	22,695	4,230	18.64	95,160	68,783
54250-Officers-Life	18,000	1,108	6.16	-	-	-	18,000	1,108
54300-Insurance -WC	15,000	(4,039)	(26.93)	-	(237)	-	15,000	(4,276)
54400-Vacation Expense	485,312	340,484	70.16	27,848	19,829	71.20	513,160	360,313
Total Benefits	1,476,378	1,101,500	74.61	74,991	43,991	58.66	1,551,369	1,145,491
Retirement								
55000-Pension Contribution	38,000	-	-	-	-	-	38,000	-
55100-Employee Savings Plan	714,353	530,467	74.26	43,272	31,445	72.67	757,625	561,912
55200-Pension & Savings Admin	35,000	19,892	56.83	-	-	-	35,000	19,892
55300-Deferred Compensation Expense	38,000	37,000	97.37	-	-	-	38,000	37,000
Total Retirement	825,353	587,359	71.16	43,272	31,445	72.67	868,625	618,804
Meetings Expenses								
61000-Meeting Expense	203,050	98,426	48.47	5,000	3,581	71.62	208,050	102,007
61100-Workshop Expense	150,000	46,184	30.79	-	-	-	150,000	46,184
Total Meetings Expenses	353,050	144,610	40.96	5,000	3,581	71.62	358,050	148,191

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Nine Months Ended September 30, 2018

	<u>Regional Entity Division</u>			<u>Criteria Services Division</u>			<u>Total</u>	
	2018 Budget	Year to Date	Percent of Budget	2018 Budget	Year to Date	Percent of Budget	2018 Budget	Year to Date
		Actual			Actual			Actual
Travel Expenses								
62000-Travel	\$ 799,500	\$ 413,377	51.70	\$ 55,647	\$ 25,875	46.50	\$ 855,147	\$ 439,252
62200-Travel Directors	35,000	18,573	53.07	-	-	-	35,000	18,573
Total Travel Expenses	<u>834,500</u>	<u>431,950</u>	51.76	<u>55,647</u>	<u>25,875</u>	46.50	<u>890,147</u>	<u>457,825</u>
Communications								
63000-Conference Calls	37,000	22,177	59.94	-	-	-	37,000	22,177
Total Communications	<u>37,000</u>	<u>22,177</u>	59.94	<u>-</u>	<u>-</u>	-	<u>37,000</u>	<u>22,177</u>
Contracts & Consultants								
65100-Contracts	703,640	398,779	56.67	40,360	45,143	111.85	744,000	443,922
65110-Contract Audit Labor	939,940	837,109	89.06	-	-	-	939,940	837,109
65120-Contract Audit Travel	234,060	132,222	56.49	-	-	-	234,060	132,222
Total Contracts & Consultants	<u>1,877,640</u>	<u>1,368,110</u>	72.86	<u>40,360</u>	<u>45,143</u>	111.85	<u>1,918,000</u>	<u>1,413,253</u>
Office Rent								
70000-Office Rent	650,000	461,326	70.97	-	-	-	650,000	461,326
70010-Utilities	43,000	24,215	56.31	-	-	-	43,000	24,215
70020-Maintenance	35,000	24,616	70.33	-	-	-	35,000	24,616
70030-Security	2,700	2,062	76.37	-	-	-	2,700	2,062
70040-Real Estate Taxes	80,000	49,353	61.69	-	-	-	80,000	49,353
Total Office Rent	<u>810,700</u>	<u>561,572</u>	69.27	<u>-</u>	<u>-</u>	-	<u>810,700</u>	<u>561,572</u>
Office Costs								
71000-Telephone	111,660	54,033	48.39	-	-	-	111,660	54,033
71100-Internet Expense	95,000	67,451	71.00	-	10	-	95,000	67,461
71200-Office Supplies	33,000	11,316	34.29	-	25	-	33,000	11,341
71300-Computer Supplies & Maintenance	350,600	262,628	74.91	-	-	-	350,600	262,628
71400-Subscriptions & Publications	13,500	14,378	106.50	-	-	-	13,500	14,378
71500-Dues	3,400	2,626	77.24	-	287	-	3,400	2,913
71600-Postage	1,200	544	45.33	-	-	-	1,200	544
71700-Express Shipping	10,000	2,474	24.74	-	-	-	10,000	2,474
71800-Copying	26,400	18,899	71.59	-	-	-	26,400	18,899
71900-Reports	8,000	395	4.94	-	-	-	8,000	395
72000-Stationery & Office Forms	2,000	793	39.65	-	-	-	2,000	793
72200-Bank Charges	10,000	3,268	32.68	-	70	-	10,000	3,338
Total Office Costs	<u>664,760</u>	<u>438,805</u>	66.01	<u>-</u>	<u>392</u>	-	<u>664,760</u>	<u>439,197</u>

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Nine Months Ended September 30, 2018

	<u>Regional Entity Division</u>			<u>Criteria Services Division</u>			<u>Total</u>	
	2018 Budget	Year to Date Actual	Percent of Budget	2018 Budget	Year to Date Actual	Percent of Budget	2018 Budget	Year to Date Actual
Professional Services								
75000-BOT Fee	\$ 340,000	\$ 219,068	64.43	\$ -	\$ -	-	\$ 340,000	\$ 219,068
75300-Accounting and Auditing Fees	300,000	227,212	75.74	-	-	-	300,000	227,212
75400-Legal Fees - Other	250,000	156,595	62.64	-	-	-	250,000	156,595
75500-Insurance - Commercial	70,000	64,228	91.75	-	-	-	70,000	64,228
Total Professional Services	<u>960,000</u>	<u>667,103</u>	69.49	<u>-</u>	<u>-</u>	-	<u>960,000</u>	<u>667,103</u>
Other Non-Operating Expenses								
80300-Cash Reserve Requirement	(780,180)	-	-	(63,843)	-	-	(844,023)	-
Total Other Non-Operating Expenses	<u>(780,180)</u>	<u>-</u>	-	<u>(63,843)</u>	<u>-</u>	-	<u>(844,023)</u>	<u>-</u>
Depreciation Expense								
95100-Depreciation Expense-Equipment	269,000	36,111	13.42	16,000	1,628	10.18	285,000	37,739
95250-Depreciation - Software	-	95,989	-	-	419	-	-	96,408
95300-Depreciation Expense-Furniture	-	13,865	-	-	1,509	-	-	15,374
95400-Depreciation Expense - L.I.	-	43,861	-	-	4,874	-	-	48,735
Total Depreciation Expense	<u>269,000</u>	<u>189,826</u>	70.57	<u>16,000</u>	<u>8,430</u>	52.69	<u>285,000</u>	<u>198,256</u>
Miscellaneous Expenses								
99000-Miscellaneous Expense	50,000	27,626	55.25	3,000	130	4.33	53,000	27,756
99990-Indirect Expenses	(416,453)	(192,556)	46.24	416,453	192,556	46.24	-	-
Total Miscellaneous Expenses	<u>(366,453)</u>	<u>(164,930)</u>	45.01	<u>419,453</u>	<u>192,686</u>	45.94	<u>53,000</u>	<u>27,756</u>
Total Expenditures	<u>14,480,787</u>	<u>10,785,165</u>	74.48	<u>1,019,141</u>	<u>650,178</u>	63.80	<u>15,499,928</u>	<u>11,435,343</u>
Change in Unrestricted Net Assets	<u>\$ -</u>	143,660		<u>\$ -</u>	115,262		<u>\$ -</u>	258,922
Net Assets - Beginning of Period		<u>5,840,018</u>			<u>593,113</u>			<u>6,433,131</u>
Net Assets - End of Period		<u>\$ 5,983,678</u>			<u>\$ 708,375</u>			<u>\$ 6,692,053</u>