

# NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements  
(Together with Accountants' Compilation Report)

For The Six Months Ended June 30, 2017

**M A R K S P A N E T H**

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.

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**M A R K S P A N E T H**  
ACCOUNTANTS & ADVISORS

## ACCOUNTANTS' COMPILATION REPORT

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

Management is responsible for the accompanying financial statements of Northeast Power Coordinating Council, Inc., which comprise the statement of financial position as of June 30, 2017, and the related statement of activities for the six 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.

*Marks Paneth LLP*

New York, New York  
August 1, 2017

**Northeast Power Coordinating Council, Inc.**  
**Statement of Financial Position**  
(See Accountants' Compilation Report)  
**June 30, 2017**

	<u>Regional Entity Division</u>	<u>Criteria Services Division</u>	<u>Total</u>
<b><u>Assets</u></b>			
Cash	\$ 5,550,684	\$ 907,439	\$ 6,458,123
Restricted cash	214,936	10,366	225,302
Investments	1,570,646	241,543	1,812,189
Prepaid expenses	234,327	14,891	249,218
Other assets	187,282	1,501	188,783
Equipment and leasehold improvements, net	<u>676,509</u>	<u>52,941</u>	<u>729,450</u>
Total Assets	<u>\$ 8,434,384</u>	<u>\$ 1,228,681</u>	<u>\$ 9,663,065</u>
<b><u>Liabilities and Net Assets</u></b>			
Accrued expenses and other liabilities	\$ 1,437,434	\$ 75,362	\$ 1,512,796
Deferred revenue	-	552,934	552,934
Deferred rent	<u>564,677</u>	<u>41,850</u>	<u>606,527</u>
Total Liabilities	<u>2,002,111</u>	<u>670,146</u>	<u>2,672,257</u>
Net Assets - Unrestricted	<u>6,432,273</u>	<u>558,535</u>	<u>6,990,808</u>
Total Liabilities and Net Assets	<u>\$ 8,434,384</u>	<u>\$ 1,228,681</u>	<u>\$ 9,663,065</u>

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
(See Accountants' Compilation Report)  
**For The Six Months Ended June 30, 2017**

	Regional Entity Division			Criteria Services Division			Total	
	2017 Budget	Year to Date Actual	Percent of Budget	2017 Budget	Year to Date Actual	Percent of Budget	2017 Budget	Year to Date Actual
	Revenue							
41000-Assessments	\$ 14,255,061	\$ 7,127,530	50.00	\$ -	\$ -	-	\$ 14,255,061	\$ 7,127,530
41100-Penalty Sanctions	-	-	-	-	-	-	-	-
42100-Non-Statutory Funding	-	-	-	1,105,867	552,933	50.00	1,105,867	552,933
47000-Workshops	64,000	31,834	49.74	-	-	-	64,000	31,834
49000-Interest Income	-	3,791	-	-	220	-	-	4,011
Total Revenue	14,319,061	7,163,155	50.03	1,105,867	553,153	50.02	15,424,928	7,716,308
Expenditures								
Salaries								
51000-Direct Salaries	6,718,926	3,240,942	48.24	401,142	193,969	48.35	7,120,068	3,434,911
51200-Employment Agency Fee	10,000	-	-	-	-	-	10,000	-
51300-Temporary Office Services	30,000	9,786	32.62	-	-	-	30,000	9,786
Total Salaries	6,758,926	3,250,728	48.10	401,142	193,969	48.35	7,160,068	3,444,697
Payroll Taxes								
52000-Payroll Taxes-FICA	269,512	211,781	78.58	15,793	12,405	78.55	285,305	224,186
52100-Payroll Taxes-Medicare	100,986	55,795	55.25	5,172	3,271	63.24	106,158	59,066
52200-Payroll Taxes-SUI	8,263	5,326	64.46	800	309	38.63	9,063	5,635
52300-Payroll Taxes-FUI	1,720	1,596	92.79	167	93	55.69	1,887	1,689
52400-Payroll Taxes-MCTMT	23,839	12,284	51.53	1,369	720	52.59	25,208	13,004
Total Payroll Taxes	404,320	286,782	70.93	23,301	16,798	72.09	427,621	303,580
Benefits								
54000-Benefits-Education Reimbursement	22,500	5,738	25.50	-	-	-	22,500	5,738
54001-Benefits-Training Classes and Seminars	36,860	13,680	37.11	2,140	108	5.05	39,000	13,788
54100-Benefits-Medical	790,033	379,771	48.07	17,295	6,060	35.04	807,328	385,831
54200-Benefits-Life	70,716	29,632	41.90	22,632	3,228	14.26	93,348	32,860
54250-Officers-Life	18,000	11,473	63.74	-	-	-	18,000	11,473
54300-Insurance -WC	15,000	10,043	66.95	-	(34)	-	15,000	10,009
54400-Vacation Expense	462,494	220,804	47.74	27,033	12,998	48.08	489,527	233,802
Total Benefits	1,415,603	671,141	47.41	69,100	22,360	32.36	1,484,703	693,501
Retirement								
55000-Pension Contribution	37,000	-	-	-	-	-	37,000	-
55100-Employee Savings Plan	727,223	364,007	50.05	42,605	21,736	51.02	769,828	385,743
55200-Pension & Savings Admin	45,000	12,625	28.06	-	-	-	45,000	12,625
55300-Deferred Compensation Expense	38,000	-	-	-	-	-	38,000	-
Total Retirement	847,223	376,632	44.45	42,605	21,736	51.02	889,828	398,368
Meetings Expenses								
61000-Meeting Expense	227,100	85,600	37.69	5,000	1,627	32.54	232,100	87,227
61100-Workshop Expense	150,000	67,139	44.76	-	-	-	150,000	67,139
Total Meetings Expenses	377,100	152,739	40.50	5,000	1,627	32.54	382,100	154,366

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
(See Accountants' Compilation Report)  
**For The Six Months Ended June 30, 2017**

	Regional Entity Division			Criteria Services Division			Total	
	2017 Budget	Year to Date Actual	Percent of Budget	2017 Budget	Year to Date Actual	Percent of Budget	2017 Budget	Year to Date Actual
	Travel Expenses							
62000-Travel	\$ 815,232	\$ 277,855	34.08	\$ 51,600	\$ 22,411	43.43	\$ 866,832	\$ 300,266
62200-Travel Directors	40,000	8,389	20.97	-	-	-	40,000	8,389
Total Travel Expenses	855,232	286,244	33.47	51,600	22,411	43.43	906,832	308,655
Communications								
63000-Conference Calls	37,000	13,306	35.96	-	-	-	37,000	13,306
Total Communications	37,000	13,306	35.96	-	-	-	37,000	13,306
Contracts & Consultants								
65000-Consultants	65,000	-	-	-	-	-	65,000	-
65100-Contracts	750,000	236,317	31.51	18,000	114	0.63	768,000	236,431
65110-Contract Audit Labor	1,045,000	501,930	48.03	-	-	-	1,045,000	501,930
65120-Contract Audit Travel	55,000	77,145	140.26	-	-	-	55,000	77,145
65130-Contract Audit Expenses	94,000	-	-	-	-	-	94,000	-
Total Contracts & Consultants	2,009,000	815,392	40.59	18,000	114	0.63	2,027,000	815,506
Office Rent								
70000-Office Rent	650,000	306,834	47.21	-	-	-	650,000	306,834
70010-Utilities	43,000	15,322	35.63	-	-	-	43,000	15,322
70020-Maintenance	40,000	10,641	26.60	-	-	-	40,000	10,641
70030-Security	2,700	1,195	44.26	-	-	-	2,700	1,195
70040-Real Estate Taxes	74,000	41,676	56.32	-	-	-	74,000	41,676
Total Office Rent	809,700	375,668	46.40	-	-	-	809,700	375,668
Office Costs								
71000-Telephone	112,000	39,883	35.61	-	-	-	112,000	39,883
71100-Internet Expense	105,600	40,532	38.38	-	-	-	105,600	40,532
71200-Office Supplies	33,000	13,477	40.84	-	21	-	33,000	13,498
71300-Computer Supplies & Maintenance	350,000	134,167	38.33	-	8	-	350,000	134,175
71400-Subscriptions & Publications	13,500	8,112	60.09	-	-	-	13,500	8,112
71500-Dues	4,400	1,220	27.73	-	-	-	4,400	1,220
71600-Postage	1,200	196	16.33	-	-	-	1,200	196
71700-Express Shipping	10,000	1,371	13.71	-	-	-	10,000	1,371
71800-Copying	26,400	11,305	42.82	-	-	-	26,400	11,305
71900-Reports	6,000	-	-	-	-	-	6,000	-
72000-Stationary & Office Forms	2,000	100	5.00	-	1	-	2,000	101
72200-Bank Charges	15,000	405	2.70	-	31	-	15,000	436
Total Office Costs	679,100	250,768	36.93	-	61	-	679,100	250,829

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
(See Accountants' Compilation Report)  
**For The Six Months Ended June 30, 2017**

	<u>Regional Entity Division</u>			<u>Criteria Services Division</u>			<u>Total</u>	
	2017 Budget	Year to Date Actual	Percent of Budget	2017 Budget	Year to Date Actual	Percent of Budget	2017 Budget	Year to Date Actual
	Professional Services							
75000-BOT Fee	\$ 325,000	\$ 153,330	47.18	\$ -	\$ -	-	\$ 325,000	\$ 153,330
75100-BOT Search Fee	20,000	-	-	-	-	-	20,000	-
75300-Accounting and Auditing Fees	310,000	109,349	35.27	-	-	-	310,000	109,349
75400-Legal Fees - Other	316,000	101,639	32.16	-	-	-	316,000	101,639
75500-Insurance - Commercial	70,000	44,968	64.24	-	-	-	70,000	44,968
Total Professional Services	<u>1,041,000</u>	<u>409,286</u>	<u>39.32</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,041,000</u>	<u>409,286</u>
Other Non-Operating Expenses								
80300-Cash Reserve Requirement	(801,994)	-	-	68,970	-	-	(733,024)	-
Total Other Non-Operating Expenses	<u>(801,994)</u>	<u>-</u>	<u>-</u>	<u>68,970</u>	<u>-</u>	<u>-</u>	<u>(733,024)</u>	<u>-</u>
Depreciation Expense								
95100-Depreciation Expense-Equipment	250,000	21,440	8.58	10,000	931	9.31	260,000	22,371
95250-Depreciation - Software	-	52,953	-	-	356	-	-	53,309
95300-Depreciation Expense-Furniture	-	9,190	-	-	1,006	-	-	10,196
95400- Depreciation Expense - L.I.	-	29,241	-	-	3,249	-	-	32,490
Total Depreciation Expense	<u>250,000</u>	<u>112,824</u>	<u>45.13</u>	<u>10,000</u>	<u>5,542</u>	<u>55.42</u>	<u>260,000</u>	<u>118,366</u>
Miscellaneous Expenses								
99000-Miscellaneous Expense	50,000	15,185	30.37	3,000	167	5.57	53,000	15,352
99990-Indirect Expenses	(413,149)	(152,847)	37.00	413,149	152,847	37.00	-	-
Total Miscellaneous Expenses	<u>(363,149)</u>	<u>(137,662)</u>	<u>37.91</u>	<u>416,149</u>	<u>153,014</u>	<u>-</u>	<u>53,000</u>	<u>15,352</u>
Total Expenditures	<u>14,319,061</u>	<u>6,863,848</u>	<u>47.94</u>	<u>1,105,867</u>	<u>437,632</u>	<u>39.57</u>	<u>15,424,928</u>	<u>7,301,480</u>
Change in Unrestricted Net Assets	<u>\$ -</u>	<u>299,307</u>	<u>-</u>	<u>\$ -</u>	<u>115,521</u>	<u>-</u>	<u>\$ -</u>	<u>414,828</u>
Net Assets - Beginning of Period		<u>6,132,966</u>			<u>443,014</u>			<u>6,575,980</u>
Net Assets - End of Period		<u>\$ 6,432,273</u>			<u>\$ 558,535</u>			<u>\$ 6,990,808</u>