

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements and Supplementary Information (Together with Accountants' Compilation Report)

For the Three Months Ended March 31, 2021

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.
FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2021

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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 March 31, 2021, and the related statement of activities for the three 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. We do not express an opinion, a conclusion, nor provide any 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.

The supplementary budget information is presented for additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary budget information was subject to our compilation engagement. We have not audited or reviewed the supplementary budget information and do not express an opinion, a conclusion, nor provide any assurance on such budget information.

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



New York, New York
May 25, 2021

Northeast Power Coordinating Council, Inc.
Statement of Financial Position
March 31, 2021

| | Regional Entity Division | Criteria Services Division | Total |
|---|-------------------------------------|---|---------------------|
| <u>Assets</u> | | | |
| Cash | \$ 3,218,755 | \$ 652,158 | \$ 3,870,913 |
| Investments | 3,527,218 | 714,657 | 4,241,875 |
| Prepaid expenses | 477,969 | 22,969 | 500,938 |
| Restricted cash | 707,762 | 10,357 | 718,119 |
| Other assets | 39,115 | 2,585 | 41,700 |
| Equipment and leasehold improvements, net | 472,518 | 38,971 | 511,489 |
| Total Assets | \$ 8,443,337 | \$ 1,441,697 | \$ 9,885,034 |
| <u>Liabilities and Net Assets</u> | | | |
| Accrued expenses and other liabilities | \$ 934,843 | \$ 44,946 | \$ 979,789 |
| Deferred revenue | - | 503,816 | 503,816 |
| Deferred rent | 294,573 | 18,803 | 313,376 |
| Total Liabilities | 1,229,416 | 567,565 | 1,796,981 |
| Net Assets - Without Donor Restrictions: | | | |
| Available for operations | 6,715,663 | 845,499 | 7,561,162 |
| Board designated for future use | 498,258 | 28,633 | 526,891 |
| Total Net Assets Without Donor Restrictions | 7,213,921 | 874,132 | 8,088,053 |
| Total Liabilities and Net Assets | \$ 8,443,337 | \$ 1,441,697 | \$ 9,885,034 |

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities with Supplementary Information
For the Three Months Ended March 31, 2021

| | Regional Entity Division | | | Criteria Services Division | | | Total | |
|--|--------------------------|---------------------|-------------------|----------------------------|---------------------|-------------------|-------------------|---------------------|
| | 2021 Budget | Year to Date Actual | Percent of Budget | 2021 Budget | Year to Date Actual | Percent of Budget | 2021 Budget | Year to Date Actual |
| Revenue | | | | | | | | |
| 41000-Assessments | \$ 15,154,584 | \$ 3,788,646 | 25.00 | \$ - | \$ - | - | \$ 15,154,584 | \$ 3,788,646 |
| 41100-Penalty Sanctions | 201,132 | - | - | - | - | - | 201,132 | - |
| 42100-Non-Statutory Funding | - | - | - | 671,755 | 167,939 | 25.00 | 671,755 | 167,939 |
| 47000-Workshops | 67,500 | - | - | - | - | - | 67,500 | - |
| 49000-Interest Income | 56,264 | 278 | 0.49 | 3,736 | 19 | 0.51 | 60,000 | 297 |
| 49990-Dividend Income | - | 91 | - | - | 6 | - | - | 97 |
| Total Revenue | 15,479,480 | 3,789,015 | 24.48 | 675,491 | 167,964 | 24.87 | 16,154,971 | 3,956,979 |
| Expenditures | | | | | | | | |
| Salaries | | | | | | | | |
| 51000-Direct Salaries | 7,794,119 | 2,076,453 | 26.64 | 336,972 | 88,975 | 26.40 | 8,131,091 | 2,165,428 |
| 51200-Employment Agency Fee | 170,000 | 874 | 0.51 | - | - | - | 170,000 | 874 |
| 51300-Temporary Office Services | 18,000 | - | - | - | - | - | 18,000 | - |
| Total Salaries | 7,982,119 | 2,077,327 | 26.02 | 336,972 | 88,975 | 26.40 | 8,319,091 | 2,166,302 |
| Payroll Taxes | | | | | | | | |
| 52000-Payroll Taxes-FICA | 335,877 | 128,026 | 38.12 | 17,194 | 3,496 | 20.33 | 353,071 | 131,522 |
| 52100-Payroll Taxes-Medicare | 115,448 | 32,020 | 27.74 | 4,456 | 934 | 20.96 | 119,904 | 32,954 |
| 52200-Payroll Taxes-SUI | 4,734 | 13,550 | 286.23 | 345 | 598 | 173.33 | 5,079 | 14,148 |
| 52300-Payroll Taxes-FUI | 1,658 | 1,793 | 108.14 | 114 | 84 | 73.68 | 1,772 | 1,877 |
| 52400-Payroll Taxes-MCTMT | 28,051 | 6,235 | 22.23 | 1,208 | 182 | 15.07 | 29,259 | 6,417 |
| Total Payroll Taxes | 485,768 | 181,624 | 37.39 | 23,317 | 5,294 | 22.70 | 509,085 | 186,918 |
| Benefits | | | | | | | | |
| 54000-Benefits-Education Reimbursement | 16,000 | - | - | - | - | - | 16,000 | - |
| 54001-Benefits-Training Classes and Seminars | 80,614 | - | - | 3,986 | - | - | 84,600 | - |
| 54100-Benefits-Medical | 1,293,060 | 256,211 | 19.81 | 53,963 | 5,939 | 11.01 | 1,347,023 | 262,150 |
| 54200-Benefits-Life | 87,106 | 18,442 | 21.17 | 4,282 | 750 | 17.52 | 91,388 | 19,192 |
| 54250-Officers-Life | 22,000 | - | - | - | - | - | 22,000 | - |
| 54300-Insurance-WC | 27,400 | (7,506) | (27.39) | - | (497) | - | 27,400 | (8,003) |
| 54400-Vacation Expense | 495,063 | 137,838 | 27.84 | 24,204 | 5,908 | 24.41 | 519,267 | 143,746 |
| Total Benefits | 2,021,243 | 404,985 | 20.04 | 86,435 | 12,100 | 14.00 | 2,107,678 | 417,085 |
| Retirement | | | | | | | | |
| 55100-Employee Savings Plan | 797,832 | 207,786 | 26.04 | 36,654 | 9,835 | 26.83 | 834,486 | 217,621 |
| 55200-Pension & Savings Administration | 36,000 | 7,245 | 20.13 | - | - | - | 36,000 | 7,245 |
| 55300-Deferred Compensation Expense | 76,000 | - | - | - | - | - | 76,000 | - |
| Total Retirement | 909,832 | 215,031 | 23.63 | 36,654 | 9,835 | 26.83 | 946,486 | 224,866 |

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities with Supplementary Information
For the Three Months Ended March 31, 2021

| | Regional Entity Division | | | Criteria Services Division | | | Total | |
|---------------------------------------|--------------------------|---------------------|-------------------|----------------------------|---------------------|-------------------|-------------|---------------------|
| | 2021 Budget | Year to Date Actual | Percent of Budget | 2021 Budget | Year to Date Actual | Percent of Budget | 2021 Budget | Year to Date Actual |
| | Meetings | | | | | | | |
| 61000-Meeting Expense | \$ 169,400 | \$ 544 | 0.32 | \$ 11,200 | \$ 35 | 0.31 | \$ 180,600 | \$ 579 |
| 61100-Workshop Expense | 156,000 | 1,875 | 1.20 | - | - | - | 156,000 | 1,875 |
| Total Meetings | 325,400 | 2,419 | 0.74 | 11,200 | 35 | 0.31 | 336,600 | 2,454 |
| Travel | | | | | | | | |
| 62000-Travel | 679,920 | 441 | 0.06 | 45,440 | - | - | 725,360 | 441 |
| 62200-Travel Directors | 48,000 | - | - | - | - | - | 48,000 | - |
| Total Travel | 727,920 | 441 | 0.06 | 45,440 | - | - | 773,360 | 441 |
| Communications | | | | | | | | |
| 63000-Conference Calls | 9,000 | 1,992 | 22.13 | - | - | - | 9,000 | 1,992 |
| Total Communications | 9,000 | 1,992 | 22.13 | - | - | - | 9,000 | 1,992 |
| Contracts & Consultants | | | | | | | | |
| 65000-Consultants | - | 32,118 | - | - | - | - | - | 32,118 |
| 65100-Contracts | 852,650 | 126,883 | 14.88 | 57,700 | - | - | 910,350 | 126,883 |
| 65110-Contract Audit Labor | 525,450 | 240,460 | 45.76 | - | - | - | 525,450 | 240,460 |
| 65120-Contract Audit Travel | 131,700 | - | - | - | - | - | 131,700 | - |
| Total Contracts & Consultants | 1,509,800 | 399,461 | 26.46 | 57,700 | - | - | 1,567,500 | 399,461 |
| Office Rent | | | | | | | | |
| 70000-Office Rent | 650,000 | 154,687 | 23.80 | - | - | - | 650,000 | 154,687 |
| 70010-Utilities | 47,000 | 7,091 | 15.09 | - | - | - | 47,000 | 7,091 |
| 70020-Maintenance | 45,000 | 4,858 | 10.80 | - | - | - | 45,000 | 4,858 |
| 70030-Security | 3,141 | 662 | 21.08 | - | - | - | 3,141 | 662 |
| 70040-Real Estate Taxes | 125,000 | 31,250 | 25.00 | - | - | - | 125,000 | 31,250 |
| Total Office Rent | 870,141 | 198,548 | 22.82 | - | - | - | 870,141 | 198,548 |
| Office Costs | | | | | | | | |
| 71000-Telephone | 88,720 | 20,278 | 22.86 | - | - | - | 88,720 | 20,278 |
| 71100-Internet Expense | 70,500 | 15,940 | 22.61 | 4,000 | 552 | 13.80 | 74,500 | 16,492 |
| 71200-Office Supplies | 28,000 | 1,135 | 4.05 | - | 6 | - | 28,000 | 1,141 |
| 71300-Computer Supplies & Maintenance | 576,000 | 186,910 | 32.45 | - | - | - | 576,000 | 186,910 |
| 71400-Subscriptions & Publications | 20,000 | 6,050 | 30.25 | - | 102 | - | 20,000 | 6,152 |
| 71500-Dues | 9,000 | 2,516 | 27.96 | - | 17 | - | 9,000 | 2,533 |
| 71600-Postage | 1,200 | 353 | 29.42 | - | 10 | - | 1,200 | 363 |
| 71700-Express Shipping | 6,000 | 552 | 9.20 | - | - | - | 6,000 | 552 |
| 71800-Copying | 24,000 | 4,304 | 17.93 | - | - | - | 24,000 | 4,304 |
| 71900-Reports | 2,000 | - | - | - | - | - | 2,000 | - |
| 72000-Stationery & Office Forms | 2,000 | - | - | - | - | - | 2,000 | - |
| 72200-Bank Charges | 10,000 | 132 | 1.32 | - | - | - | 10,000 | 132 |
| Total Office Costs | 837,420 | 238,170 | 28.44 | 4,000 | 687 | 17.18 | 841,420 | 238,857 |

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities with Supplementary Information
For the Three Months Ended March 31, 2021

| | <u>Regional Entity Division</u> | | | <u>Criteria Services Division</u> | | | <u>Total</u> | |
|---|---------------------------------|------------------------|----------------------|-----------------------------------|------------------------|----------------------|--------------------|------------------------|
| | 2021 Budget | Year to Date Actual | Percent of Budget | 2021 Budget | Year to Date Actual | Percent of Budget | 2021 Budget | Year to Date Actual |
| Professional Services | | | | | | | | |
| 75000-BOT Fee | \$ 300,000 | \$ 75,000 | 25.00 | \$ - | \$ - | - | \$ 300,000 | \$ 75,000 |
| 75300-Accounting and Auditing Fees | 370,000 | 88,269 | 23.86 | - | - | - | 370,000 | 88,269 |
| 75400-Legal Fees-Other | 260,000 | 56,542 | 21.75 | - | - | - | 260,000 | 56,542 |
| 75500-Insurance-Commercial | 75,000 | 10,883 | 14.51 | - | - | - | 75,000 | 10,883 |
| Total Professional Services | <u>1,005,000</u> | <u>230,694</u> | 22.95 | <u>-</u> | <u>-</u> | - | <u>1,005,000</u> | <u>230,694</u> |
| Other Non-Operating Expenses | | | | | | | | |
| 80300-Cash Reserve Requirement | (867,168) | - | - | (318,222) | - | - | (1,185,390) | - |
| Total Other Non-Operating Expenses | <u>(867,168)</u> | <u>-</u> | - | <u>(318,222)</u> | <u>-</u> | - | <u>(1,185,390)</u> | <u>-</u> |
| Depreciation | | | | | | | | |
| 95100-Depreciation-Equipment | - | 14,964 | - | - | 2,548 | - | - | 17,512 |
| 95250-Depreciation-Software | - | 17,370 | - | - | 1,296 | - | - | 18,666 |
| 95300-Depreciation-Furniture | - | 85 | - | - | 1 | - | - | 86 |
| 95400-Depreciation-L.I. | - | 14,620 | - | - | 1,625 | - | - | 16,245 |
| Total Depreciation | <u>-</u> | <u>47,039</u> | - | <u>-</u> | <u>5,470</u> | - | <u>-</u> | <u>52,509</u> |
| Miscellaneous | | | | | | | | |
| 99000-Miscellaneous Expense | 51,000 | 3,461 | 6.79 | 4,000 | - | - | 55,000 | 3,461 |
| 99990-Indirect Expenses | (387,995) | (100,130) | 25.81 | 387,995 | 100,130 | 25.81 | - | - |
| Total Miscellaneous | <u>(336,995)</u> | <u>(96,669)</u> | 28.69 | <u>391,995</u> | <u>100,130</u> | 25.54 | <u>55,000</u> | <u>3,461</u> |
| Total Expenditures | <u>15,479,480</u> | <u>3,901,062</u> | 25.20 | <u>675,491</u> | <u>222,526</u> | 32.94 | <u>16,154,971</u> | <u>4,123,588</u> |
| Change in Net Assets Without Donor Restrictions | <u>\$ -</u> | <u>(112,047)</u> | | <u>\$ -</u> | <u>(54,562)</u> | | <u>\$ -</u> | <u>(166,609)</u> |
| Net Assets - Beginning of Period | | <u>7,325,968</u> | | | <u>928,694</u> | | | <u>8,254,662</u> |
| Net Assets - End of Period | | <u>\$ 7,213,921</u> | | | <u>\$ 874,132</u> | | | <u>\$ 8,088,053</u> |

See accountants' compilation report.