

NORTHEAST POWER COORDINATING COUNCIL, INC.



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

For the Year Ended December 31, 2021

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2021

CONTENTS

	<u>PAGE</u>
Accountants' Compilation Report	1
<u>Financial Statements</u>	
Statement of Financial Position	2
Statement of Activities with Supplementary Information	3-5

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., a nonprofit organization (the "Company"), which comprise the statement of financial position as of December 31, 2021, and the related statement of activities for the year 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 American Institute of Certified Public Accountants. 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.

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 form of assurance on such budget information.

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



New York, New York
June 30, 2022

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

	Regional Entity Division	Criteria Services Division	Total
<u>Assets</u>			
Cash	\$ 8,734,579	\$ 1,086,623	\$ 9,821,202
Investments	683,493	34,810	718,303
Prepaid expenses	601,091	26,322	627,413
Restricted cash	1,171,730	6,697	1,178,427
Other assets	576,592	27,193	603,785
Equipment and leasehold improvements, net	469,577	61,814	531,391
Total Assets	<u>\$ 12,237,062</u>	<u>\$ 1,243,459</u>	<u>\$ 13,480,521</u>
<u>Liabilities and Net Assets</u>			
Accrued expenses and other liabilities	\$ 4,088,875	\$ 197,634	\$ 4,286,509
Accrued post retirement benefits	409,034	19,095	428,129
Deferred revenue	-	261,888	261,888
Deferred rent	226,566	10,577	237,143
Total Liabilities	4,724,475	489,194	5,213,669
Net Assets - Without Donor Restrictions:			
Available for operations	7,512,587	754,265	8,266,852
Total Net Assets Without Donor Restrictions	7,512,587	754,265	8,266,852
Total Liabilities and Net Assets	<u>\$ 12,237,062</u>	<u>\$ 1,243,459</u>	<u>\$ 13,480,521</u>

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities with Supplementary Information
For the Year Ended December 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	\$ 15,154,584	100.00	\$ -	\$ -	-	\$ 15,154,584	\$ 15,154,584
41100-Penalty Sanctions	201,132	460,000	228.71	-	-	-	201,132	460,000
42100-Non-Statutory Funding	-	-	-	671,755	671,754	100.00	671,755	671,754
47000-Workshops	67,500	-	-	-	-	-	67,500	-
49000-Interest Income	56,264	2,408	4.28	3,736	160	4.28	60,000	2,568
49990-Dividend Income	-	205	-	-	14	-	-	219
Total Revenue	15,479,480	15,617,197	100.89	675,491	671,928	99.47	16,154,971	16,289,125
Expenditures								
Salaries								
51000-Direct Salaries	7,794,119	8,160,059	104.70	336,972	340,932	101.18	8,131,091	8,500,991
51200-Employment Agency Fee	170,000	8,891	5.23	-	-	-	170,000	8,891
51300-Temporary Office Services	18,000	-	-	-	-	-	18,000	-
Total Salaries	7,982,119	8,168,950	102.34	336,972	340,932	101.18	8,319,091	8,509,882
Payroll Taxes								
52000-Payroll Taxes-FICA	335,877	383,340	114.13	17,194	15,243	88.65	353,071	398,583
52100-Payroll Taxes-Medicare	115,448	123,912	107.33	4,456	4,775	107.16	119,904	128,687
52200-Payroll Taxes-SUI	4,734	15,056	318.04	345	659	191.01	5,079	15,715
52300-Payroll Taxes-FUI	1,658	1,995	120.33	114	92	80.70	1,772	2,087
52400-Payroll Taxes-MCTMT	28,051	24,255	86.47	1,208	936	77.48	29,259	25,191
Total Payroll Taxes	485,768	548,558	112.93	23,317	21,705	93.09	509,085	570,263
Benefits								
54000-Benefits-Education Reimbursement	16,000	6,155	38.47	-	551	-	16,000	6,706
54001-Benefits-Training Classes and Seminars	80,614	14,986	18.59	3,986	1,040	26.09	84,600	16,026
54100-Benefits-Medical	1,293,060	1,053,431	81.47	53,963	23,548	43.64	1,347,023	1,076,979
54150-Post Retirement Medical Benefits	-	(29,107)	-	-	-	-	-	(29,107)
54200-Benefits-Life	87,106	5,331	6.12	4,282	76	1.77	91,388	5,407
54250-Officers-Life	22,000	-	-	-	-	-	22,000	-
54300-Insurance-WC	27,400	89,162	325.41	-	3,185	-	27,400	92,347
54400-Vacation Expense	495,063	553,697	111.84	24,204	23,058	95.27	519,267	576,755
Total Benefits	2,021,243	1,693,655	83.79	86,435	51,458	59.53	2,107,678	1,745,113
Retirement								
55100-Employee Savings Plan	797,832	778,939	97.63	36,654	33,037	90.13	834,486	811,976
55200-Pension & Savings Administration	36,000	28,982	80.51	-	-	-	36,000	28,982
55300-Deferred Compensation Expense	76,000	79,000	103.95	-	-	-	76,000	79,000
Total Retirement	909,832	886,921	97.48	36,654	33,037	90.13	946,486	919,958

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities with Supplementary Information
For the Year Ended December 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	\$ 6,824	4.03	\$ 11,200	\$ 221	1.97	\$ 180,600	\$ 7,045
61100-Workshop Expense	156,000	-	-	-	-	-	156,000	-
Total Meetings	325,400	6,824	2.10	11,200	221	1.97	336,600	7,045
Travel								
62000-Travel	679,920	6,883	1.01	45,440	68	0.15	725,360	6,951
62200-Travel Directors	48,000	-	-	-	-	-	48,000	-
Total Travel	727,920	6,883	0.95	45,440	68	0.15	773,360	6,951
Communications								
63000-Conference Calls	9,000	7,970	88.56	-	-	-	9,000	7,970
Total Communications	9,000	7,970	88.56	-	-	-	9,000	7,970
Contracts & Consultants								
65000-Consultants	-	32,118	-	-	-	-	-	32,118
65100-Contracts	852,650	794,327	93.16	57,700	-	-	910,350	794,327
65110-Contract Audit Labor	525,450	213,352	40.60	-	-	-	525,450	213,352
65120-Contract Audit Travel	131,700	-	-	-	-	-	131,700	-
Total Contracts & Consultants	1,509,800	1,039,797	68.87	57,700	-	-	1,567,500	1,039,797
Office Rent								
70000-Office Rent	650,000	594,748	91.50	-	-	-	650,000	594,748
70010-Utilities	47,000	38,494	81.90	-	-	-	47,000	38,494
70020-Maintenance	45,000	22,658	50.35	-	-	-	45,000	22,658
70030-Security	3,141	2,708	86.21	-	-	-	3,141	2,708
70040-Real Estate Taxes	125,000	106,003	84.80	-	-	-	125,000	106,003
Total Office Rent	870,141	764,611	87.87	-	-	-	870,141	764,611
Office Costs								
71000-Telephone	88,720	93,519	105.41	-	-	-	88,720	93,519
71100-Internet Expense	70,500	78,441	111.26	4,000	2,435	60.88	74,500	80,876
71200-Office Supplies	28,000	5,348	19.10	-	352	-	28,000	5,700
71300-Computer Supplies & Maintenance	576,000	639,825	111.08	-	4	-	576,000	639,829
71400-Subscriptions & Publications	20,000	16,364	81.82	-	125	-	20,000	16,489
71500-Dues	9,000	12,359	137.32	-	17	-	9,000	12,376
71600-Postage	1,200	581	48.42	-	10	-	1,200	591
71700-Express Shipping	6,000	1,661	27.68	-	-	-	6,000	1,661
71800-Copying	24,000	14,689	61.20	-	-	-	24,000	14,689
71900-Reports	2,000	-	-	-	-	-	2,000	-
72000-Stationery & Office Forms	2,000	-	-	-	-	-	2,000	-
72200-Bank Charges	10,000	2,245	22.45	-	3	-	10,000	2,248
Total Office Costs	837,420	865,032	103.30	4,000	2,946	73.65	841,420	867,978

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities with Supplementary Information
For the Year Ended December 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
Professional Services								
75000-BOT Fee	\$ 300,000	\$ 300,000	100.00	\$ -	\$ -	-	\$ 300,000	\$ 300,000
75300-Accounting and Auditing Fees	370,000	416,602	112.60	-	-	-	370,000	416,602
75400-Legal Fees-Other	260,000	342,134	131.59	-	-	-	260,000	342,134
75500-Insurance-Commercial	75,000	44,930	59.91	-	-	-	75,000	44,930
Total Professional Services	1,005,000	1,103,666	109.82	-	-	-	1,005,000	1,103,666
Other Non-Operating Expenses								
80300-Cash Reserve Requirement	(867,168)	\$ -	-	(318,222)	-	-	(1,185,390)	\$ -
Total Other Non-Operating Expenses	(867,168)	-	-	(318,222)	-	-	(1,185,390)	-
Depreciation								
95100-Depreciation-Equipment	-	62,403	-	-	7,643	-	-	70,046
95250-Depreciation-Software	-	69,479	-	-	5,185	-	-	74,664
95300-Depreciation-Furniture	-	340	-	-	5	-	-	345
95400-Depreciation-L.I.	-	58,481	-	-	6,498	-	-	64,979
Total Depreciation	-	190,703	-	-	19,331	-	-	210,034
Miscellaneous								
99000-Miscellaneous Expense	51,000	40,294	79.01	4,000	224	5.60	55,000	40,518
99990-Indirect Expenses	(387,995)	(352,280)	90.79	387,995	352,280	90.79	-	-
Total Miscellaneous	(336,995)	(311,986)	92.58	391,995	352,504	89.93	55,000	40,518
Total Expenditures	15,479,480	14,971,584	96.72	675,491	822,202	121.72	16,154,971	15,793,786
Change in Net Assets Without Donor Restrictions	\$ -	645,613		\$ -	(150,274)		\$ -	495,339
Net Assets - Beginning of Year as Previously Reported		7,325,968			928,694			8,254,662
Revision to Net Assets - Beginning of Year (A)		(458,994)			(24,155)			(483,149)
Net Assets - Beginning of Year as Revised		6,866,974			904,539			7,771,513
Net Assets - End of Year		\$ 7,512,587			\$ 754,265			\$ 8,266,852

(A) In preparing the financial statements as of and for the year ended December 31, 2021, the Company identified an error related to a deferred compensation plan, the related trust, and a retiree medical plan which were not recorded in the previously issued financial statements. Accordingly, the Company has revised the amount of its net assets as of the beginning of the year as shown above, and as detailed below.

Effect of Revisions as of January 1, 2021:

Investments	\$ 587,366	\$ 30,914	\$ 618,280
Total Assets	\$ 587,366	\$ 30,914	\$ 618,280
Accrued expenses and other liabilities	\$ 587,366	\$ 30,914	\$ 618,280
Accrued post retirement benefits	458,994	24,155	483,149
Total Liabilities	1,046,360	55,069	1,101,429
Net Assets	(458,994)	(24,155)	(483,149)
Total Liabilities and Net Assets	\$ 587,366	\$ 30,914	\$ 618,280

See accountants' compilation report.