

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements
(Together with Accountants' Compilation Report)

Three Months Ended March 31, 2015

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.

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Marks Paneth LLP
685 Third Avenue
New York, NY 10017
P 212.503.8800
F 212.370.3759
www.markspaneth.com

Manhattan
Long Island
Westchester
Cayman Islands

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

ACCOUNTANTS' COMPILATION REPORT

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

We have compiled the accompanying statement of financial position of Northeast Power Coordinating Council, Inc. as of March 31, 2015, and the related statement of activities for the three months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of 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 statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, changes in net assets and cash flows. Accordingly, these 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
July 10, 2015



An independent member of
Morison International

Northeast Power Coordinating Council, Inc.
Statement of Financial Position
(See Accountants' Compilation Report)
March 31, 2015

	<u>Regional Entity Division</u>	<u>Criteria Services Division</u>	<u>Total</u>
Assets			
Cash	\$ 3,526,811	\$ 637,424	\$ 4,164,235
Restricted cash	807,119	10,760	817,879
Investments	1,569,770	641,232	2,211,002
Prepaid expenses	513,937	85,065	599,002
Other assets	92,535	1,911	94,446
Equipment and leasehold improvements, net	<u>852,646</u>	<u>68,439</u>	<u>921,085</u>
Total Assets	<u>\$ 7,362,818</u>	<u>\$ 1,444,831</u>	<u>\$ 8,807,649</u>
Liabilities and Net Assets			
Accrued expenses and other liabilities	\$ 654,644	\$ 44,044	\$ 698,688
Deferred revenue	-	776,416	776,416
Accrued liability for pension	15,773	3,004	18,777
Deferred rent	<u>701,263</u>	<u>25,962</u>	<u>727,225</u>
Total Liabilities	<u>1,371,680</u>	<u>849,426</u>	<u>2,221,106</u>
Net Assets - Unrestricted	<u>5,991,138</u>	<u>595,405</u>	<u>6,586,543</u>
Total Liabilities and Net Assets	<u>\$ 7,362,818</u>	<u>\$ 1,444,831</u>	<u>\$ 8,807,649</u>

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 2015

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of		Year to Date
	2015 Budget	Actual	Budget	2015 Budget	Actual	Budget	2015 Budget	Actual
Revenue								
41000-Assessments	\$ 14,068,878	\$ 3,517,219	25.00	\$ -	\$ -	-	\$ 14,068,878	\$ 3,517,219
41100-Penalty Sanctions	290,500	10,000	3.44	-	-	-	290,500	10,000
42100-Non-Statutory Funding	-	-	-	1,035,221	258,786	25.00	1,035,221	258,786
47000-Workshops	64,000	11,400	17.81	-	-	-	64,000	11,400
49000-Interest Income	-	2,046	-	-	119	-	-	2,165
Total Revenue	14,423,378	3,540,665	24.55	1,035,221	258,905	25.01	15,458,599	3,799,570
Expenditures								
Salaries								
51000-Direct Salaries	6,175,425	1,546,850	25.05	369,319	91,690	24.83	6,544,744	1,638,540
51200-Employment Agency Fee	10,000	-	-	-	-	-	10,000	-
51300-Temporary Office Services	10,000	3,600	36.00	-	-	-	10,000	3,600
Total Salaries	6,195,425	1,550,450	25.03	369,319	91,690	24.83	6,564,744	1,642,140
Payroll Taxes								
52000-Payroll Taxes-FICA	263,834	126,399	47.91	15,603	7,745	49.64	279,437	134,144
52100-Payroll Taxes-Medicare	93,207	31,248	33.53	4,842	1,915	39.55	98,049	33,163
52200-Payroll Taxes-SUI	6,706	8,674	129.35	766	531	69.32	7,472	9,205
52300-Payroll Taxes-FUI	1,441	1,594	110.62	165	98	59.39	1,606	1,692
52400-Payroll Taxes-MCTMT	22,021	6,879	31.24	1,305	421	32.26	23,326	7,300
Total Payroll Taxes	387,209	174,794	45.14	22,681	10,710	47.22	409,890	185,504
Benefits								
54000-Benefits-Education Reimbursement	10,000	-	-	-	376	-	10,000	376
54001-Benefits-Training Classes and Seminars	36,123	9,337	25.85	2,097	-	-	38,220	9,337
54100-Benefits-Medical	720,337	148,257	20.58	48,859	17,095	34.99	769,196	165,352
54200-Benefits-Life	54,567	10,621	19.46	3,321	10,257	308.85	57,888	20,878
54250-Officers-Life	10,000	10,047	100.47	-	-	-	10,000	10,047
54300-Insurance -WC	14,700	(293)	(1.99)	-	(18)	-	14,700	(311)
54400-Vacation Expense	410,868	106,080	25.82	22,624	6,496	28.71	433,492	112,576
Total Benefits	1,256,595	284,049	22.60	76,901	34,206	44.48	1,333,496	318,255
Retirement								
55000-Pension Contribution	353,723	88,431	25.00	106,277	26,569	25.00	460,000	115,000
55100-Employee Savings Plan	644,290	162,661	25.25	39,362	9,924	25.21	683,652	172,585
55200-Pension & Savings Admin	32,000	129	0.40	-	(120)	-	32,000	9
55300-Deferred Compensation Exp	60,000	-	-	-	-	-	60,000	-
Total Retirement	1,090,013	251,221	23.05	145,639	36,373	24.97	1,235,652	287,594
Meetings Expenses								
61000-Meeting Expense	235,000	10,854	4.62	10,000	-	-	245,000	10,854
61100-Workshop Exp	130,000	5,000	3.85	-	-	-	130,000	5,000
Total Meetings Expenses	365,000	15,854	4.34	10,000	-	-	375,000	15,854

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 2015

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of		Year to Date
	2015 Budget	Actual	Budget	2015 Budget	Actual	Budget	2015 Budget	Actual
Travel Expenses								
62000-Travel	\$ 850,000	\$ 97,730	11.50	\$ 63,000	\$ 5,373	8.53	\$ 913,000	\$ 103,103
62200-Travel Directors	40,000	1,213	3.03	-	-	-	40,000	1,213
Total Travel Expenses	890,000	98,943	11.12	63,000	5,373	8.53	953,000	104,316
Communications								
63000-Conference Calls	45,000	5,200	11.56	-	-	-	45,000	5,200
Total Communications	45,000	5,200	11.56	-	-	-	45,000	5,200
Contracts & Consultants								
65000-Consultants	50,000	-	-	-	-	-	50,000	-
65100-Contracts	716,000	100,098	13.98	30,000	1,085	3.62	746,000	101,183
65110-Contract Audit Labor	1,300,000	122,841	9.45	-	-	-	1,300,000	122,841
65120-Contract Audit Travel	96,000	6,663	6.94	-	-	-	96,000	6,663
65130-Contract Audit Expenses	180,000	12,494	6.94	-	-	-	180,000	12,494
Total Contracts & Consultants	2,342,000	242,096	10.34	30,000	1,085	3.62	2,372,000	243,181
Office Rent								
70000-Office Rent	645,000	154,687	23.98	-	-	-	645,000	154,687
70010-Utilities	40,000	7,838	19.60	-	-	-	40,000	7,838
70020-Maintenance	22,000	5,863	26.65	-	-	-	22,000	5,863
70030-Security	2,500	588	23.52	-	-	-	2,500	588
70040-Real Estate Taxes	42,000	-	-	-	-	-	42,000	-
Total Office Rent	751,500	168,976	22.49	-	-	-	751,500	168,976
Office Costs								
71000-Telephone	110,000	33,775	30.70	-	-	-	110,000	33,775
71100-Internet Expense	80,000	4,380	5.48	-	3	-	80,000	4,383
71200-Office Supplies	36,000	6,925	19.24	-	7	-	36,000	6,932
71300-Computer Supplies & Maintenance	260,000	87,986	33.84	-	-	-	260,000	87,986
71400-Subscriptions & Publications	13,500	6,978	51.69	-	-	-	13,500	6,978
71500-Dues	4,000	1,495	37.38	-	-	-	4,000	1,495
71600-Postage	1,200	54	4.50	-	-	-	1,200	54
71700-Express Shipping	10,000	678	6.78	-	-	-	10,000	678
71800-Copying	25,000	3,934	15.74	-	-	-	25,000	3,934
71900-Reports	5,000	3,025	60.50	-	-	-	5,000	3,025
72000-Stationary & Office Forms	3,000	-	-	-	-	-	3,000	-
72100-Equipment Repair/Srv. Contracts	8,000	-	-	-	-	-	8,000	-
72200-Bank Charges	23,000	107	0.47	-	4	-	23,000	111
Total Office Costs	578,700	149,337	25.81	-	14	-	578,700	149,351

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 2015

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of		Year to Date
	2015 Budget	Actual	Budget	2015 Budget	Actual	Budget	2015 Budget	Actual
Professional Services								
75000-BOT Fee	\$ 325,000	\$ 65,000	20.00	\$ -	\$ -	-	\$ 325,000	\$ 65,000
75300-Accounting and Auditing Fees	310,000	30,028	9.69	-	-	-	310,000	30,028
75400-Legal Fees - Other	350,000	30,817	8.80	-	-	-	350,000	30,817
75500-Insurance - Commercial	40,000	33,697	84.24	-	-	-	40,000	33,697
Total Professional Services	<u>1,025,000</u>	<u>159,542</u>	<u>15.57</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,025,000</u>	<u>159,542</u>
Other Non-Operating Expenses								
80300-Cash Reserve Requirement	(335,182)	-	-	(104,232)	-	-	(439,414)	-
Total Other Non-Operating Expenses	<u>(335,182)</u>	<u>-</u>	<u>-</u>	<u>(104,232)</u>	<u>-</u>	<u>-</u>	<u>(439,414)</u>	<u>-</u>
Depreciation Expense								
95100-Depreciation Expense-Equipment	202,020	5,319	2.63	10,011	235	2.35	212,031	5,554
95250-Depreciation - Software	-	39,845	-	-	141	-	-	39,986
95300-Depreciation Expense-Furniture	-	4,571	-	-	502	-	-	5,073
95400- Depreciation Expense - L.I.	-	14,620	-	-	1,625	-	-	16,245
Total Depreciation Expense	<u>202,020</u>	<u>64,355</u>	<u>31.86</u>	<u>10,011</u>	<u>2,503</u>	<u>25.00</u>	<u>212,031</u>	<u>66,858</u>
Miscellaneous Expenses								
99000-Miscellaneous Expense	40,000	7,081	17.70	2,000	97	-	42,000	7,178
99990-Indirect Expenses	(409,902)	(84,883)	20.71	409,902	84,883	-	-	-
Total Miscellaneous Expenses	<u>(369,902)</u>	<u>(77,802)</u>	<u>21.03</u>	<u>411,902</u>	<u>84,980</u>	<u>-</u>	<u>42,000</u>	<u>7,178</u>
Total Expenditures	<u>14,423,378</u>	<u>3,087,015</u>	<u>21.40</u>	<u>1,035,221</u>	<u>266,934</u>	<u>25.79</u>	<u>15,458,599</u>	<u>3,353,949</u>
Change in Net Assets	<u>\$ -</u>	<u>453,650</u>	<u>-</u>	<u>\$ -</u>	<u>(8,029)</u>	<u>-</u>	<u>\$ -</u>	<u>445,621</u>
Net Assets - Beginning of Period		<u>5,537,488</u>			<u>603,434</u>			<u>6,140,922</u>
Net Assets - End of Period		<u>\$ 5,991,138</u>			<u>\$ 595,405</u>			<u>\$ 6,586,543</u>