

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements
(Together with Accountants' Compilation Report)

For The Three Months Ended March 31, 2018

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.

CONTENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2018

Accountants' Compilation Report	1
<u>Financial Statements</u>	
Statement of Financial Position	2
Statement of Activities	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. (the "Company"), which comprise the statement of financial position as of March 31, 2018, 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. 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 16, 2018

Northeast Power Coordinating Council, Inc.
Statement of Financial Position
(See Accountants' Compilation Report)
March 31, 2018

	Regional Entity Division	Criteria Services Division	Total
Assets			
Cash	\$ 4,683,969	\$ 1,147,832	\$ 5,831,801
Restricted cash	139,818	10,356	150,174
Investments	1,576,753	244,038	1,820,791
Prepaid expenses	272,259	15,994	288,253
Other assets	196,337	1,296	197,633
Equipment and leasehold improvements, net	700,033	45,495	745,528
Total Assets	\$ 7,569,169	\$ 1,465,011	\$ 9,034,180
Liabilities and Net Assets			
Accrued expenses and other liabilities	\$ 910,314	\$ 43,869	\$ 954,183
Deferred revenue	-	764,356	764,356
Deferred rent	527,220	39,074	566,294
Total Liabilities	1,437,534	847,299	2,284,833
Net Assets - Unrestricted:			
Operations	5,191,635	557,712	5,749,347
Board designated	940,000	60,000	1,000,000
Total Unrestricted Net Assets	6,131,635	617,712	6,749,347
Total Liabilities and Net Assets	\$ 7,569,169	\$ 1,465,011	\$ 9,034,180

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 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	\$ 3,585,447	25.00	-	-	-	14,341,787	3,585,447
41100-Penalty Sanctions	75,000	-	-	-	-	-	75,000	-
42100-Non-Statutory Funding	-	-	-	1,019,141	254,786	25.00	1,019,141	254,786
47000-Workshops	64,000	-	-	-	-	-	64,000	-
49000-Interest Income	-	4,998	-	-	290	-	-	5,288
Total Revenue	14,480,787	3,590,445	24.79	1,019,141	255,076	25.03	15,499,928	3,845,521
Expenditures								
Salaries								
51000-Direct Salaries	7,057,483	1,655,859	23.46	404,848	92,728	22.90	7,462,331	1,748,587
51200-Employment Agency Fee	10,000	2,510	25.10	-	-	-	10,000	2,510
51300-Temporary Office Services	40,116	3,851	9.60	-	-	-	40,116	3,851
Total Salaries	7,107,599	1,662,220	23.39	404,848	92,728	22.90	7,512,447	1,754,948
Payroll Taxes								
52000-Payroll Taxes-FICA	270,078	141,365	52.34	15,846	8,391	52.95	285,924	149,756
52100-Payroll Taxes-Medicare	106,291	36,962	34.77	5,216	2,196	42.10	111,507	39,158
52200-Payroll Taxes-SUI	8,263	3,835	46.41	800	234	29.25	9,063	4,069
52300-Payroll Taxes-FUI	1,720	1,640	95.35	167	99	59.28	1,887	1,739
52400-Payroll Taxes-MCTMT	25,088	8,119	32.36	1,384	482	34.83	26,472	8,601
Total Payroll Taxes	411,440	191,921	46.65	23,413	11,402	48.70	434,853	203,323
Benefits								
54000-Benefits-Education Reimbursement	30,000	-	-	-	-	-	30,000	-
54001-Benefits-Training Classes and	44,232	6,031	13.63	2,568	-	-	46,800	6,031
54100-Benefits-Medical	811,369	212,163	26.15	21,880	4,142	18.93	833,249	216,305
54200-Benefits-Life	72,465	21,193	29.25	22,695	1,405	6.19	95,160	22,598
54250-Officers-Life	18,000	554	3.08	-	-	-	18,000	554
54300-Insurance -WC	15,000	(1,547)	(10.31)	-	(92)	-	15,000	(1,639)
54400-Vacation Expense	485,312	111,142	22.90	27,848	6,481	23.27	513,160	117,623
Total Benefits	1,476,378	349,536	23.68	74,991	11,936	15.92	1,551,369	361,472
Retirement								
55000-Pension Contribution	38,000	-	-	-	-	-	38,000	-
55100-Employee Savings Plan	714,353	177,303	24.82	43,272	10,527	24.33	757,625	187,830
55200-Pension & Savings Admin	35,000	6,631	18.95	-	-	-	35,000	6,631
55300-Deferred Compensation Expense	38,000	-	-	-	-	-	38,000	-
Total Retirement	825,353	183,934	22.29	43,272	10,527	24.33	868,625	194,461
Meetings Expenses								
61000-Meeting Expense	203,050	34,334	16.91	5,000	263	5.26	208,050	34,597
61100-Workshop Expense	150,000	-	-	-	-	-	150,000	-
Total Meetings Expenses	353,050	34,334	9.72	5,000	263	5.26	358,050	34,597

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 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
	Travel Expenses							
62000-Travel	\$ 799,500	\$ 71,070	8.89	\$ 55,647	\$ 7,591	13.64	855,147	78,661
62200-Travel Directors	35,000	3,488	9.97	-	-	-	35,000	3,488
Total Travel Expenses	834,500	74,558	8.93	55,647	7,591	13.64	890,147	82,149
Communications								
63000-Conference Calls	37,000	5,322	14.38	-	-	-	37,000	5,322
Total Communications	37,000	5,322	14.38	-	-	-	37,000	5,322
Contracts & Consultants								
65100-Contracts	703,640	110,691	15.73	40,360	6,644	16.46	744,000	117,335
65110-Contract Audit Labor	939,940	202,647	21.56	-	-	-	939,940	202,647
65120-Contract Audit Travel	234,060	36,503	15.60	-	-	-	234,060	36,503
Total Contracts & Consultants	1,877,640	349,841	18.63	40,360	6,644	16.46	1,918,000	356,485
Office Rent								
70000-Office Rent	650,000	154,687	23.80	-	-	-	650,000	154,687
70010-Utilities	43,000	5,939	13.81	-	-	-	43,000	5,939
70020-Maintenance	35,000	4,932	14.09	-	-	-	35,000	4,932
70030-Security	2,700	848	31.41	-	-	-	2,700	848
70040-Real Estate Taxes	80,000	-	-	-	-	-	80,000	-
Total Office Rent	810,700	166,406	20.53	-	-	-	810,700	166,406
Office Costs								
71000-Telephone	111,660	16,429	14.71	-	-	-	111,660	16,429
71100-Internet Expense	95,000	25,376	26.71	-	-	-	95,000	25,376
71200-Office Supplies	33,000	2,207	6.69	-	16	-	33,000	2,223
71300-Computer Supplies & Maintenance	350,600	69,175	19.73	-	-	-	350,600	69,175
71400-Subscriptions & Publications	13,500	9,710	71.93	-	-	-	13,500	9,710
71500-Dues	3,400	1,276	37.53	-	-	-	3,400	1,276
71600-Postage	1,200	148	12.33	-	-	-	1,200	148
71700-Express Shipping	10,000	672	6.72	-	-	-	10,000	672
71800-Copying	26,400	5,881	22.28	-	-	-	26,400	5,881
71900-Reports	8,000	-	-	-	-	-	8,000	-
72000-Stationery & Office Forms	2,000	119	5.95	-	-	-	2,000	119
72200-Bank Charges	10,000	349	3.49	-	6	-	10,000	355
Total Office Costs	664,760	131,342	19.76	-	22	-	664,760	131,364

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 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
	Professional Services							
75000-BOT Fee	\$ 340,000	\$ 77,840	22.89	\$ -	\$ -	-	340,000	77,840
75300-Accounting and Auditing Fees	300,000	47,919	15.97	-	-	-	300,000	47,919
75400-Legal Fees - Other	250,000	27,444	10.98	-	-	-	250,000	27,444
75500-Insurance - Commercial	70,000	14,505	20.72	-	-	-	70,000	14,505
Total Professional Services	<u>960,000</u>	<u>167,708</u>	17.47	<u>-</u>	<u>-</u>	-	<u>960,000</u>	<u>167,708</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	12,093	4.50	16,000	543	3.39	285,000	12,636
95250-Depreciation - Software	-	31,557	-	-	140	-	-	31,697
95300-Depreciation Expense-Furniture	-	4,622	-	-	503	-	-	5,125
95400-Depreciation Expense - L.I.	-	14,620	-	-	1,625	-	-	16,245
Total Depreciation Expense	<u>269,000</u>	<u>62,892</u>	23.38	<u>16,000</u>	<u>2,811</u>	17.57	<u>285,000</u>	<u>65,703</u>
Miscellaneous Expenses								
99000-Miscellaneous Expense	50,000	5,237	10.47	3,000	130	4.33	53,000	5,367
99990-Indirect Expenses	(416,453)	(86,423)	20.75	416,453	86,423	20.75	-	-
Total Miscellaneous Expenses	<u>(366,453)</u>	<u>(81,186)</u>	22.15	<u>419,453</u>	<u>86,553</u>	-	<u>53,000</u>	<u>5,367</u>
Total Expenditures	<u>14,480,787</u>	<u>3,298,828</u>	22.78	<u>1,019,141</u>	<u>230,477</u>	22.61	<u>15,499,928</u>	<u>3,529,305</u>
Change in Unrestricted Net Assets	<u>\$ -</u>	291,617		<u>-</u>	24,599		<u>-</u>	316,216
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>\$ 6,131,635</u>			<u>617,712</u>			<u>6,749,347</u>