

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements
(Together with Accountants' Compilation Report)

For The Three Months Ended March 31, 2017

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, 2017

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

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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, 10th 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 March 31, 2017, 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
June 16, 2017

Northeast Power Coordinating Council, Inc.
Statement of Financial Position
(See Accountants' Compilation Report)
March 31, 2017

	<u>Regional Entity Division</u>	<u>Criteria Services Division</u>	<u>Total</u>
<u>Assets</u>			
Cash	\$ 5,115,343	\$ 1,103,126	\$ 6,218,469
Restricted cash	214,898	10,364	225,262
Investments	1,569,916	241,245	1,811,161
Prepaid expenses	285,435	16,912	302,347
Other assets	179,850	1,501	181,351
Equipment and leasehold improvements, net	<u>689,604</u>	<u>55,712</u>	<u>745,316</u>
Total Assets	<u>\$ 8,055,046</u>	<u>\$ 1,428,860</u>	<u>\$ 9,483,906</u>
<u>Liabilities and Net Assets</u>			
Accrued expenses and other liabilities	\$ 1,078,791	\$ 46,473	\$ 1,125,264
Deferred revenue	-	829,400	829,400
Deferred rent	<u>577,162</u>	<u>42,776</u>	<u>619,938</u>
Total Liabilities	<u>1,655,953</u>	<u>918,649</u>	<u>2,574,602</u>
Net Assets - Unrestricted	<u>6,399,093</u>	<u>510,211</u>	<u>6,909,304</u>
Total Liabilities and Net Assets	<u>\$ 8,055,046</u>	<u>\$ 1,428,860</u>	<u>\$ 9,483,906</u>

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 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	\$ 3,563,765	25.00	\$ -	\$ -	-	\$ 14,255,061	\$ 3,563,765
41100-Penalty Sanctions	-	-	-	-	-	-	-	-
42100-Non-Statutory Funding	-	-	-	1,105,867	276,467	25.00	1,105,867	276,467
47000-Workshops	64,000	13,000	20.31	-	-	-	64,000	13,000
49000-Interest Income	-	1,456	-	-	85	-	-	1,541
Total Revenue	14,319,061	3,578,221	24.99	1,105,867	276,552	25.01	15,424,928	3,854,773
Expenditures								
Salaries								
51000-Direct Salaries	6,718,926	1,629,833	24.26	401,142	100,820	25.13	7,120,068	1,730,653
51200-Employment Agency Fee	10,000	-	-	-	-	-	10,000	-
51300-Temporary Office Services	30,000	3,424	11.41	-	-	-	30,000	3,424
Total Salaries	6,758,926	1,633,257	24.16	401,142	100,820	25.13	7,160,068	1,734,077
Payroll Taxes								
52000-Payroll Taxes-FICA	269,512	141,267	52.42	15,793	8,190	51.86	285,305	149,457
52100-Payroll Taxes-Medicare	100,986	35,728	35.38	5,172	2,071	40.04	106,158	37,799
52200-Payroll Taxes-SUI	8,263	5,262	63.68	800	305	38.13	9,063	5,567
52300-Payroll Taxes-FUI	1,720	1,566	91.05	167	91	54.49	1,887	1,657
52400-Payroll Taxes-MCTMT	23,839	7,860	32.97	1,369	456	33.31	25,208	8,316
Total Payroll Taxes	404,320	191,683	47.41	23,301	11,113	47.69	427,621	202,796
Benefits								
54000-Benefits-Education Reimbursement	22,500	-	-	-	-	-	22,500	-
54001-Benefits-Training Classes and Seminars	36,860	4,720	12.81	2,140	108	5.05	39,000	4,828
54100-Benefits-Medical	790,033	193,982	24.55	17,295	3,409	19.71	807,328	197,391
54200-Benefits-Life	70,716	10,035	14.19	22,632	1,799	7.95	93,348	11,834
54250-Officers-Life	18,000	8,080	44.89	-	-	-	18,000	8,080
54300-Insurance -WC	15,000	5,020	33.47	-	(17)	-	15,000	5,003
54400-Vacation Expense	462,494	111,400	24.09	27,033	6,459	23.89	489,527	117,859
Total Benefits	1,415,603	333,237	23.54	69,100	11,758	17.02	1,484,703	344,995
Retirement								
55000-Pension Contribution	37,000	-	-	-	-	-	37,000	-
55100-Employee Savings Plan	727,223	182,324	25.07	42,605	11,263	26.44	769,828	193,587
55200-Pension & Savings Admin	45,000	6,157	13.68	-	-	-	45,000	6,157
55300-Deferred Compensation Expense	38,000	-	-	-	-	-	38,000	-
Total Retirement	847,223	188,481	22.25	42,605	11,263	26.44	889,828	199,744
Meetings Expenses								
61000-Meeting Expense	227,100	35,163	15.48	5,000	1,181	23.62	232,100	36,344
61100-Workshop Expense	150,000	-	-	-	-	-	150,000	-
Total Meetings Expenses	377,100	35,163	9.32	5,000	1,181	23.62	382,100	36,344

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 2017

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of		Year to Date
	2017 Budget	Actual	Budget	2017 Budget	Actual	Budget	2017 Budget	Actual
Travel Expenses								
62000-Travel	\$ 815,232	\$ 106,622	13.08	\$ 51,600	\$ 2,228	4.32	\$ 866,832	\$ 108,850
62200-Travel Directors	40,000	3,892	9.73	-	-	-	40,000	3,892
Total Travel Expenses	855,232	110,514	12.92	51,600	2,228	4.32	906,832	112,742
Communications								
63000-Conference Calls	37,000	5,200	14.05	-	-	-	37,000	5,200
Total Communications	37,000	5,200	14.05	-	-	-	37,000	5,200
Contracts & Consultants								
65000-Consultants	65,000	-	-	-	-	-	65,000	-
65100-Contracts	750,000	64,483	8.60	18,000	114	0.63	768,000	64,597
65110-Contract Audit Labor	1,045,000	267,947	25.64	-	-	-	1,045,000	267,947
65120-Contract Audit Travel	55,000	38,869	70.67	-	-	-	55,000	38,869
65130-Contract Audit Expenses	94,000	-	-	-	-	-	94,000	-
Total Contracts & Consultants	2,009,000	371,299	18.48	18,000	114	0.63	2,027,000	371,413
Office Rent								
70000-Office Rent	650,000	154,687	23.80	-	-	-	650,000	154,687
70010-Utilities	43,000	5,926	13.78	-	-	-	43,000	5,926
70020-Maintenance	40,000	3,672	9.18	-	-	-	40,000	3,672
70030-Security	2,700	598	22.15	-	-	-	2,700	598
70040-Real Estate Taxes	74,000	18,500	25.00	-	-	-	74,000	18,500
Total Office Rent	809,700	183,383	22.65	-	-	-	809,700	183,383
Office Costs								
71000-Telephone	112,000	19,330	17.26	-	-	-	112,000	19,330
71100-Internet Expense	105,600	18,799	17.80	-	-	-	105,600	18,799
71200-Office Supplies	33,000	9,009	27.30	-	13	-	33,000	9,022
71300-Computer Supplies & Maintenance	350,000	53,436	15.27	-	8	-	350,000	53,444
71400-Subscriptions & Publications	13,500	4,477	33.16	-	-	-	13,500	4,477
71500-Dues	4,400	751	17.07	-	-	-	4,400	751
71600-Postage	1,200	148	12.33	-	-	-	1,200	148
71700-Express Shipping	10,000	535	5.35	-	-	-	10,000	535
71800-Copying	26,400	5,376	20.36	-	-	-	26,400	5,376
71900-Reports	6,000	-	-	-	-	-	6,000	-
72000-Stationary & Office Forms	2,000	100	5.00	-	-	-	2,000	100
72200-Bank Charges	15,000	148	0.99	-	1	-	15,000	149
Total Office Costs	679,100	112,109	16.51	-	22	-	679,100	112,131

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Three Months Ended March 31, 2017

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of		Year to Date
	2017 Budget	Actual	Budget	2017 Budget	Actual	Budget	2017 Budget	Actual
Professional Services								
75000-BOT Fee	\$ 325,000	\$ 67,943	20.91	\$ -	\$ -	-	\$ 325,000	\$ 67,943
75100-BOT Search Fee	20,000	-	-	-	-	-	20,000	-
75300-Accounting and Auditing Fees	310,000	22,969	7.41	-	-	-	310,000	22,969
75400-Legal Fees - Other	316,000	41,923	13.27	-	-	-	316,000	41,923
75500-Insurance - Commercial	70,000	19,712	28.16	-	-	-	70,000	19,712
Total Professional Services	<u>1,041,000</u>	<u>152,547</u>	<u>14.65</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,041,000</u>	<u>152,547</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	10,720	4.29	10,000	465	4.65	260,000	11,185
95250-Depreciation - Software	-	25,689	-	-	178	-	-	25,867
95300-Depreciation Expense-Furniture	-	4,595	-	-	503	-	-	5,098
95400- Depreciation Expense - L.I.	-	14,620	-	-	1,625	-	-	16,245
Total Depreciation Expense	<u>250,000</u>	<u>55,624</u>	<u>22.25</u>	<u>10,000</u>	<u>2,771</u>	<u>27.71</u>	<u>260,000</u>	<u>58,395</u>
Miscellaneous Expenses								
99000-Miscellaneous Expense	50,000	7,582	15.16	3,000	100	3.33	53,000	7,682
99990-Indirect Expenses	(413,149)	(67,985)	16.46	413,149	67,985	16.46	-	-
Total Miscellaneous Expenses	<u>(363,149)</u>	<u>(60,403)</u>	<u>16.63</u>	<u>416,149</u>	<u>68,085</u>	<u>-</u>	<u>53,000</u>	<u>7,682</u>
Total Expenditures	<u>14,319,061</u>	<u>3,312,094</u>	<u>23.13</u>	<u>1,105,867</u>	<u>209,355</u>	<u>18.93</u>	<u>15,424,928</u>	<u>3,521,449</u>
Change in Unrestricted Net Assets	<u>\$ -</u>	<u>266,127</u>	<u>-</u>	<u>\$ -</u>	<u>67,197</u>	<u>-</u>	<u>\$ -</u>	<u>333,324</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>\$ 6,399,093</u>			<u>\$ 510,211</u>			<u>\$ 6,909,304</u>