

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements
(Together with Accountants' Compilation Report)

Six Months Ended June 30, 2015

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.

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ACCOUNTANTS' COMPILATION REPORT

To the Members of
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 June 30, 2015, and the related statement of activities for the six 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.

A statement of cash flows for the six months ended June 30, 2015, has not been presented. Accounting principles generally accepted in the United States of America require that such a statement be presented when financial statements purport to present financial position and results of operations.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures 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 29, 2015



Northeast Power Coordinating Council, Inc.
Statement of Financial Position
(See Accountants' Compilation Report)
June 30, 2015

	<u>Regional Entity Division</u>	<u>Criteria Services Division</u>	<u>Total</u>
Assets			
Cash	\$ 4,018,538	\$ 402,591	\$ 4,421,129
Restricted cash	807,319	10,763	818,082
Investments	1,569,811	641,191	2,211,002
Prepaid expenses	388,401	61,481	449,882
Other assets	95,785	1,911	97,696
Equipment and leasehold improvements, net	<u>881,053</u>	<u>66,655</u>	<u>947,708</u>
Total Assets	<u>\$ 7,760,907</u>	<u>\$ 1,184,592</u>	<u>\$ 8,945,499</u>
Liabilities and Net Assets			
Accrued expenses and other liabilities	\$ 1,029,945	\$ 49,334	\$ 1,079,279
Deferred revenue	-	517,610	517,610
Accrued liability for pension	15,773	3,004	18,777
Deferred rent	<u>688,331</u>	<u>25,483</u>	<u>713,814</u>
Total Liabilities	<u>1,734,049</u>	<u>595,431</u>	<u>2,329,480</u>
Net Assets - Unrestricted	<u>6,026,858</u>	<u>589,161</u>	<u>6,616,019</u>
Total Liabilities and Net Assets	<u>\$ 7,760,907</u>	<u>\$ 1,184,592</u>	<u>\$ 8,945,499</u>

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Six Months Ended June 30, 2015

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of	2015 Budget	Year to Date
	2015 Budget	Actual	Budget	2015 Budget	Actual	Budget		Actual
Revenue								
41000-Assessments	\$ 14,068,878	\$ 7,034,438	50.00	\$ -	\$ -	-	\$ 14,068,878	\$ 7,034,438
41100-Penalty Sanctions	290,500	10,000	3.44	-	-	-	290,500	10,000
42100-Non-Statutory Funding	-	-	-	1,035,221	517,592	50.00	1,035,221	517,592
47000-Workshops	64,000	28,000	43.75	-	-	-	64,000	28,000
49000-Interest Income	-	3,401	-	-	198	-	-	3,599
Total Revenue	14,423,378	7,075,839	49.06	1,035,221	517,790	50.02	15,458,599	7,593,629
Expenditures								
Salaries								
51000-Direct Salaries	6,175,425	3,094,584	50.11	369,319	184,029	49.83	6,544,744	3,278,613
51200-Employment Agency Fee	10,000	-	-	-	-	-	10,000	-
51300-Temporary Office Services	10,000	7,079	70.79	-	-	-	10,000	7,079
Total Salaries	6,195,425	3,101,663	50.06	369,319	184,029	49.83	6,564,744	3,285,692
Payroll Taxes								
52000-Payroll Taxes-FICA	263,834	196,586	74.51	15,603	12,043	77.18	279,437	208,629
52100-Payroll Taxes-Medicare	93,207	50,948	54.66	4,842	3,121	64.46	98,049	54,069
52200-Payroll Taxes-SUI	6,706	8,742	130.36	766	535	69.84	7,472	9,277
52300-Payroll Taxes-FUI	1,441	1,613	111.94	165	99	60.00	1,606	1,712
52400-Payroll Taxes-MCTMT	22,021	11,243	51.06	1,305	689	52.80	23,326	11,932
Total Payroll Taxes	387,209	269,132	69.51	22,681	16,487	72.69	409,890	285,619
Benefits								
54000-Benefits-Education Reimbursement	10,000	-	-	-	376	-	10,000	376
54001-Benefits-Training Classes and Seminars	36,123	13,411	37.13	2,097	-	-	38,220	13,411
54100-Benefits-Medical	720,337	296,809	41.20	48,859	24,273	49.68	769,196	321,082
54200-Benefits-Life	54,567	28,720	52.63	3,321	15,812	476.12	57,888	44,532
54250-Officers-Life	10,000	10,047	100.47	-	-	-	10,000	10,047
54300-Insurance -WC	14,700	(586)	(3.99)	-	(36)	-	14,700	(622)
54400-Vacation Expense	410,868	212,368	51.69	22,624	13,004	57.48	433,492	225,372
Total Benefits	1,256,595	560,769	44.63	76,901	53,429	69.48	1,333,496	614,198
Retirement								
55000-Pension Contribution	353,723	176,862	50.00	106,277	53,138	50.00	460,000	230,000
55100-Employee Savings Plan	644,290	326,758	50.72	39,362	19,936	50.65	683,652	346,694
55200-Pension & Savings Admin	32,000	248	0.78	-	(240)	-	32,000	8
55300-Deferred Compensation Exp	60,000	-	-	-	-	-	60,000	-
Total Retirement	1,090,013	503,868	46.23	145,639	72,834	50.01	1,235,652	576,702
Meetings Expenses								
61000-Meeting Expense	235,000	59,136	25.16	10,000	-	-	245,000	59,136
61100-Workshop Exp	130,000	75,108	57.78	-	-	-	130,000	75,108
Total Meetings Expenses	365,000	134,244	36.78	10,000	-	-	375,000	134,244

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Six Months Ended June 30, 2015

	Regional Entity Division			Criteria Services Division			Total	
	2015 Budget	Year to Date Actual	Percent of Budget	2015 Budget	Year to Date Actual	Percent of Budget	2015 Budget	Year to Date Actual
	Travel Expenses							
62000-Travel	\$ 850,000	\$ 288,971	34.00	\$ 63,000	\$ 16,183	25.69	\$ 913,000	\$ 305,154
62200-Travel Directors	40,000	2,462	6.16	-	-	-	40,000	2,462
Total Travel Expenses	890,000	291,433	32.75	63,000	16,183	25.69	953,000	307,616
Communications								
63000-Conference Calls	45,000	11,065	24.59	-	-	-	45,000	11,065
Total Communications	45,000	11,065	24.59	-	-	-	45,000	11,065
Contracts & Consultants								
65000-Consultants	50,000	-	-	-	-	-	50,000	-
65100-Contracts	716,000	194,501	27.16	30,000	1,085	3.62	746,000	195,586
65110-Contract Audit Labor	1,300,000	410,506	31.58	-	-	-	1,300,000	410,506
65120-Contract Audit Travel	96,000	26,050	27.14	-	-	-	96,000	26,050
65130-Contract Audit Expenses	180,000	53,736	29.85	-	-	-	180,000	53,736
Total Contracts & Consultants	2,342,000	684,793	29.24	30,000	1,085	3.62	2,372,000	685,878
Office Rent								
70000-Office Rent	645,000	321,692	49.87	-	-	-	645,000	321,692
70010-Utilities	40,000	18,145	45.36	-	-	-	40,000	18,145
70020-Maintenance	22,000	12,717	57.80	-	-	-	22,000	12,717
70030-Security	2,500	1,176	47.04	-	-	-	2,500	1,176
70040-Real Estate Taxes	42,000	31,358	74.66	-	-	-	42,000	31,358
Total Office Rent	751,500	385,088	51.24	-	-	-	751,500	385,088
Office Costs								
71000-Telephone	110,000	74,645	67.86	-	-	-	110,000	74,645
71100-Internet Expense	80,000	9,070	11.34	-	3	-	80,000	9,073
71200-Office Supplies	36,000	17,732	49.26	-	10	-	36,000	17,742
71300-Computer Supplies & Maintenance	260,000	156,460	60.18	-	-	-	260,000	156,460
71400-Subscriptions & Publications	13,500	7,862	58.24	-	-	-	13,500	7,862
71500-Dues	4,000	2,045	51.13	-	-	-	4,000	2,045
71600-Postage	1,200	402	33.50	-	-	-	1,200	402
71700-Express Shipping	10,000	2,365	23.65	-	18	-	10,000	2,383
71800-Copying	25,000	9,886	39.54	-	-	-	25,000	9,886
71900-Reports	5,000	4,274	85.48	-	-	-	5,000	4,274
72000-Stationary & Office Forms	3,000	325	10.83	-	-	-	3,000	325
72100-Equipment Repair/Srv. Contracts	8,000	-	-	-	-	-	8,000	-
72200-Bank Charges	23,000	238	1.03	-	8	-	23,000	246
Total Office Costs	578,700	285,304	49.30	-	39	-	578,700	285,343

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Six Months Ended June 30, 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	\$ 151,306	46.56	\$ -	\$ -	-	\$ 325,000	\$ 151,306
75300-Accounting and Auditing Fees	310,000	127,620	41.17	-	-	-	310,000	127,620
75400-Legal Fees - Other	350,000	60,162	17.19	-	-	-	350,000	60,162
75500-Insurance - Commercial	40,000	44,596	111.49	-	-	-	40,000	44,596
Total Professional Services	<u>1,025,000</u>	<u>383,684</u>	<u>37.43</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,025,000</u>	<u>383,684</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	14,586	7.22	10,011	471	4.70	212,031	15,057
95250-Depreciation - Software	-	88,777	-	-	359	-	-	89,136
95300-Depreciation Expense-Furniture	-	9,143	-	-	1,004	-	-	10,147
95400- Depreciation Expense - L.I.	-	29,241	-	-	3,249	-	-	32,490
Total Depreciation Expense	<u>202,020</u>	<u>141,747</u>	<u>70.16</u>	<u>10,011</u>	<u>5,083</u>	<u>50.77</u>	<u>212,031</u>	<u>146,830</u>
Miscellaneous Expenses								
99000-Miscellaneous Expense	40,000	16,423	41.06	2,000	150	-	42,000	16,573
99990-Indirect Expenses	(409,902)	(182,744)	44.58	409,902	182,744	-	-	-
Total Miscellaneous Expenses	<u>(369,902)</u>	<u>(166,321)</u>	<u>44.96</u>	<u>411,902</u>	<u>182,894</u>	<u>-</u>	<u>42,000</u>	<u>16,573</u>
Total Expenditures	<u>14,423,378</u>	<u>6,586,469</u>	<u>45.67</u>	<u>1,035,221</u>	<u>532,063</u>	<u>51.40</u>	<u>15,458,599</u>	<u>7,118,532</u>
Change in Net Assets	<u>\$ -</u>	<u>489,370</u>	<u>-</u>	<u>\$ -</u>	<u>(14,273)</u>	<u>-</u>	<u>\$ -</u>	<u>475,097</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>\$ 6,026,858</u>			<u>\$ 589,161</u>			<u>\$ 6,616,019</u>