

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements
(Together with Accountants' Compilation Report)

Nine Months Ended September 30, 2016

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.

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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 September 30, 2016, and the related statement of activities for the nine 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 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 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.



New York, New York
November 15, 2016

Northeast Power Coordinating Council, Inc.
Statement of Financial Position
(See Accountants' Compilation Report)
September 30, 2016

	<u>Regional Entity Division</u>	<u>Criteria Services Division</u>	<u>Total</u>
<u>Assets</u>			
Cash	\$ 5,532,706	\$ 441,941	\$ 5,974,647
Restricted cash	139,848	10,360	150,208
Investments	1,569,811	241,209	1,811,020
Prepaid expenses	237,197	15,564	252,761
Other assets	131,845	1,706	133,551
Equipment and leasehold improvements, net	<u>751,523</u>	<u>60,502</u>	<u>812,025</u>
Total Assets	<u>\$ 8,362,930</u>	<u>\$ 771,282</u>	<u>\$ 9,134,212</u>
<u>Liabilities and Net Assets</u>			
Accrued expenses and other liabilities	\$ 1,531,201	\$ 77,591	\$ 1,608,792
Deferred revenue	-	265,135	265,135
Deferred rent	<u>602,134</u>	<u>44,626</u>	<u>646,760</u>
Total Liabilities	<u>2,133,335</u>	<u>387,352</u>	<u>2,520,687</u>
Net Assets - Unrestricted	<u>6,229,595</u>	<u>383,930</u>	<u>6,613,525</u>
Total Liabilities and Net Assets	<u>\$ 8,362,930</u>	<u>\$ 771,282</u>	<u>\$ 9,134,212</u>

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Nine Months Ended September 30, 2016

	Regional Entity Division			Criteria Services Division			Total	
	2016 Budget	Year to Date Actual	Percent of Budget	2016 Budget	Year to Date Actual	Percent of Budget	2016 Budget	Year to Date Actual
	Revenue							
41000-Assessments	\$ 14,349,196	\$ 10,761,897	75.00	\$ -	\$ -	-	\$ 14,349,196	\$ 10,761,897
41100-Penalty Sanctions	67,000	-	-	-	-	-	67,000	-
42100-Non-Statutory Funding	-	-	-	1,060,542	795,408	75.00	1,060,542	795,408
47000-Workshops	64,000	48,670	76.05	-	-	-	64,000	48,670
49000-Interest Income	-	3,563	-	-	207	-	-	3,770
Total Revenue	14,480,196	10,814,130	74.68	1,060,542	795,615	75.02	15,540,738	11,609,745
Expenditures								
Salaries								
51000-Direct Salaries	6,531,471	4,822,426	73.83	393,882	284,631	72.26	6,925,353	5,107,057
51200-Employment Agency Fee	10,000	-	-	-	-	-	10,000	-
51300-Temporary Office Services	20,000	11,883	59.42	-	247	-	20,000	12,130
Total Salaries	6,561,471	4,834,309	73.68	393,882	284,878	72.33	6,955,353	5,119,187
Payroll Taxes								
52000-Payroll Taxes-FICA	268,299	246,760	91.97	15,766	14,441	91.60	284,065	261,201
52100-Payroll Taxes-Medicare	99,061	74,412	75.12	5,286	4,380	82.86	104,347	78,792
52200-Payroll Taxes-SUI	6,843	8,956	130.88	684	535	78.22	7,527	9,491
52300-Payroll Taxes-FUI	1,470	1,645	111.90	147	98	66.67	1,617	1,743
52400-Payroll Taxes-MCTMT	23,384	16,429	70.26	1,392	967	69.47	24,776	17,396
Total Payroll Taxes	399,057	348,202	87.26	23,275	20,421	87.74	422,332	368,623
Benefits								
54000-Benefits-Education Reimbursement	15,000	4,552	30.35	-	421	-	15,000	4,973
54001-Benefits-Training Classes and Seminars	36,860	17,682	47.97	2,140	107	5.00	39,000	17,789
54100-Benefits-Medical	763,048	502,647	65.87	54,837	11,480	20.93	817,885	514,127
54200-Benefits-Life	68,049	67,230	98.80	4,179	9,721	232.62	72,228	76,951
54250-Officers-Life	15,000	29,210	194.73	-	-	-	15,000	29,210
54300-Insurance -WC	15,000	(874)	(5.83)	-	(51)	-	15,000	(925)
54400-Vacation Expense	451,843	329,623	72.95	27,257	19,301	70.81	479,100	348,924
Total Benefits	1,364,800	950,070	69.61	88,413	40,979	46.35	1,453,213	991,049
Retirement								
55000-Pension Contribution	-	-	-	102,000	-	-	102,000	-
55100-Employee Savings Plan	713,118	539,211	75.61	42,950	26,854	62.52	756,068	566,065
55200-Pension & Savings Admin	60,000	17,178	28.63	-	(115)	-	60,000	17,063
55300-Deferred Compensation Expense	60,000	36,000	60.00	-	-	-	60,000	36,000
Total Retirement	833,118	592,389	71.11	144,950	26,739	18.45	978,068	619,128
Meetings Expenses								
61000-Meeting Expense	244,000	62,754	25.72	6,500	885	13.62	250,500	63,639
61100-Workshop Expense	150,000	45,962	30.64	-	-	-	150,000	45,962
Total Meetings Expenses	394,000	108,716	27.59	6,500	885	13.62	400,500	109,601

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Nine Months Ended September 30, 2016

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of		Year to Date
	2016 Budget	Actual	Budget	2016 Budget	Actual	Budget	2016 Budget	Actual
Travel Expenses								
62000-Travel	\$ 867,100	\$ 488,653	56.35	\$ 46,000	\$ 29,336	63.77	\$ 913,100	\$ 517,989
62200-Travel Directors	40,000	14,518	36.30	-	-	-	40,000	14,518
Total Travel Expenses	907,100	503,171	55.47	46,000	29,336	63.77	953,100	532,507
Communications								
63000-Conference Calls	47,000	24,050	51.17	-	-	-	47,000	24,050
Total Communications	47,000	24,050	51.17	-	-	-	47,000	24,050
Contracts & Consultants								
65000-Consultants	48,000	-	-	-	-	-	48,000	-
65100-Contracts	710,500	332,585	46.81	25,000	977	3.91	735,500	333,562
65110-Contract Audit Labor	1,200,000	582,692	48.56	-	-	-	1,200,000	582,692
65120-Contract Audit Travel	90,000	139,786	155.32	-	-	-	90,000	139,786
65130-Contract Audit Expenses	175,000	-	-	-	-	-	175,000	-
Total Contracts & Consultants	2,223,500	1,055,063	47.45	25,000	977	3.91	2,248,500	1,056,040
Office Rent								
70000-Office Rent	650,000	463,888	71.37	-	-	-	650,000	463,888
70010-Utilities	40,000	22,571	56.43	-	-	-	40,000	22,571
70020-Maintenance	40,000	23,879	59.70	-	-	-	40,000	23,879
70030-Security	2,500	2,390	95.60	-	-	-	2,500	2,390
70040-Real Estate Taxes	70,000	37,738	53.91	-	-	-	70,000	37,738
Total Office Rent	802,500	550,466	68.59	-	-	-	802,500	550,466
Office Costs								
71000-Telephone	112,000	65,439	58.43	-	-	-	112,000	65,439
71100-Internet Expense	95,400	56,068	58.77	-	-	-	95,400	56,068
71200-Office Supplies	33,000	13,524	40.98	-	32	-	33,000	13,556
71300-Computer Supplies & Maintenance	321,000	204,561	63.73	-	1	-	321,000	204,562
71400-Subscriptions & Publications	13,500	15,593	115.50	-	429	-	13,500	16,022
71500-Dues	4,000	170	4.25	-	-	-	4,000	170
71600-Postage	1,200	752	62.67	-	1	-	1,200	753
71700-Express Shipping	10,000	9,630	96.30	-	18	-	10,000	9,648
71800-Copying	26,400	11,106	42.07	-	-	-	26,400	11,106
71900-Reports	6,000	7,873	131.22	-	-	-	6,000	7,873
72000-Stationary & Office Forms	2,000	640	32.00	-	4	-	2,000	644
72200-Bank Charges	15,000	(690)	(4.60)	-	32	-	15,000	(658)
Total Office Costs	639,500	384,666	60.15	-	517	-	639,500	385,183

Northeast Power Coordinating Council, Inc.
Statement of Activities
(See Accountants' Compilation Report)
For The Nine Months Ended September 30, 2016

	Regional Entity Division			Criteria Services Division			Total	
		Year to Date	Percent of		Year to Date	Percent of		Year to Date
	2016 Budget	Actual	Budget	2016 Budget	Actual	Budget	2016 Budget	Actual
Professional Services								
75000-BOT Fee	\$ 325,000	\$ 241,111	74.19	\$ -	\$ -	-	\$ 325,000	\$ 241,111
75100-BOT Search Fee	-	83,650	-	-	-	-	-	83,650
75300-Accounting and Auditing Fees	310,000	150,370	48.51	-	-	-	310,000	150,370
75400-Legal Fees - Other	316,000	122,744	38.84	-	-	-	316,000	122,744
75500-Insurance - Commercial	60,000	45,117	75.20	-	-	-	60,000	45,117
Total Professional Services	<u>1,011,000</u>	<u>642,992</u>	<u>63.60</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,011,000</u>	<u>642,992</u>
Other Non-Operating Expenses								
80300-Cash Reserve Requirement	(548,624)	-	-	(105,031)	-	-	(653,655)	-
Total Other Non-Operating Expenses	<u>(548,624)</u>	<u>-</u>	<u>-</u>	<u>(105,031)</u>	<u>-</u>	<u>-</u>	<u>(653,655)</u>	<u>-</u>
Depreciation Expense								
95100-Depreciation Expense-Equipment	231,821	24,304	10.48	8,506	932	10.96	240,327	25,236
95250-Depreciation - Software	-	103,752	-	-	198	-	-	103,950
95300-Depreciation Expense-Furniture	-	13,785	-	-	1,509	-	-	15,294
95400- Depreciation Expense - L.I.	-	43,861	-	-	4,874	-	-	48,735
Total Depreciation Expense	<u>231,821</u>	<u>185,702</u>	<u>80.11</u>	<u>8,506</u>	<u>7,513</u>	<u>88.33</u>	<u>240,327</u>	<u>193,215</u>
Miscellaneous Expenses								
99000-Miscellaneous Expense	41,000	20,119	49.07	2,000	225	11.25	43,000	20,344
99990-Indirect Expenses	(427,047)	(249,535)	58.43	427,047	249,535	58.43	-	-
Total Miscellaneous Expenses	<u>(386,047)</u>	<u>(229,416)</u>	<u>59.43</u>	<u>429,047</u>	<u>249,760</u>	<u>-</u>	<u>43,000</u>	<u>20,344</u>
Total Expenditures	<u>14,480,196</u>	<u>9,950,380</u>	<u>68.72</u>	<u>1,060,542</u>	<u>662,005</u>	<u>62.42</u>	<u>15,540,738</u>	<u>10,612,385</u>
Change in Unrestricted Net Assets	<u>\$ -</u>	<u>863,750</u>	<u>-</u>	<u>\$ -</u>	<u>133,610</u>	<u>-</u>	<u>\$ -</u>	<u>997,360</u>
Net Assets - Beginning of Period		<u>5,365,845</u>			<u>250,320</u>			<u>5,616,165</u>
Net Assets - End of Period		<u>\$ 6,229,595</u>			<u>\$ 383,930</u>			<u>\$ 6,613,525</u>