

NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements (Together with Accountants' Compilation Report)

For the Nine Months Ended September 30, 2019

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

NORTHEAST POWER COORDINATING COUNCIL, INC.
FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019

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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 September 30, 2019, 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. We do not express an opinion, a conclusion, nor provide any 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.

The supplementary budget information is presented for additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary budget information was subject to our compilation engagement. We have not audited or reviewed the supplementary budget information and do not express an opinion, a conclusion, nor provide any assurance on such budget information.

We are not independent with respect to Northeast Power Coordinating Council, Inc.



New York, New York
December 23, 2019

Northeast Power Coordinating Council, Inc.
Statement of Financial Position
September 30, 2019

	Regional Entity Division	Criteria Services Division	Total
Assets			
Cash	\$ 2,331,321	\$ 335,252	\$ 2,666,573
Investments	4,986,342	717,052	5,703,394
Prepaid expenses	317,228	18,706	335,934
Restricted cash	279,886	10,355	290,241
Other assets	243,057	1,091	244,148
Equipment and leasehold improvements, net	517,977	38,236	556,213
Total Assets	\$ 8,675,811	\$ 1,120,692	\$ 9,796,503
Liabilities and Net Assets			
Accrued expenses and other liabilities	\$ 2,029,880	\$ 93,626	\$ 2,123,506
Deferred revenue	-	264,717	264,717
Deferred rent	429,963	31,866	461,829
Total Liabilities	2,459,843	390,209	2,850,052
Net Assets - Without Donor Restrictions:			
Available for operations	5,275,968	670,483	5,946,451
Board designated for future use	940,000	60,000	1,000,000
Total Net Assets Without Donor Restrictions	6,215,968	730,483	6,946,451
Total Liabilities and Net Assets	\$ 8,675,811	\$ 1,120,692	\$ 9,796,503

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities
For the Nine Months Ended September 30, 2019

	Regional Entity Division			Criteria Services Division			Total	
	2019 Budget	Year to Date Actual	Percent of Budget	2019 Budget	Year to Date Actual	Percent of Budget	2019 Budget	Year to Date Actual
Revenue								
41000-Assessments	\$ 15,003,411	\$ 11,252,558	75.00	\$ -	\$ -	-	\$ 15,003,411	\$ 11,252,558
41100-Penalty Sanctions	-	70,000	-	-	-	-	-	70,000
42100-Non-Statutory Funding	-	-	-	1,058,867	794,150	75.00	1,058,867	794,150
47000-Workshops	67,500	38,085	56.42	-	-	-	67,500	38,085
49000-Interest Income	-	60,030	-	-	4,304	-	-	64,334
Total Revenue	15,070,911	11,420,673	75.78	1,058,867	798,454	75.41	16,129,778	12,219,127
Expenditures								
Salaries								
51000-Direct Salaries	7,298,280	5,205,612	71.33	371,938	253,640	68.19	7,670,218	5,459,252
51200-Employment Agency Fee	10,000	6,571	65.71	-	-	-	10,000	6,571
51300-Temporary Office Services	24,000	1,860	7.75	-	-	-	24,000	1,860
Total Salaries	7,332,280	5,214,043	71.11	371,938	253,640	68.19	7,704,218	5,467,683
Payroll Taxes								
52000-Payroll Taxes-FICA	299,511	277,121	92.52	17,022	14,170	83.25	316,533	291,291
52100-Payroll Taxes-Medicare	108,575	81,819	75.36	3,449	4,206	121.95	112,024	86,025
52200-Payroll Taxes-SUI	14,466	2,905	20.08	1,758	165	9.39	16,224	3,070
52300-Payroll Taxes-FUI	1,520	1,808	118.95	185	103	55.68	1,705	1,911
52400-Payroll Taxes-MCTMT	25,921	19,119	73.76	1,281	1,041	81.26	27,202	20,160
53000-UBIT on Transit Benefit	-	12,000	-	-	-	-	-	12,000
Total Payroll Taxes	449,993	394,772	87.73	23,695	19,685	83.08	473,688	414,457
Benefits								
54000-Benefits-Education Reimbursement	32,000	4,721	14.75	-	-	-	32,000	4,721
54001-Benefits-Training Classes and Seminars	58,290	11,563	19.84	3,210	14	0.44	61,500	11,577
54100-Benefits-Medical	901,783	717,967	79.62	49,518	20,520	41.44	951,301	738,487
54200-Benefits-Life	75,804	70,070	92.44	22,660	4,150	18.31	98,464	74,220
54250-Officers-Life	19,000	5,363	28.23	-	-	-	19,000	5,363
54300-Insurance-WC	20,000	10,850	54.25	-	(259)	-	20,000	10,591
54400-Vacation Expense	506,201	343,208	67.80	27,392	18,031	65.83	533,593	361,239
Total Benefits	1,613,078	1,163,742	72.14	102,780	42,456	41.31	1,715,858	1,206,198
Retirement								
55100-Employee Savings Plan	741,510	541,412	73.01	43,182	30,507	70.65	784,692	571,919
55200-Pension & Savings Administration	36,000	20,489	56.91	-	-	-	36,000	20,489
55300-Deferred Compensation Expense	76,000	38,000	50.00	-	-	-	76,000	38,000
Total Retirement	853,510	599,901	70.29	43,182	30,507	70.65	896,692	630,408
Meetings								
61000-Meeting Expense	220,750	106,760	48.36	5,000	1,582	31.64	225,750	108,342
61100-Workshop Expense	150,000	67,223	44.82	-	146	-	150,000	67,369
Total Meetings	370,750	173,983	46.93	5,000	1,728	34.56	375,750	175,711

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities
For the Nine Months Ended September 30, 2019

	Regional Entity Division			Criteria Services Division			Total	
	2019 Budget	Year to Date Actual	Percent of Budget	2019 Budget	Year to Date Actual	Percent of Budget	2019 Budget	Year to Date Actual
	Travel							
62000-Travel	\$ 813,900	\$ 429,006	52.71	\$ 56,800	\$ 15,136	26.65	\$ 870,700	\$ 444,142
62200-Travel Directors	32,000	30,280	94.63	-	93	-	32,000	30,373
Total Travel	845,900	459,286	54.30	56,800	15,229	26.81	902,700	474,515
Communications								
63000-Conference Calls	36,000	18,572	51.59	-	-	-	36,000	18,572
Total Communications	36,000	18,572	51.59	-	-	-	36,000	18,572
Contracts & Consultants								
65100-Contracts	745,000	268,860	36.09	55,360	-	-	800,360	268,860
65110-Contract Audit Labor	1,001,450	768,018	76.69	-	-	-	1,001,450	768,018
65120-Contract Audit Travel	275,700	124,457	45.14	-	-	-	275,700	124,457
Total Contracts & Consultants	2,022,150	1,161,335	57.43	55,360	-	-	2,077,510	1,161,335
Office Rent								
70000-Office Rent	650,000	457,569	70.40	-	-	-	650,000	457,569
70010-Utilities	45,000	13,819	30.71	-	-	-	45,000	13,819
70020-Maintenance	37,000	54,471	147.22	-	-	-	37,000	54,471
70030-Security	2,700	1,822	67.48	-	-	-	2,700	1,822
70040-Real Estate Taxes	86,000	55,177	64.16	-	-	-	86,000	55,177
Total Office Rent	820,700	582,858	71.02	-	-	-	820,700	582,858
Office Costs								
71000-Telephone	88,720	58,575	66.02	-	-	-	88,720	58,575
71100-Internet Expense	82,740	47,803	57.77	-	80	-	82,740	47,883
71200-Office Supplies	33,000	13,034	39.50	-	74	-	33,000	13,108
71300-Computer Supplies & Maintenance	397,387	361,443	90.95	-	588	-	397,387	362,031
71400-Subscriptions & Publications	13,500	13,935	103.22	-	76	-	13,500	14,011
71500-Dues	3,400	7,352	216.24	-	47	-	3,400	7,399
71600-Postage	1,200	228	19.00	-	-	-	1,200	228
71700-Express Shipping	10,000	2,528	25.28	-	-	-	10,000	2,528
71800-Copying	26,400	14,127	53.51	-	-	-	26,400	14,127
71900-Reports	8,000	-	-	-	-	-	8,000	-
72000-Stationery & Office Forms	2,000	963	48.15	-	-	-	2,000	963
72200-Bank Charges	10,000	3,389	33.89	-	4	-	10,000	3,393
Total Office Costs	676,347	523,377	77.38	-	869	-	676,347	524,246

See accountants' compilation report.

Northeast Power Coordinating Council, Inc.
Statement of Activities
For the Nine Months Ended September 30, 2019

	<u>Regional Entity Division</u>			<u>Criteria Services Division</u>			<u>Total</u>	
	2019 Budget	Year to Date Actual	Percent of Budget	2019 Budget	Year to Date Actual	Percent of Budget	2019 Budget	Year to Date Actual
Professional Services								
75000-BOT Fee	\$ 346,000	\$ 232,363	67.16	\$ -	\$ -	-	\$ 346,000	\$ 232,363
75300-Accounting and Auditing Fees	300,000	250,293	83.43	-	-	-	300,000	250,293
75400-Legal Fees-Other	262,000	171,777	65.56	-	-	-	262,000	171,777
75500-Insurance-Commercial	70,000	30,412	43.45	-	-	-	70,000	30,412
Total Professional Services	<u>978,000</u>	<u>684,845</u>	70.03	<u>-</u>	<u>-</u>	-	<u>978,000</u>	<u>684,845</u>
Other Non-Operating Expenses								
80300-Cash Reserve Requirement	(817,979)	-	-	(33,706)	-	-	(851,685)	-
Total Other Non-Operating Expenses	<u>(817,979)</u>	<u>-</u>	<u>-</u>	<u>(33,706)</u>	<u>-</u>	<u>-</u>	<u>(851,685)</u>	<u>-</u>
Depreciation								
95100-Depreciation-Equipment	255,000	36,646	14.37	14,000	1,222	8.73	269,000	37,868
95250-Depreciation-Software	-	76,396	-	-	480	-	-	76,876
95300-Depreciation-Furniture	-	5,193	-	-	536	-	-	5,729
95400-Depreciation-L.I.	-	43,861	-	-	4,874	-	-	48,735
Total Depreciation	<u>255,000</u>	<u>162,096</u>	63.57	<u>14,000</u>	<u>7,112</u>	50.80	<u>269,000</u>	<u>169,208</u>
Miscellaneous								
99000-Miscellaneous Expense	51,000	35,186	68.99	4,000	9	0.23	55,000	35,195
99990-Indirect Expenses	(415,818)	(302,666)	72.79	415,818	302,666	72.79	-	-
Total Miscellaneous	<u>(364,818)</u>	<u>(267,480)</u>	73.32	<u>419,818</u>	<u>302,675</u>	72.10	<u>55,000</u>	<u>35,195</u>
Total Expenditures	<u>15,070,911</u>	<u>10,871,330</u>	72.13	<u>1,058,867</u>	<u>673,901</u>	63.64	<u>16,129,778</u>	<u>11,545,231</u>
Change in Net Assets Without Donor Restrictions	<u>\$ -</u>	549,343		<u>\$ -</u>	124,553		<u>\$ -</u>	673,896
Net Assets - Beginning of Period		<u>5,666,625</u>			<u>605,930</u>			<u>6,272,555</u>
Net Assets - End of Period		<u>\$ 6,215,968</u>			<u>\$ 730,483</u>			<u>\$ 6,946,451</u>

See accountants' compilation report.