

# NORTHEAST POWER COORDINATING COUNCIL, INC.



Financial Statements  
(Together with Accountants' Compilation Report)

For The Year Ended December 31, 2015

**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, 10<sup>th</sup> 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 December 31, 2015, and the related statement of activities for the year 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 year ended December 31, 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  
April 29, 2016



An independent member of  
**Morison** International

**Northeast Power Coordinating Council, Inc.**  
**Statement of Financial Position**  
(See Accountants' Compilation Report)  
**December 31, 2015**

	<u>Regional Entity Division</u>	<u>Criteria Services Division</u>	<u>Total</u>
<b>Assets</b>			
Cash	\$ 4,907,701	\$ 864,759	\$ 5,772,460
Restricted cash	211,744	5,357	217,101
Investments	1,569,811	241,203	1,811,014
Prepaid expenses	294,641	12,523	307,164
Other assets	115,380	1,706	117,086
Equipment and leasehold improvements, net	<u>808,965</u>	<u>61,624</u>	<u>870,589</u>
Total Assets	<u>\$ 7,908,242</u>	<u>\$ 1,187,172</u>	<u>\$ 9,095,414</u>
<b>Liabilities and Net Assets</b>			
Accrued expenses and other liabilities	\$ 1,879,931	\$ 124,179	\$ 2,004,110
Deferred revenue	-	788,147	788,147
Deferred rent	<u>662,466</u>	<u>24,526</u>	<u>686,992</u>
Total Liabilities	<u>2,542,397</u>	<u>936,852</u>	<u>3,479,249</u>
Net Assets - Unrestricted	<u>5,365,845</u>	<u>250,320</u>	<u>5,616,165</u>
Total Liabilities and Net Assets	<u>\$ 7,908,242</u>	<u>\$ 1,187,172</u>	<u>\$ 9,095,414</u>

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
(See Accountants' Compilation Report)  
**For The Year Ended December 31, 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
<b>Revenue</b>								
41000-Regional Entity Assessments	\$ 14,068,878	\$ 14,068,876	100.00	\$ -	\$ -	-	\$ 14,068,878	\$ 14,068,876
41100-Penalty Sanctions	290,500	10,000	3.44	-	-	-	290,500	10,000
42100-Criteria Services Assessments	-	-	-	1,035,221	1,035,222	100.00	1,035,221	1,035,222
47000-Workshops	64,000	56,230	87.86	-	-	-	64,000	56,230
49000-Interest Income	-	5,922	-	-	344	-	-	6,266
<b>Total Revenue</b>	<b>14,423,378</b>	<b>14,141,028</b>	<b>98.04</b>	<b>1,035,221</b>	<b>1,035,566</b>	<b>100.03</b>	<b>15,458,599</b>	<b>15,176,594</b>
<b>Expenditures</b>								
<b>Salaries</b>								
51000-Direct Salaries	6,175,425	6,080,627	98.46	369,319	372,070	100.74	6,544,744	6,452,697
51200-Employment Agency Fee	10,000	5,000	50.00	-	-	-	10,000	5,000
51300-Temporary Office Services	10,000	14,654	146.54	-	-	-	10,000	14,654
<b>Total Salaries</b>	<b>6,195,425</b>	<b>6,100,281</b>	<b>98.46</b>	<b>369,319</b>	<b>372,070</b>	<b>100.74</b>	<b>6,564,744</b>	<b>6,472,351</b>
<b>Payroll Taxes</b>								
52000-Payroll Taxes-FICA	263,834	262,289	99.41	15,603	16,056	102.90	279,437	278,345
52100-Payroll Taxes-Medicare	93,207	90,655	97.26	4,842	5,547	114.56	98,049	96,202
52200-Payroll Taxes-SUI	6,706	9,152	136.47	766	560	73.11	7,472	9,712
52300-Payroll Taxes-FUI	1,441	1,680	116.59	165	103	62.42	1,606	1,783
52400-Payroll Taxes-MCTMT	22,021	20,085	91.21	1,305	1,226	93.95	23,326	21,311
<b>Total Payroll Taxes</b>	<b>387,209</b>	<b>383,861</b>	<b>99.14</b>	<b>22,681</b>	<b>23,492</b>	<b>103.58</b>	<b>409,890</b>	<b>407,353</b>
<b>Benefits</b>								
54000-Benefits-Education Reimbursement	10,000	2,491	24.91	-	376	-	10,000	2,867
54001-Benefits-Training Classes and Seminars	36,123	20,163	55.82	2,097	-	-	38,220	20,163
54100-Benefits-Medical	720,337	575,545	79.90	48,859	43,443	88.92	769,196	618,988
54200-Benefits-Life	54,567	74,862	137.19	3,321	28,260	850.95	57,888	103,122
54250-Officers-Life	10,000	10,941	109.41	-	-	-	10,000	10,941
54300-Insurance -WC	14,700	(1,166)	(7.93)	-	(71)	-	14,700	(1,237)
54400-Vacation Expense	410,868	434,838	105.83	22,624	26,410	116.73	433,492	461,248
<b>Total Benefits</b>	<b>1,256,595</b>	<b>1,117,674</b>	<b>88.94</b>	<b>76,901</b>	<b>98,418</b>	<b>127.98</b>	<b>1,333,496</b>	<b>1,216,092</b>
<b>Retirement</b>								
55000-Pension Contribution	353,723	1,250,730	353.59	106,277	375,784	353.59	460,000	1,626,514
55100-Employee Savings Plan	644,290	644,391	100.02	39,362	39,510	100.38	683,652	683,901
55200-Pension & Savings Admin	32,000	17,046	53.27	-	(320)	-	32,000	16,726
55300-Deferred Compensation Expense	60,000	73,100	121.83	-	-	-	60,000	73,100
<b>Total Retirement</b>	<b>1,090,013</b>	<b>1,985,267</b>	<b>182.13</b>	<b>145,639</b>	<b>414,974</b>	<b>284.93</b>	<b>1,235,652</b>	<b>2,400,241</b>
<b>Meetings Expenses</b>								
61000-Meeting Expense	235,000	129,631	55.16	10,000	119	1.19	245,000	129,750
61100-Workshop Expense	130,000	142,640	109.72	-	-	-	130,000	142,640
<b>Total Meetings Expenses</b>	<b>365,000</b>	<b>272,271</b>	<b>74.59</b>	<b>10,000</b>	<b>119</b>	<b>1.19</b>	<b>375,000</b>	<b>272,390</b>

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
(See Accountants' Compilation Report)  
**For The Year Ended December 31, 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	\$ 669,993	78.82	\$ 63,000	\$ 45,982	72.99	\$ 913,000	\$ 715,975
62200-Travel Directors	40,000	6,093	15.23	-	-	-	40,000	6,093
Total Travel Expenses	890,000	676,086	75.96	63,000	45,982	72.99	953,000	722,068
Communications								
63000-Conference Calls	45,000	29,405	65.34	-	-	-	45,000	29,405
Total Communications	45,000	29,405	65.34	-	-	-	45,000	29,405
Contracts & Consultants								
65000-Consultants	50,000	-	-	-	-	-	50,000	-
65100-Contracts	716,000	437,256	61.07	30,000	6,166	20.55	746,000	443,422
65110-Contract Audit Labor	1,300,000	934,694	71.90	-	-	-	1,300,000	934,694
65120-Contract Audit Travel	96,000	66,975	69.77	-	-	-	96,000	66,975
65130-Contract Audit Expenses	180,000	122,223	67.90	-	-	-	180,000	122,223
Total Contracts & Consultants	2,342,000	1,561,148	66.66	30,000	6,166	20.55	2,372,000	1,567,314
Office Rent								
70000-Office Rent	645,000	629,066	97.53	-	-	-	645,000	629,066
70010-Utilities	40,000	45,423	113.56	-	-	-	40,000	45,423
70020-Maintenance	22,000	33,768	153.49	-	-	-	22,000	33,768
70030-Security	2,500	2,351	94.04	-	-	-	2,500	2,351
70040-Real Estate Taxes	42,000	62,276	148.28	-	-	-	42,000	62,276
Total Office Rent	751,500	772,884	102.85	-	-	-	751,500	772,884
Office Costs								
71000-Telephone	110,000	92,277	83.89	-	275	-	110,000	92,552
71100-Internet Expense	80,000	105,259	131.57	-	17	-	80,000	105,276
71200-Office Supplies	36,000	28,400	78.89	-	25	-	36,000	28,425
71300-Computer Supplies & Maintenance	260,000	348,236	133.94	-	-	-	260,000	348,236
71400-Subscriptions & Publications	13,500	10,244	75.88	-	480	-	13,500	10,724
71500-Dues	4,000	4,252	106.30	-	14	-	4,000	4,266
71600-Postage	1,200	513	42.75	-	-	-	1,200	513
71700-Express Shipping	10,000	4,274	42.74	-	21	-	10,000	4,295
71800-Copying	25,000	20,413	81.65	-	-	-	25,000	20,413
71900-Reports	5,000	4,274	85.48	-	-	-	5,000	4,274
72000-Stationary & Office Forms	3,000	1,214	40.47	-	-	-	3,000	1,214
72100-Equipment Repair/Srv. Contracts	8,000	2,118	26.48	-	-	-	8,000	2,118
72200-Bank Charges	23,000	2,883	12.53	-	85	-	23,000	2,968
Total Office Costs	578,700	624,357	107.89	-	917	-	578,700	625,274

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
(See Accountants' Compilation Report)  
**For The Year Ended December 31, 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
	Professional Services							
75000-BOT Fee	\$ 325,000	\$ 314,469	96.76	\$ -	\$ -	-	\$ 325,000	\$ 314,469
75300-Accounting and Auditing Fees	310,000	273,989	88.38	-	-	-	310,000	273,989
75400-Legal Fees - Other	350,000	230,719	65.92	-	-	-	350,000	230,719
75500-Insurance - Commercial	40,000	50,119	125.30	-	-	-	40,000	50,119
Total Professional Services	1,025,000	869,296	84.81	-	-	-	1,025,000	869,296
Other Non-Operating Expenses								
80300-Cash Reserve Requirement	(335,182)	-	-	(104,232)	-	-	(439,414)	-
Total Other Non-Operating Expenses	(335,182)	-	-	(104,232)	-	-	(439,414)	-
Depreciation Expense								
95100-Depreciation Expense-Equipment	202,020	29,171	14.44	10,011	942	9.41	212,031	30,113
95250-Depreciation - Software	-	184,316	-	-	718	-	-	185,034
95300-Depreciation Expense-Furniture	-	18,301	-	-	2,007	-	-	20,308
95400- Depreciation Expense - L.I.	-	58,481	-	-	6,498	-	-	64,979
Total Depreciation Expense	202,020	290,269	143.68	10,011	10,165	101.54	212,031	300,434
Miscellaneous Expenses								
99000-Miscellaneous Expense	40,000	45,481	113.70	2,000	768	-	42,000	46,249
99990-Indirect Expenses	(409,902)	(415,609)	101.39	409,902	415,609	-	-	-
Total Miscellaneous Expenses	(369,902)	(370,128)	100.06	411,902	416,377	-	42,000	46,249
Total Expenditures	14,423,378	14,312,671	99.23	1,035,221	1,388,680	134.14	15,458,599	15,701,351
Change in Net Assets	\$ -	(171,643)	-	\$ -	(353,114)	-	\$ -	(524,757)
Net Assets - Beginning of Period		5,537,488			603,434			6,140,922
Net Assets - End of Period		\$ 5,365,845			\$ 250,320			\$ 5,616,165