

# **NORTHEAST POWER COORDINATING COUNCIL, INC.**



## **Financial Statements (Together with Accountants' Compilation Report)**

**For the Year Ended December 31, 2019**

**M A R K S P A N E T H**

ACCOUNTANTS & ADVISORS

**NORTHEAST POWER COORDINATING COUNCIL, INC.**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

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## 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. (the "Company"), which comprise the statement of financial position as of December 31, 2019, 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. 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.

*Marks Paneth LLP*

New York, New York  
May 6, 2020

**Northeast Power Coordinating Council, Inc.**  
**Statement of Financial Position**  
**December 31, 2019**

	<b>Regional Entity Division</b>	<b>Criteria Services Division</b>	<b>Total</b>
<b><u>Assets</u></b>			
Cash	\$ 3,841,622	\$ 782,181	\$ 4,623,803
Investments	3,924,805	799,117	4,723,922
Prepaid expenses	435,089	21,944	457,033
Restricted cash	413,872	10,351	424,223
Other assets	329,759	3,075	332,834
Equipment and leasehold improvements, net	496,975	35,868	532,843
<b>Total Assets</b>	<b>\$ 9,442,122</b>	<b>\$ 1,652,536</b>	<b>\$ 11,094,658</b>
<b><u>Liabilities and Net Assets</u></b>			
Accrued expenses and other liabilities	\$ 2,757,457	\$ 117,674	\$ 2,875,131
Deferred revenue	-	724,702	724,702
Deferred rent	410,041	30,390	440,431
<b>Total Liabilities</b>	<b>3,167,498</b>	<b>872,766</b>	<b>4,040,264</b>
 Net Assets - Without Donor Restrictions:			
Available for operations	5,334,624	719,770	6,054,394
Board designated for future use	940,000	60,000	1,000,000
<b>Total Net Assets Without Donor Restrictions</b>	<b>6,274,624</b>	<b>779,770</b>	<b>7,054,394</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 9,442,122</b>	<b>\$ 1,652,536</b>	<b>\$ 11,094,658</b>

See accountants' compilation report.

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 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
<b>Revenue</b>								
41000-Assessments	\$ 15,003,411	\$ 15,003,411	100.00	\$ -	\$ -	-	\$ 15,003,411	\$ 15,003,411
41100-Penalty Sanctions	-	154,000	-	-	-	-	-	154,000
42100-Non-Statutory Funding	-	-	-	1,058,867	1,058,867	100.00	1,058,867	1,058,867
47000-Workshops	67,500	74,790	110.80	-	-	-	67,500	74,790
49000-Interest Income	-	7,537	-	-	540	-	-	8,077
49990-Dividend Income	-	71,905	-	-	5,155	-	-	77,060
<b>Total Revenue</b>	<b>15,070,911</b>	<b>15,311,643</b>	<b>101.60</b>	<b>1,058,867</b>	<b>1,064,562</b>	<b>100.54</b>	<b>16,129,778</b>	<b>16,376,205</b>
<b>Expenditures</b>								
<b>Salaries</b>								
51000-Direct Salaries	7,298,280	6,742,782	92.39	371,938	322,129	86.61	7,670,218	7,064,911
51200-Employment Agency Fee	10,000	11,766	117.66	-	-	-	10,000	11,766
51300-Temporary Office Services	24,000	1,860	7.75	-	-	-	24,000	1,860
<b>Total Salaries</b>	<b>7,332,280</b>	<b>6,756,408</b>	<b>92.15</b>	<b>371,938</b>	<b>322,129</b>	<b>86.61</b>	<b>7,704,218</b>	<b>7,078,537</b>
<b>Payroll Taxes</b>								
52000-Payroll Taxes-FICA	299,511	364,893	121.83	17,022	17,183	100.95	316,533	382,076
52100-Payroll Taxes-Medicare	108,575	119,899	110.43	3,449	5,848	169.56	112,024	125,747
52200-Payroll Taxes-SUI	14,466	3,330	23.02	1,758	180	10.24	16,224	3,510
52300-Payroll Taxes-FUI	1,520	2,017	132.70	185	111	60.00	1,705	2,128
52400-Payroll Taxes-MCTMT	25,921	28,039	108.17	1,281	1,426	111.32	27,202	29,465
53000-UBIT on Transit Benefit	-	(16,000)	-	-	-	-	-	(16,000)
<b>Total Payroll Taxes</b>	<b>449,993</b>	<b>502,178</b>	<b>111.60</b>	<b>23,695</b>	<b>24,748</b>	<b>104.44</b>	<b>473,688</b>	<b>526,926</b>
<b>Benefits</b>								
54000-Benefits-Education Reimbursement	32,000	6,766	21.14	-	511	-	32,000	7,277
54001-Benefits-Training Classes and Seminars	58,290	19,720	33.83	3,210	14	0.44	61,500	19,734
54100-Benefits-Medical	901,783	973,876	107.99	49,518	23,599	47.66	951,301	997,475
54200-Benefits-Life	75,804	87,128	114.94	22,660	4,881	21.54	98,464	92,009
54250-Officers-Life	19,000	7,580	39.89	-	-	-	19,000	7,580
54300-Insurance-WC	20,000	17,193	85.97	-	(286)	-	20,000	16,907
54400-Vacation Expense	506,201	458,089	90.50	27,392	24,833	90.66	533,593	482,922
<b>Total Benefits</b>	<b>1,613,078</b>	<b>1,570,352</b>	<b>97.35</b>	<b>102,780</b>	<b>53,552</b>	<b>52.10</b>	<b>1,715,858</b>	<b>1,623,904</b>
<b>Retirement</b>								
55100-Employee Savings Plan	741,510	642,345	86.63	43,182	28,492	65.98	784,692	670,837
55200-Pension & Savings Administration	36,000	27,318	75.88	-	-	-	36,000	27,318
55300-Deferred Compensation Expense	76,000	73,000	96.05	-	-	-	76,000	73,000
<b>Total Retirement</b>	<b>853,510</b>	<b>742,663</b>	<b>87.01</b>	<b>43,182</b>	<b>28,492</b>	<b>65.98</b>	<b>896,692</b>	<b>771,155</b>
<b>Meetings</b>								
61000-Meeting Expense	220,750	141,615	64.15	5,000	1,749	34.98	225,750	143,364
61100-Workshop Expense	150,000	214,497	143.00	-	-	-	150,000	214,497
<b>Total Meetings</b>	<b>370,750</b>	<b>356,112</b>	<b>96.05</b>	<b>5,000</b>	<b>1,749</b>	<b>34.98</b>	<b>375,750</b>	<b>357,861</b>

See accountants' compilation report.

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 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	\$ 634,290	77.93	\$ 56,800	\$ 23,581	41.52	\$ 870,700	\$ 657,871
62200-Travel Directors	32,000	43,878	137.12	-	-	-	32,000	43,878
Total Travel	<u>845,900</u>	<u>678,168</u>	80.17	<u>56,800</u>	<u>23,581</u>	41.52	<u>902,700</u>	<u>701,749</u>
Communications								
63000-Conference Calls	36,000	24,904	69.18	-	-	-	36,000	24,904
Total Communications	<u>36,000</u>	<u>24,904</u>	69.18	<u>-</u>	<u>-</u>	-	<u>36,000</u>	<u>24,904</u>
Contracts & Consultants								
65100-Contracts	745,000	505,499	67.85	55,360	588	1.06	800,360	506,087
65110-Contract Audit Labor	1,001,450	1,053,812	105.23	-	-	-	1,001,450	1,053,812
65120-Contract Audit Travel	275,700	223,456	81.05	-	-	-	275,700	223,456
Total Contracts & Consultants	<u>2,022,150</u>	<u>1,782,767</u>	88.16	<u>55,360</u>	<u>588</u>	1.06	<u>2,077,510</u>	<u>1,783,355</u>
Office Rent								
70000-Office Rent	650,000	631,269	97.12	-	-	-	650,000	631,269
70010-Utilities	45,000	24,826	55.17	-	-	-	45,000	24,826
70020-Maintenance	37,000	60,803	164.33	-	-	-	37,000	60,803
70030-Security	2,700	2,429	89.96	-	-	-	2,700	2,429
70040-Real Estate Taxes	86,000	112,406	130.70	-	-	-	86,000	112,406
Total Office Rent	<u>820,700</u>	<u>831,733</u>	101.34	<u>-</u>	<u>-</u>	-	<u>820,700</u>	<u>831,733</u>
Office Costs								
71000-Telephone	88,720	81,265	91.60	-	-	-	88,720	81,265
71100-Internet Expense	82,740	68,682	83.01	-	95	-	82,740	68,777
71200-Office Supplies	33,000	18,695	56.65	-	183	-	33,000	18,878
71300-Computer Supplies & Maintenance	397,387	418,676	105.36	-	2	-	397,387	418,678
71400-Subscriptions & Publications	13,500	19,863	147.13	-	76	-	13,500	19,939
71500-Dues	3,400	10,081	296.50	-	47	-	3,400	10,128
71600-Postage	1,200	753	62.75	-	-	-	1,200	753
71700-Express Shipping	10,000	4,617	46.17	-	-	-	10,000	4,617
71800-Copying	26,400	18,296	69.30	-	-	-	26,400	18,296
71900-Reports	8,000	-	-	-	-	-	8,000	-
72000-Stationery & Office Forms	2,000	2,346	117.30	-	-	-	2,000	2,346
72200-Bank Charges	10,000	5,086	50.86	-	4	-	10,000	5,090
Total Office Costs	<u>676,347</u>	<u>648,360</u>	95.86	<u>-</u>	<u>407</u>	-	<u>676,347</u>	<u>648,767</u>

See accountants' compilation report.

**Northeast Power Coordinating Council, Inc.**  
**Statement of Activities**  
**For the Year Ended December 31, 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
Professional Services								
75000-BOT Fee	\$ 346,000	\$ 320,475	92.62	\$ -	\$ -	-	\$ 346,000	\$ 320,475
75300-Accounting and Auditing Fees	300,000	346,012	115.34	-	-	-	300,000	346,012
75400-Legal Fees-Other	262,000	266,666	101.78	-	-	-	262,000	266,666
75500-Insurance-Commercial	70,000	44,051	62.93	-	-	-	70,000	44,051
Total Professional Services	<u>978,000</u>	<u>977,204</u>	99.92	<u>-</u>	<u>-</u>	-	<u>978,000</u>	<u>977,204</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>(33,706)</u>	<u>-</u>	-	<u>(851,685)</u>	<u>-</u>
Depreciation								
95100-Depreciation-Equipment	255,000	48,861	19.16	14,000	1,630	11.64	269,000	50,491
95250-Depreciation-Software	-	103,906	-	-	792	-	-	104,698
95300-Depreciation-Furniture	-	6,923	-	-	715	-	-	7,638
95400-Depreciation-L.I.	-	58,481	-	-	6,498	-	-	64,979
Total Depreciation	<u>255,000</u>	<u>218,171</u>	85.56	<u>14,000</u>	<u>9,635</u>	68.82	<u>269,000</u>	<u>227,806</u>
Miscellaneous								
99000-Miscellaneous Expense	51,000	40,243	78.91	4,000	222	5.55	55,000	40,465
99990-Indirect Expenses	(415,818)	(425,619)	102.36	415,818	425,619	102.36	-	-
Total Miscellaneous	<u>(364,818)</u>	<u>(385,376)</u>	105.64	<u>419,818</u>	<u>425,841</u>	101.43	<u>55,000</u>	<u>40,465</u>
Total Expenditures	<u>15,070,911</u>	<u>14,703,644</u>	97.56	<u>1,058,867</u>	<u>890,722</u>	84.12	<u>16,129,778</u>	<u>15,594,366</u>
Change in Net Assets Without Donor Restrictions	<u>\$ -</u>	<u>607,999</u>		<u>\$ -</u>	<u>173,840</u>		<u>\$ -</u>	<u>781,839</u>
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>\$ 6,274,624</u>			<u>\$ 779,770</u>			<u>\$ 7,054,394</u>

See accountants' compilation report.