



NORTHEAST POWER COORDINATING COUNCIL, INC.
1040 AVE OF THE AMERICAS. NEW YORK. NY 10018 (212) 840-1070 FAX (212) 302-2782

January 26, 2016

Full and General Member Representatives
and
NPCC Board of Directors

Ladies and Gentlemen:

Attached for your information are copies of the Northeast Power Coordinating Council, Inc.'s Regional Entity and Criteria Services divisions' unaudited statements of activities for the year ended December 31, 2015. NPCC's actual total expenses for 2015 were \$14,515,443 which is \$1,382,568 or 9% under the 2015 budget of \$15,898,011, excluding other non-operating expenses related to the termination of the defined benefit plan (\$197k or 1% under budget including that expense). NPCC's Regional Entity division actual total expenses for 2015 were \$13,396,978 (excluding other non-operating expense) which is \$1,361,580 or approximately 9% under the 2015 Regional Entity division budget of \$14,758,558. NPCC's Criteria Services division actual total expenses for 2015 were \$1,118,465 (excluding other non-operating expense) which is \$20,988 or approximately 2% under the 2015 Criteria Services division budget of \$1,139,453.

Under budget total expenditures can be largely attributed to the application of staff resources in lieu of specific Contracts and Professional Services. Employees continuing to waive medical insurance coverage in favor of superior coverage from a former employer, as well as cost controls related to Travel and Meeting expenses also contributed to the total underage.

Very truly yours,

Jennifer Budd Mattiello

Jennifer Budd Mattiello
Vice President & COO

JBM: jh
Enclosure

Northeast Power Coordinating Council, Inc
Statement of Activities
From 1/1/2015 Through 12/31/2015

(In Whole Numbers)

<u>Account Code</u>	<u>Account Title</u>	<u>Regional Entity Budget Amount</u>	<u>Regional Entity Actual Amount</u>	<u>Criteria Services Budget Amount</u>	<u>Criteria Services Actual Amount</u>	<u>Total NPCC Actual Amount</u>
Funding						
NERC (ERO) Funding						
41000	Assessments	\$ 14,068,878	\$ 14,068,876	\$ -	\$ -	\$ 14,068,876
41100	Penalty Sanctions	<u>290,500</u>	<u>290,500</u>	<u>0</u>	<u>0</u>	<u>290,500</u>
	Total NERC (ERO) Funding	14,359,378	14,359,376	0	0	14,359,376
ISO/BAA Funding						
42100	Non-Statutory Funding	<u>0</u>	<u>0</u>	1,035,221	1,035,221	1,035,221
	Total ISO/BAA Funding	0	0	1,035,221	1,035,221	1,035,221
Workshops						
47000	Workshops	<u>64,000</u>	<u>56,230</u>	<u>0</u>	<u>0</u>	<u>56,230</u>
	Total Workshops	64,000	56,230	0	0	56,230
Interest Income						
49000	Interest Income	<u>0</u>	<u>5,922</u>	<u>0</u>	<u>344</u>	<u>6,266</u>
	Total Interest Income	0	5,922	0	344	6,266
Miscellaneous						
49900	Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Total Miscellaneous	0	0	0	0	0
	Total Funding	\$ 14,423,378	\$ 14,421,528	\$ 1,035,221	\$ 1,035,565	\$ 15,457,093
Expenditures						
Salaries						
51000	Direct Salaries	\$ 6,175,425	\$ 6,076,575	\$ 369,319	\$ 371,821	\$ 6,448,396
51200	Employment Agency Fee	10,000	5,000	0	0	5,000
51300	Temporary Office Services	<u>10,000</u>	<u>14,654</u>	<u>0</u>	<u>0</u>	<u>14,654</u>
	Total Salaries	6,195,425	6,096,229	369,319	371,821	6,468,050
Payroll Taxes						
52000	Payroll Taxes-FICA	263,834	262,289	15,603	16,056	278,345
52100	Payroll Taxes-Medicare	93,207	90,655	4,842	5,547	96,202
52200	Payroll Taxes-SUI	6,706	9,152	766	560	9,712
52300	Payroll Taxes-FUI	1,441	1,680	165	103	1,783
52400	Payroll Taxes-MCTMT	<u>22,021</u>	<u>20,085</u>	<u>1,305</u>	<u>1,226</u>	<u>21,311</u>
	Total Payroll Taxes	387,209	383,861	22,681	23,492	407,353
Benefits						
54000	Benefits-Education Reimbursement	10,000	2,491	0	376	2,867
54001	Benefits-Training Classes and Seminars	36,123	26,226	2,097	0	26,226
54100	Benefits-Medical	720,337	575,545	48,859	43,443	618,988
54200	Benefits-Life	54,566	79,163	3,321	27,517	106,680
54250	Officers - Life	10,000	14,337	0	0	14,337
54300	Insurance -WC	14,700	(1,166)	0	(71)	(1,237)
54400	Vacation Expense	<u>410,868</u>	<u>423,010</u>	<u>22,624</u>	<u>25,703</u>	<u>448,713</u>
	Total Benefits	1,256,594	1,119,606	76,901	96,968	1,216,574
Retirement						
55000	Pension Contribution	353,723	353,723	106,277	106,277	460,000
55100	Employee Savings Plan	644,290	644,391	39,362	39,510	683,901
55200	Pension & Savings Admin	32,000	13,989	0	(320)	13,669
55300	Deferred Compensation Exp	<u>60,000</u>	<u>73,100</u>	<u>0</u>	<u>0</u>	<u>73,100</u>
	Total Retirement	1,090,013	1,085,203	145,639	145,467	1,230,670
Meetings Expenses						
61000	Meeting Expense	235,000	129,631	10,000	119	129,750
61100	Workshop Exp	<u>130,000</u>	<u>142,640</u>	<u>0</u>	<u>0</u>	<u>142,640</u>
	Total Meetings Expenses	365,000	272,271	10,000	119	272,390
Travel Expenses						
62000	Travel	850,000	666,578	63,000	45,888	712,466
62200	Travel Directors	<u>40,000</u>	<u>6,093</u>	<u>0</u>	<u>0</u>	<u>6,093</u>
	Total Travel Expenses	890,000	672,671	63,000	45,888	718,559
Communications						
63000	Conference Calls	45,000	29,405	0	0	29,405
63100	Online Meetings	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Total Communications	45,000	29,405	0	0	29,405
Contracts & Consultants						
65000	Consultants	50,000	0	0	0	0
65100	Contracts	716,000	466,159	30,000	7,251	473,410
65110	Contract Audit Labor	1,300,000	933,434	0	0	933,434
65120	Contract Audit Travel	96,000	66,975	0	0	66,975
65130	Contract Audit Expenses	<u>180,000</u>	<u>122,223</u>	<u>0</u>	<u>0</u>	<u>122,223</u>
	Total Contracts & Consultants	2,342,000	1,588,791	30,000	7,251	1,596,042

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Statement of Activities
From 1/1/2015 Through 12/31/2015

(In Whole Numbers)

<u>Account Code</u>	<u>Account Title</u>	<u>Regional Entity Budget Amount</u>	<u>Regional Entity Actual Amount</u>	<u>Criteria Services Budget Amount</u>	<u>Criteria Services Actual Amount</u>	<u>Total NPCC Actual Amount</u>
Office Rent						
70000	Office Rent	645,000	629,066	0	0	629,066
70010	Utilities	40,000	39,976	0	0	39,976
70020	Maintenance	22,000	38,895	0	0	38,895
70030	Security	2,500	2,351	0	0	2,351
70040	Real Estate Taxes	<u>42,000</u>	<u>62,276</u>	<u>0</u>	<u>0</u>	<u>62,276</u>
	Total Office Rent	751,500	772,564	0	0	772,564
Office Costs						
	Telephone	110,000	149,880	0	275	150,155
71100	Internet Expense	80,000	40,603	0	17	40,620
71200	Office Supplies	36,000	28,400	0	25	28,425
71300	Computer Supplies & Maintenance	260,000	349,459	0	0	349,459
71400	Subscriptions & Publications	13,500	10,244	0	480	10,724
71500	Dues	4,000	4,252	0	14	4,266
71600	Postage	1,200	513	0	0	513
71700	Express Shipping	10,000	4,274	0	21	4,295
71800	Copying	25,000	20,413	0	0	20,413
71900	Reports	5,000	4,274	0	0	4,274
72000	Stationary & Office Forms	3,000	1,214	0	0	1,214
72100	Equipment Repair/Srv. Contracts	8,000	2,118	0	0	2,118
72200	Bank Charges	<u>23,000</u>	<u>2,883</u>	<u>0</u>	<u>85</u>	<u>2,968</u>
	Total Office Costs	578,700	618,527	0	917	619,444
Professional Services						
75000	BOT Fee	325,000	313,969	0	0	313,969
75300	Accounting and Auditing Fees	310,000	238,489	0	0	238,489
75400	Legal Fees - Other	350,000	213,535	0	0	213,535
75500	Insurance - Commercial	<u>40,000</u>	<u>71,796</u>	<u>0</u>	<u>0</u>	<u>71,796</u>
	Total Professional Services	1,025,000	837,789	0	0	837,789
Depreciation Expense						
95100	Depreciation Expense-Equipment	202,019	29,171	10,011	942	30,113
95200	Depreciation Expense-Computers	0	0	0	0	0
95250	Depreciation - Software	0	184,236	0	718	184,954
95300	Depreciation Expenses-Furniture	0	18,301	0	2,007	20,308
95400	Depreciation Expense - L.I.	<u>0</u>	<u>58,481</u>	<u>0</u>	<u>6,498</u>	<u>64,979</u>
	Total Depreciation Expense	202,019	290,189	10,011	10,165	300,354
Miscellaneous Expenses						
99000	Miscellaneous Expense	40,000	45,481	2,000	768	46,249
99990	Indirect expenses	<u>(409,902)</u>	<u>(415,609)</u>	<u>409,902</u>	<u>415,609</u>	<u>0</u>
	Total Miscellaneous Expenses	<u>(369,902)</u>	<u>(370,128)</u>	<u>411,902</u>	<u>416,377</u>	<u>46,249</u>
Total Expenditures		<u>14,758,558</u>	<u>13,396,978</u>	<u>1,139,453</u>	<u>1,118,465</u>	<u>14,515,443</u>
Other Non-Operating Expense		0	911,445	0	273,846	1,185,291
Change in Assets		<u>(335,180)</u>	<u>113,105</u>	<u>(104,232)</u>	<u>(356,746)</u>	<u>941,650</u>