

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: October 20, 2010

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the period ended June 30, 2010

ATTACHMENTS: Fiscal Monitoring Report (FMR) – June 30, 2010

SUMMARY OF REQUEST:

G.S. 122C-117(c) requires the staff of the local area mental health authority to provide the County Finance Officer with the quarterly Fiscal Monitoring Report (FMR) within 30 days of the end of the quarter. The County Finance Officer is then required to provide the FMR to the Board of Commissioners at the next regularly scheduled meeting of the board. The attached FMR for Western Highlands Area Authority was received by the County Finance Officer on September 29, 2010.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the period ended June 30, 2010.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring Report for the period ended June 30, 2010.



Western Highlands Network

A LOCAL MANAGEMENT ENTITY

Serving Buncombe, Henderson, Madison, Mitchell, Polk,
Rutherford, Transylvania, and Yancey Counties

Acc'd
9/29/10

September 23, 2010

Carey McLelland
Finance Director
Henderson County
113 N Main Street
Hendersonville, NC 28792

Dear Mr. McLelland:

Enclosed please find the Western Highlands Area Authority's Fiscal Monitoring Report for the 2010 fiscal year 4th quarter, ending June 30, 2010. State Law requires the LME to provide the quarterly FMR to the County Finance Officer. This report is to be provided to the Board of County Commissioners at the next regularly scheduled meeting of the Board. I have cited Legislative Bill H2077 for easy reference:

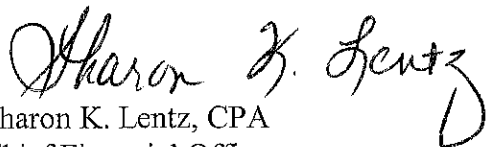
SECTION 3(a) G.S. 122C-117(c) reads as rewritten:

"(c) Within 30 days of the end of each quarter of the fiscal year, the area director and finance officer of the area authority shall provide the quarterly report of the area authority to the county finance officer. The county finance officer shall provide the quarterly report to the board of county commissioners at the next regularly scheduled meeting of the board. The clerk of the board of commissioners shall notify the area director and the county finance officer if the quarterly report required by this subsection has not been submitted within the required period of time. This information shall be presented in a format prescribed by the county. At least twice a year, this information shall be presented in person and shall be read into the minutes of the meeting at which it is presented. In addition, the area director or finance officer of the area authority shall provide to the board of county commissioners ad hoc reports as requested by the board of county commissioners."

Please don't hesitate to call if you have any questions.

Cordially,

Western Highlands Area Authority



Sharon K. Lentz, CPA
Chief Financial Officer

Enclosure

Division of Mental Health, Developmental Disabilities & Substance Abuse Services
Quarterly Fiscal Monitoring Report
Western Highlands Area Authority LME

for the period ending: June 30, 2010
of month in the fiscal year: 12 30-Jun-10
(July = 1, August = 2, ..., June = 12)

1. REPORT OF BUDGET VS. ACTUAL

| ITEM | Basis of Accounting: (check one) | | (1) | (2) | (3) | (4) | (5) | (6) |
|---|-------------------------------------|---------|---------------------|-------------|--------------|----------------------|-----------------------|-----------------------------|
| | Cash | Accrual | PRIOR YEAR | | CURRENT YEAR | | | |
| | | x | 2008-2009 BUDGET | ACTUAL | BUDGET | ACTUAL YR-TO-DATE | BALANCE (Col. 3-4) | ANNUALIZED PERCENTAGE ** |
| REVENUE | | | | | | | | |
| Client Fees | | | - | - | - | - | - | 87.64% |
| Medicaid - "Regular Fee-for-Service" | | | 12,700,000 | 11,634,580 | 13,000,000 | 11,392,777 | 1,607,223 | 112.98% |
| Medicaid - CAP/MRDD | | | 900,000 | 802,543 | 600,000 | 677,906 | (77,906) | #DIV/0! |
| Medicare | | | - | - | - | - | - | #DIV/0! |
| Insurance | | | - | - | - | - | - | 191.47% |
| Other Local | | | 260,000 | 284,625 | 40,000 | 76,589 | (36,589) | #DIV/0! |
| Area Program Transfers | | | - | - | - | - | - | 0.00% |
| Appropriation of Fund Balance * | | | 5,147,265 | - | 3,670,499 | - | 3,670,499 | 70.17% |
| Total Local Funds | | | 19,007,265 | 12,721,749 | 17,310,499 | 12,147,273 | 5,163,226 | |
| County Appropriations (by county): | | | | | | | | |
| Buncombe County | | | 600,000 | 600,000 | 600,000 | 600,000 | - | 100.00% |
| Henderson County | | | 528,612 | 528,612 | 528,612 | 528,612 | - | 100.00% |
| Madison County | | | 30,000 | 30,000 | 30,000 | 30,000 | - | 100.00% |
| Mitchell County | | | 18,000 | 18,000 | 18,000 | 18,000 | - | 100.00% |
| Polk County | | | 74,991 | 74,991 | 74,991 | 74,991 | - | 100.00% |
| Rutherford County | | | 102,168 | 102,168 | 102,168 | 102,168 | - | 100.00% |
| Transylvania County | | | 99,261 | 99,261 | 99,261 | 99,261 | - | 100.00% |
| Yancey County | | | 26,000 | 26,000 | 26,000 | 26,000 | - | 100.00% |
| Total County Funds | | | 1,479,032 | 1,479,032 | 1,479,032 | 1,479,032 | - | 100.00% |
| Service Management Funds | | | 5,960,035 | 5,960,035 | 6,109,695 | 6,109,695 | - | 98.09% |
| Service Delivery Funds | | | 32,718,043 | 32,040,043 | 28,877,896 | 28,327,124 | 550,772 | 89.45% |
| All Other State/Federal Funds | | | 288,132 | 220,269 | 270,000 | 241,514 | 28,486 | 98.36% |
| Total State and Federal Funds | | | 38,966,210 | 38,220,347 | 35,257,591 | 34,678,333 | 579,258 | 89.38% |
| TOTAL REVENUE | | | 59,452,507 | 52,421,127 | 54,047,122 | 48,304,638 | 5,742,484 | |
| EXPENDITURES: | | | | | | | | |
| Service Management | | | 9,084,479 | 7,979,695 | 7,863,804 | 7,305,327 | 558,477 | 92.90% |
| Directly Provided Services | | | - | - | - | - | - | #DIV/0! |
| Provider Payments | | | 48,766,712 | 45,309,292 | 44,605,025 | 38,919,868 | 5,685,157 | 87.25% |
| All Other | | | 1,601,316 | 1,498,355 | 1,578,293 | 1,421,351 | 156,942 | 90.06% |
| TOTAL EXPENDITURES | | | 59,452,507 | 54,787,342 | 54,047,122 | 47,646,545 | 6,400,577 | 88.16% |
| CHANGE IN CASH BALANCE | | | | (2,366,214) | | 658,093 | | |
| Beginning Unrestricted Fund Balance | | | | 6,096,570 | | 6,674,720 | | |
| Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures | | | 11.23% | 6,674,720 | 9.71% | 5,245,821 | | |

* "Appropriation of Fund Balance" represents the Area Program Fund Balance that has been incorporated as part of the Approved Budget. Actual Yr-To-Date should reflect Fund Balance utilized to date and an explanation needs to be provided for the specific uses of fund.
** annualized Revenue percentage less than 90% and Expenditure percentages greater than 110% must be explained on the attachment and submitted with the Fiscal Monitoring Report

| 2. CURRENT CASH POSITION: | (1) | (2) | (3) | (4) | (5) | Receivables net of Allowance for Uncollectible Receivables |
|-------------------------------------|-----------|---------|---------|--------------|-----------|--|
| | 30 DAYS | 60 DAYS | 90 DAYS | OVER 90 DAYS | TOTAL | |
| Accounts Payable (Accrual Method) | 2,983,720 | | | 58,412 | 1,073,507 | \$ 867,109 |
| Account Receivable (Accrual Method) | 833,676 | 158,321 | 23,098 | | | |

Current Cash in Bank 10,702,675

3. SERVICE EXCEPTIONS: (Provided Based on System Capability)

Services authorized but not billed

* We certify (a) this report to contain accurate and complete information, (b) explanations are provided for any expenditure item with an annualized expenditure rate greater than 110% and for any revenue item with an annualized receipt rate of less than 90%, and (c) a copy of this report has been provided to each county manager in the catchment area.

Area Director: *[Signature]* 9/13/10 date Area Finance Officer: *[Signature]* 9-13-10 date Area Board Chair: *[Signature]* 10 SEP 2010 date

CC: County Manager for each county within the catchment area.

Division of Mental Health, Developmental Disabilities & Substance Abuse Services
Quarterly Fiscal Monitoring Report - Explanation of Revenue and Expenditure Variances
Western Highlands Area Authority Local Management Entity
for the period ending: June 30, 2010 Accrual Method

| ITEM | Explanation |
|------|-------------|
|------|-------------|

Revenues:

Medicaid - Regular Fee for Service: Actual cash revenues have not met projections. Providers have 365 days to bill Medicaid. We will monitor this budget and adjust accordingly.

All other State/Federal Funds: This revenue is the Shelter Plus Program directly with the Federal Government. The amount billed can vary given the number of participants in the program. Our budgeted numbers represent the maximum amount of funds available for the program.

Expenditures: