

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: December 3, 2007

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the period ended September 30, 2007

ATTACHMENTS: Fiscal Monitoring Report (FMR) – September 30, 2007

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 November 13, 2007.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the period ended September 30, 2007.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring report for the period ended September 30, 2007 as presented.



Western Highlands Network
A LOCAL MANAGEMENT ENTITY

Reid
11/13/07

November 9, 2007

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

Dear Ms. McLelland:

Enclosed please find the Western Highlands Network's Fiscal Monitoring Report for the 2008 fiscal year 1st quarter, ending September 30, 2007. 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:

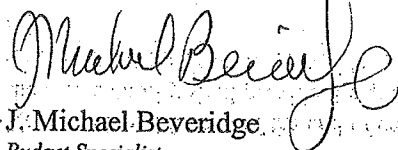
SECTION 3.(a) G.S. 122C-117(c) reads as rewritten:

"(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



J. Michael Beveridge
Budget Specialist
Phone 1-800-671-6560, extension 2180

Enclosure

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

LME

for the period ending: September 30, 2007

of month in the fiscal year: 3

(July = 1, August = 2, ..., June = 12)

1. REPORT OF BUDGET VS. ACTUAL

Basis of Accounting:
 (check one)

ITEM	CASH		ACCUAL		PRIOR YEAR		CURRENT YEAR		ANNUALIZED PERCENTAGE **
	X	(1)	(2)	(3)	(4)	(5)	(6)		
		BUDGET	ACTUAL	BUDGET	ACTUAL YR-TO-DATE	BALANCE (Col. 3-4)			
REVENUE									
Client Fees		-	-	-	-	-	-	-	-
Medicaid - "Regular Fee-for-Service"		6,100,000	9,065,792	5,500,000	2,883,215	2,616,785		209.69%	
Medicaid - CAP/IRDD		400,000	340,487	400,000	134,027	265,973		134.03%	
Medicare		-	-	-	-	-		#DIV/0!	
Insurance		-	-	-	-	-		#DIV/0!	
Other Local		3,480,182	4,455,644	271,367	181,107	90,260		266.95%	
Area Program Transfers		-	-	-	-	-		#DIV/0!	
Appropriation of Fund Balance *		500,000	-	724,112	-	724,112		0.00%	
Total Local Funds		10,480,182	13,861,923	6,895,479	3,198,348	3,697,131		185.53%	
County Appropriations (by county):									
Buncombe County		600,000	600,000	600,000	600,000	-		400.00%	
Henderson County		528,402	528,612	528,402	-	528,402		0.00%	
Madison County		30,000	30,000	30,000	-	30,000		0.00%	
Mitchell County		18,000	18,000	18,000	-	18,000		0.00%	
Polk County		74,991	74,991	74,991	-	74,991		0.00%	
Rutherford County		102,168	102,168	102,168	-	102,168		0.00%	
Transylvania County		170,261	170,261	99,261	-	99,261		0.00%	
Yancey County		26,000	26,000	26,000	6,500	19,500		100.00%	
Total County Funds		1,549,822	1,550,032	1,478,822	606,500	872,322		164.05%	
Service Management Funds		6,215,877	6,215,877	6,215,877	1,593,411	4,622,466		102.54%	
Service Delivery Funds		29,218,514	25,848,930	27,667,148	4,026,774	23,640,374		58.22%	
All Other State/Federal Funds		204,633	195,709	220,800	59,234	161,566		107.31%	
Total State and Federal Funds		35,639,024	32,260,516	34,103,825	5,679,419	28,424,406		66.61%	
TOTAL REVENUE		47,669,028	47,672,471	42,478,126	9,484,267	32,993,859		89.31%	
EXPENDITURES:									
Service Management		10,496,235	6,981,879	7,068,044	1,629,166	5,438,878		92.20%	
Directly Provided Services		-	-	-	-	-		#DIV/0!	
Provider Payments		35,622,971	31,659,375	33,807,148	6,870,324	26,936,824		81.29%	
All Other		1,549,822	1,425,308	1,602,934	498,635	1,104,299		124.43%	
TOTAL EXPENDITURES		47,669,028	40,066,561	42,478,126	8,998,125	33,480,001		84.73%	
CHANGE IN CASH BALANCE			7,605,910		486,142				
Beginning Unrestricted Fund Balance			4,291,232		5,605,452				
Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures		11.76%	5,605,452	13.81%	5,867,481				

* "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)						
Account Receivable (Accrual Method)						

Current Cash in Bank 15,377,767

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.

[Signature] 10/19/07 *[Signature]* 10-19-07 *[Signature]* 10/19/07
 Area Director date Area Finance Officer date Area Board Chair 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: September 30, 2007

ITEM **Explanation**

Revenues:

Appropriation of Fund Balance: Fund Balance Appropriated represents one-time expenditures for reserves for unemployment claims expected from the June 30, 2006 reduction-in-force, denied claims appealed to the State, expansion and continuation of initiatives including WRAP, Telepsychiatry, Medicine Management, Network Capacity Peer Support and Housing. It also includes \$56,000 of Transylvania County FY2006 MOE funds and \$68,112 of Rutherford County FY2007 MOE funds returned by New Vistas to Western Highlands in FY2007 and will be expended in FY2008.

County Appropriations: Western Highlands did not received MOE funds as of September 30, 2007 from Henderson, Madison, Mitchell, Polk, Rutherford and Transylvania Counties.

Service Delivery Funds: Western Highlands will submit Funds Requests for Non-UCR funding upon receipt of the final budget.

Expenditures:

All Other: This line item represents County Maintenance of Effort expenditures. Western Highlands received the full amount of MOE funds from Buncombe County and had expended 83 percent of it by September 30, 2007. This caused the expenditure percentage to be greater than 110%.

Note: Western Highlands is in the process of closing the fiscal year. We do not believe these numbers will change. If there are changes, additional reconciliations or adjustments, we will identify and reflect the changes on the 2nd quarter report.