

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: March 6, 2008

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the period ended December 31, 2007

ATTACHMENTS: Fiscal Monitoring Report (FMR) – December 31, 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 February 19, 2008.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the period ended December 31, 2007.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring report for the period ended December 31, 2007 as presented.



Western Highlands Network
A LOCAL MANAGEMENT ENTITY

Rec'd
2/19/08

February 15, 2008

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 2nd quarter, ending December 31, 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:

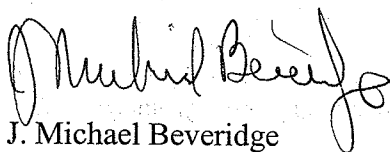
SECTION 3(a) G.S. 122C-117(c) reads as rewritten:

"(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: December 31, 2007
 # of months in the fiscal year: 6
 (July = 1, August = 2, . . . , June = 12)

1. REPORT OF BUDGET VS. ACTUAL

ITEM	2006-2007		CURRENT YEAR			
	PRIOR YEAR		BUDGET	ACTUAL	BALANCE	ANNUALIZED
	BUDGET	ACTUAL	BUDGET	YR-TO-DATE	(Col. 3-4)	PERCENTAGE **
REVENUE						
Client Fees	-	-	-	-	-	-
Medicaid - "Regular Fee-for-Service"	6,100,000	9,065,792	12,000,000	5,004,177	6,995,823	83.40%
Medicaid - CAP/MRDD	400,000	340,487	600,000	250,478	349,522	83.49%
Medicare	-	-	-	-	-	#DIV/0!
Insurance	-	-	-	-	-	#DIV/0!
Other Local	3,480,182	4,455,644	135,500	455,899	(320,399)	672.91%
Area Program Transfers	-	-	-	-	-	#DIV/0!
Appropriation of Fund Balance *	500,000	-	775,970	-	775,970	0.00%
Total Local Funds	10,480,182	13,861,923	13,511,470	5,710,553	7,800,917	84.53%
County Appropriations (by county):						
Buncombe County	600,000	600,000	600,000	600,000	-	200.00%
Henderson County	528,402	528,612	528,402	136,640	391,762	51.72%
Madison County	30,000	30,000	30,000	30,000	-	200.00%
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	-	200.00%
Yancey County	26,000	26,000	26,000	6,500	19,500	50.00%
Total County Funds	1,549,822	1,550,032	1,478,822	872,401	606,421	117.99%
Service Management Funds	6,215,877	6,215,877	6,373,644	3,186,822	3,186,822	100.00%
Service Delivery Funds	29,218,514	25,848,930	28,022,317	10,529,744	17,492,573	75.15%
All Other State/Federal Funds	204,633	195,709	240,000	118,576	121,424	98.81%
Total State and Federal Funds	35,639,024	32,260,516	34,635,961	13,835,142	20,800,819	79.89%
TOTAL REVENUE	47,669,028	47,672,471	49,626,253	20,418,096	29,208,157	82.29%
EXPENDITURES:						
Service Management	10,496,235	6,981,879	7,211,800	3,029,775	4,182,025	84.02%
Directly Provided Services	-	-	-	-	-	#DIV/0!
Provider Payments	35,622,971	31,659,375	40,811,519	16,204,271	24,607,248	79.41%
All Other	1,549,822	1,425,308	1,602,934	739,103	863,831	92.22%
TOTAL EXPENDITURES	47,669,028	40,066,561	49,626,253	19,973,149	29,653,104	80.49%
CHANGE IN CASH BALANCE		7,605,910		444,948		
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	11.74%	5,826,288		

* "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)	662,957					
Account Receivable (Accrual Method)	360,466	408,210	34,596	220,790	\$ 1,024,052	\$ 824,852

Current Cash in Bank 14,500,259

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] 2/15/08 Area Director date
[Signature] Sharon Leutz 2-13-08 Area Finance Officer date
[Signature] 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: December 31, 2007

ITEM **Explanation**

Revenues:

Medicaid - "Regular Fee-for- Service": The budgeted revenues for Medicaid "fee-for-Service" was increased at the December Board meeting to reflect expected future utilization of pass through Medicaid funds. We will monitor this budget and adjust as necessary.

Medicaid - CAP/MRDD: The budgeted revenues for CAP was increased at the December Board meeting to reflect expected future utilization of pass through CAP funds. We will monitor this budget and adjust as necessary.

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. Additionally, it includes Polk County Dissolution Funds received in FY2007 to be utilized for Crisis Intervention.

County Appropriations: Western Highlands had not received MOE funds as of December 31, 2007 from Mitchell, Polk, and Rutherford Counties. Henderson County and Yancey County are submitting MOE funds in installments.

Service Delivery Funds: Western Highlands final continuation allocation included Crisis expansion funds which were budgeted at the December, 2007 Board meeting. Contracts for utilization of these funds are being processed and funds set aside for supporting a new Crisis Facility expected to open March 1, 2008. Western Highlands expects to utilize all these funds during FY2008.

Expenditures: