

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: June 1, 2009

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the period ended March 31, 2009

ATTACHMENTS: Fiscal Monitoring Report (FMR) – March 31, 2009

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 May 8, 2009.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the period ended March 31, 2009.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring Report for the period ended March 31, 2009.



Western Highlands Network
A LOCAL MANAGEMENT ENTITY

Received
5/8/09

May 5, 2009

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

Dear Mr. McLelland:

Enclosed please find the Western Highlands Network's Fiscal Monitoring Report for the 2009 fiscal year 3rd quarter, ending March 31, 2009. State Law requires the LME to provide the quarterly FMR to the County Finance Officer. The County Finance Officer is to provide this report to the Board of County Commissioners at the next regularly scheduled meeting of the Board. I have cited Legislative Bill H2077 for easy reference:

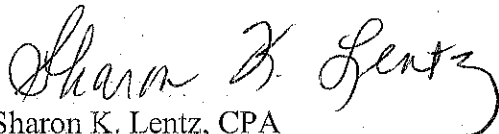
SECTION 3.(a) G.S. 122C-117(c) reads as rewritten:

"(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: March 31, 2009
 # of month in the fiscal year: 9
 (July = 1, August = 2, . . . , June = 12)

1. REPORT OF BUDGET VS. ACTUAL

ITEM	Cash Accrual	x	(1) PRIOR YEAR		(3) (4) CURRENT YEAR		(5) BALANCE (Col. 3-4)	(6) ANNUALIZED PERCENTAGE **
			2007-2008		BUDGET	ACTUAL YR-TO-DATE		
			BUDGET	ACTUAL				
REVENUE								
Client Fees			-	-	-	-	4,787,221	84.23%
Medicaid - "Regular Fee-for-Service"			12,000,000	10,671,023	13,000,000	8,212,779	(93,444)	154.10%
Medicaid - CAP/MRDD			600,000	617,185	600,000	693,444	-	#DIV/0!
Medicare			-	-	-	-	-	#DIV/0!
Insurance			-	-	-	-	-	#DIV/0!
Other Local			681,235	772,828	500,000	253,458	246,542	67.59%
Area Program Transfers			892,618	892,618	-	-	-	#DIV/0!
Appropriation of Fund Balance *			1,038,470	-	3,662,866	-	3,662,866	0.00%
Total Local Funds			15,212,323	12,953,655	17,762,866	9,159,681	8,603,185	68.76%
County Appropriations (by county):								
Buncombe County			600,000	600,000	600,000	600,000	-	133.33%
Henderson County			528,402	528,612	528,612	272,500	256,112	68.73%
Madison County			30,000	30,000	30,000	-	30,000	0.00%
Mitchell County			18,000	18,000	18,000	18,000	-	133.33%
Polk County			74,991	74,991	74,991	74,991	-	133.33%
Rutherford County			102,168	102,168	102,168	102,168	-	133.33%
Transylvania County			99,261	99,261	99,261	99,261	-	133.33%
Yancey County			26,000	26,000	26,000	19,500	6,500	100.00%
Total County Funds			1,478,822	1,479,032	1,479,032	1,186,420	292,612	106.95%
Service Management Funds			6,373,644	6,373,644	6,152,534	4,555,827	1,596,707	98.73%
Service Delivery Funds			31,719,979	27,509,311	32,179,526	23,229,256	8,950,270	96.25%
All Other State/Federal Funds			240,000	236,146	286,132	184,623	123,509	76.18%
Total State and Federal Funds			38,333,623	34,119,101	38,620,192	27,949,706	10,670,486	96.49%
TOTAL REVENUE			55,024,768	48,551,788	57,862,090	38,295,807	19,566,283	88.25%
EXPENDITURES:								
Service Management			6,792,422	6,770,141	9,699,783	5,810,780	3,889,003	79.88%
Directly Provided Services			-	-	-	-	-	#DIV/0!
Provider Payments			44,629,412	38,580,914	46,560,991	33,443,338	13,117,653	95.77%
All Other			1,602,934	1,480,355	1,601,316	1,111,411	489,905	92.54%
TOTAL EXPENDITURES			55,024,768	46,831,410	57,862,090	40,365,529	17,496,561	93.02%
CHANGE IN CASH BALANCE				1,720,379		(2,069,722)		
Beginning Unrestricted Fund Balance				6,105,452		6,096,570		
Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures			11.08%	6,096,570	8.77%	5,071,786		

* "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 12,838,841

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] 5/1/09 Area Director *[Signature]* 5/1/09 Area Finance Officer *[Signature]* 5/1/09 Area Board Chair

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: March 31, 2009

Note: The prior year numbers have been updated to reflect our final audited figures.

ITEM	Explanation
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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.

Other Local: This line item represents interest income which has dropped significantly from the prior year. Western Highlands amended the interest income budget on April 3, 2009.

Maintenance of Effort funds had not been received from Madison County as of March 31, 2009. Henderson County is sending MOE funds to Western Highlands in installments.

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:

All other: These expenditures are county funds received and paid out to provider agencies as they are received.

Current Cash in Bank:

Current cash has dropped from 17 million as of September 30, 2008 to 12.8 million dollars as of March 31, 2009. This change is primarily the result a large accounts receivable due from the Division.