

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: March 1, 2010

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

ATTACHMENTS: Fiscal Monitoring Report (FMR) – December 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 February 23, 2010.

BOARD ACTION REQUESTED:

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

Suggested Motion:

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



Western Highlands Network

A LOCAL MANAGEMENT ENTITY

Rec'd 2/23/10

February 19, 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 2nd quarter, ending December 31, 2009. 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: December 31, 2009
 # of month in the fiscal year====> 6 31-Dec-09
 (July = 1, August = 2, . . . , June = 12)

1. REPORT OF BUDGET VS. ACTUAL

ITEM	Basis of Accounting: (check one) Cash Accrual	(1) PRIOR YEAR		(2) CURRENT YEAR			(6) ANNUALIZED PERCENTAGE **
		BUDGET	ACTUAL	BUDGET	ACTUAL YR-TO-DATE	BALANCE (Col. 3-4)	
REVENUE	x						
Client Fees		-	-	-	-	-	86.49%
Medicaid - "Regular Fee-for-Service"		12,700,000	11,634,580	13,000,000	5,621,956	7,378,044	125.36%
Medicaid - CAP/MRDD		900,000	802,543	600,000	376,092	223,908	#DIV/0!
Medicare		-	-	-	-	-	#DIV/0!
Insurance		-	-	-	-	-	139.03%
Other Local		260,000	284,625	40,000	27,805	12,195	#DIV/0!
Area Program Transfers		-	-	-	-	-	0.00%
Appropriation of Fund Balance *		5,147,265	-	3,670,499	-	3,670,499	0.00%
Total Local Funds		19,007,265	12,721,749	17,310,499	6,025,853	11,284,646	69.62%
County Appropriations (by county):							
Buncombe County		600,000	600,000	600,000	600,000	-	200.00%
Henderson County		528,612	528,612	528,612	68,250	460,362	25.82%
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	-	200.00%
Rutherford County		102,168	102,168	102,168	102,168	-	200.00%
Transylvania County		99,261	99,261	99,261	-	99,261	0.00%
Yancey County		26,000	26,000	26,000	13,000	13,000	100.00%
Total County Funds		1,479,032	1,479,032	1,479,032	886,409	590,623	120.13%
Service Management Funds		5,960,035	5,960,035	6,109,895	3,054,848	3,054,848	100.00%
Service Delivery Funds		32,718,043	32,040,043	27,322,521	13,422,842	13,899,679	98.25%
All Other State/Federal Funds		288,132	220,269	270,000	103,570	166,430	76.72%
Total State and Federal Funds		38,966,210	38,220,347	33,702,216	16,581,259	17,120,957	98.40%
TOTAL REVENUE		59,452,507	52,421,127	52,491,747	23,495,521	28,996,226	89.52%
EXPENDITURES:							
Service Management		9,084,479	7,979,695	7,863,804	3,361,997	4,501,807	85.51%
Directly Provided Services		-	-	-	-	-	#DIV/0!
Provider Payments		48,766,712	45,309,292	43,049,650	19,847,213	23,202,437	92.21%
All Other		1,601,316	1,498,355	1,578,293	940,409	637,884	119.17%
TOTAL EXPENDITURES		59,452,507	54,787,342	52,491,747	24,149,620	28,342,127	92.01%
CHANGE IN CASH BALANCE			(2,366,214)		(654,099)		
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	7.90%	4,144,643		

* "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)	1,649,676					
Account Receivable (Accrual Method)	641,426	232,267	32,354	132,080	\$ 1,038,126	\$ 837,698

Current Cash in Bank 10,072,979

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] 2/12/10 *[Signature]* 2-12-10 *[Signature]* 19 FEB 10
 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: December 31, 2009 Accrual Method

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.

County Appropriations: We had not received Maintenance of Effort funds from Mitchell County or Transylvania County and partial amount from Henderson County as of December 31, 2009.

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 MOE funds received in full and paid out to Provider Agencies in the first six months of the year creating this variance.