

**REQUEST FOR BOARD ACTION**

**HENDERSON COUNTY  
BOARD OF COMMISSIONERS**

**MEETING DATE:** May 20, 2010

**SUBJECT:** Western Highlands Area Authority – Quarterly Fiscal  
Monitoring Report (FMR) for the period ended  
March 31, 2010

**ATTACHMENTS:** Fiscal Monitoring Report (FMR) – March 31, 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 May 4, 2010.

**BOARD ACTION REQUESTED:**

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the period ended March 31, 2010.

**Suggested Motion:**

**I move that the Board of Commissioners approve the  
Western Highlands Area Authority Fiscal Monitoring  
Report for the period ended March 31, 2010.**



Rec'd 5/4/10

# Western Highlands Network

A LOCAL MANAGEMENT ENTITY

April 30, 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 3rd quarter, ending March 31, 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: March 31, 2010  
 # of month in the fiscal year: 9 31-Mar-10  
 (July = 1, August = 2, . . . , June = 12)

**1. REPORT OF BUDGET VS. ACTUAL**

ITEM	2008-2009		CURRENT YEAR			
	BUDGET	ACTUAL	BUDGET	ACTUAL YR-TO-DATE	BALANCE (Col. 3-4)	ANNUALIZED PERCENTAGE **
	(1)	(2)	(3)	(4)	(5)	(6)
<b>REVENUE</b>						
Client Fees	-	-	-	-	-	-
Medicaid - "Regular Fee-for-Service"	12,700,000	11,634,580	13,000,000	8,327,897	4,672,103	85.41%
Medicaid - CAP/MRDD	900,000	802,543	600,000	570,005	29,995	126.67%
Medicare	-	-	-	-	-	#DIV/0!
Insurance	-	-	-	-	-	#DIV/0!
Other Local	260,000	284,625	40,000	54,889	(14,889)	182.96%
Area Program Transfers	-	-	-	-	-	#DIV/0!
Appropriation of Fund Balance *	5,147,285	-	3,670,499	-	3,670,499	0.00%
<b>Total Local Funds</b>	<b>19,007,285</b>	<b>12,721,749</b>	<b>17,310,499</b>	<b>8,952,792</b>	<b>8,357,707</b>	<b>68.96%</b>
<b>County Appropriations (by county):</b>						
Buncombe County	600,000	600,000	600,000	600,000	-	133.33%
Henderson County	528,612	528,612	528,612	264,306	264,306	66.67%
Madison County	30,000	30,000	30,000	30,000	-	133.33%
Mitchell County	18,000	18,000	18,000	-	18,000	0.00%
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	0.00%
Yancey County	26,000	26,000	26,000	19,500	6,500	100.00%
<b>Total County Funds</b>	<b>1,479,032</b>	<b>1,479,032</b>	<b>1,479,032</b>	<b>1,090,965</b>	<b>388,067</b>	<b>98.35%</b>
Service Management Funds	5,960,035	5,960,035	6,109,695	4,582,271	1,527,424	100.00%
Service Delivery Funds	32,718,043	32,040,043	28,877,896	20,290,374	8,587,522	93.68%
All Other State/Federal Funds	288,132	220,269	270,000	178,935	91,065	88.36%
<b>Total State and Federal Funds</b>	<b>38,966,210</b>	<b>38,220,347</b>	<b>35,257,591</b>	<b>25,051,580</b>	<b>10,206,011</b>	<b>94.74%</b>
<b>TOTAL REVENUE</b>	<b>59,452,507</b>	<b>52,421,127</b>	<b>54,047,122</b>	<b>35,095,337</b>	<b>18,951,785</b>	<b>86.58%</b>
<b>EXPENDITURES:</b>						
Service Management	9,084,479	7,979,695	7,863,804	5,244,693	2,619,111	86.93%
Directly Provided Services	-	-	-	-	-	#DIV/0!
Provider Payments	48,766,712	45,309,292	44,605,025	28,381,433	16,223,592	84.84%
All Other	1,601,316	1,498,355	1,578,293	1,180,965	397,328	99.77%
<b>TOTAL EXPENDITURES</b>	<b>59,452,507</b>	<b>54,787,342</b>	<b>54,047,122</b>	<b>34,807,091</b>	<b>19,240,031</b>	<b>85.87%</b>
<b>CHANGE IN CASH BALANCE</b>		<b>(2,366,214)</b>		<b>288,246</b>		
<b>Beginning Unrestricted Fund Balance</b>		<b>8,096,570</b>		<b>6,674,720</b>		
<b>Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures</b>	<b>11.23%</b>	<b>6,674,720</b>	<b>9.41%</b>	<b>5,086,987</b>		

\* "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)	1,381,270					
Account Receivable (Accrual Method)	417,611	120,376	11,762	112,986	\$ 662,735	\$ 535,982

Current Cash in Bank 10,772,027

**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".

*[Signatures]*  
 Area Director: [Signature] date: 4-28-10  
 Area Finance Officer: [Signature] date: 4-28-10  
 Area Board Chair: [Signature] date: 30 APR 10

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: March 31, 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.

**County Appropriations:** We had not received Maintenance of Effort funds from Mitchell County or Transylvania County and partial amount from Henderson County as of March 31, 2010.

**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:**

325 N. Salisbury St.  
Raleigh, NC 27603-1385  
Phone: (919) 807 2381  
Fax: (919) 807 2398

## Local Government Commission

# Fax

**To:** Officials of All Local Governments and  
Public Authorities      **From:** Sharon Edmundson Director, Fiscal  
Management Section

**Fax:**      **Date:** 5/5/2010

**Unit:**      **Pages:** 1

**Re:      SIGN UP FOR "LGC\_NEWS" – LISTSERV FOR  
STATE AND LOCAL GOVERNMENT FINANCE  
DIVISION**

**\*\*\*IMPORTANT\*\*\***

We are ready to begin using our new listserv "LGC\_NEWS" as a means of distributing information to local units and their auditors. In order for this to be a useful tool, we need you to sign up for this service.

Please go to:

<http://www.nctreasurer.com/DstMcmsWeb/listserv/LGCNews-Signup.aspx>

to sign up. Please share this link with others in your organization that will find this listserv useful. We will not post a link to the sign-up page on our website. If you have any problems signing up please contact us at (919) 807-2381.

This listserv will function somewhat differently than the ncfinance that resides on the SOG website. All postings will come through administrators here at the LGC. Users that have questions or comments will send an email to the listserv which get routed to an administrator. Answers will be given to the email and may or may not be posted to the listserv depending on the nature of the question.

We will use the listserv to quickly disseminate information to local units and to send new publications. New memos will go out on the listserv as attachments to postings. Memos will still be available on the website as well.

We hope that you find this new communications tool helpful and easy to use. Please provide us with feedback via email or by phone at (919) 807-2381.