

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: June 6, 2011

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the quarter ended March 31, 2011

PRESENTER: J. Carey McLelland, Finance Director

ATTACHMENTS: Fiscal Monitoring Report (FMR) – March 31, 2011

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 11, 2011.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the quarter ended March 31, 2011.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring Report for the quarter ended March 31, 2011.



Western Highlands Network

A LOCAL MANAGEMENT ENTITY

Serving Buncombe, Henderson, Madison, Mitchell, Polk,
Rutherford, Transylvania, and Yancey Counties

Rec'd
5/11/11

May 09, 2011

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 2011 fiscal year 3rd quarter, ending March 31, 2011. 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:

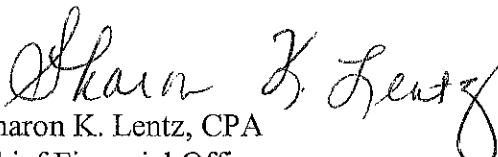
SECTION 3(a) G.S. 122C-117(c) reads as rewritten:

"(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 2011
 # of month in the fiscal year: 9 31-Mar-11
 (July = 1, August = 2, . . . , June = 12)

1. REPORT OF BUDGET VS. ACTUAL

ITEM	Basis of Accounting: (check one)		PRIOR YEAR		CURRENT YEAR		
	Cash	Accrual	2009-2010		BUDGET	ACTUAL	BALANCE
		x	BUDGET	ACTUAL	BUDGET	YR-TO-DATE	(Col. 3-4)
REVENUE							ANNUALIZED PERCENTAGE **
Client Fees			-	-		-	
Medicaid - "Regular Fee-for-Service"			13,000,000	11,392,777	13,000,000	5,529,879	7,470,121 56.72%
Medicaid - CAP/MRDD			600,000	677,906	600,000	380,493	219,507 84.55%
Medicare			-	-		-	#DIV/0!
Insurance			-	-		-	#DIV/0!
Other Local			40,000	76,589	11,000	135,452	(124,452) 1641.85%
Area Program Transfers			-	-		-	#DIV/0!
Appropriation of Fund Balance *			3,670,499	-	1,333,320	-	1,333,320 0.00%
Total Local Funds			17,310,499	12,147,273	14,944,320	6,045,625	8,898,495 53.94%
County Appropriations (by county):							
Buncombe County			600,000	600,000	600,000	600,000	- 133.33%
Henderson County			528,612	528,612	528,612	366,459	162,153 92.43%
Madison County			30,000	30,000	30,000	30,000	- 133.33%
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			1,479,032	1,479,032	1,479,032	1,310,379	168,653 118.13%
Service Management Funds			6,109,895	6,109,895	6,047,351	4,535,514	1,511,837 100.00%
Service Delivery Funds			28,877,896	28,327,124	32,563,139	23,193,945	9,369,194 94.97%
All Other State/Federal Funds			270,000	241,514	265,000	179,648	85,352 90.39%
Total State and Federal Funds			35,257,591	34,678,333	38,875,490	27,909,107	10,966,383 95.72%
TOTAL REVENUE			54,047,122	48,304,638	55,298,842	35,265,310	20,033,532 85.03%
EXPENDITURES:							
Service Management			7,863,804	7,305,327	7,641,064	4,888,401	2,742,663 85.48%
Directly Provided Services			-	-	-	-	#DIV/0!
Provider Payments			44,605,025	38,919,868	46,021,802	27,303,602	18,718,200 79.10%
All Other			1,578,293	1,421,351	1,635,976	1,301,213	334,763 106.05%
TOTAL EXPENDITURES			54,047,122	47,646,545	55,298,842	33,503,216	21,795,626 80.78%
CHANGE IN CASH BALANCE				658,093		1,762,094	
Beginning Unrestricted Fund Balance				6,674,720		6,904,158	
Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures			12.77%	6,904,158	8.20%	4,532,933	

* "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)	2,015,766					
Account Receivable (Accrual Method)	195,005	90,503	8,852	105,874	400,234	326,573

Current Cash In Bank 15,382,988

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 then 110% and/or 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] 5/6/11 *[Signature]* 5-4-11 *[Signature]* 05 MAY 11
 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: March 31, 2011 Accrual Method

ITEM **Explanation**

Revenues:

Medicaid - Regular Fee for Service: Actual cash revenues have not met projections. This is pass-through Medicaid primarily for Targeted Case Management and Therapeutic Foster Care Level 2. Providers are now billing Targeted Case Management directly to Medicaid. We will adjust the Medicaid budget accordingly.

Medicaid - CAP/MRDD: Actual cash revenues have not met projections. Providers have 365 days to bill Medicaid. We will monitor this budget and adjust accordingly.

Expenditures: