

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: September 21, 2011

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the quarter ended June 30, 2011

PRESENTER: J. Carey McLelland, Finance Director

ATTACHMENTS: Fiscal Monitoring Report (FMR) – June 30, 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 September 7, 2011.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the quarter ended June 30, 2011.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring Report for the quarter ended June 30, 2011.



Western Highlands Network

A LOCAL MANAGEMENT ENTITY

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

Acc'd
9/7/11

September 06, 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 4th quarter, ending June 30, 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: June 30 2011
 # of month in the fiscal year=====> 12 30-Jun-11
 (July = 1, August = 2, . . . , June = 12)

1. REPORT OF BUDGET VS. ACTUAL

ITEM	Basis of Accounting: (check one) Cash Accrual <input checked="" type="checkbox"/>	(1)	(2)	(3)	(4)	(5)	(6)
		PRIOR YEAR 2009-2010 BUDGET ACTUAL		CURRENT YEAR BUDGET ACTUAL YR-TO-DATE		BALANCE (Col. 3-4)	ANNUALIZED PERCENTAGE **
REVENUE							
Client Fees		-	-	-	-	-	-
Medicaid - "Regular Fee-for-Service"		13,000,000	11,392,777	10,675,872	7,431,247	3,244,625	69.81%
Medicaid - CAP/MRDD		600,000	677,906	600,000	503,555	96,445	83.93%
Medicare		-	-	-	-	-	#DIV/0!
Insurance		-	-	-	-	-	#DIV/0!
Other Local		40,000	76,589	36,500	148,878	(112,378)	407.88%
Area Program Transfers		-	-	-	-	-	#DIV/0!
Appropriation of Fund Balance *		3,670,499	-	1,516,260	-	1,516,260	0.00%
Total Local Funds		17,310,499	12,147,273	12,828,632	8,083,680	4,744,952	63.01%
County Appropriations (by county):							
Buncombe County		600,000	600,000	600,000	600,000	-	100.00%
Henderson County		528,612	528,612	528,612	528,612	-	100.00%
Madison County		30,000	30,000	30,000	30,000	-	100.00%
Mitchell County		18,000	18,000	18,000	18,000	-	100.00%
Polk County		74,991	74,991	74,991	74,991	-	100.00%
Rutherford County		102,168	102,168	102,168	102,168	-	100.00%
Transylvania County		99,261	99,261	99,261	99,261	-	100.00%
Yancey County		26,000	26,000	26,000	26,000	-	100.00%
Total County Funds		1,479,032	1,479,032	1,479,032	1,479,032	-	100.00%
Service Management Funds		6,109,895	6,109,895	6,047,351	6,047,352	(1)	100.00%
Service Delivery Funds		28,877,896	28,327,124	32,717,876	31,723,408	994,468	96.96%
All Other State/Federal Funds		270,000	241,514	265,000	242,312	22,688	91.44%
Total State and Federal Funds		35,257,591	34,678,333	39,030,227	38,013,072	1,017,155	97.39%
TOTAL REVENUE		54,047,122	48,304,638	53,337,891	47,575,784	5,762,107	89.20%
EXPENDITURES:							
Service Management		7,863,804	7,305,327	7,849,504	7,254,375	595,129	92.42%
Directly Provided Services		-	-	-	-	-	#DIV/0!
Provider Payments		44,605,025	38,919,868	43,852,411	37,613,992	6,238,419	85.77%
All Other		1,578,293	1,421,351	1,635,976	1,506,747	129,229	92.10%
TOTAL EXPENDITURES		54,047,122	47,646,545	53,337,891	46,375,114	6,962,777	86.95%
CHANGE IN CASH BALANCE			658,093		1,200,670		
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	11.50%	6,132,412		

* "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)	3,765,993					
Account Receivable (Accrual Method)	519,936	174,730	66,801	123,838	\$ 885,306	\$ 711,766

Current Cash in Bank 16,405,076

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.

Area Director: *[Signature]* 8/30/11, Area Finance Officer: *[Signature]* 8-30-11, Area Board Chair: *[Signature]* 02 SEP 11

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: June 30, 2011 Accrual Method

ITEM **Explanation**

Revenues:

Medicaid - Regular Fee for Service: Actual cash revenues have not met projections. Providers began registering with DMA to direct bill Targeted Case Management during the fiscal year. The FY2012 budget has been reduced accordingly.

Medicaid - CAP/MRDD: Actual cash revenues have not met projections. Providers began registering with Durable Medical Equipment (DME) vendors for many CAP supplies. The FY2012 budget has been reduced accordingly.

Expenditures:

n/a