

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: December 5, 2011

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

PRESENTER: J. Carey McLelland, Finance Director

ATTACHMENTS: Fiscal Monitoring Report (FMR) – September 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 November 9, 2011.

BOARD ACTION REQUESTED:

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

Suggested Motion:

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



Western Highlands Network

A LOCAL MANAGEMENT ENTITY

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

Rec'd
11/9/11

November 07, 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 2012 fiscal year 1st quarter, ending September 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:

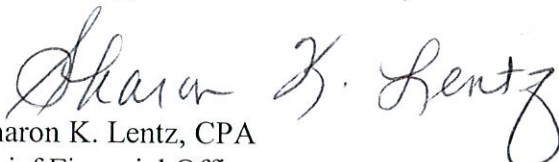
SECTION 3(a) G.S. 122C-117(c) reads as rewritten:

"(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: September 30 2011
 # of month in the fiscal year=====> 3 20-Sep-11
 (July = 1, August = 2, . . . , June = 12)

1. REPORT OF BUDGET VS. ACTUAL

ITEM	2010-2011		CURRENT YEAR			
	BUDGET	ACTUAL	BUDGET	YR-TO-DATE	BALANCE (Col. 3-4)	ANNUALIZED PERCENTAGE **
	(1)	(2)	(3)	(4)	(5)	(6)
REVENUE						
Client Fees	-	-				
Medicaid - "Regular Fee-for-Service"	10,675,872	7,431,247	3,300,000	1,434,142	1,865,858	173.84%
Medicaid - CAP/MRDD	600,000	503,555	550,000	121,919	428,081	88.67%
Medicare					-	#DIV/0!
Insurance					-	#DIV/0!
Other Local	36,500	148,878	15,625	40,734	(25,109)	1042.78%
Area Program Transfers						#DIV/0!
Appropriation of Fund Balance *	1,516,260	-	5,989,121		5,989,121	0.00%
Total Local Funds	12,828,632	8,083,680	9,854,746	1,596,795	8,257,951	64.81%
County Appropriations (by county):						
Buncombe County	600,000	600,000	600,000	600,000	-	400.00%
Henderson County	528,612	528,612	528,612	235,806	292,806	178.43%
Madison County	30,000	30,000	30,000	-	30,000	0.00%
Mitchell County	18,000	18,000	18,000	-	18,000	0.00%
Polk County	74,991	74,991	74,991	74,991	-	400.00%
Rutherford County	102,168	102,168	102,168	102,168	-	400.00%
Transylvania County	99,261	99,261	99,261	99,261	-	400.00%
Yancey County	26,000	26,000	26,000	6,500	19,500	100.00%
Total County Funds	1,479,032	1,479,032	1,479,032	1,118,726	360,306	302.56%
Service Management Funds	6,047,351	6,047,352	4,681,440	1,511,838	3,169,602	129.18%
Service Delivery Funds	32,717,876	31,723,408	30,164,237	6,802,256	23,361,981	90.20%
All Other State/Federal Funds	265,000	242,312	265,000	58,038	206,962	87.60%
Total State and Federal Funds	39,030,227	38,013,072	35,110,677	8,372,132	26,738,545	95.38%
TOTAL REVENUE	53,337,891	47,575,784	46,444,455	11,087,653	35,356,802	95.49%
EXPENDITURES:						
Service Management	7,849,504	7,265,436	8,652,355	2,646,699	6,005,656	122.36%
Directly Provided Services					-	#DIV/0!
Provider Payments	43,852,411	37,613,992	36,313,068	7,976,995	28,336,073	87.87%
All Other	1,635,976	1,506,747	1,479,032	779,447	699,585	210.80%
TOTAL EXPENDITURES	53,337,891	46,386,176	46,444,455	11,403,141	35,041,314	98.21%
CHANGE IN CASH BALANCE		1,189,608		(315,488)		
Beginning Unrestricted Fund Balance		6,904,158		6,125,241		
Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures	11.48%	6,125,241	10.18%	4,728,408		

* "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)	2,776,805				\$ 2,776,805	
Account Receivable (Accrual Method)	184,443	231,757	21,423	81,723	\$ 519,347	\$ 417,510

Current Cash In Bank 14,833,524

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] date: 11/14/11 Area Finance Officer: Sharon Leutz, CFO 11-3-11 date: 11/14/11 Area Board Chair: [Signature] date: 04 Nov 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: September 30, 2011 Accrual Method

ITEM **Explanation**

Revenues:

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.

County Appropriations: We had not received Maintenance of Effort funds from Madison County and Mitchell County as of September 30, 2011.

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:

Service Management: This is our administration budget. WHN pays several large invoices and recognizes all of the expense during July. Examples are our Professional Liability Insurance, NC Council dues and some annual maintenance costs. In addition, we have had increased administrative costs related to the implementation of the 1915 (b)(c) Medicaid Waiver. Our Board appropriated Fund Balance for Waiver implementation. A larger percentage was spent in the first quarter as we prepare for the Waiver. We will monitor this budget closely.

All Other: These expenditures are county funds received in full from Buncombe County, Henderson County, Polk County, Rutherford County, Transylvania County and Yancey County and paid out to Provider Agencies in the first quarter thus creating this variance in the first quarter.