

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: January 7, 2013

SUBJECT: Western Highlands Area Authority – Quarterly Fiscal Monitoring Report (FMR) for the quarter ended September 30, 2012

PRESENTER: J. Carey McLelland, Finance Director

ATTACHMENTS: Fiscal Monitoring Report (FMR) – September 30, 2012

SUMMARY OF REQUEST:

N.C.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 7, 2012.

BOARD ACTION REQUESTED:

Request that the Board consider approving the Fiscal Monitoring Report of Western Highlands Area Authority for the quarter ended September 30, 2012.

Suggested Motion:

I move that the Board of Commissioners approve the Western Highlands Area Authority Fiscal Monitoring Report for the quarter ended September 30, 2012.



Western Highlands Network

A LOCAL MANAGEMENT ENTITY

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

Rec'd
11/7/12

November 05, 2012

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 2013 fiscal year 1st quarter, ending September 30, 2012. 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

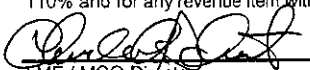
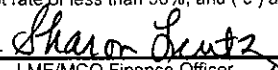
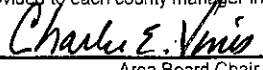
Quarterly Fiscal Monitoring Report - DMHDDSAS

LME / MCO NAME: Western Highlands Area Authority FOR THE PERIOD ENDING: 9/30/2012
 # of month in the fiscal year (July = 1, August = 2, . . . , June = 12) =====> 3

1. REPORT OF BUDGET VS. ACTUAL

ITEM	Basis of Accounting: (check one)		PRIOR YEAR		CURRENT YEAR		ANNUALIZED PERCENTAGE **	
	Cash	Accrual	2011-2012		ACTUAL	BALANCE		
	x		BUDGET	ACTUAL	BUDGET	(Col. 3-4)		
REVENUE								
Service Fees from LME-Delivered Services							#DIV/0!	
Medicaid Pass Thru			6,720,000	3,712,082	500,000	5,284	494,716	4.23%
Interest Earned			32,500	11,158	20,000	2,738	17,262	54.76%
Rental Income			-	-	-	-	-	#DIV/0!
Budgeted Fund Balance * (Detail in Item 4, below)			6,168,350		400,000		400,000	0.00%
Other Local			133,600	182,779	-	44,335	(44,335)	#DIV/0!
Total Local Funds			13,054,450	3,906,019	920,000	52,357	867,643	22.76%
County Appropriations (by county, includes ABC Funds):								
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%
LME Systems Admin. Funds (Cost Model)			3,023,676	3,023,676	-	-	-	#DIV/0!
DMH/DD/SAS Administrative Funds (% basis)			1,863,501	1,863,501	3,610,318	833,861	2,776,457	92.39%
DMH/DD/SAS Risk Reserve Funds (% basis)			310,583	-	601,720	-	601,720	0.00%
DMH/DD/SAS Services Funding			30,543,579	29,158,314	32,549,735	6,593,409	25,956,326	81.03%
DMA Capitation Funding			65,355,719	66,417,239	130,711,437	34,038,485	96,672,952	104.16%
DMA Risk Reserve Funding			1,333,790	1,355,454	2,667,580	694,663	1,972,917	104.16%
All Other State/Federal Funds			265,000	231,352	265,000	36,023	228,977	54.37%
Total State and Federal Funds			102,695,848	102,049,536	170,405,790	42,196,441	128,209,349	99.05%
TOTAL REVENUE			117,229,330	107,434,587	172,804,822	43,367,523	129,437,298	100.38%
EXPENDITURES:								
System Management/Administration/Care Coordination			15,346,899	10,995,897	23,656,767	4,567,484	19,089,283	77.23%
LME Provided Services								#DIV/0!
Provider Payments			97,035,388	99,222,603	147,669,023	37,495,114	110,173,909	101.57%
Merger Expenses								#DIV/0!
MCO Start-Up Expenses			3,238,782	1,837,059	-	-	-	#DIV/0!
All Other			1,608,261	1,512,389	1,479,032	941,347	537,685	254.58%
TOTAL EXPENDITURES			117,229,330	113,567,948	172,804,822	43,003,945	129,800,877	99.54%
CHANGE IN CASH BALANCE				(6,133,361)		363,578		
Beginning Unrestricted Fund Balance				6,125,241		2,020,710		
Balance in DMH/DD/SAS Risk Reserve				-		-		
Balance in DMA Risk Reserve				1,355,698		2,050,571		
Current Estimated Unrestricted Fund Balance and percent of budgeted expenditures			1.72%	2,020,710	2.14%	3,696,420		
2. CURRENT CASH POSITION			(1)	(2)	(3)	(4)	(5)	Allowance for Uncollectible Receivables
			30 DAYS	60 DAYS	90 DAYS	OVER 90 DAYS	TOTAL	
Accounts Payable (Accrual Method)								
Account Receivable (Accrual Method)								
Current Cash in Bank								
3. SERVICE EXCEPTIONS (Provided Based on System Capability)								
Services authorized but not billed								
4. DETAIL ON BUDGETED FUND BALANCE					Budgeted	Year-to-Date	Balance	%
Payments to Providers					400,000	9,279	390,721	9.28%
MCO Start-up Expense							0	#DIV/0!
LME Merger Expense								#DIV/0!
Other (List):							0	#DIV/0!

* 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*.

 LME / MCO Director Date LME/MCO 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
 enter LME name Western Highlands Area Authority Local Management Entity

for the period ending: September 30, 2012

ITEM	Explanation
Revenues	
<u>Medicaid Pass Thru :</u>	Actual cash revenues have not met projections. Providers have 365 days to bill Medicaid. The budget will be adjusted accordingly.
<u>Interest Earned :</u>	Actual interest earned has not met projections. We will monitor this budget and adjust accordingly.
<u>DMH/DD/SAS Services Funding :</u>	SFY13 Final Continuation Allocation included WHN's portion of the SFY12 \$20M statewide budget cut continued for another year as a non-recurring reduction. This was not included in the original budget. The budget will be adjusted accordingly.
<u>DMH/DD/SAS Risk Reserve Funds (% basis)</u>	DMH will not be funding risk reserve. We will remove this from the budget.
<u>All Other State/Federal Funds :</u>	Represents the Shelter Plus Care contract directly with the Federal govt. The funding billed can vary given the number of participants in the program. Our budgeted numbers represent the maximum grant.

Expenditures

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.