

**REQUEST FOR BOARD ACTION**

**HENDERSON COUNTY  
BOARD OF COMMISSIONERS**

**MEETING DATE:** June 6, 2016

**SUBJECT:** Smoky Mountain Center – Quarterly Fiscal Monitoring Report (FMR) for the quarter ended March 31, 2016

**PRESENTER:** James W. Rudisill, Interim Finance Director

**ATTACHMENTS:** Fiscal Monitoring Report (FMR) – March 31, 2016

**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 the Smoky Mountain Center was received by the County Finance Officer on April 30, 2016.

**BOARD ACTION REQUESTED:**

Request that the Board consider approving the Fiscal Monitoring Report from the Smoky Mountain Center for the quarter ended March 31, 2016.

***Suggested Motion:***

***I move that the Board of Commissioners approve the Smoky Mountain Center Fiscal Monitoring Report for the quarter ended March 31, 2016.***

LME / MCO NAME:

SMOKY MOUNTAIN LME/MCO

FOR THE PERIOD ENDING:

March 31, 2016

# of month in the fiscal year (July = 1, August = 2, . . . , June = 12) =====>

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1. REPORT OF BUDGET VS. ACTUAL

ITEM	Basis of Accounting: (check one)	Modified Accrual Accrual	X	(1)	(2)	(3)	(4)	(5)	(6)
			PRIOR YEAR		CURRENT YEAR				
			BUDGET	ACTUAL	BUDGET	ACTUAL YR-TO-DATE	BALANCE (Col. 3-4)	ANNUALIZED PERCENTAGE **	
<b>REVENUE</b>									
Service Fees from LME-Delivered Services				25,000	(515,606)	270,416	314,584	(44,168)	155.11%
Medicaid Pass Through Funds				215,000	174,535	185,388	40,968	144,420	29.46%
Interest Earned				145,000	154,678	141,000	159,537	(18,537)	150.86%
Rental Income				53,772	53,772	53,772	40,329	13,443	100.00%
Budgeted Fund Balance * (Detail in Item 4, below)				2,413,000	-	17,600,645	-	17,600,645	0.00%
Other Local				1,497,493	2,598,918	4,870,325	3,177,465	1,692,860	86.99%
<b>Total Local Funds</b>				<b>4,349,265</b>	<b>2,466,297</b>	<b>23,121,546</b>	<b>3,732,883</b>	<b>19,388,663</b>	<b>21.53%</b>
County Appropriations (by county, includes ABC Funds):									
Alexander County				37,825	37,825	37,825	28,369	9,456	100.00%
Alleghany County				115,483	115,483	115,483	86,612	28,871	100.00%
Ashe County				189,566	189,566	189,566	142,175	47,392	100.00%
Avery County				89,600	89,600	89,600	67,200	22,400	100.00%
Buncombe County				600,000	600,000	600,000	450,000	150,000	100.00%
Caldwell County				118,538	119,182	118,538	89,630	28,908	100.82%
Cherokee County				75,000	75,000	75,000	56,250	18,750	100.00%
Clay County				15,000	15,000	15,000	11,250	3,750	100.00%
Graham County				6,000	6,000	6,000	4,500	1,500	100.00%
Haywood County				101,900	96,905	101,900	78,773	23,127	103.07%
Henderson County				528,612	528,612	528,612	396,459	132,153	100.00%
Jackson County				123,081	123,081	123,081	92,311	30,770	100.00%
Macon County				106,623	106,623	106,623	79,967	26,656	100.00%
Madison County				30,000	30,000	30,000	22,500	7,500	100.00%
McDowell County				67,856	67,856	67,856	50,892	16,964	100.00%
Mitchell County				18,000	18,000	18,000	13,500	4,500	100.00%
Polk County				76,991	77,956	76,991	58,729	18,262	101.71%
Rutherford County				102,168	102,168	102,168	76,626	25,542	100.00%
Swain County				25,000	30,326	30,000	21,142	8,858	93.96%
Transylvania County				99,261	99,261	99,261	74,446	24,815	100.00%
Watauga County				171,195	171,195	171,195	128,396	42,799	100.00%
Wilkes County				264,200	266,408	264,200	200,019	64,181	100.94%
Yancey County				26,000	26,000	26,000	19,500	6,500	100.00%
<b>Total County Funds</b>				<b>2,987,899</b>	<b>2,992,048</b>	<b>2,992,899</b>	<b>2,249,244</b>	<b>743,655</b>	<b>100.20%</b>
LME Systems Admin. Funds (Cost Model)								-	
DMH/DD/SAS Administrative Funds (% basis)				5,523,712	5,523,712	2,441,587	1,811,582	630,005	98.93%
DMH/DD/SAS Services Funding				59,705,405	56,855,754	60,084,287	44,536,189	15,548,098	98.83%
DMA Capitation Funding				288,861,359	299,180,424	297,146,981	230,722,343	66,424,638	103.53%
DMA Risk Reserve Funding				5,895,129	6,151,032	6,064,225	4,637,923	1,426,302	101.97%
All Other State/Federal Funds				55,000	42,132	53,000	48,221	4,779	121.31%
<b>Total State and Federal Funds</b>				<b>360,040,605</b>	<b>367,753,054</b>	<b>365,790,080</b>	<b>281,756,258</b>	<b>84,033,822</b>	<b>102.66%</b>
<b>TOTAL REVENUE</b>				<b>367,377,769</b>	<b>373,211,399</b>	<b>391,904,525</b>	<b>287,738,385</b>	<b>104,166,140</b>	<b>97.89%</b>
<b>EXPENDITURES:</b>									
System Management/Administration/Care Coordination				46,270,388	38,435,663	47,374,728	30,620,590	16,754,138	86.18%
LME Provided Services				3,020,475	1,852,870	3,222,644	1,845,338	1,377,306	76.35%
Provider Payments (State Funds)				303,953,896	298,030,575	329,042,155	238,629,324	90,412,831	96.70%
Provider Payments (Federal Funds)				7,473,207	6,521,559	7,826,102	5,463,902	2,362,200	93.09%
Provider Payments (County/Local)				3,075,899	3,022,585	3,167,585	2,092,624	1,074,961	88.08%
All Other				3,583,904	2,917,193	1,271,311	814,234	457,077	85.40%
<b>TOTAL EXPENDITURES</b>				<b>367,377,769</b>	<b>350,780,445</b>	<b>391,904,525</b>	<b>279,466,012</b>	<b>112,438,513</b>	<b>95.08%</b>
<b>Net Income (from Operations and Risk Reserve)</b>					<b>22,430,954</b>		<b>8,272,373</b>		
<b>Beginning Unrestricted/Unassigned Fund Balance</b>					47,196,091		67,730,176		
<b>Balance in Restricted DMA Risk Reserve</b>					18,618,950		23,256,873		
<b>Current Estimated Unrestricted/Unassigned Fund Balance and percent of budgeted expenditures</b>				18.44%	67,730,176	1.32%	5,169,409	(See Note Below about FB)	
<b>2. CURRENT CASH POSITION</b>									
<b>Current Cash in Bank (Including Risk Reserve)</b>					122,197,240				
<b>3. SERVICE EXCEPTIONS ( Provided Based on System Capability)</b>									
Services authorized but not billed (IBNR)					16,155,532				
<b>4. DETAIL ON BUDGETED FUND BALANCE</b>									
						<b>Budgeted</b>	<b>Year-to-Date</b>	<b>Balance</b>	<b>%</b>
Payments to Providers	Blue Ridge Comm Health					95,468	33,966	61,502	47.44%
Payments to Providers	Community ICF rate increase					664,236	548,534	115,702	110.11%
Payments to Providers	Single Stream Replacement Funding					14,950,588	11,212,941	3,737,647	100.00%
MCO Start-up Expense								-	
LME Merger Expense								-	
Other Initiatives	FBC in Caldwell Co					320,000	0	320,000	0.00%
Other Initiatives	Integrated Collab Care Svc Initiatives					885,017	199,595	685,422	30.07%
Other Initiatives	Admin Office - Relocation Fund					22,886	78,229	(55,343)	455.76%
Other Initiatives	Technology Enabled Care and Expo					273,975	86,346	187,629	42.02%
Other Initiatives	Replacement Bridge Funding					139,290	67,297	71,993	64.42%
Other Initiatives	Data Security Initiatives					249,185	76,018	173,168	40.68%

\* 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".

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LME / MCO Director	Date	LME/MCO Finance Officer	Date	Area Board Chair	Date
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**Quarterly Fiscal Monitoring Report - Explanation of Revenue and Expenditure Variances**

**SMOKY MOUNTAIN LME/MCO**

**For the period ending: March 31, 2016**

ITEM	Explanation
<b>Revenues Less than 90%</b>	
Medicaid Pass Through Funds (29.46%)	Medicaid Pass Through in FY 15-16 has not been as much as budgeted
Fund Balance Appropriated (0.00%)	Fund Balance Appropriation is budgeted - but no actual will be recorded on the financial statements
Other Local Funds (86.99%)	Some of the Local Funding Commitments relating to the c3@356 Project have not been received

**Expenditures Exceeding 110%**  
 N/A - no expenditure Categories exceed 110%

**Other Notes**

County MOE funds are recorded on an accrual basis - therefore the amount shown in the report above may not reflect the actual amount of funds received from each county.

If County Funds of less than 75% of the Annual Budgeted amount have been received - the remaining has been accrued and is considered a receivable at 3/31/2016.

If County MOE funds in excess of 75% of the Annual Budgeted amount have been received - the excess has been deferred and not reflected as income as of 3/31/2016.

Please note that any ABC funds collected will be shown in the same line as MOE funds for that county. ABC Funds are recorded on a Cash Basis.

There will be additional Fund Balance Appropriations for the Admin Office Relocation Initiative in the April 2016 Budget Revision.

The reason that the Unrestricted/Unassigned Fund Balance as of March 31, 2016 is so much lower than as of June 30, 2015 is due to all of the different Commitments that the Board of Directors for Smoky Mountain LME/MCO have approved for FY 2015-2016. These amounts have been removed from the Unrestricted/Unassigned Fund Balance Section and are now being considered Board Committed Fund Balance.