

A LOCAL MANAGEMENT ENTITY

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

March 17, 2011

Donna Clark Finance Director Buncombe County 35 Woodfin Street - PO Box 7526 Asheville, NC 28801

Dear Ms. Clark:

Enclosed please find the Western Highlands Area Authority's Fiscal Monitoring Report for the 2011 fiscal year 2nd quarter, ending December 31, 2010. 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



Division of Mental Health, Developmental Disabilities & Substance Abuse Services **Quarterly Fiscal Monitoring Report**

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Western	Hic	hland	is Area	Autho	orltv

for the period ending:

December 31 2010

LME

31-Dec-10

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

1. REPORT OF BUDGET VS. ACTUAL Basis of Accounting: Cash (3) (6) (2) (5) PRIOR YEAR CURRENT YEAR (check one) Accrual ANNUALIZED 2009-2010 ACTUAL BALANCE ACTUAL BUDGET PERCENTAGE * ITEM BUDGET YR-TO-DATE (Col. 3-4) REVENUE Client Fees 13,000,000 11,392,777 4,103,564 Medicaid - "Regular Fee-for-Service" 13,000,000 8,896,436 63.13% Medicaid - CAP/MRDD 600,000 677,906 600,000 247,675 352,325 82.56% #DIV/0 Medicare Insurance #DIV/0! 94 913 (83,913) Other Local 40.000 76,589 11.000 1725.68% #DIV/0! Area Program Transfers 3.670.499 1,333,320 Appropriation of Fund Balance * 0.009 4,446,151 Total Local Funds 12,147,273 10,498,169 17,310,499 14,944,320 59.50% County Appropriations (by county): County 600,000 600,000 600,000 600,000 200.00% Buncombe 528.612 284,306 Henderson County 528.612 528.612 244,306 92 43% 30,000 30,000 30,000 30,000 0.00% Madison County 18,000 18,000 18,000 18,000 0.00% County Mitchell 74,991 74,991 74,981 199.97% County 74,991 Polk Rutherford 102,168 102,168 102,168 102,168 200.00% County County 99,261 99,261 99.261 99.261 0.00% Transylvania Yancey
Total County Funds County 26,000 26,000 26,000 13.000 13,000 100.00% 1.034.455 1,479,032 1,479,032 1.479.032 444,577 139.88% Service Management Funds 6,109,695 6,109,695 6,047,351 3,023,676 3,023,675 100.00% Service Delivery Funds 28,877,896 28,327,124 32,563,139 15,187,327 17,375,812 93.28% All Other State/Federal Funds 270,000 241.514 265,000 116,771 148,229 88.13% Total State and Federal Funds 35,257,591 34,678,333 38,875,490 18,327,774 20,547,716 94.29% TOTAL REVENUE 48,304,638 54,047,122 55,298,842 23,808,380 31,490,462 86.11% EXPENDITURES: Service Management 7,863,804 7,305,327 7,641,064 3.347.871 4,293,193 87.63% #DtV/O Directly Provided Services 44,605,025 38,919,868 46,021,802 17.958.533 28.063.269 78.04% Provider Payments 1,578,293 1,635,976 130.48% All Other 1,421,351 1.067.300 568,676 54,047.122 47.646.545 55.298.842 22,373,704 32,925,138 TOTAL EXPENDITURES 80.92% SE,U CHANGE IN CASH BALANCE 658.093 1,434,676

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Martin 1902 . Sec. 1. Sec. March 1904			and a construction of the contribution of			
			49.65			
Beginning Unrestricted Fund Balance		6,674,720		5.245.821		
	10.200	and a state of the second second second	eating the second	A STATE OF THE STA		
			A 14			areas and the second
Current Estimated Unrestricted Fund Balance	9.71%	5.245.821	7.61%	4.205.514		
	0.1170	0,210,021	7.0170	1,200,011		
and percent of budgeted expenditures	and the second second second second second	A CONTRACTOR OF THE PARTY OF TH	The Child Care	3.30		and the section
			, commercial and a second company		and the contract of the contra	

^{* &}quot;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

						Receivables net of	
2. CURRENT CASH POSITION:		(1)	(2)	(3)	(4)	(5)	Allowance for
					OVER		Uncollectible
		30 DAYS	60 DAYS	90 DAYS	90 DAYS	TOTAL	Receivables
Accounts Payable (Accrual Method)		1,195,584					2.75.9047
Account Receivable (Accrual Method)		288,327	145,122	16,170	52,404	\$ 502,022	\$ 405,833

Current Cash In Bank 14,768,881

New York N

3.	SERVICE EXCEPTIONS:	(Provided Based	on System Capability)
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Services authorized but not billed

* We partify (a) this report to contain accurate and complete information. (b) explanations are provided for any expenditure item with an annualized expenditure are greater than	4400
* Wa satify (a) this report to contain accurate and complete information. (b) explanations are provided for any expanditure item with an appropriate compariture may expand the	an 110

nue 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." 10 MARI Mein Area Board Chair date

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: December 31, 2010 Accrual Method

ITEM

Explanation

Revenues:

<u>Medicaid - Regular Fee for Service:</u> Actual cash revenues have not met projections. Providers have 365 days to bill Medicaid. We will monitor this budget and adjust accordingly.

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

<u>County Appropriations</u>: We had not received Maintenance of Effort funds from Madison County, Mitchell County and Transylvania County as of December 31, 2010.

<u>All other State/Federal Funds</u>: 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:

All Other: These expenditures are county funds received in full and paid out to Provider Agencies in the first six months of the year creating this variance.