

**1. REPORT OF BUDGET VS. ACTUAL**

ITEM	Basis of Accounting: (check one)	Modified Accrual Accrual	X	PRIOR YEAR		CURRENT YEAR		BALANCE (Col. 3-4)	ANNUALIZED PERCENTAGE **
				(1)	(2)	(3)	(4)		
				BUDGET	ACTUAL	BUDGET	ACTUAL YR-TO-DATE		
<b>REVENUE</b>									
Service Fees from LME-Delivered Services				25,000	(515,606)	270,416	412,119	(141,703)	304.80%
Medicaid Pass Through Funds				215,000	174,535	185,388	34,081	151,307	36.77%
Interest Earned				145,000	154,678	141,000	95,684	45,316	135.72%
Rental Income				53,772	53,772	53,772	26,886	26,886	100.00%
Budgeted Fund Balance * (Detail in Item 4, below)				2,413,000	-	16,617,477	-	16,617,477	0.00%
Other Local				1,497,493	2,598,918	4,797,325	2,662,304	2,135,021	110.99%
<b>Total Local Funds</b>				<b>4,349,265</b>	<b>2,466,297</b>	<b>22,065,378</b>	<b>3,231,074</b>	<b>18,834,304</b>	<b>29.29%</b>
<b>County Appropriations (by county, includes ABC Funds):</b>									
Alexander County				37,825	37,825	37,825	18,913	18,913	100.00%
Alleghany County				115,483	115,483	115,483	57,742	57,742	100.00%
Ashe County				189,566	189,566	189,566	94,783	94,783	100.00%
Avery County				89,600	89,600	89,600	44,800	44,800	100.00%
Buncombe County				600,000	600,000	600,000	300,000	300,000	100.00%
Caldwell County				118,538	119,182	118,538	59,555	58,983	100.48%
Cherokee County				75,000	75,000	75,000	37,500	37,500	100.00%
Clay County				15,000	15,000	15,000	7,500	7,500	100.00%
Graham County				6,000	6,000	6,000	3,000	3,000	100.00%
Haywood County				101,900	96,905	101,900	58,773	43,127	115.35%
Henderson County				528,612	528,612	528,612	264,306	264,306	100.00%
Jackson County				123,081	123,081	123,081	61,541	61,541	100.00%
Macon County				106,623	106,623	106,623	53,312	53,312	100.00%
Madison County				30,000	30,000	30,000	15,000	15,000	100.00%
McDowell County				67,856	67,856	67,856	33,928	33,928	100.00%
Mitchell County				18,000	18,000	18,000	9,000	9,000	100.00%
Polk County				76,991	77,956	76,991	39,125	37,866	101.63%
Rutherford County				102,168	102,168	102,168	51,084	51,084	100.00%
Swain County				25,000	30,326	30,000	15,603	14,397	104.02%
Transylvania County				99,261	99,261	99,261	49,631	49,631	100.00%
Watauga County				171,195	171,195	171,195	85,598	85,598	100.00%
Wilkes County				264,200	266,408	264,200	133,185	131,015	100.82%
Yancey County				26,000	26,000	26,000	13,000	13,000	100.00%
<b>Total County Funds</b>				<b>2,987,899</b>	<b>2,992,048</b>	<b>2,992,899</b>	<b>1,506,875</b>	<b>1,486,024</b>	<b>100.70%</b>
<b>LME Systems Admin. Funds (Cost Model)</b>									
DMH/DD/SAS Administrative Funds (% basis)				5,523,712	5,523,712	2,695,742	1,336,795	1,358,947	99.18%
DMH/DD/SAS Risk Reserve Funds (% basis)				-	-	-	-	-	-
DMH/DD/SAS Services Funding				59,705,405	56,855,754	58,644,208	29,112,072	29,532,136	99.28%
DMA Capitation Funding				288,861,359	299,180,424	297,146,981	153,580,360	143,566,621	103.37%
DMA Risk Reserve Funding				5,895,129	6,151,032	6,064,225	3,084,464	2,979,761	101.73%
All Other State/Federal Funds				55,000	42,132	53,000	38,273	14,727	144.43%
<b>Total State and Federal Funds</b>				<b>360,040,605</b>	<b>367,753,054</b>	<b>364,604,156</b>	<b>187,151,964</b>	<b>177,452,192</b>	<b>102.66%</b>
<b>TOTAL REVENUE</b>				<b>367,377,769</b>	<b>373,211,399</b>	<b>389,662,433</b>	<b>191,889,913</b>	<b>197,772,520</b>	<b>98.49%</b>
<b>EXPENDITURES:</b>									
System Management/Administration/Care Coordination				46,270,388	38,435,663	47,128,555	19,486,092	27,642,463	82.69%
LME Provided Services				3,020,475	1,852,870	3,152,644	1,093,476	2,059,168	69.37%
Provider Payments (State Funds)				303,953,896	298,030,575	327,328,135	159,345,567	167,982,568	97.36%
Provider Payments (Federal Funds)				7,473,207	6,521,559	7,637,089	4,019,053	3,618,036	105.25%
Provider Payments (County/Local)				3,075,899	3,022,585	3,167,585	1,365,192	1,802,393	86.20%
Merger Expenses				-	-	-	-	-	-
MCO Start-Up Expenses				-	-	-	-	-	-
All Other				3,583,904	2,917,193	1,248,425	501,812	746,613	80.39%
<b>TOTAL EXPENDITURES</b>				<b>367,377,769</b>	<b>350,780,445</b>	<b>389,662,433</b>	<b>185,811,192</b>	<b>203,851,241</b>	<b>95.37%</b>
<b>Net Income (from Operations and Risk Reserve)</b>					<b>22,430,954</b>		<b>6,078,721</b>		
<b>Beginning Unrestricted/Unassigned Fund Balance</b>					<b>47,196,091</b>		<b>67,730,176</b>		
<b>Balance in DMH/DD/SAS Risk Reserve</b>									
<b>Balance in Restricted DMA Risk Reserve</b>					<b>18,618,950</b>		<b>21,703,414</b>		
<b>Current Estimated Unrestricted/Unassigned Fund Balance and percent of budgeted expenditures</b>				<b>18.44%</b>	<b>67,730,176</b>	<b>1.19%</b>	<b>4,621,352</b>	<b>(See Note Below about FB)</b>	
<b>2. CURRENT CASH POSITION</b>									
<b>Current Cash in Bank (Including Risk Reserve)</b>					<b>121,370,023</b>				
<b>3. SERVICE EXCEPTIONS ( Provided Based on System Capability)</b>									
Services authorized but not billed (IBNR)					<b>20,099,805</b>				
<b>4. DETAIL ON BUDGETED FUND BALANCE</b>									
Payments to Providers	Blue Ridge Comm Health					95,468	33,966	61,502	71.16%
Payments to Providers	Community ICF rate increase					664,236	367,676	296,560	110.71%
Payments to Providers	Single Stream Replacement Funding					14,950,588	7,475,294	7,475,294	100.00%
MCO Start-up Expense								-	
LME Merger Expense								-	
Other (List):	FBC in Caldwell Co				320,000		0	320,000	0.00%
Other (List):	Integrated Collab Care Svc Initiatives				388,000		86,000	302,000	44.33%
Other (List):	Data Security Initiatives				199,185		61,768	137,417	62.02%

\* 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\*.

Quarterly Fiscal Monitoring Report - Explanation of Revenue and Expenditure Variances

**SMOKY MOUNTAIN LME/MCO**

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For the period ending: December 31, 2015

ITEM	Explanation
<b>Revenues Less than 90%</b>	
Medicaid Pass Through Funds (36.77%)	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

**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 50% of the Annual Budgeted amount have been received - the remaining has been accrued and is considered a receivable at 12/31/2015.

If County MOE funds in excess of 50% of the Annual Budgeted amount have been received - the excess has been deferred and not reflected as income as of 12/31/2015.

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.

The reason that the Unrestricted/Unassigned Fund Balance as of December 31, 2015 is 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.