



# Western Highlands Network

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:

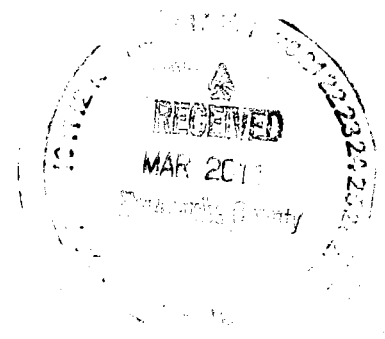
"(c) Within 30 days of the end of each quarter of the fiscal year, the area director and finance officer of the area authority shall provide the quarterly report of the area authority to the county finance officer. The county finance officer shall provide the quarterly report to the board of county commissioners 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



Enclosure



**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**

<b>ITEM</b>	<b>Explanation</b>
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**Revenues:**

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

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, Mitchell County and Transylvania County as of December 31, 2010.

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:**

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.