



May 26, 2010

Hidalgo County  
Honorable Norma G. Garcia, CIO  
2810 S US Highway 281  
Edinburg, TX 78539-6243

Dear Ms. Garcia:

We have completed an operational audit of the TAC Unemployment Compensation Fund's fiscal activities for calendar year 2009. As part of this audit we have determined the one-year reserve balance required to be maintained in your organization's individual account and have enclosed a report showing this balance and the claims and payments activity within your account for the years 2005 through 2009.

In accordance with the Fund's bylaws and the interlocal agreement between the Fund and your organization, monies held in your reserve account are invested and earnings from these investments are credited against the expense of operating the Fund, including costs of processing claims. Expenses for 2009 exceeded interest income. Therefore, a prorated portion, allocated according to the number of full time employees, of this additional expense charge is reflected on the Reserve Calculation Report as a negative figure under the Other column as Operating Expense.

A deficit billing is necessary to bring your account up to the one-year reserve requirement.

**Invoice Amount: \$186,453.36**  
**Due Date: 6/25/10**

**Texas Association of Counties**  
**P. O. Box 200989**  
**Houston, Texas 77216-0989**

We continuously update our Unemployment Fund coordinator information listing. If you are no longer the coordinator, or if the address to which we mailed this notice is incorrect, please let us know so we can correct our data base.

If you have any questions, please feel free to call either Cynthia Brannen or me at 1-800-456-5974.

Sincerely,

A handwritten signature in black ink, appearing to read "James W. Jean". The signature is stylized with a long horizontal stroke extending to the right.

James W. Jean, ARM  
Director, Program Administration

Enclosures

# UNEMPLOYMENT FUND

## RESERVE CALCULATION

Based on Years 2005 - 2009

1080 Hidalgo County			Beginning Balance: \$193,439.43	
	Deposits	Charges	Other	
1/18/05 2005 1	64,782.79			
8/24/05 2005 1		-85,201.85		
10/6/05 2005 1			20,419.06 (Deficit Payment)	
4/19/05 2005 2	61,730.25			
9/30/05 2005 2		-85,838.69		
11/14/05 2005 2			24,108.44 (Deficit Payment)	
7/13/05 2005 3	63,035.12			
12/20/05 2005 3		-59,433.74		
10/12/05 2005 4	74,417.71			
3/15/06 2005 4		-51,260.83		
3/16/06 2005 4			-26,277.40 (Operating Expense)	
6/19/06 2005 4			97,260.49 (Deficit Payment)	
			2005 balance: 291,180.77	
1/17/06 2006 1	75,807.05			
6/15/06 2006 1		-54,536.30		
4/11/06 2006 2	72,415.37			
9/15/06 2006 2		-50,767.80		
6/30/06 2006 3	3,131.95			
6/30/06 2006 3	-3,131.95			
7/10/06 2006 3	106,354.40			
12/15/06 2006 3		-62,128.20		
10/6/06 2006 4	91,314.18			
3/15/07 2006 4		-59,939.97		
3/29/07 2006 4			-22,394.27 (Operating Expense)	
5/11/07 2006 4			-155,320.71 (Refunded Reserve)	
			2006 balance: 231,984.52	
1/16/07 2007 1	107,604.08			
6/20/07 2007 1		-69,494.47		
4/12/07 2007 2	97,263.02			
9/18/07 2007 2		-54,953.52		
9/18/07 2007 2		235.00		
7/10/07 2007 3	116,167.58			
12/21/07 2007 3		-51,200.77		
10/5/07 2007 4	101,270.47			
3/25/08 2007 4		-60,652.13		
4/1/08 2007 4			-16,416.19 (Operating Expense)	
5/22/08 2007 4			-160,616.90 (Refunded Reserve)	
			2007 balance: 241,190.69	
1/9/08 2008 1	120,162.65			
6/15/08 2008 1		-86,792.76		
4/4/08 2008 2	107,263.22			
9/19/08 2008 2		-95,460.01		

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## RESERVE CALCULATION

Based on Years 2005 - 2009

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7/9/08	2008	3	125,907.21		
12/15/08	2008	3		-97,116.29	
10/6/08	2008	4	110,706.97		
3/15/09	2008	4		-92,023.48	
4/15/09	2008	4			-30,277.55 (Operating Expense)
5/23/09	2008	4			-44,535.62 (Refunded Reserve)
					2008 balance: 259,025.03
1/12/09	2009	1	132,308.99		
7/20/09	2009	1		-82,139.89	
4/3/09	2009	2	120,952.95		
4/28/09	2009	2	1,935.66		
9/11/09	2009	2		-97,746.33	
7/9/09	2009	3	145,523.42		
12/15/09	2009	3		-109,715.79	
10/2/09	2009	4	125,608.04		
5/14/10	2009	4		-206,427.00	
5/25/10	2009	4			-56,503.79 (Operating Expense)
					2009 balance: 232,821.29

**Account Balance: \$232,821.29**

Total claims for 5 years \$1,612,594.82

One year reserve \$419,274.65

**\*\*\* Invoice for: \$186,453.36 \*\*\***