



April 16, 2012

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 2011. 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 2007 through 2011.

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 2011 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: \$213,031.03
Due Date: 5/16/12

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 that reads "Randy P. Plyler".

Randy P. Plyler, CIC, ARM, AAI
Director, Program Administration

Enclosures

UNEMPLOYMENT FUND

RESERVE CALCULATION

Based on Years 2007 - 2011

1080 Hidalgo County				Beginning Balance:	\$231,984.52
		Deposits	Charges	Other	
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	
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)	
6/23/10	2009	4		186,453.36 (Deficit Payment)	
					2009 balance: 419,274.65
1/14/10	2010	1	146,855.82		
6/15/10	2010	1		-146,213.65	
4/8/10	2010	2	127,208.97		
9/15/10	2010	2		-230,816.73	
11/9/10	2010	2		102,965.59 (Deficit Payment)	
7/8/10	2010	3	147,703.84		
7/15/10	2010	3	-29,239.33		

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RESERVE CALCULATION

Based on Years 2007 - 2011

7/15/10	2010	3	29,239.33	
7/23/10	2010	3	4,120.68	
7/23/10	2010	3	-4,120.68	
12/15/10	2010	3	-229,093.41	
2/10/11	2010	3		81,389.57 (Deficit Payment)
10/8/10	2010	4	126,843.58	
3/10/11	2010	4		-41,350.75 (Operating Expense)
3/15/11	2010	4	-174,096.60	
6/8/11	2010	4		218,209.95 (Deficit Payment)
				2010 balance: 548,880.83
1/13/11	2011	1	148,927.85	
6/15/11	2011	1	-175,473.05	
7/21/11	2011	1		26,545.20 (Deficit Payment)
4/7/11	2011	2	148,921.90	
9/15/11	2011	2	-174,962.94	
11/4/11	2011	2		26,041.04 (Deficit Payment)
7/7/11	2011	3	127,706.23	
12/15/11	2011	3	-167,072.26	
1/13/12	2011	3		39,366.03 (Deficit Payment)
10/6/11	2011	4	127,289.32	
2/28/12	2011	4	-180,693.89	
3/22/12	2011	4		-37,210.69 (Operating Expense)
				2011 balance: 458,265.57

Account Balance: \$458,265.57

Total claims for 5 years \$2,581,909.97

One year reserve \$671,296.59

***** Invoice for: \$213,031.03 *****