



June 27, 2019

Honorable LeeAnn Jones  
Panola County Judge  
110 S Sycamore Rm 216A  
Carthage, TX 75633

Dear Judge Jones:

The TAC Health and Employee Benefits Pool ("Pool") operates on a January to December fiscal year. Each year, we review the financial results, estimate Pool expenses for the coming year, and determine whether there is a surplus of revenue over claims, fixed expenses, and needed reserves. For the first time since 2015, the Pool will recognize a surplus for fiscal year 2018. Your TAC HEBP Board of Directors has voted to distribute the surplus, which will be sent to you in a payment by check later this summer in the amount shown below.

Any Pooled group that has been a member of TAC HEBP with medical coverage for at least one full fiscal year ending 12-31-2018 is eligible to receive a surplus distribution. The amount distributed to each Pool group is calculated using a formula. 25% of the distribution is based on length of membership since HEBP was founded on October 1, 2001. The remaining 75% is performance-based, depending on each group's contribution toward surplus over a three year period after claims over \$250,000 are removed.

*Surplus Distribution from 2018 Fiscal Year: \$69,398*

As always, we thank Panola County for your membership in the Pool.

Sincerely,

A handwritten signature in black ink, appearing to read "Quincy Quinlan".

Quincy Quinlan, Director  
Health and Benefits Services Department  
Texas Association of Counties