



September 9, 2020

Hon. 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. At the end of each fiscal 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. The Pool will recognize a surplus for fiscal year 2019, and the Pool's Board of Directors has voted to distribute surplus funds to eligible pooled groups. The applicable distribution will be sent to you by check later this week 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 12-31-2019, and who has renewed coverage for Plan Year 2021, 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 2019 Fiscal Year: \$281,636

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

cc: Jennifer Stacy