



Dear Ms. Alexander:

The Texas Association of Counties Health and Employee Benefits Pool is pleased to enclose a check in the amount of \$5,974 as Clay County's share of the surplus distribution, based on the Pool's financial results for calendar year 2013.

After the close of each calendar year, the Pool board, which consists entirely of county officials, analyzes the financial position of the Pool and decides whether a distribution is warranted. The decision is based on the Pool's performance and the ability to adequately fund for reserves. Distributions are not automatic. If a distribution is authorized, members of the Pool are eligible to receive a pro rata share, based on longevity with the Pool and claims experience.

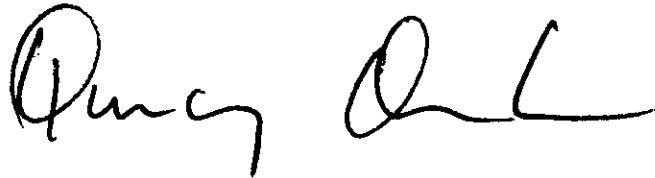
We believe, and the loyalty of so many counties and county-related entities attests, that the true value of the Pool is demonstrated over the long term. The market has been experiencing double-digit increases from insurance carriers for several years now. As a not-for-profit, member-owned Pool, we have been able to outperform the market and deliver competitive renewals for many reasons. Our strength in numbers is just one of those reasons. The Pool's size provides leverage in negotiating with providers and payers in the health care sector, and ultimately saves counties money.

The Pool's size also helps it absorb large claims (the pooling effect). Health care claims are by nature cyclical, and over time, losses are mitigated by a more positive claims experience.

Because of these advantages, the Pool can provide many valuable services to its members at no cost, like the Healthy County Wellness program, Medicine Match, and Benefits Value Advisor, a program that helps your employees find the lowest cost for specified services in your area. Our Employee Benefits and Wellness Consultants are also available to discuss your plan, the Pool's benefit programs and to help you with cost-containment strategies.

Thank you for your loyalty. We appreciate your commitment to working with your county and district neighbors across the state to keep health coverage affordable for your employees and officials. Please let us know if you would like one of our consultants to visit your commissioners court or district management staff to discuss pooling in more detail.

Sincerely,

A handwritten signature in black ink, appearing to read "Quincy Quinlan". The signature is written in a cursive style with a large initial "Q" and a long horizontal stroke at the end.

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