

June 26, 2026

Board of Directors Meeting Minutes

A Board of Directors meeting for the Surplus Lines Stamping Office of Texas was held in-person at SLTX Office, 1601 E. Pflugerville Parkway, Pflugerville, TX, 78660.

AGENDA

June 26, 2026 Board of Directors Meeting		
Item 1.	Call to order; Establishment of Quorum	Lezlee Liljenberg, Board Chair
Item 2.	Discussion & Appropriate Approval of March 27, 2026 Board Meeting Minutes	Lezlee Liljenberg, Board Chair
Item 3.	F&A Committee Report (a) Discussion and Appropriate Action: - 2026 YTD Financial Review - 2026 Pension Funding	Lezlee Liljenberg, Ex-Officio; Ronnie Ford, Director of Finance
Item 4.	Executive Director Report & Appropriate Action: - Company Update	Greg Brandon, Executive Director
Item 5.	Policy & Intake Analysis Director Report & Appropriate Action: - Operations Update	Toby Pick, Director of Policy Intake & Analysis
Item 6.	ITS Director Report & Appropriate Action: - ITS Update	Sholonda Stone, Director of ITS
Item 7.	Adjournment	Lezlee Liljenberg, Board Chair

Item 1. Call to Order

Lezlee Liljenberg, Chair of the Board, called meeting to order on June 26, 2026, at 10:00 A.M.

A conference call-in number was included in the Public Meeting Notice. Written notice of the meeting was sent to Texas Department of Insurance, including the Deputy Commissioner of the Financial Regulation Division and her designees, on June 16, 2026, as required by the SLTX Plan of Operation, Section 2(c)(2).

Notice and agenda were submitted to Office of the Secretary of State on June 18, 2026, in accordance with Section 2(c)(1) of the Plan and Chapter 551 of the Texas Gov't. code. Board members were notified on May 28, 2026. Liljenberg called roll to confirm member participation per Section 2(c)(6) of the Plan.

BOARD OF DIRECTORS PRESENT

Lezlee Liljenberg
Kyle Rogers
Leah Bennett, via Teams
Jason Cables, via Teams
Ryan Bridges, via Teams
Jim Bishop, via Teams
Jeff Klein, via Teams
Pete Harrison, via Teams

ALSO PRESENT

Greg Brandon, Executive Director, SLTX
Ronnie Ford, Director of Finance, SLTX
Denisse Amezcuita, Director of Human Resources, SLTX
Sholonda Stone, Director of ITS, SLTX
Toby Pick, Director of Policy Intake & Analysis, SLTX

Marissa G., Administrative Assistant, SLTX

David Dodd, Office of Financial Counsel, Texas Department of Insurance

Andrew Guerrero, Company Licensing & Registration Office, Texas Department of Insurance

Michael Nored, General Counsel, Mitchell, Williams, Selig, Gates & Woodyard, PLL, via Teams

Jeff McWhirt, General Counsel, Mitchell, Williams, Selig, Gates & Woodyard, PLLC, via Teams

SLTX Staff Members Also in Attendance

Christian R., Sr. Data Analyst, SLTX, via Teams

Dalton M., Sr. Lead Developer, SLTX, via Teams

Kristian P., Policy & Data Analyst, SLTX, via Teams

Robyn P., Policy Analyst I, SLTX, via Teams

Yuba D., Financial Analyst, SLTX, via Teams

Rodolfo C., IT Support Specialist, SLTX, via Teams

Ruben O., Policy Analyst, SLTX, via Teams

Jennifer D., Policy Analyst, SLTX, via Teams

Minutes taken by SLTX Staff.

Administrative housekeeping announcements:

1. Antitrust activity or discussion are prohibited at all Stamping Office functions. This prohibition includes exchange of information concerning individual company rates, coverages, market practices, claims settlement practices, expenses, or any other competitive aspect of an individual company's operation.
2. No public comments. Public and media attendees should mute lines.
3. Representatives of state agencies and members of the public are welcome to observe or record but refrain from asking questions or making comments.
4. State personnel present may be asked questions related to an agenda item.
5. Members, counsel, and staff participating by phone should identify themselves and mute lines.

Item 2. Discussion and Approval: March 27, 2026, Minutes | Lezlee Liljenberg, Board Chair

Board members received a copy of the March 27 meeting minutes. Liljenberg asked for corrections or comments. Hearing none, Liljenberg called for a motion to approve the minutes.

Motion: Bridges | Second: Cables | Approved Unanimously

Item 3. F&A Committee Report: 2026 YTD Financial Review & 2026 Pension Funding | Lezlee Liljenberg, Ex-Officio | Ronnie Ford, Director of Finance

Liljenberg turned the floor to Ms. Ford to present.

2026 YTD Financials

- **Stamping Fee Revenue:** \$110,623 (15%) under budget for May and \$234,953 (7%) under YTD.
- **Investment Income:** \$12,756 (10%) under budget for May and \$27,124 (4%) under YTD due to less than expected ROI.
- **Operating Expense:** \$935,365 (64%) under budget for month and \$932,591 (22%) under YTD.
- **Salaries and Benefits:** \$931,778 (72%) under budget for May and \$857,305 YTD. Annual pension plan funding budgeted in May for \$869,242.
- **Professional Services:** \$4,705 (17%) under budget for May and \$12,845 (7%) over YTD due to full payment to LemonLight in January, originally budgeted to span the year.
- **Conference and Education:** \$170 (8%) under budget for May and \$14,064 (40%) under YTD.
- **Travel and Entertainment:** \$4,204 (100%) under budget for May and \$28,421 (66%) under YTD.
- **Occupancy and Operating:** \$42 (0%) under budget for May and \$32,928 (17%) under YTD.
- **General and Administrative:** \$12,847 (12%) over budget for May and \$7,915 (1%) over YTD.
- **Contingency Funds:** not used, resulting in savings of \$19,427 for the month and \$20,644 YTD.
- **Operating Income:** May \$229,606. YTD, SLTX recorded operating income of \$562,546, a more than budgeted loss of (\$107,950). Budgeted loss for May alone was (\$582,954).
- **Investment Value:** decrease of approximately (\$117,367) in May and (\$236,080) decrease YTD.

Fund Balance: Beginning balance in January 2025 was \$32.8 million. May's YTD net income of \$326,466 resulted in a fund balance on May 31, of \$33.1 million, which is \$16.9 million over the current maximum. Projected year end maximum fund balance is \$34.1 million, still \$17.9 million above limit. Currently \$1.7 million over projected maximum fund balance.

Conclusion: Ms. Ford concluded the 2026 YTD Financials presentation. Liljenberg asked if there were any questions or recommendations. Hearing none, no motion or recommendation was made.

2026 Pension Funding

Ms. Ford presented 2026 Pension Funding:

- Included in May 2026 budget was Pension cost of \$869,242
- Actuarial performed analysis on 2026 pension and found:
 - The IRS minimum contribution is \$0
 - Actuary's recommended contribution range is minimum \$722,000 – maximum of \$895,889
 - Paying off pension for life is \$7 million
- 2026 pension has not been funded; Board approval needed for proposed max payment amount of \$895,889

Conclusion: Ford recommended the board approve 2026 Pension Payment for maximum payment of \$895,889.

Motion: Cables | Second: Klein | Approved Unanimously

Item 4. Executive Director Report and Appropriate Action: Company Update | Greg Brandon, Executive Director

Organization Structure: Brandon reviewed organization's structure and noted three open positions:

- AI software developer
- UAT position
- Communications and education coordinator.

SLTX hopes to hire all three positions this year, with two IT-related positions expected to be filled in the coming weeks.

Premium: Through May 2026, SLTX received \$7.9 billion in reported premium. March 2026 was highlighted as the first \$2 billion month of reported premium. Premium growth was considered consistent with expectations, though not showing same historical growth rate as previous years.

Item and Policy Count: Brandon emphasized key growth trends in item and policy count. 2026 produced record monthly policy counts. More than 88,000 policies in a month had not been seen prior to 2025. In 2026, that threshold was exceeded in four of five months, including two months with over 100,000 policies.

Market Trend: Much of the policy growth occurred in residential lines of coverage. Broader than just homeowners, residential can include:

- High-value residential property coverage
- Other residential-commercial hybrid coverage (i.e. Airbnb-related coverages)
- Some homeowner policies for situations where admitted coverage is unavailable

While commercial lines remain primary premium driver, residential business is significant and growing part of the market.

Conclusion: Mr. Brandon concluded his presentation. Liljenberg asked if there were questions or recommendations. Hearing none, no motion or recommendation was made.

Item 5. Policy & Intake Analysis Director Report | Toby Pick, Director of Policy & Intake Analysis

Operations Team Update: Operations team partnered with Christian R. to review over 700 policies to identify and capture Lloyd's syndicate participation percentages. A portion of the policies required corrections to ensure syndicate percentages were reflected accurately in SMART. Shantell J. was recognized for leading the initiative and developing uniform communication processes and templates. No correction deadlines were imposed; focus was on education, awareness, and data accuracy. Operations is evaluating opportunities to streamline functions currently managed through SMART optional upload folder and continuing cross-training with IT. Tyler P., Sr. Policy Analyst, was recognized for completing WSIA Marcus Payne Advanced ENS course in Chicago.

Late Filing Premium: Mr. Pick reported 2026 late filing premium totals:

- January – over \$62 million
- February – over \$76 million
- March – over \$38 million
- April – over \$49 million
- May – over \$43 million
- YTD – \$270,266,949 million, compared to 2025 YTD during same period at \$645 million

These metrics are used to identify filing behaviors and opportunities for outreach and education to reduce late filings.

Lemonlight Video: Mr. Pick introduced an SLTX training video, produced by LemonLight, intended to help SMART users manage updating profiles, account settings, and password security intended to reduce support requests and strengthen account security practices. Video audio was not heard during meeting, but visuals were shown; a plan to distribute material was mentioned.

Conclusion: Mr. Pick concluded his presentation. Liljenberg asked if there were questions or recommendations. Hearing none, no motion or recommendation was made.

Item 6. ITS Director Report & Appropriate Action | Sholonda Stone, Director of ITS

Stone presented the ITS report.

ITS Team Update: A new staff member on the ITS team is set to begin on Monday. An AI developer position will be posted after Director of HR, Denisse, returns. Stone mentioned upcoming training and conferences including Kansas City Developers Conference and Microsoft AI Collaboration Power Platform Summit.

SMART Updates: 2506 release updates included:

- Internal DE batch updates
- Search result ordering
- Smart stamping fee payment history
- External user API upload history
- External renewal certificate availability
- Installment transaction updates
- Zip code fill removal
- PNNI policy number / named insured processing fix
- SLRP 100 date/time update fix
- Other technical debt updates

Stone stated release 2601 is underway; will include first part of updates/edits which is expected to reduce manual back-out/re-entry work for Toby's team.

Microsoft AI Project: ITS team is in second effort with Microsoft AI project. First effort ended but SLTX received four additional Microsoft LLM efforts at no cost. One has been used to extract Lloyd's of London syndicates from policies.

- Naming issue was found when insurer names wrapped to next page; was addressed by creating insurer name list for exact matching.

Ariel and Dalton were recognized for helping QC project. AI project going well overall since October.

Conclusion: Ms. Stone concluded her presentation. Liljenberg asked if there were questions or recommendations. Hearing none, no motion or recommendation was made.

Item 7. Adjournment | Lezlee Liljenberg, Ex-Officio Member

With no further business, the meeting adjourned at 10:41 a.m.

Motion: Klein | Second: Harrison | Approved Unanimously



Leah Bennett, Secretary