

June 26, 2026

Finance & Audit Committee Meeting Minutes

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

AGENDA

June 26, 2026 Finance & Audit Committee Meeting		
Item 1.	Call to order; Establishment of Quorum	Lezlee Liljenberg, Ex-Officio Member
Item 2.	Discussion & Appropriate Approval of March 26, 2026, F&A Committee Meeting Minutes	Lezlee Liljenberg, Ex-Officio Member
Item 3.	Discussion & Appropriate Action: - 2026 YTD Financial Review - 2026 Pension Funding	Ronnie Ford, Director of Finance
Item 4.	Adjournment	Lezlee Liljenberg, Ex-Officio Member

Item 1. Call to Order | Lezlee Liljenberg, Ex-Officio Member

Lezlee Liljenberg, acting Chair of the Finance & Audit Committee, called the meeting to order on June 26, 2026, at 9:00 a.m.

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

The meeting notice and agenda were submitted to the office of the Secretary of State on June 18, 2026, in accordance with Section 2(c)(2) of the Plan and Chapter 551 of the Texas Government Code. All committee members were notified on May 28, 2026. Liljenberg called roll to confirm a quorum per Section 2(c)(6) of the Plan.

Committee Members Present

Jeff Klein, via Teams
Leah Bennett, via Teams
Nick Lawrence, Absent

Board Members Present

Lezlee Liljenberg, Board Chair
Kyle Rogers

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 and Analysis, SLTX
Marissa G., Administrative Assistant, SLTX
Rodolfo C., ITS Support Specialist, SLTX via Teams
Yuba D., Financial Analyst, SLTX, via Teams
Jeff McWhirt, General Counsel, Mitchell Williams, Selig, Gates, & Woodyard, PLLC, via Teams
David Dodd, Office of Financial Counsel, Texas Department of Insurance
Andrew Guerrero, Company Licensing & Registration Office, Texas Department of Insurance

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 26 Meeting Minutes | Lezlee Liljenberg, Ex-Officio Member
Committee members received a copy of the March 26, 2026, meeting minutes. With no questions or comments, Liljenberg asked for a motion for approval on minutes.

Motion: Klein | Second: Bennett | Approved Unanimously

Item 3. Discussion and Appropriate Action: 2026 Finance YTD Update & 2026 Pension Funding | Ronnie Ford, Director of Finance

2026 YTD Financials

Ms. Ford presented 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 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 due to timing of budgeted conferences.
- **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, which is more than a budgeted loss of (\$107,950). Budgeted loss for May alone was (\$582,954).
- **Investment Value:** decrease of approximately (\$117,367) for 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. The projected year end maximum fund balance is \$34.1 million, still \$17.9 million above the 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 the May 2026 budget was Pension cost of \$869,242

- Actuarial performed and 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 the pension for life is \$7 million
- 2026 pension has not been funded; proposal needed for the board approval request of \$895,889

Conclusion: Ford recommended the committee make a recommendation to the full board for approval of the 2026 Pension Payment for maximum payment of \$895,889.

Motion: Bennett | Second: Klein | Approved Unanimously

Item 4. Adjournment | Lezlee Liljenberg, Ex-Officio Member

With no further business, the meeting adjourned at 9:13 a.m.

Motion: Liljenberg | Second: Klein | Approved Unanimously

A handwritten signature in cursive script, reading "Leah Bennett", written in black ink. The signature is fluid and stylized, with a long horizontal line extending from the end of the name.

Leah Bennett, Secretary