September 23, 2026
Board of Directors Meeting Minutes
A Board of Directors meeting for the Surplus Lines Stamping Office of Texas was held in-person at the SLTX office, 1601 E. Pflugerville Parkway, Pflugerville, TX, 78660.

AGENDA

September 23, 2026 Board of Directors Meeting		
Item 1.	Call to order; Establishment of Quorum	Lezlee Liljenberg, Board Chair
Item 2.	Discussion & Appropriate Approval of June 26, 2026 Board Meeting Minutes	Lezlee Liljenberg, Board Chair
Item 3.	Discussion & Appropriate Action: Insurance Policies	Greg Brandon, Executive Director
Item 4.	Executive Director Report & Appropriate Action	Greg Brandon, Executive Director
Item 5.	Policy Intake Director Report & Appropriate Action	Toby Pick, Director of Policy Intake & Analysis
Item 6.	ITS Director Report & Appropriate Action	Sholonda Stone, Director of ITS
Item 7.	Finance & Audit Committee Report (a) Discussion and Appropriate Action: - 2026 YTD Financial Review - 2027 Proposed Budget	Nick Lawrence, Committee Chair; Ronnie Ford, Director of Finance
Item 8.	Adjournment	Lezlee Liljenberg, Board Chair

Item 1. Call to Order
Lezlee Liljenberg, Chair of the Board, called the meeting to order on September 23, 2026, at 10:30 A.M.

A conference call-in number was included in the Public Meeting Notice. Written notice was sent to the Texas Department of Insurance, including the Deputy Commissioner of the Financial Regulation Division and her designees, on September 14, 2026, as required by the SLTX Plan of Operation, Section 2(c)(2).

Notice and agenda were submitted to the Office of the Secretary of State on September 17, 2026, in accordance with Chapter 551 of the Texas Gov't. Code. Board members were notified on September 2, 2026. Liljenberg called roll to confirm a quorum per Section 2(c)(6) of the Plan.

BOARD OF DIRECTORS PRESENT
Lezlee Liljenberg
Leah Bennett
Nick Lawrence
Pete Harrison
Jeff Klein, via Teams
Jim Bishop, via Teams
Ryan Bridges, via Teams

ALSO PRESENT

Greg Brandon, Executive Director, SLTX
Ronnie Ford, Director of Finance, SLTX
Denisse Amezquita, Director of Human Resources, SLTX
Sholonda Stone, Director of ITS, SLTX
Toby Pick, Director of Policy Intake & Analysis, SLTX
Christian R., Data & Systems Integration Manager, SLTX
Marissa G., Administrative Assistant, SLTX
David Dodd, Office of Financial Counsel, TDI
Amarisa Rodriguez, Company Licensing & Registration Office, TDI
Paul Rainey, TSLA Liaison, RSI International, Inc., via Teams
Shirley Bowler, Member of Press with TSLR, via audio
Jeff McWhirt, General Counsel, Mitchell, Williams, Selig, Gates & Woodyard, PLLC, via Teams
Michael Nored, General Counsel, Mitchell, Williams, Selig, Gates & Woodyard, PLLC, via Teams

SLTX Staff Members Also In Attendance
Ariel R., Business Analyst, SLTX
Dalton M., Lead Developer, SLTX
Jennifer D., Policy Analyst I, SLTX
Kristian P., Data Analyst, SLTX
Manuel Z., Developer, SLTX
Porschea J. UAT, SLTX
Robyn P., Policy Analyst I, SLTX
Rodolfo C., IT Support Specialist, SLTX
Ruben O., Policy Analyst I, SLTX
Shantell J., Lead Analyst II, SLTX

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 of June 26, 2026, Minutes | Lezlee Liljenberg, Board Chair
Board members received a copy of the June 26 meeting minutes. Liljenberg asked for corrections or comments. Hearing none, Liljenberg called for a motion to approve the minutes.
Motion: Bridges | Second: Lawrence | Approved Unanimously

Item 3. Discussion and Appropriate Action: Insurance Policies | Greg Brandon, Executive Director
Greg Brandon provided an overview of various insurance policies.

Program	Insurer	Current Premium	Renewal Premium	Policy Expiration	Coverage Highlights
Cyber Liability	Towerstone	$15,770	N/A (renewal discussion in December)	January 2027	$50,000 deductible; $3M primary + $2M excess ($5M total); full prior acts
Employee Theft / Computer & Fund Transfer Fraud / Fidelity	MMA	$5,779	N/A (no renewal until 2029)	January 2029	3-year policy; $500,000 limit; $5,000 deductible; includes employee theft, computer and fund transfer fraud, and fidelity coverage
Directors & Officers (D&O)	Towerstone	$44,848	$44,848	October 1, 2026	A/B/C coverage; employment practices liability embedded; $1M fiduciary sublimit; prior/pending litigation date back to August; most deductibles about $25,000
Professional Liability (E&O)	Towerstone	$11,946	$11,946	October 1, 2026	$1M limits; $2,500 deductible; covers professional and media liability; retro date to 2007
Business Owners Policy (Property & Liability)	Not stated	$6,839	$7,130	Early October 2026	Covers contents of building and third-party liability; includes rental car coverage; $1M limit; $5,000 deductible
Workers' Compensation	Marsh / Hartford	$1,977	$2,123	Early October 2026	Payroll-dependent premium; no deductible; no technical claim limit; employers liability side has $1M

Conclusion: Brandon concluded the Insurance Programs presentation. Liljenberg asked if there were any questions or recommendations. Brandon recommended the board approve proposed insurance programs as presented and grant the Executive Director the authority
to finalize and purchase the coverage as presented.
Motion: Bishop | Second: Klein | Approved Unanimously

Item 4. Executive Director Report and Appropriate Action | Greg Brandon, Executive Director
Organizational Structure: SLTX had a busy quarter including:

- Reorganization
- Several Promotions
- New hiring
- Integration of the amended plan of operation

Christian R. was promoted to Manager of Data Systems Integration as SLTX moves towards a more integrated data approach across systems. Kristian P. was promoted from Policy Analyst & Data Analyst to a full-time Data Analyst working with Christian R.
Porschea J. was promoted from Policy Analyst into a UAT role, moving to Stone's IT team. Additionally, Brandon S. was hired on as UAT team member and Manuel Z. was hired on as a Developer. A candidate has accepted an offer for the AI Developer position, pending onboarding.

Two new policy analysts were hired, both with admitted-market experience and expected to start September 28 to join Policy & Intake Analysis team under Director Toby Pick.

An additional position for was reopened for a Communications & Education Coordinator.

Premium: Through August 2026, SLTX received $13.3 billion in reported premium. Organization is still seeing record or near-record premium levels, but growth is no longer accelerating as quickly as the prior multi-year acceleration rate.
Item Count: Item count for July and August reported 300,000+ items for both months, well above normal levels. Brandon explained the cause as being a combination of some internal/system factors and a large filer's misfiled submissions.
Policy Count: Brandon stated the same filer had already caused a major policy spike in January 2026. That filer submitted 28,000 policies, which was described as a record for a single filer. SLTX audited the filer in February and March. Same company later contributed to July/August item-count anomaly.
Report Abnormality: A single filer misfiled a large batch in late July and then submitted corrections in August, creating spike of roughly 300,000 items that distorted monthly item counts. Filing system counts each file and each correction as separate items, which amplified the apparent volume when the mistake and subsequent reversal occurred. The automatic month-end close locked counts as-is, which created the reporting challenge when the misfile occurred at the end of the month. September data suggests a return to normal ranges of roughly 140,000 to 150,000 items per month, although residual corrections could still affect September totals.
Moving Forward: Multiple meetings were held with filer and their consultant, described as a former TDI deputy commissioner, and worked cooperatively to correct and back out the erroneous filings. SLTX plans to implement daily static cap so a single filer cannot submit hundreds of thousands of items in one day while still allowing normal monthly volumes to be filed over time. SLTX is still evaluating whether to retroactively normalize the anomalous months in historical statistics or retain the records and note them as a one-time summer 2026 anomaly.
Conclusion: Brandon concluded the company update 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
Late Filing Premium: Mr. Pick reported year-to-date late filing premiums through August 2026 totaled approximately $108.7 million, compared with $840.6 million for the same period in 2025, reflecting a year-over-year decrease. Late filing premiums spiked in the summer months:

- June – about $102.4 million

- July – about $204.7 million
- August – about $232.3 million

Top 5 Coverages:

- Prop-Commercial Fire/Allied Line - $3.75 billion
- General Liability - $1.44 billion
- Property-Homeowners - $430 million
- Property-Residential Pkg - $91million
- Property-Residential Flood - $59 million

The top premium coverage categories remained led by commercial fire and allied lines at roughly $3.82 billion. Notable premium growth seen in excess and umbrella, up 9.1%, and commercial auto liability, up 54.2% to about $804 million. By policy count, general liability remained largest category at about 156,000 policies, property homeowners increased about 42% to roughly 126,000 policies, and commercial fire policy count rose about 14.7% year over year.

Operations Team Update: SLTX hired two new policy analysts starting September 28 and updated training materials to onboard them. Onboarding preparations were led by Shantell J. and Cathy H. The team also hosted two agency visits at SLTX office to collaborate on filing issues, which also served as mutual education and improved understanding of filer workflows.

LemonLight Video: Pick presented the final draft of the new Lemon Light "About SLTX" video, which provides an overview of SLTX's creation, role in the Texas surplus lines market, and status as an independent, quasi-governmental office. Pick noted it would be a useful educational tool for industry stakeholders who may not be familiar with SLTX's purpose or funding model. The board viewed the final draft, praised it, and discussed posting it on the website. The video is also set to be repurposed for broader distribution, including LinkedIn and shorter social media clips.

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: Stone reported that the IT team is doing well overall and thanked the development staff and others for their work supporting SMART releases and broader technology initiatives.

SMART Updates: The team is working through a major release, 2601. Future releases are expected to be smaller and more manageable, with a goal of 15–20 items per release.

Release 2601 highlights:

- Document reversals can now be filed by external users.
- For non-premium endorsements, policy and insured names will now be pre-populated instead of manually entered.
- Security change endorsement effective dates will no longer determine insured eligibility; eligibility will be based on the parent policy effective date.
- Users can no longer correct a pending policy originating from EFS
- The release also includes form improvements, user experience updates, and changes to some reports.

Website Redesign: ITS team has begun early-stage work on a redesign of the SLTX.org website.

AI Policy: A wrap-up review of the AI policy with general counsel is being finalized. Only minor revisions remain and is expected to be presented for board review in 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. F&A Committee Report: 2026 YTD Financial Review & 2027 Proposed Budget | Nick Lawrence, Committee Chair | Ronnie Ford, Director of Finance

2026 YTD Financials

- **Stamping Fee Revenue**: under 9%, ($64,901) for August and under 5%, ($275,577) YTD.
- **Investment Income:** over 37%, $37,208 for August and over 5%, $43,740, YTD, due to higher ROI than projected.

- **Operating Expense:** under $111,918, 19%, for the month and under $370,290, 6%, YTD.
- **Salaries and Benefits:** under $97,488, 23%, for August and 5%, $208,465, YTD due to recent changes in headcount.
- **Professional Services:** under by 6%, $1,737 for August and under 2%, almost $4,772 YTD.
- **Conference and Education:** over 55%, $2,027, for August and under 49%, ($33,656), YTD due to timing of budgeted conferences.
- **Travel and Entertainment:** over by 253%, $2,161, for August and under -61%, ($44,167), YTD.
- **Occupancy and Operating:** Under $22,670, 57%, for the month and under $42,224, 14%, YTD. Categories that contributed were software, computer equipment, and printing.
- **General and Administrative:** under $36,608, 40%, for August and over $7,273, 1%, YTD.
- **Contingency Funds:** not used, resulting in $2,943 savings for August and $29,734 YTD.
- **Operating Income:** $325,745 total income for August and $360,813 total income year to date. Budgeted for total income of $236,368 for the month and $360,813 through August.
- **Investment Value:** An increase of approximately $5,152 for August and decrease $383,222 YTD.

Fund Balance: Beginning balance of Unrestricted, Undesignated Funds in January 2026 was $32.7 million. August's YTD net income of $360,813 resulted in a fund balance on August 31, of $33.1 million which is $16.9 million over current maximum. The projected year end maximum fund balance is $33.4 million, still $16.2 million above the limit. Currently $1 million over projected maximum fund balance.
Conclusion: Liljenberg asked if there were any questions or recommendations. There were none. Ms. Ford continued with the 2027 Proposed Budget.

2027 Proposed Budget

Per section 3(a)(4) of the Plan of Operation, the Stamping Office must submit a proposed budget for the stamping office's operating and capital expenses and contingent expenses for the following calendar year to the board's audit and finance committee.
Total Revenue: budget decrease 9% or $867,293
Stamping Fee – Decrease in Stamping fee revenue, 9% or $729,473 based on current stamping fees.
Interest and Other Income – decrease of 11%, $137,819, due to interest rate decreases this year.
Salaries & Benefits: a 15% increase of $1.012,883 for 2027. Due to all lines of health insurance coverages. Proposed amount is subject to change pending negotiations in renewals.
Professional Services: 7%, $28,307, decrease primarily due to removal of ongoing SMART support services now done internally.
Conference & Education – 17% increase, or $16,403, and remained 1% of the budget. Increase due to additional training for new hires budgeted.
Travel & Entertainment – Increase 15%, or $13,700, from 2026 and remained 1% of the budget.
General & Administrative – decrease of 52% or ($633,996), SMART Releases are no longer amortizing.
Total 2027 budgeted expenses are projected to increase by 4% or $360,851 over 2026. Overall, the budget predicts an operating loss of $340,024 for 2027 as opposed to a budgeted gain of ($888,120) for the 2026 adopted budget, a change of about $1,228,143 or 138%.
Conclusion: Ford concluded the presentation. Liljenberg asked if there were any questions or recommendations. Ms. Ford recommended the board refer the 2027 proposed budget, as presented, to the Deputy Commissioner of the Financial Regulation Division of the TDI in accordance with Section 2(b)(7) of the Surplus Lines Stamping Office Plan of Operation.
Motion: Bridges | Second: Harrison | Approved Unanimously

Item 8. Adjournment | Lezlee Liljenberg, Board Chair

There being no further business before the Board, Liljenberg requested a motion to adjourn the meeting. The meeting adjourned at 11:36 AM.
Motion: Harrison | Second: Bennett | Approved Unanimously

Leah Bennett, Secretary

