

Exhibit A, June 17, 1985 school board meeting

R E S O L U T I O N

WHEREAS, the Kerrville Independent School District and the National Bank of Commerce of Kerrville, the Charles Schreiner Bank of Kerrville, the First National Bank of Kerrville, and the Bank of Kerrville have been involved in litigation over the proper method of valuing bank shares for ad valorem tax purposes, and,

WHEREAS, the U. S. Supreme Court has determined a proper method of calculating the value of bank shares for ad valorem tax purposes, and,

WHEREAS, the Banks and School District have tentatively agreed to settle the litigation based on the method of determining the value of bank shares as approved by the U. S. Supreme Court, and,

WHEREAS, it has been agreed between the parties that in order to assure equality and uniformity between the Banks in the calculation of the value of the Banks' shares, the same sources of data will be used.

NOW THEREFORE, BE IT RESOLVED THAT the Board of Trustees of the Kerrville Independent School District hereby agrees to settle the litigation between the School District and the Banks based upon the method of valuation approved by the U. S. Supreme Court, subject only to the Board of Trustees' determination that there is mutuality of sources of data used, the mathematical calculations are accurate, the determination of the correct amount of real estate values to be deducted

from the equity capital of each Bank and that the case now pending in the 198th District Court of Kerr County be dismissed with prejudice as to all parties to the suit.