

A RESOLUTION BY THE BOARD OF TRUSTEES OF THE KERRVILLE INDEPENDENT SCHOOL DISTRICT PROVIDING FOR THE DEFEASANCE AND/OR CALLING FOR REDEMPTION CERTAIN CURRENTLY OUTSTANDING OBLIGATIONS; DIRECTING THE BOARD SECRETARY, OR A DESIGNEE THEREOF, TO EFFECTUATE THE DEFEASANCE AND/OR REDEMPTION OF THESE OBLIGATIONS; AUTHORIZING THE EXECUTION OF AN ESCROW AGREEMENT; DELEGATING TO CERTAIN DISTRICT OFFICIALS AND STAFF THE AUTHORITY TO EFFECTUATE MATTERS HEREIN RESOLVED; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the Board of Trustees (the *Board*) of the Kerrville Independent School District (the *District*) previously adopted an order (the *Original Order*) authorizing the issuance of the District's currently outstanding Unlimited Tax School Building Bonds, Series 2013 (the *Obligations*); and

WHEREAS, the Obligations maturing on and after August 15, 2024 are subject to optional redemption, as a whole or in part (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at the option of the District, on August 15, 2023 or any date thereafter; and

WHEREAS, the Original Order provides the notice requirements to effectuate the redemption and defeasance of the Obligations prior to their applicable Stated Maturity; and

WHEREAS, it is in the best interest of the District and its residents to defease and/or redeem certain of the Obligations (the *Defeased Obligations*) extinguishing the District's payment obligations with respect thereto at the time of defeasance, and calling the Defeased Obligations on an optional redemption date to be determined by an Authorized Official (defined herein), all as herein provided; now, therefore,

BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE KERRVILLE INDEPENDENT SCHOOL DISTRICT THAT:

SECTION 1. The Board hereby authorizes an Authorized Official to use District funds realized from prior interest and sinking fund tax collections or any other lawfully available source (the *Defeasance Proceeds*), in an amount necessary and sufficient to redeem, or defease, to their date of early redemption, the Defeased Obligations, which shall be determined by an Authorized Official and set forth in Exhibit A hereto. An Authorized Official shall accomplish the defeasance of the Defeased Obligations by establishing and funding with Defeasance Proceeds prior to the end of the District's 2026-2027 fiscal year the hereinafter-defined Escrow Fund pursuant to the provisions of Section 3 hereof, and/or shall accomplish the redemption of the Defeased Obligations by depositing the Defeasance Proceeds, prior to the end of the District's 2026-2027 fiscal year, in the requisite amount with the paying agent/registrar for the Defeased Obligations on or before the established redemption date therefor. An Authorized Official shall identify the maximum principal amount of Defeased Obligations that can be defeased and/or redeemed after taking into consideration District funds from the sources identified above, interest earnings on Escrow Fund deposits, and final costs related to establishment of the Escrow Fund, with the goal of maximizing the principal amount of the Defeased Obligations. District officials currently estimate that the

principal amount of Defeased Obligations will be approximately \$725,000, but such amount may be lesser or greater dependent on the receipt of actual collections. The final amount will be known to the District after February 1, 2027, when current taxes become delinquent and the tax collections available for defeasance are ascertained.

SECTION 2. Each Authorized Official is hereby authorized to select the date of the defeasance and/or redemption of the Defeased Obligations, subject to the limitations set forth in the preceding paragraph. The form of the Notice of Redemption for the Defeased Obligations is attached as Exhibit B hereto and incorporated by reference for all purposes.

SECTION 3. Each Authorized Official is hereby authorized to enter into and execute, on behalf of the District, an escrow agreement (the *Agreement*), a substantial form of which is attached hereto as Exhibit C, together with such changes or revisions as may be necessary to accomplish the defeasance of the Defeased Obligations or benefit the District; and any such Agreement as executed by said Authorized Official shall be deemed approved by the Board and constitute the Agreement herein approved.

Furthermore, each Authorized Official, the District's Financial Advisor (Hilltop Securities Inc.), and the District's Bond Counsel (McCall, Parkhurst & Horton L.L.P.), in cooperation with the Escrow Agent, are hereby authorized to make any necessary arrangements for the deposit of cash and/or the purchase of any securities referenced in the Agreement and the delivery thereof to the Escrow Agent upon delivery to the Escrow Agent of the Defeasance Proceeds for deposit to the credit of the "KERRVILLE INDEPENDENT SCHOOL DISTRICT 2027 DEFEASANCE ESCROW FUND" (the *Escrow Fund*), as may be modified in name to reference the appropriate Defeasance Obligations, and may include the execution of the subscription forms, if any, for the purchase and issuance of the "United States Treasury Securities - State and Local Government Series" for deposit to the Escrow Fund; all as contemplated and provided by the provisions of Chapter 1207, as amended, Texas Government Code, this Resolution, and the Agreement.

Alternatively, each Authorized Official is authorized to negotiate and execute an escrow deposit letter or some other alternative agreement if determined to be more appropriate and in the District's best interest.

SECTION 4. The President and Secretary of the Board are authorized and instructed to give notice of redemption described herein to the paying agent/registrar for the Defeased Obligations for further delivery thereby to the holders of such Defeased Obligations, as provided in the Original Order.

SECTION 5. An Authorized Official may, to the extent necessary, select and appoint a qualified verification agent (such party, the *Verification Agent*) to verify the sufficiency of the deposit to the Escrow Fund to accomplish the defeasance of the Defeased Obligations, to the extent such appointment is necessary or desired.

SECTION 6. Each Authorized Official is authorized to evidence adoption of this Resolution and to do any and all things necessary or convenient to effect the redemption of the Defeased Obligations herein described and otherwise give effect to the intent and purpose hereof.

SECTION 7. The Board hereby directs that Defeasance Proceeds shall include amounts sufficient to pay professional fees and expenses of the District's Bond Counsel, the District's

Financial Advisor, the Escrow Agent, the Verification Agent, the paying agent/registrar for the Defeased Obligations, respectively, and any other party whose services have been determined by the District to be necessary to accomplish the purpose and intent of this Resolution. Use of Defeasance Proceeds to pay these expenses is hereby approved.

SECTION 8. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

SECTION 9. All orders and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

SECTION 10. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 11. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

SECTION 12. It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 13. Though such parties may be identified, and the entry into a particular form of contract may be authorized herein, the Board hereby delegates to the Board President, Board Vice President, Board Secretary, Superintendent of Schools, or their designee (each of the foregoing, an *Authorized Official*) the authority to independently select the counterparty to any agreement with the Escrow Agent, Verification Agent or any other contract that is determined by an Authorized Official, the District's Financial Advisor, or Bond Counsel to be necessary or incidental to carry out the provisions of this Resolution, as long as each of such contracts has a value of less than the amount referenced in Section 2252.908 of the Texas Government Code, as amended (collectively, the *Ancillary Bond Contracts*); and, as necessary, to execute the Ancillary Bond Contracts on behalf and as the act and deed of the District. The Board has not participated in the selection of any of the business entities which are counterparties to the Ancillary Bond Contracts.

SECTION 14. Capitalized terms used but not otherwise defined herein shall have the same meanings as set forth in the Original Order.

SECTION 15. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

* * *

PASSED AND APPROVED, the 17th day of August, 2026.

KERRVILLE INDEPENDENT SCHOOL
DISTRICT



President, Board of Trustees

ATTEST:



Secretary, Board of Trustees

(DISTRICT SEAL)

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EXHIBIT A

REDEEMED/DEFEASED OBLIGATIONS*

[Kerrville Independent School District Unlimited Tax School Building Bonds, Series 2013, dated August 1, 2013, in the original principal amount of \$5,970,000. Particularly, the Defeased Bonds are those stated to mature on August 15 in the years 20__ through 20__, in the principal amount of \$_____. These obligations have been called for redemption on _____, 20__.]

* To be completed by an Authorized Official.

EXHIBIT B

NOTICE OF DEFEASANCE AND/OR REDEMPTION

(See Tab __)

EXHIBIT C
ESCROW AGREEMENT

(See Tab __)