Minutes of the Meeting
The Davidson Academy Governing Board
May 29, 2026

Call to Order

The regular meeting of the Governing Board of the Davidson Academy was called to order at 2:01 p.m. This public meeting was held by videoconference allowing members of the public to hear and observe the meeting. Members of the public were invited to provide comments by telephone, through videoconference, or by email.

A. Roll Call

Roll call was completed by the Chair of the Meeting, Mark Herron. Bob Davidson, Roger Davidson, Brian Krolicki, Richard Trachock, Annette Whittemore, and Lauralyn McCarthy-Sandoval, were present. Also present were Academy Director, Colleen Harsin; Legal Counsel, Ann Alexander; Vice President and General Counsel of the Davidson Group, Matthew Maccoby; Controller, Vice President of Finance and Administration, Karin Dixson; Director of Accounting, Kevin Connelly; Clerk of the Board, Aimee Fredericks; and Ken Bouchard, managing IT support for the meeting. Board Members Brian Sandoval, Joe Ernst, and Victor Wakefield were not present. Following completion of roll call, a quorum of voting board members was confirmed.

B. Welcome and Introduction

Mark Herron welcomed Board Members and members of the public in attendance.

C. Public Comment

Mr. Herron provided instructions concerning public comment as stated under item C. of the meeting agenda.

Mark Herron stated that this meeting would be held without a physical location, but in compliance with Nevada legislation, was available for visual participation, and audio call-in for public comments. He referenced the public comment details provided in the agenda and confirmed that public comments, if made, would be received by email or by telephone. No comments were received.

D. Approval of Agenda

Mr. Herron asked for a motion for approval of the agenda, requesting that the Board move General Business items to the beginning of the meeting. Motion was made and seconded for approval of the meeting agenda with the requested change of order of agenda items. Motion carried unanimously.

E. Approval of Minutes

Mark Herron requested approval of the minutes for the meeting of March 6, 2026, under Tab 1 of the board book. Motion was made and seconded for approval of the minutes as submitted. There was no discussion, and the motion carried unanimously.

F. Correspondence

Mr. Herron referred Board members to Tab 2 of their board materials for correspondence for their review. He confirmed that these items were not for discussion at this time as they were not included in the agenda. He advised that if any Board Members wish to discuss these items at a later meeting to please advise so that they may be placed on the agenda.

G. Reports

1. Academy Director

a. General Program Updates

Colleen Harsin began her report by referring Board Members to Tab 3 for the Profit and Loss statement summary of budget versus actual through March 2026. Under Tab 4, of the board materials Ms. Harsin referred to correspondence regarding contingency days for the 2025-2026 school year. Three contingency days were utilized with the last day of school landing on May 20, 2026. Under Tab 5 is correspondence from the Nevada Department of Education including Notice of Pupil Enrollment and Attendance Audit for the 2025-2026 school year which was completed in April. Also included is the preliminary report advising of a finding concerning withdrawal dates and stating that a correction of four pupil days would be accounted for in the true-up process. A final report is pending.

Under Tab 6, Ms. Harsin referred the Board to the mid-cycle progress report with regard to the Davidson Academy's accreditation with Cognia. Accreditation is about continuous improvement. Specifically, in the Academy's review it was noted that the single area of improvement identified in the progress report was to implement professional development for the integration of digital resources that enable students to gather, evaluate, and use information for learning. The Academy has since added Google Docs for writing and collaboration along with digital resources in use throughout the curriculum. Review and analysis continue with year-end student and teacher surveys. The Academy anticipates implementation of additional changes in the 2026-2027 school year.

Concerning General Program updates, on May 9, 2026, commencement was held for 41 Davidson Academy graduates. Parents also held a separate 8th grade graduation celebration at the Academy campus. Ms. Harsin reported that she continues to work closely with the Academy parent group on events with incoming families and volunteer opportunities, which remain an invaluable resource for members of the Academy community.

Ms. Harsin has started analyzing survey data for continuous improvement and revision of school policies and procedures. Specifically, she is addressing decreasing screen time, clarifying computer use policies, mitigating aspects of AI and increasing awareness of responsible use in the context of continuing to focus on the importance of developing critical thinking skills.

Ms. Harsin confirmed that admissions for the 2026-2027 school year concluded and that forty-three new students were accepted. Forty of those students have indicated that they will enroll for the new school year. At this time, it is anticipated that the total enrollment for the 2026-2027 school year will be 170 students.

b. College Planning Updates

Ms. Harsin referred Board Members to Tab 7 of their board materials for a list of schools where college and university admission was offered and where Davidson Academy students chose to enroll. Forty-one graduates applied to 146 colleges and universities with 503 applications submitted. One hundred forty-one applications received early decisions, twelve received priority decisions, and 350 received regular and rolling decisions. Two hundred and forty-three acceptances were received, forty-three were waitlisted and one hundred and seventy-four received denials, and forty-three decisions were unknown as of 5/13/2026

2. Media and Outreach

Ms. Harsin indicated that as is usual for this time of year there was a decrease in website metrics typically due to admissions being closed at this time. The Academy expects an increase when admissions reopen in the fall. Outreach continues with focus on affordability and availability of eligibility testing that is required for the Academy application.

H. General Business (for possible action)

1. Review, discuss, and possibly approve budget for Fiscal Year 2026-2027, presented as a tentative budget at public budget hearing on May 18, 2026.

Mr. Herron thanked Karin Dixson and Kevin Connelly for their work in preparing the budget and referred to Kevin Connelly for further report. Mr. Connelly directed Board Members to Tab 11, page 44, of their board materials for the Budget Summary for the 2026-27 school year.

Mr. Connelly confirmed that student enrollment for 2026-2027 school year is estimated at 170 students, similar to the actual enrollment for 2025-2026. The budget includes revenues of $5.8 million, of which $3.98 million is contribution from Davidson Institute, and $1.7 million from the State of Nevada. At the time the budget was prepared, Pupil Centered Funding revenue was not available; the State of Nevada revenue was estimated with a reasonable assumption using a 2% increase over the current year actuals. The budget estimates over $6 million in expenditures, which is an overall increase of 6% or approximately $350,000. Excluding the non-cash items there is a net fund balance of approximately $5,000.

Mr. Connelly reported further that wages, taxes, and benefits account for $210,000 of the $350,000 budget increase. This is driven in part by replacing a part-time language instruction position with a full-time position. The effective rate of wage actions was 3.97%. Health insurance rates in general are expected to increase by 10+%, but management is generally successful with negotiating rate increases below the industry average. Sixty-two thousand dollars of the increase is attributed to various IT projects, including replacing outdated staff laptops, and reflecting sharp increases in the cost of computer hardware in the upcoming year.

Student travel is increasing by $70,000. This is mainly due to the decision to use group booking practices rather than asking students to book their own travel to competitions and events. The Academy will collect travel activity fees from families, as such there is an offsetting increase in revenue of $60,000. The remaining $10,000 is due to an increase in UNR shuttle fees and an increase in transportation for staff chaperoning student competitions.

Mr. Connelly commented that increases and decreases may be noticed by department budget categories. The Nevada Dept of Education is changing the long-standing time allocation policy effective as of July 1, 2026. Historically, staff allocated time to each job function performed. Going forward, staff will allocate 100% of time to their highest job function. For example, a classroom instructor who also provided curriculum design support will now code 100% of their time to Classroom Instruction. This policy change does not impact overall expenditure, but it does impact how wages are accounted for.

Mr. Connelly advised that at the bottom of the budget summary, there is noted the non-cash items like prepaid rent and depreciation of fixed assets. The $196,170 of prepaid rent is the annual rent expense being recorded since 2009 due to the need to amortize the renovation costs of the Academy's space in the Jot Travis building over the initial term of the lease. The prepaid rent line has decreased in comparison to the 2025-2026 budget because last year prepaid rent for the Annex space in the Jot Travis building was included.

Board Member Brian Krolicki thanked Kevin Connelly for his presentation and asked for any further comment. Karin Dixson confirmed that Kevin's presentation gave a thorough summary and overview of the budget and that the staff is very good at conveying needs at the school and classroom levels. Karin Dixson confirmed that while the Board is viewing a budget summary, extensive backup documentation exists to account for the budget totals. Mark Herron confirmed for Mr. Krolicki that from his review there were no "red flags" or concerns about the budget at this time.

Mr. Herron requested public comment on the budget; there was no comment from the public. There being no further comment, motion was made and seconded for approval of the budget as submitted, and the motion carried unanimously.

2. Review, discuss, and possibly approve revised versions of three agreements related to the proposed development, financing, construction, and leasing of a new facility for the Davidson Academy on the campus of the University of Nevada, Reno.

a. Ground Lease between the Board of Regents of the Nevada System of Higher Education on behalf of the University of Nevada, Reno (the University) and JGD Legacy Holdings, LLC

b. Fourth Amended Lease Agreement between the University and the Davidson Institute on behalf of the Academy

c. Amendment between the University and the Davidson Institute on behalf of the Academy

Mark Herron advised that this General Business item would serve to revisit items covered at the last board meeting regarding the planned new Davidson Academy building on the University of Nevada, Reno (UNR) campus. He referred to Davidson

Group General Counsel, Matthew Maccoby, for further report regarding these items that are requested to be acted on by the Board at this meeting.

Mr. Maccoby advised that at the March 6, 2026, Davidson Academy board meeting, Mark Herron reported on the progress made toward developing a new building for the Davidson Academy on the UNR campus. At that meeting, the Board approved a new ground lease between UNR and CoreLink-DA Holdings. He reminded the Board that CoreLink-DA Holdings will be a wholly owned subsidiary of CoreLink Facilities Foundation, the non-profit that the Academy is working with on this project. In addition, at that meeting the Board approved two amendments to existing agreements between UNR and the Davidson Academy. The Nevada System of Higher Education Board (NSHE) of Regents had approved all three agreements the day before the Academy's board meeting on March 6, 2026, and the Davidson Institute Board of Trustees approved all three agreements the week after the Academy's board meeting.

Mr. Maccoby reported that since the last board meeting, significant progress has been made on the project. Several design meetings were completed with the architect, Van Woert Bigotti (VWB), and the team is closing in on the new building's functional attributes. A Request for Qualifications was sent to several potential construction managers identified with the help of VWB, and detailed responses were received. Two of the construction managers were interviewed earlier this week.

Board Member Brian Krolicki asked if the new building project would be subject to the public works NRS statute as the Davidson Academy is a public school. Mr. Maccoby confirmed that this had been reviewed with legal counsel and it was determined that this project is not a public work as defined in the NRS statute.

An initial meeting with the City of Reno did not identify any significant issues. Due diligence continues on the property, including a Phase I environmental report. The Phase I report identified a likely underground oil tank on the parcel where the residence is located, and it also identified the previous removal of another underground oil tank and the remediation of some contaminated soil on a different parcel. The ground lease provides that UNR is responsible for all pre-existing conditions on the leased premises, and the team will be discussing with UNR how removal of the likely underground storage tank, if there is one, will be handled.

Mr. Maccoby advised that after the Board's last meeting, the Academy's advisors suggested one change to the lease structure Mark Herron described at the meeting. Instead of UNR entering into the ground lease with CoreLink-DA Holdings, UNR would enter into the ground lease with a wholly owned subsidiary of the Davidson Institute. The subsidiary has been named JGD Legacy Holdings, in honor of Jan Davidson's role in creating the vision for the Academy. That subsidiary would then enter into a ground sublease with CoreLink-DA Holdings. Nothing else has changed. As originally planned, CoreLink-DA Holdings would still be the entity that raises the tax-exempt financing, develops the project, enters into agreements with the architects and the construction manager, and enters into a facility lease with the Academy. The only change is the insertion of a Davidson Institute subsidiary between UNR and CoreLink-DA Holdings, as shown in the diagram included in the board package.

Mr. Maccoby stated that the Academy's advisors believe this change provides several advantages for the Academy. Among other things, (i) it increases the Academy's ultimate control over the property, and (ii) it facilitates the return to the Academy of excess cash that will build up in CoreLink-DA Holdings because of an anticipated debt service coverage ratio; under the new structure, that excess can be paid to the new Davidson Institute subsidiary in the form of ground sublease rent.

Board Member Rick Trachok indicated that it was his understanding that once the bonds had been retired the Davidson Academy would be the ultimate owner of the lease and the improvements on the property and asked how this would affect that. Mr. Maccoby confirmed that this change would have no practical effect on the ultimate ownership of the new facility and that once the financing goes away, CoreLink-DA Holdings is also expected to go away, and the Davidson Academy would then become the owner of the facility and a direct subtenant of JGD Legacy Holdings for the remaining term of the UNR ground lease. Mr. Maccoby confirmed that JGD Legacy Holdings is a limited liability company that is a wholly owned subsidiary of the Davidson Institute and is currently managed by Mark Herron and Matthew Maccoby. CoreLink-DA Holdings remains the project entity responsible for borrowing the funds to develop the project. In response to a question from Mr. Krolicki, Mark Herron confirmed that they would be looking into insurance on the bonds used to finance the project and would be getting further into the financing details of the project. Rick Trachok asked about the initial term of the ground lease. Mr. Maccoby confirmed that the initial term commences when the lease is executed and ends 40 years from date of occupancy, with three ten-year options. Mr. Krolicki asked if municipal red book counsel had yet been identified for this transaction and said that a tax opinion would be important. Mr. Maccoby confirmed that other counsel will be identified and engaged to address a number of financing requirements.

Mr. Maccoby confirmed that changes to the ground lease were discussed with the UNR business and legal teams, and they were very supportive. Because the ground lease had not yet been executed, and because the NSHE Board of Regents' approval of the ground lease included authorization for corrective amendments to the ground lease before it was executed, UNR has agreed that the ground lease can be revised before it is executed to refelct the new lease structure. The UNR business and legal teams have approved the proposed changes to the ground lease. In addition, they have confirmed the changes do not require further approval by the NSHE Board of Regents.

Mr. Maccoby referred the Board to a redlined document in the board package comparing the revised ground lease to the draft that was approved at the last Academy board meeting. He noted that the revised ground lease still includes the provision Mark Herron mentioned at the last meeting that allows the ground lessee, now JGD Legacy Holdings, to terminate the ground lease for any reason or no reason anytime in the next several months. Mr. Maccoby advised that he expects the team to come back to this Board for additional approvals before the closing of the financing and the execution of the ground sublease and the facility lease.

Mr. Maccoby reported that the change in the ground lease structure also requires minor conforming changes to the two amendments to existing agreements between the Academy and UNR. UNR has approved those changes and has confirmed that the changes do not require further approval by the NSHE Board of Regents; that is a new development that occurred after the board package was distributed. Redlined documents were included in the board package comparing the revised amendments to the drafts that were approved at the last Academy board meeting. The revised ground lease and the two revised amendments will also be submitted to the Davidson Institute's Board of Trustees for approval.

Mark Herron requested public comment. As there was no public comment, Mr. Herron requested a motion to approve and ratify the revised ground lease and two revised amendments pursuant to the resolutions included in Tab 14 of the board package. The motion was made and seconded, and the motion passed unanimously, with Lauralyn McCarthy Sandoval abstaining.

I. Public Comment

Mark Herron reiterated instructions concerning public comment as stated under item C. of the meeting agenda. No comments were received.

J. Adjournment

There being no further business to come before the Board in the public meeting, Mr. Herron asked for a motion to adjourn. Motion was made, seconded and carried unanimously. The meeting adjourned at 3:00 p.m.

Aimee Fredericks

Respectfully submitted by Aimee Fredericks, Clerk of the Board