



## BOARD MEETING AGENDA

**Tuesday, January 13, 2026**

**Derby Recreation Center**

6:00pm

- A. Consent Agenda *(Action Required)*
1. Regular Meeting Minutes December 2025
  2. Checks & Vouchers December 2025
  3. USD 260 Treasurer Report
  4. Budget Timeline
- B. Presentation
- Trina Bauer Inspirational Wellness Award *(Receive & File)*  
Chris Drum, Superintendent of Recreation

### PUBLIC FORUM

- C. Superintendent Report *(Receive & File)*
- D. Staff Highlights *(Receive & File)*

### PROGRAM HIGHLIGHT

- E. Christmas Special Events *(Receive & File)*  
Ashlynn Godown-Schenker, Program Supervisor  
Jenna Hudson, Program Coordinator
- F. 2025 Fast Pitch Tournaments & Sports Leagues Update *(Receive & File)*  
Darren Hornback, Sports Director  
Brian Hultgren, Sports Coordinator, Curtis Baxter, Sports Coordinator

### OLD BUSINESS

### NEW BUSINESS

- G. 2024-2025 DRC Audit Report *(Action Required)*  
Eric Meyer, George, Bowerman & Noel
- H. 2025-2026 Audit Engagement *(Action Required)*  
Derek Smith, Director of Administration
- I. Risk Management Committee Presentation *(Receive & File)*  
Donita Grinde-Houtman, Aquatic Director  
Jenna Hudson, Program Coordinator

J. Annual Volunteer Report (*Receive & File*)  
*DeeAnna Claytor, Assistant Director of Programs*

K. Executive Session  
*Personnel*

ADD ONS

Kansas Recreation & Park Association Conference  
January 27-29, 2026  
Topeka, Kansas



## BOARD MEETING MINUTES

December 9, 2025

A regular meeting of the Derby Recreation Commission was held at the Derby Recreation Center, 801 E. Market, Derby, Tuesday, December 9, 2025.

Chairman Eric Tauer called the meeting to order. Present were board members Ken Boote, David Sowden, Brent Renberger, and Rick Ruff. Also present were Chris Drum, Superintendent of Recreation, Derek Smith, Director of Administration, Darcie Parkhurst, Director of Facilities, Stacy Haines, Community Wellness Director, Vanessa Rugg, Director of Programs, DeeAnna Claytor, Assistant Director of Programs, Alex Dinicola, Director of IT, Dara Miranda, Director of Marketing, Misti Gladman-Freerks, Assistant Director of Administration, Jon Meidinger, Culinary Arts Coordinator, and Caryn Hendry, Administrative Assistant. Guests included Jasha Dohm and family, and Cody Friesen, Derby Informer.

Rick Ruff moved to approve the Consent Agenda, Ken Boote seconded, motion carried 5-0.

Jon Meidinger presented Jasha Dohm with the 2025 Volunteer of the Year award.

The board recognized Director of Administration Derek Smith for his 20 years of service to the Derby Recreation Commission.

The Superintendent Report was reviewed. Chris Drum introduced new full-time staff, Jace McIntire and Will Hartigan; announced that the Rock River Rapids Management Agreement was approved at the November 25, 2025 City Council Meeting; discussed an upcoming meeting with the City Manager, Deputy City Manager and Public Works regarding potential progress on AED's in Derby parks; and requested the Chairman to table the Audit Report and the Audit Engagement until the January meeting as the auditor is unable to attend the meeting.

Ken Boote moved to table agenda item F. 2024-2025 DRC Audit Report and agenda item G. 2025-2026 Audit Engagement until the January board meeting, David Sowden seconded, motion carried 5-0.

Staff highlights were reviewed. Darcie Parkhurst discussed the launch of the DRC Endowment Fund matching campaign for lifeguard certification scholarships. Vanessa Rugg highlighted the recent Go N' Gobble special event. Derek Smith discussed the recent employee health and dental enrollment, completion of finance transition training meetings with programming staff, and discussed that staff is working on creating updated budget preparation documents to align with the new financial software.

Vanessa Rugg presented the 2025-2026 winter program guide to the board.

David Sowden moved to approve the OAC Planning Memo to USD 260 with proposed changes, Ken Boote seconded, motion carried 4-1, Rick Ruff opposed.

Rick Ruff moved to approve the DRC Personnel Policy revision regarding the Employee Health Surcharge as presented, Eric Tauer seconded, motion carried 3-2, Ken Boote and David Sowden opposed.

Brent Renberger moved to approve the Facility Development Account Plan as presented, David Sowden seconded, motion carried 5-0.

Stacy Haines presented the 2026 Employee Wellness Program to the board and highlighted new events.

Rick Ruff moved to approve the IT Support Agreement with OneSource Technology as presented, David Sowden seconded, motion carried 5-0.

Ken Boote moved to approve the DRC basketball court and racquetball court sanding, repair and repaint proposal from Kohen Courts as presented, David Sowden seconded, motion carried 5-0.

Chris Drum reviewed the employee service awards for 2025.

Brent Renberger moved to go into executive session for a period of 60 mins after a 5 minute recess for personnel purposes, Rick Ruff seconded, motion carried 5-0.

Eric Tauer moved to come out of executive session, Rick Ruff seconded, motion carried 5-0.

Eric Tauer announced that no action was taken as a result of executive session.

Eric Tauer moved to go into executive session for a period of 10 minutes for personnel purposes, David Sowden seconded, motion carried 5-0.

Ken Boote moved to come out of executive session, Brent Renberger seconded, motion carried 5-0.

Eric Tauer announced that no action was taken as a result of executive session.

Eric Tauer moved to adjourn, Rick Ruff seconded, motion carried 5-0.

**DERBY RECREATION COMMISSION**  
**Balance Sheet**  
As of November 30, 2025

	Nov 30, 25
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
PETTY CASH / CASH BAGS	3,191.25
CASH - CHANGE FUNDS	210.00
CASH IN BANK	67,568.77
CASH IN BANK - INVESTMENTS	643,405.31
CD'S	1,800,000.00
CARSON BANK	8,791.56
FSA	1,965.42
<b>Total Checking/Savings</b>	2,525,132.31
<b>Accounts Receivable</b>	
ACCOUNTS RECEIVABLE	3,792.50
<b>Total Accounts Receivable</b>	3,792.50
<b>Other Current Assets</b>	
ACCOUNTS RECEIVABLE - XPLOR	-19,708.55
RENTAL HOLDING ACCOUNT	-2,871.00
<b>Total Other Current Assets</b>	-22,579.55
<b>Total Current Assets</b>	2,506,345.26
<b>Fixed Assets</b>	
<b>CAPITAL ASSETS</b>	
BUILDINGS & IMPROVEMENTS	5,134,892.00
MACHINERY & EQUIPMENT	3,067,621.00
VEHICLES	375,139.00
RIGHT-OF-USE LEASED BUILDINGS	6,971,970.00
ACCUMULATED DEPRECIATION	-7,368,568.67
<b>Total CAPITAL ASSETS</b>	8,181,053.33
<b>Total Fixed Assets</b>	8,181,053.33
<b>TOTAL ASSETS</b>	<b>10,687,398.59</b>

**DERBY RECREATION COMMISSION**  
**Balance Sheet**  
As of November 30, 2025

	Nov 30, 25
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
<b>ACCOUNTS PAYABLE</b>	107,308.18
<b>Total Accounts Payable</b>	107,308.18
<b>Other Current Liabilities</b>	
FSA AP	-38,909.41
DRC CLEARING ACCOUNT	5,932.80
RRR CLEARING ACCOUNT	2,928.70
CITY PARK RENTALS - REIMB	6,345.00
<b>PAYROLL LIABILITIES</b>	
KPERs PAYABLE	0.01
LIFE INSURANCE PAYABLE	89.79
<b>Total PAYROLL LIABILITIES</b>	89.80
<b>Total Other Current Liabilities</b>	-23,613.11
<b>Total Current Liabilities</b>	83,695.07
<b>Long Term Liabilities</b>	
<b>INVESTMENT IN CAPITAL ASSETS</b>	8,181,053.33
<b>Total Long Term Liabilities</b>	8,181,053.33
<b>Total Liabilities</b>	8,264,748.40
<b>Equity</b>	
EMPLOYEE BENEFITS	68,681.95
UNRESTRICTED NET ASSETS (Other Income)	4,314,463.59
Net Income	-1,960,495.35
<b>Total Equity</b>	2,422,650.19
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>10,687,398.59</b>

**DERBY RECREATION COMMISSION  
STATEMENT OF RECEIPTS & EXPENDITURES  
FOR THE ONE MONTH AND FIVE MONTHS ENDED NOVEMBER 30, 2025 & 2024**

	ACTUAL CURRENT MO.	PRIOR YR. CURRENT MO.	VARIANCE	ACTUAL YTD	PRIOR YTD	VARIANCE
<b>STATEMENT OF RECEIPTS</b>						
MILL LEVY	\$ -	\$ -	\$ -	\$ 184,773.67	\$ 195,792.68	\$ (11,019.01)
GENERAL OPERATING	10,370.92	13,436.92	(3,066.00)	45,867.48	62,893.49	(17,026.01)
RECREATION CENTER	84,745.98	83,363.91	1,382.07	470,321.92	475,143.57	(4,821.65)
OAKLAWN ACTIVITY CENTER	860.00	710.00	150.00	4,810.00	3,213.00	1,597.00
HUBBARD ARTS CENTER	310.00	721.25	(411.25)	7,005.00	2,486.25	4,518.75
ROCK RIVER RAPIDS	2,005.00	-	2,005.00	334,779.00	693,517.00	(358,738.00)
OUTDOOR MAINTENANCE	1,730.00	200.00	1,530.00	15,050.00	12,625.00	2,425.00
ADULT PROGRAMS	14,643.22	8,426.67	6,216.55	67,927.09	61,785.41	6,141.68
YOUTH PROGRAMS	7,662.75	4,554.40	3,108.35	114,532.73	113,776.94	755.79
EMPLOYEE BENEFIT FUND	-	-	-	64,825.13	67,968.91	(3,143.78)
UNENCUMBERED FUNDS	-	-	-	-	-	-
	\$ 122,327.87	\$ 111,413.15	\$ 10,914.72	\$ 1,309,892.02	\$ 1,689,202.25	\$ (379,310.23)

**DERBY RECREATION COMMISSION  
STATEMENT OF RECEIPTS & EXPENDITURES  
FOR THE ONE MONTH AND FIVE MONTHS ENDED NOVEMBER 30, 2025 & 2024**

	ACTUAL CURRENT MO.	PRIOR YR. CURRENT MO.	VARIANCE	ACTUAL YTD	PRIOR YTD	VARIANCE
<b>STATEMENT OF EXPENDITURES</b>						
MILL LEVY	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GENERAL OPERATING	237,753.20	249,820.29	(12,067.09)	714,005.56	722,743.90	(8,738.34)
RECREATION CENTER	153,401.09	183,293.82	(29,892.73)	799,541.98	773,886.39	25,655.59
OAKLAWN ACTIVITY CENTER	18,795.81	31,169.45	(12,373.64)	77,959.41	93,600.35	(15,640.94)
HUBBARD ARTS CENTER	159,058.71	151,404.14	7,654.57	249,951.91	213,004.20	36,947.71
ROCK RIVER RAPIDS	5,407.37	4,079.12	1,328.25	361,870.01	404,361.76	(42,491.75)
OUTDOOR MAINTENANCE	8,290.64	11,370.62	(3,079.98)	73,572.68	63,759.19	9,813.49
ADULT PROGRAMS	46,377.88	51,948.30	(5,570.42)	241,176.16	194,788.17	46,387.99
YOUTH PROGRAMS	32,273.09	44,888.14	(12,615.05)	259,268.53	243,424.40	15,844.13
EMPLOYEE BENEFIT FUND	105,773.72	124,390.19	(18,616.47)	493,041.13	484,850.97	8,190.16
UNENCUMBERED FUNDS	-	-	-	-	-	-
	<u>767,131.51</u>	<u>852,364.07</u>	<u>(85,232.56)</u>	<u>3,270,387.37</u>	<u>3,194,419.33</u>	<u>75,968.04</u>
<b>Net Revenue / (Loss)</b>	<b>\$ (644,803.64)</b>	<b>\$ (740,950.92)</b>	<b>\$ 96,147.28</b>	<b>\$ (1,960,495.35)</b>	<b>\$ (1,505,217.08)</b>	<b>\$ (455,278.27)</b>



## MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Derek Smith, Director of Administration

DATE: January 6, 2026

RE: 2026-2027 BUDGET TIMELINE

Attached for your review is the budget timeline for the 2026-2027 budget process. This timeline is constructed to meet all state and local statutory requirements including requirements for the revenue neutral rate process. If the DRC does not exceed the revenue neutral rate, the budget process may be adjusted to meet the standard state requirements.



**DERBY RECREATION COMMISSION  
2026-2027 BUDGET TIMELINE  
EXCEEDING RNR**

**FEBRUARY 27** – 2027 RRR budget due to City

**MARCH 2** - CIP/Equipment worksheets distributed to staff

**APRIL 6** - CIP/Equipment worksheets due to DOA

**APRIL 13**- Staff turn in budget proposals to your Director (Vanessa/Derek/Darcie)

**MAY 4** – Directors turn budgets into DOA

**MAY 11** – DOA produces budget preparation books and gets them to Supt., DOF and DOP.

**MAY/JUNE** - DOA and Superintendent will refine revenue and expenditure estimates, review with Directors and arrive at initial budget totals.

**JUNE 15** – Deadline to receive assessed property valuations and revenue neutral rate from Sedgwick County Clerk.

**JUNE 15-29** – Board workshop budget presentation.

**JULY 14** - Pass resolution of intention to exceed revenue neutral rate.

**JULY 20** – Deadline to notify County Clerk of intent to exceed RNR.

**JULY 21** – Potential Special Board Meeting to finalize State Budget Forms.

**JULY 31** – Notice of public hearing due to paper by noon

**AUGUST 4** – Notice of RNR and Budget public hearing in paper and on website.

**AUGUST 25** – RNR Public hearing and Budget Public Hearing prior to Special Board meeting. Line item budget presentation. Board passes resolution to exceed RNR. Board certifies the budget. (RNR hearing window is Aug. 20-Sept. 20) (Tentative)

**AUGUST 26** – Budget certification forwarded to USD 260 and County Clerk. (Deadline October 1)

**NOVEMBER 2** – CIP recommendations given to City and School staff for Budget preparation purposes.

**JANUARY** – Transmit audit to Division of Accounts and Reports



## MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Chris Drum, Superintendent of Recreation

DATE: January 7, 2026

RE: TRINA BAUER INSPIRATIONAL WELLNESS AWARD

The “Trina Bauer Inspirational Wellness Award” is an annual award, honoring a local individual for making positive lifestyle changes while inspiring others along their journey. We are excited for Trina to announce the recipient of the 2026 award at our board meeting and we will highlight the winner in an upcoming DRC program guide.

In the fall of 2025, the community nominated individuals they found to be inspiring in their wellness journey. Nominations were reviewed with Trina Bauer and DRC committee staff. The winner is chosen and announced each year at this time. The winner will have their name placed in the DRC fitness center and have the opportunity to be involved in the DRC and Derby Health Collaborative initiatives throughout the year.





## MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Chris Drum, Superintendent of Recreation

DATE: January 9, 2026

RE: SUPERINTENDENT REPORT

- Met with DRC Board Chairman, Eric Tauer to review the December Board Meeting agenda.
- Continuing to work with staff to review material options for the Indoor Pool Deck project. Staff will be working with the Facilities Committee in the very near future to review options and estimated costs provided by Waters Edge.
- Met with City of Derby representatives regarding the AED in the Parks project to review initial planning recommendations including proposed equipment and device location in the parks. Staff will continue to collaborate with the City on this project.
- Held a KRPA Strategic Partnership meeting on December 16.
- Met with Director of Programs, Vanessa Rugg to review program staff goals for 2026.
- Assisted with the completion of the DRC Employee Monthly Newsletter.
- Met with Facilities and Administration staff to review multiple policies and procedures.
- Held a meeting with representatives from Citizens Bank of Kansas regarding the DRC Facility Development Account.
- Held weekly meetings with Department Directors.
- Reviewed monthly financials.
- Met with Director of Facilities, Darcie Parkhurst and painting contractors to review the upcoming DRC Gym ductwork painting project details. This project will begin mid-January.
- Attended the Legislative Luncheon on January 7 and presented on DRC priorities.
- Submitted the DRC Board approved OAC Planning Memo to the Superintendent of Schools.
- Closed out the RRR Fund for the 2025 calendar year. The DRC transferred the ending balance of \$40,869.40 to the City of Derby to close out the fund.
- Reviewed the Risk Management Committee presentation for the January Board meeting.

**MEMORANDUM**

TO: DRC BOARD MEMBERS

FROM: Darcie Parkhurst, Director of Facilities

DATE: January 13, 2025

RE: DECEMBER FACILITY HIGHLIGHTS

**Director of Facilities**

- Held weekly meetings with aquatic and facility staff
- Total members; 7551
- Kids Club membership; 283, usage 827
- DNMS Bus membership; 30, usage 549
- Completed corporate usage reports as well as corporate invoicing for monthly memberships.
- Attended monthly Program/Facility Director meeting
- Participated in Exceptional Experience Workgroup Meetings
- Corresponded with Water's Edge to continue pool deck discussions
- Received yearly evaluation from the Superintendent
- Attended employee Shrimp Boil
- Welcomed and onboarded 2 new Facility Coordinators
- Attended the Board meeting Dec. 9
- Attended a Derby Public Schools future planning meeting on Dec. 11
- Met with our Inspiration Wellness Award winner Patricia Jeffries
- Met with a representative from Midwest Battle Buddies
- Met with Fitness Director and Coordinator for finalization of plans for new Fitness Nooks. Officially open to the public on Dec. 15
- Attended the Risk Management Committee meeting on Dec. 16 to review all the new EOP's and checklists they have dedicated so much time putting together.
- Attended Santa's Workshop on Dec. 18. Was responsible for purchasing the toys we were putting together. These toys were donated to Parents as Teachers and they selected 4 families to receive them.
- Communicated with Monica Chancellor from the City of Derby to get their Corporate Membership set up for the New Year.

**Assistant Director of Facilities**

- Position was posted on 12/30/25

**Fitness Center**

- Welcomed back Carson Olmstead and Maddi Grady for the holiday break. They worked with deep cleaning and extra supervision of the fitness center.

- Extra cleaning at the Oaklawn fitness center.
- Updated the cleaning list to include the fitness nooks.
- Took pictures in the communication book for the fitness specialist to review of what our expectations are to keep the areas clean and safe.
- Individually met with each fitness specialist about our expectations of the New Year and the guidelines that go with the fitness nooks.
- Reported mileage on all cardio machine and turned into the assistant facility director.
- Completed the look of the fitness nooks with all the new equipment that will be housed in those areas.
- Met with maintenance for the installation of the TRX and the spine component for band use.
- Met with the Director of Facilities on placement of all signage in the fitness nooks.

### **Indoor Pool**

- Completed filter maintenance and water chemistry adjustments as needed
- Completed weekly schedules for all aquatic staff
- Attended weekly aquatic management meeting
- Hosted lifeguard in-service on December 7
- Hosted Camp DRC on December 22 & 29
- Diving Board Inspections completed December 11 by Commercial Aquatics Services

### **OAC**

- Rentals Facilitated
  - Radio Control Club
  - Girl Scouts
  - Corvair Club
  - China Painters
  - Private Rentals
  - Village Steppers
  - Free Spirits
  - Barn Dancers
  - Granny Basketball
- Lords Diner distro weeknights
- Humane Society Event hosted

### **Rock River Rapids**

- Continued marketing season pass price through December 31
- Sent letters via email inviting returning staff to complete intent to work/availability for the 2026 season
- Diving Board Inspections completed December 11 by Commercial Aquatics Services

## Maintenance & Fleet

### DRC

- Sanitized all equipment and surfaces
- Glycol added to sidewalk heater by 5 Star
- Pump in upstairs mechanical room rebuilt by 5 Star for 2<sup>nd</sup> time
- Fan Switch in fitness replaced by Loper
- Mirror in fitness center replaced by Lewis Street Glass

### OAC

- Routine maintenance
- Sanitized all equipment and surfaces
- Electrical Short in gym fixed by Loper

### HAC

- Sanitized all equipment and surfaces
- Outside enclosed area Power washed by Clayton

### Buses

- Routine maintenance performed on Mini, White and Blue buses
- Interiors sanitized

### Fleet

- Routine maintenance performed
- Interiors sanitized
- 2017 Explorer to Rusty Eck for recall on trim piece
- 2025 F150 to Shelton's for repairs after deer collision

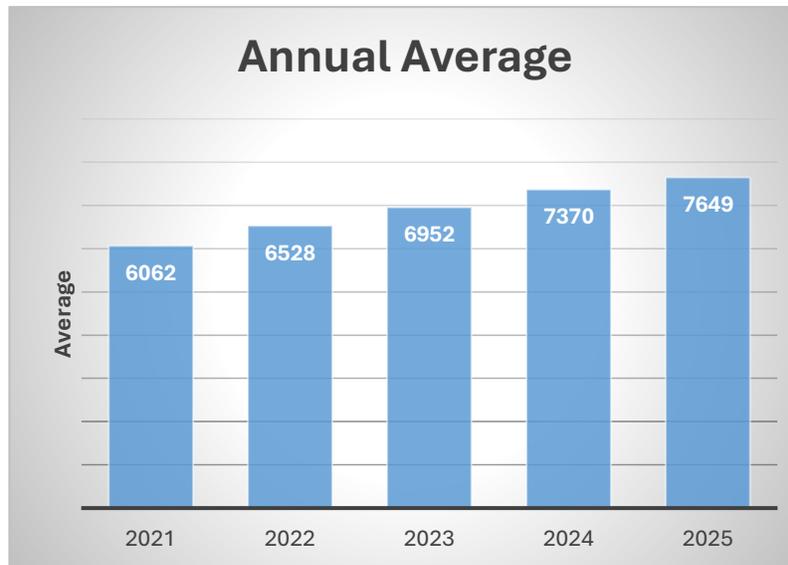
### Grounds

- Routine maintenance performed
- Holiday lights removed at all facilities

### DRC Membership Annual Comparison Report

Month	2021	2022	2023	2024	2025
Jan	6575	6661	7020	7355	7685
Feb	6692	6629	7020	7487	7702
Mar	6524	6606	7139	7461	7749
April	5974	6457	7065	7392	7720
May	5884	6580	6912	7370	7735
June	5834	6552	6948	7556	7809
July	5767	6489	6942	7530	7708
Aug	5731	6474	6867	7421	7741
Sept	5791	6266	6656	7246	7421
Oct	5855	6397	6863	7070	7450
Nov	6020	6598	6960	7251	7517
Dec	6099	6627	7033	7300	7551
<b>Total</b>	<b>72746</b>	<b>78336</b>	<b>83425</b>	<b>88439</b>	<b>91788</b>

membership promotion





## MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Vanessa Rugg, Director of Programs

DATE: January 6, 2026

RE: DECEMBER PROGRAM BOARD HIGHLIGHTS

### Program Area Highlights

#### Director of Programs

- Attended weekly staff, directors and programmers meetings.
- Attended monthly meetings with Dee Anna and the programmers throughout the month.
- Planned for and attended the monthly Exceptional Experiences Workgroup meeting this month.
- Attended monthly Employee Wellness Committee meeting.
- Attended one-on-one meetings with the interns.
- The program team compiled information for the Program Resource Document and we got this to Facility Coordinators and Guest Services. This document is created each session to help answer guests' questions that cannot be found in the program guide.
- Completed the weekly intern schedules.
- Worked with Brenda Dietzman to be our guest speak at our upcoming May Staff Trainings.
- Dee Anna and I reviewed each programmers 2026 goals, and compiled all goals and got to Chris for review.
- Attended a ribbon cutting at Morgan's Steakhouse as a Chamber Ambassador.
- Attended the staff shrimp boil.
- Attended a lunch with the Sports Department to welcome Curtis Baxter to the team.
- Prepared for and attended the intern reception for Asiya and Daxton.
- Attended a second onboarding meeting with Jenna, Program Coordinator, on program specific policies and procedures.
- Assisted with set up for Breakfast with Santa and assisted on the event day.
- Attended the Derby Health Collaborative meeting.
- Helped set up for and attended the staff Santa's Workshop event
- Dee Anna and I met with Darcie for our monthly Program/Facilities meeting.

- Prepared for and attended the first Smokin' 5K committee meeting for this upcoming race. I sent the course map to the city which will go to city council in January, and I worked with the timing company to update the race website. Started working on upcoming meeting agendas and the race timeline.
- Started preparing for a KRPA presentation that I'll be presenting on for the Call of the Wild session.
- Attended a second onboarding meeting with Curtis, Sports Coordinator, on program specific policies and procedures.
- Prepared for incoming intern's first schedule and orientation. Trace's first day was Monday, December 29.

### **Assistant Director of Programs**

- Attended meetings with Vanessa and the programmers throughout the month.
- Checked off personal training sessions throughout the month.
- Supervised The Lord's Diner a few times this month.
- Planned Notify Me messages for Oaklawn activities.
- Researched grant opportunities.
- Attended Risk Management Committee meetings.
- Vanessa and I reviewed each programmers 2026 goals.
- Attended a Wellness Hub committee meeting.
- Supervised the OAC Afterschool program once this month.
- Completed the online registration review of winter programs to make sure all programs were visible for online registrations.
- Attended a lunch with the Sports Department to welcome Curtis Baxter to the team.
- Attended the intern reception for Asiya and Daxton.
- Assisted with set up for Breakfast with Santa.
- Attended the Derby Health Collaborative meeting.
- Vanessa and I met with Darcie for our monthly Program/Facilities meeting.
- Attended a Smokin' 5K committee meeting.

### **Aquatics**

#### **DRC Aquatic Programs:**

- Assigned instructors for 55 private swim lessons
- 19 students served in swim lesson mini session
- Created work schedules for WSI's
- Co-developed & led indoor pool virtual in-service meeting on December 7
- Completed High School Work Study Program participant end of semester evaluation
- Worked with Marketing Director to update tri-fold brochures and webpage information for lifeguarding courses

- Began aquatic staff manual redesign project
- Completed 1<sup>st</sup> draft of DRC pump room operations & equipment use/troubleshooting guide
- Began planning spring master list of courses

#### RRR Aquatic Programs:

- Prepared & emailed RRR rehire letters
- Prepared staff training dates for 2026 season

#### Staff Emergency Preparedness (EAP):

- Purchased First Aid/CPR/AED materials for instructors
- Completed on-line update to First Aid/CPR/AED program
- Led Risk Management committee meeting on December 3 & 16
- Completed 1<sup>st</sup> draft of OAC and HAC Emergency Operational Procedures manuals
- Began planning 2026 mock drill calendar
- Updated power point presentation for January Board of Directors meeting

#### Professional Development & Meetings:

- Attended weekly staff, programmers and aquatic meetings
- Attended Association of Aquatic Professionals Governance, Board of Directors & Past President meetings

#### **Art**

##### Programs as of 12/19/2025:

##### Final Fall 2025 Registration

- |                                   |                              |
|-----------------------------------|------------------------------|
| • 2025 Fall Revenue = \$16,951.20 | 2025 Fall Registration = 325 |
| • 2024 Fall Revenue = \$12,793.80 | 2024 Fall Registration = 285 |

##### Canceled Programs for December:

- Outreach canceled by Eye to Eye
- Line Dance
- Waltz and Rumba
- Mandala Painting with Wild Horse Mandalas

##### Outreach Groups:

- December 2 - Homeschool Outreach Group – 14 attended
- Derby Senior Center – 11 attendees
- USD 260 Food Services – 18 attendees

##### Staffing/Meetings:

- Attended weekly staff meetings and 1 on 1's.
- Attended Staff Shrimp Boil
- Attended Santa's Workshop Staff Holiday Party

Other:

- Painted Happy Holidays on Hubbard Arts Center Front Window

### **Culinary Arts**

Programs:

- Fall Session

Sold Out Classes:

- Free Spirits: Cooking with Marsha
- Tamalada

Nearly sold Out Classes:

- Beginner Chefs: Christmas Cookies
- Italian Christmas Cookies
- Make Ahead Christmas Sides
- Kid Chefs: Christmas Cookies

Outreach:

- Girls Scout Troop 40675

Additional:

- Culinary and Aquatics volunteer Jasha Dohm was awarded the 2025 DRC Volunteer of the Year.
- Jenna, Brian Hultgren, and Patsy cooked 200+ pancakes and sausages for Breakfast with Santa.
- Culinary Arts Coordinator did an interview with Splurge Magazine for inclusion in a story regarding healthy New Year's resolutions to be published in January.

### **Fitness**

Group Land Fitness:

- Hosted a Christmas party for all the instructors with a soup bar and fellowship.
- Prepared the studios and pool for the charity with baskets to collect the food. The instructors held a week long charity for Children 1<sup>st</sup> and collected food for the food pantry. Each class gathered the food and delivered it to the children's home.
- We did a demo and hired a new instructor for land and aquatics. Kelly Oyewole will start the first of the year with a land class at 5am and a cycle class at night.

Personal Training & Nutrition Coaching:

- Researched and printed various nutrition handouts for Nutrition Coaching.
- Scheduled Personal Training and Nutrition Coaching video to advertise the 10% discount.
- Hired and trained new personal trainer Logan Ayesh.
- Fitness Coordinator completed 10 InBody Scans for the month of December.

#### Outreach Programs:

- Added a poster outside the fitness center marketing our outreach program. It will be posted at that location throughout the year.

#### Weekly Outreach Sites

- Senior Center: Finished up the last session of the year of Water in Motion with 28 people attending the outreach class.
- Wayland Associates: Continued their weekly stretch and strength class.
- El Paso Animal Hospital: Weekly lunchtime yoga sessions.

#### Specialty Classes & Projects:

- Actively searching for another aerial fitness instructor for future programming.
- Researching National Conferences with the newest trends and information in the fitness industry.
- Washed all the slings for aerial fitness to prepare for the New Year classes.
- We cleaned equipment, mats, and studios when we had a week break at Christmas.
- Completed spring master list and submitted the Xplor Forms to supervisors.
- Supervised the Lords Diner once this month.

#### Committees & Events:

##### EEW Committee

- Preparing for the culture meeting for all staff in the future.

##### Wellness Committee

- Attended monthly wellness meeting
- Reviewed and printed out ideas for wellness awards for 2026
- Passed out all gold level prizes for part-time and full-time staff
- Attended and helped with the Staff Shrimp boil on 12/4
- Purchased awards for Santa's Workshop (gift cards for the winners)

##### Derby Health Collaborative

- Attended the DHC meeting and networked with multiple other community leaders.

##### Fitness Special Events:

- Completed the details for the Grounded Series that will start in the Winter session.

##### Smokin' 5k

- Attended the first meeting for the 2026 event. Aimee started the communication with our main sponsor to secure the overall winner prizes. Susie is working with the risk management portion of the event to get a plan in place for weather.

##### Fitness Center Operations:

##### Staff

- Welcomed back Carson Olmstead and Maddi Grady for the holiday break. They worked with deep cleaning and extra supervision of the fitness center.
- Extra cleaning at the Oaklawn fitness center.
- Updated the cleaning list to include the fitness nooks.
- Took pictures in the communication book for the fitness specialist to review of what our expectations are to keep the areas clean and safe.

## Meetings

- Individually met with each fitness specialist about our expectations of the New Year and the guidelines that go with the fitness nooks.
- Met with the Director of Facilities on placement of all signage in the fitness nooks.

## Equipment

- Reported mileage on all cardio machines to the assistant director of facilities.
- Completed the look of the fitness nooks with all the new equipment that will be located in those areas.
- Met with maintenance for the installation of the TRX and the spine component for band use.

## Health and Wellness

### Derby Recreation Commission:

- Attended staff and programmer meetings

### Wellness programming and Initiatives:

- 7 new Derby Walks pledge forms in December
- BMO Financial Wellness Class on Debt Management – 0 in attendance

### DRC Employee Wellness:

- Facilitated the Employee Wellness Committee meeting on December 16, 2025.
- Shrimp Boil, Holiday Door Decorating Contest, and Santa's Workshop.
- 2026 Wellness Kick-Off Lunch 'n Learn events scheduled for January 22.

### Derby Health Collaborative (DHC):

- DHC Meeting – December 17, 2025 – Luncheon meeting at the OAC. (25 in attendance). Presentation from Sedgwick County Health Department on their Community Health Improvement Plan (CHIP) Process. They have identified 4 Priority Areas – Healthcare Access, Upward Mobility/Economic, Behavioral Health (Mental Health and Substance Misuse), and Education. Strategies will be created in each priority area using a health education lens.
- Oaklawn Wellness Hub Subcommittee meeting held on December 5, 2025. (8 in attendance).
- Derby/Oaklawn Community Health Assessment Survey is open and runs until January 10<sup>th</sup>. This assessment will allow the DHC to identify priority areas of focus for 2026.

### Community Meetings and Collaborative Conversations:

- Attended the Sedgwick County Health Alliance Meeting (virtually)
- Attended the Sedgwick County CHIP Development Meeting #2 (Stacy and Elisha attended)

### Community Wellness Hub:

#### The Lord's Diner

- 2522 - Total Meals Served in December
- 110 - Average Meals served per day
- 160 - Highest daily volume
- 72 - Lowest daily volume (Christmas Day)
- In 2025, we served 27,969 meals!

#### Hygiene Pantry

- 27 served in December

#### NRPA Mentoring Grant

- Mentoring Program started on October 28th with 12 youth in grades 4-5 from the OAC After School Program.
- Another cohort of mentees will begin in January with mentors from Mental Health America.

#### Coat Donation

- The wellness hub received a generous donation of 96 new youth coats from the Knights of Columbus. We have distributed 67 coats so far to the following: El Paso Elementary, OAC Afterschool Program, Stonecreek Elementary, Oakview at the Park, hygiene pantry guests, Cooper Elementary, and followers on Facebook.

#### SHICK Medicare Counseling Partnership

- 13 counseling sessions at the OAC in December

#### GraceMed Health Families (KanCare/Medicaid application assistance)

- First month set up at the Hub

#### WSU Tech Partnership

- 0 visits with potential students in December

#### Community Outreach and Events

- Elisha attended virtual CHIP Food Access meeting

### **Special Events, Special Programs and Oaklawn**

#### Programs:

- Held Breakfast with Santa/Christmas in the Park at Madison Ave on 12/13. We had 160 attend breakfast and around 1,500 for the entire day at the event.
- Zoom with Santa took place in The Cove on 12/17. We had 12 kids total between the single child and family options.
- 12/18 delivered Santa boxes to each family's porch who zoomed with Santa the night before.
- Assisted with OAC Santa's Workshop on 12/19.

- Held Santa Paws at El Paso Animal Hospital on 12/20 with 77 photos take, approx. 90 dogs, cats, and rabbits.
- Noon Year's Eve was held on courts 2 & 3 on 12/31 and we had a record of 162 kids in attendance with approx. 400 people total.
- Organized all signage and final purchases for events listed above.
- Completed timelines, requests, maps, volunteer spreadsheets, equipment lists, recaps and a day of set up for all events listed above.
- Sent all zoom codes and instructions to kids to participate and coordinate times for Zoom and typed custom letters.
- Reviewed and added volunteers to the Volunteer Report.
- Sent Chocolate Bazaar vendor invites.
- Attended Risk Management Committee meetings on 12/3 and 12/16. We have finalized EOPs and are working on supervisor training checklists.
- Led biweekly programming meetings to discuss upcoming events and tasks with program coordinator.
- Attended Wellness meeting, we reviewed 2026 rewards, planning of Santa's Workshop and Chili Contest, and January's schedule.
- Attended Special Programs meeting to review OAC ASP ideas and upcoming events.
- Attended Smokin' 5K meeting, reviewed committee positions, recaps, and timeline.
- Attended staff shrimp boil on 12/4.
- Attended staff Santa's Workshop on 12/18.

#### Kids Camps:

- Held 4 days of Camp DRC with a total attendance of 166.
- Completed planning out day schedules for 6 Camp DRC dates.
- Camp attended field trips each Tuesday to Exploration Place and Let's Roll Derby.
- Began creating 2026 Rec Station online forms.
- Covered OAC ASP on 12/1.

#### Special Pops:

- Met with coaches for upcoming Cheer and Basketball seasons.
- Edited 2025 delegation list for coaches and athletes and sent out reminders to athletes that need updated physicals.
- Made all coaches aware who needed to renew their exams and background checks for SOKS.
- Continued to gather volunteers for Soup Supper.

#### Program Coordinator

##### Programs:

- Attended marketing onboarding with Dara 12/2
- Attended programmers meetings
- Attended Risk Management meetings 12/3 and 12/16
- Attended Shrimp Boil 12/4

- Attended bi-weekly meetings with Ashlynn
- Assisted with Breakfast with Santa
- Attended onboarding with Jace on Special Programming
- Attended DHC Luncheon
- Attended 5k Committee
  - Assigned as Event Risk Manager, tasked with emergency prep
- Attended DRC Christmas party
- Prepared board presentation for January
- OAC's Santa's Workshop took place on 12/19 in the commons and front courtyard. 90 kids participate, 136 people total.

#### Kids Camps/Childcare:

- Hosted a 1hr training for after school program leaders including a gift exchange, team bonding, and notes on 12/2
- Conducted interviews to fill remaining positions
- Hired 3 New staff for OAC ASP
- Onboarded new staff members
- No school 12/22-31
- Held tornado drill 12/11
- Prepared staff meeting agenda for January
- Submitted time approvals

#### Sports

- Practice began for youth basketball at USD 260 facilities and the OAC.
- Youth basketball program has a total of 27 teams and 232 youth.
- Scheduled youth sports officials and scorekeepers for winter sports leagues.
- Met with sport supervisors about the upcoming winter sports leagues, tournaments and activities.
- New Sports Coordinator, Curtis Baxter, began on December 8.
- Curtis began his 5 week onboarding schedule.
- Began work on spring program list.
- Worked with Marketing Director to make and distribute flyers for the "Pull Up" basketball exhibition nights and tournament.
- Updated sports equipment storage area.



## MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Derek Smith, Director of Administration

DATE: January 6, 2026

RE: DECEMBER ADMINISTRATIVE HIGHLIGHTS

### Accounting/Risk Management

- Invested idle funds.
- Prepared monthly financial summary for board.
- Working with Citizens Bank to open Building Fund Account.
- Developing budget submittal format for 26-27 budget development.
- Initiated relationship w with Intrust bank to bid idle funds.
- Adjusting various withholding amounts for 2025 year.
- Beginning process of producing 1099's and W-2's.

### Contracts

- Completed open enrollment process for 2026 benefit program. Initiating appropriate payroll changes based on employee elections.
- Continuing initiation of IT upgrade. All machines monitored and backup on. Working on onsite dashboard and training of IT Director.
- Beginning review and renewal of various DRC contractual and support agreements. Swim club, Derby Junior Football, Oaklawn Improvement District, sponsorship agreements etc.

### Other

- Held December Wellness Committee meeting. Executing 2026 orientation and plan offerings.
- Met with Derby Health Collaborative.
- Supervising numerous evenings at the Lords Diner.
- Supporting various HR issues.
- Supporting various special events.

### ADOA

#### Recruitment and Hiring

- **Curtis B.** – FT Sports Coordinator
- **Jace M.** – FT Facility Coordinator
- **Will H.** – FT Facility Coordinator
- **Kelli O.** – PT Fitness Instructor
- **Cody S.** – PT O/N Maintenance
- **Trace E.** – PT Intern (Winter/Spring)



## Employee Records and Offboarding

- **Digitalization:** Continued the ongoing transition of employee forms to digital records as they are received.
- **Billing:** Successfully processed all monthly bills for employee benefits.
- **Dec Birthdays :** Processed December Birthday holidays for all eligible Full-Time and Part-Time (KPERS eligible) employees.

## Compliance and Benefits Administration

- **Open Enrollment:** Managed the 2026 Open Enrollment period for BCBSKS health, dental, and vision for all FT employees.
- **Benefit Updates:** Finalized 2026 benefit updates for all FT staff.
- **FSA Tracking:** Notified FT employees of their remaining FSA balances through the end of December 2025.

## Meetings and Events

- **Professional Meetings:** Attended the Monthly Board meeting, Wellness Committee meeting, Risk Management meeting, and regular staff meetings.

Attended the Intern reception (for Asiya and Daxton), volunteered at Lord's Diner, and participated in the Holiday Admin lunch and the annual Shrimp

## IT

- Presented at The DRC Board Meeting.
- Fixed Connection issues at HAC.
- Replaced DRC server hard drive.
- Repaired Wellness Directors Laptop.
- I ordered a new Aquatics clock.
- Helped with tasks inside of Paycor.
- Helped Marketing record audio and video ads for our 20% off campaign.
- Started the initial implementation of our new IT monitoring tools.
- Helped Marketing record video for Inspirational wellness video.
- Ordered plaque for inspirational wellness winner.
- Started researching panic button/door lock button configurations.
- Onboarded Jace, Curtis, Will, and Trace.
- Ordered and Installed new cycle fitness microphone set up.
- Planned extra New Years goals for myself outside of normal goals.

## Marketing:

- Worked with Alex Dinicola to film interviews for Trina Bauer Inspiration Wellness Award Video
- Updated the 2026 Sponsorship Menu
- Wrote the DRC's quarterly column for the Derby Informer to be run in January

## Campaigns:

- 20% off DRC Annual Memberships Campaign (Jan. 1-31)
  - Worked with Alex Dinicola to film and produce this year's 20% commercial
  - Created collateral for the billboard and KSN advertising
  - Created all digital board designs and printed posters/banners for the campaign
- Rock River Rapids \$60 Season Passes (Nov. 1-Dec. 31)
  - Posted multiple times on social media about purchasing discounted passes
  - Ran two more ads promoting the discounted passes
  - Sent three more emails encouraging recipients to buy their passes now
- Derby Recreation Commission Endowment Fund Match Campaign (Dec. 2-March 31)
  - Produced final video with lifeguard interviews and posted it on the webpage
  - Send a kick-off email about the campaign and posted on social for Tuesday
  - Created a rack card with information about the campaign for potential donors

## Program Support:

- Created the Winter 2026 Production Schedule and shared it with the Programmers
- Designed and ordered Personal Trainer/Nutrition Coaches business cards
- Filmed and posted a short video with Kim Tuhro, Personal Trainer & Nutrition Coach, to promote 10% PT/NC discount
- Attended the Smokin' 5K Committee meeting
- Created marketing materials, promoted the event and took pictures at:
  - Zoom with Santa
  - Santa Paws
  - Noon Year's Eve
- Worked with Claudia, Marketing Specialist, to design Chili Cook-Off t-shirt
- Started promoting Chocolate Bazaar with lobby poster, LED TV, LED outdoor sign and Facebook event
- Created signage for Fitness Nooks

## Community Involvement:

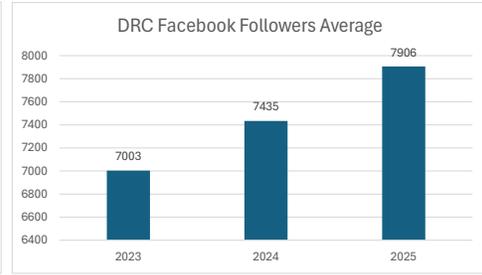
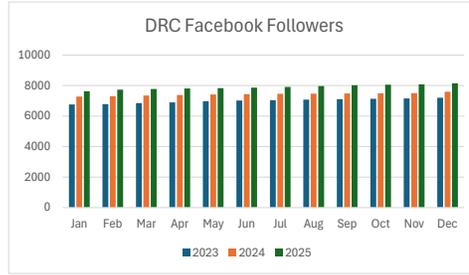
- Attended a Community Marketing Partners Lunch
- Attended the Christmas Rotary Lunch

## Marketing Specialist:

- Compiled content for Exceptional Experiences, monthly employee newsletter
  - Created & edited a video for Newsletter: What's your news year resolution?
- Created and designed social media posts and signage for Santa's Workshop, Noon Years Eve, Fitness Nooks, Bonding Thru Board Games, Inbody Challenge
- Took pictures at Christmas at the Park, Santa's Workshop and Noon Years Eve
- Worked with marketing director to create a Chili Cook-Off t-shirt design

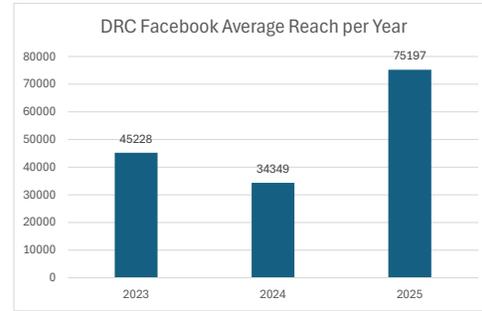
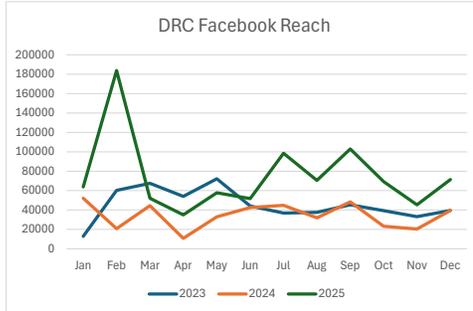
### Facebook Followers

Month	2023	2024	2025
Jan	6770	7287	7630
Feb	6789	7303	7738
Mar	6852	7349	7776
Apr	6898	7389	7808
May	6974	7421	7835
Jun	7023	7437	7869
Jul	7045	7459	7917
Aug	7079	7473	7970
Sep	7110	7490	8029
Oct	7139	7503	8063
Nov	7157	7507	8085
Dec	7202	7596	8153
Year Avg	7003	7435	7906



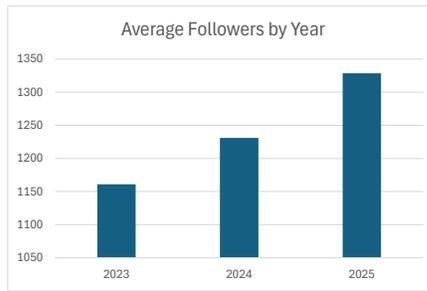
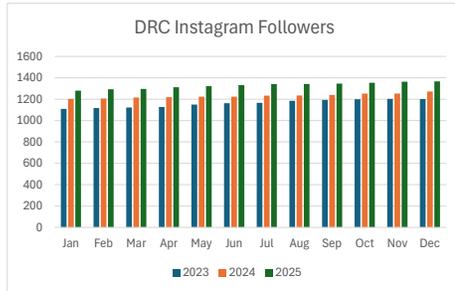
### Facebook Reach

Month	2023	2024	2025
Jan	12859	52194	63884
Feb	60332	20709	183756
Mar	67451	44541	52128
Apr	54065	10796	35011
May	72176	33053	57802
Jun	44171	42578	51748
Jul	36898	44887	98554
Aug	37571	31895	70547
Sep	45293	48321	102936
Oct	39329	23233	69223
Nov	33142	20403	45335
Dec	39449	39579	71443
Year Avg	45228	34349	75197



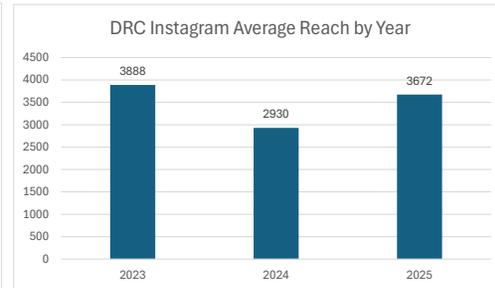
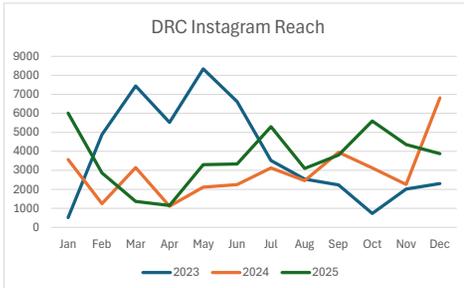
### Instagram Followers

Month	2023	2024	2025
Jan	1109	1203	1279
Feb	1117	1206	1293
Mar	1122	1215	1295
Apr	1127	1218	1312
May	1149	1224	1321
Jun	1163	1223	1331
Jul	1165	1233	1341
Aug	1185	1234	1342
Sep	1193	1240	1346
Oct	1199	1252	1353
Nov	1202	1253	1363
Dec	1201	1272	1367
Year Avg	1161	1231	1329



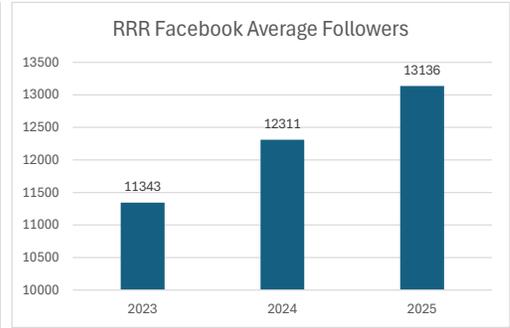
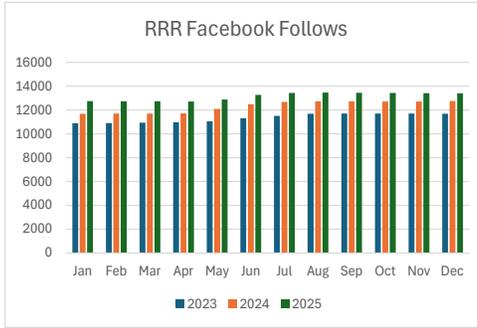
### Instagram Reach

Month	2023	2024	2025
Jan	513	3566	6012
Feb	4879	1249	2863
Mar	7443	3147	1368
Apr	5524	1112	1151
May	8340	2112	3302
Jun	6621	2253	3337
Jul	3515	3125	5299
Aug	2542	2455	3100
Sep	2234	3949	3807
Oct	730	3128	5597
Nov	2017	2255	4353
Dec	2300	6813	3877
Year Avg	3888	2930	3672



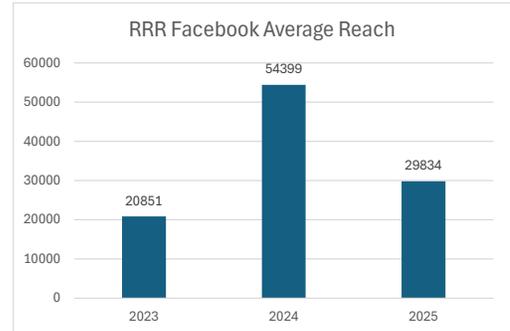
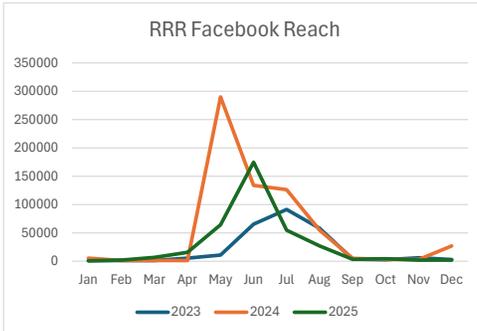
### Facebook Followers

Month	2023	2024	2025
Jan	10898	11691	12748
Feb	10906	11701	12728
Mar	10948	11706	12725
Apr	10970	11719	12711
May	11060	12089	12872
Jun	11314	12492	13270
Jul	11513	12680	13428
Aug	11693	12738	13462
Sep	11703	12724	13450
Oct	11709	12716	13429
Nov	11706	12707	13418
Dec	11697	12768	13395
<b>Year Avg</b>	<b>11343</b>	<b>12311</b>	<b>13136</b>



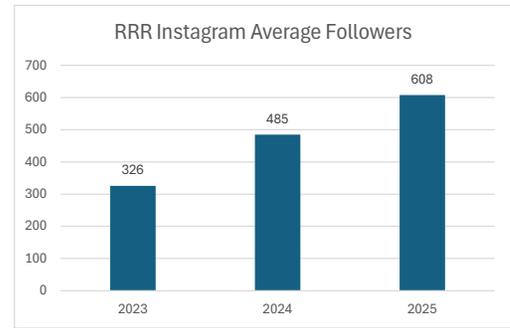
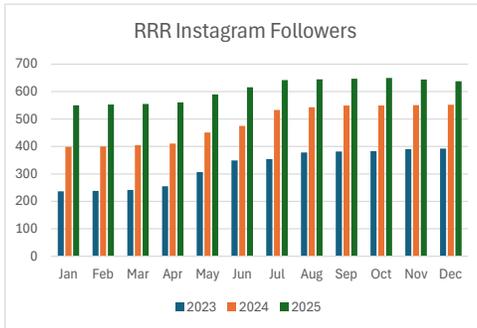
### Facebook Reach

Month	2023	2024	2025
Jan	1169	5462	686
Feb	1205	1251	2110
Mar	1331	1284	6754
Apr	5344	1180	15842
May	10864	290000	64198
Jun	65361	133913	174658
Jul	91316	126498	54798
Aug	57999	54817	27154
Sep	3690	4935	3289
Oct	2711	3314	4486
Nov	6165	3131	1889
Dec	3058	27007	2146
<b>Year Avg</b>	<b>20851</b>	<b>54399</b>	<b>29834</b>



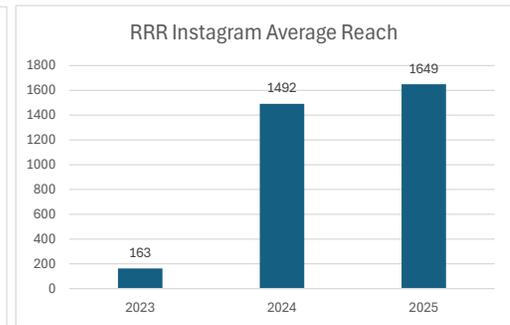
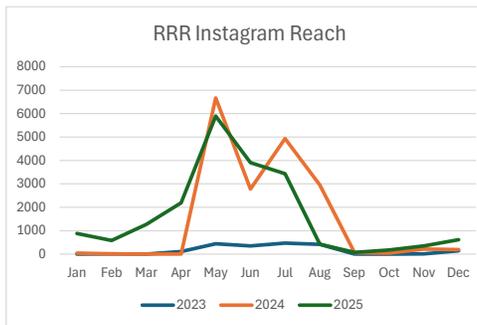
### Instagram Followers

Month	2023	2024	2025
Jan	237	399	550
Feb	238	400	553
Mar	242	405	555
Apr	255	411	561
May	307	451	590
Jun	349	475	616
Jul	354	533	642
Aug	378	543	645
Sep	382	549	647
Oct	383	549	650
Nov	390	551	644
Dec	392	552	638
<b>Year Avg</b>	<b>326</b>	<b>485</b>	<b>608</b>



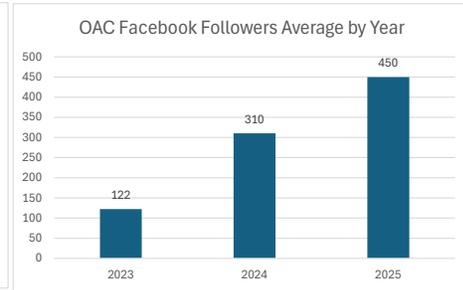
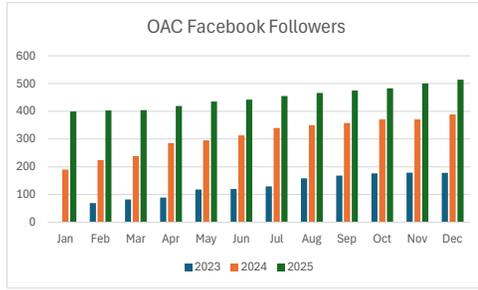
### Instagram Reach

Month	2023	2024	2025
Jan	2	40	881
Feb	7	7	583
Mar	5	6	1269
Apr	106	5	2193
May	441	6667	5893
Jun	349	2776	3904
Jul	470	4935	3429
Aug	415	2954	427
Sep	6	60	73
Oct	1	41	180
Nov	10	214	347
Dec	146	193	613
<b>Year Avg</b>	<b>163</b>	<b>1492</b>	<b>1649</b>



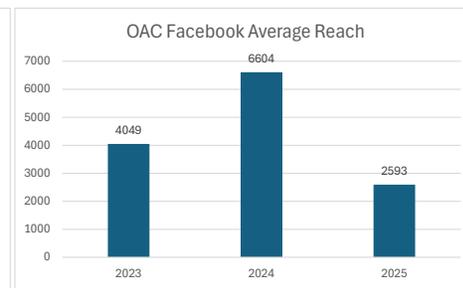
### Facebook Followers

Month	2023	2024	2025
Jan	0	190	399
Feb	69	224	403
Mar	82	239	404
Apr	89	285	419
May	118	295	435
Jun	120	313	442
Jul	129	340	455
Aug	158	350	466
Sep	168	358	475
Oct	176	371	483
Nov	179	371	500
Dec	178	389	514
Year Avg	122	310	450



### Facebook Reach

Month	2023	2024	2025
Jan	838	660	5093
Feb	12181	17505	2034
Mar	3534	4301	594
Apr	2814	17704	2822
May	1364	6670	3205
Jun	552	3581	3801
Jul	3072	11452	1840
Aug	7898	3324	1554
Sep	6772	3250	2073
Oct	4149	5630	3508
Nov	4412	1166	3170
Dec	1007	4001	1423
Year Avg	4049	6604	2593





801 EAST MARKET  
P.O. BOX 324  
DERBY, KS 67037  
TEL 316-788-3781  
FAX 316-788-6549

**MEMORANDUM**

TO: DRC BOARD MEMBERS

FROM: Ashlynn Godown-Schenker, Program Supervisor  
Jenna Hudson, Program Coordinator

DATE: January 6, 2026

RE: CHRISTMAS SPECIAL EVENTS

We are excited to present on all of our annual Christmas events. At the meeting we will discuss details and share photos from the events and answer any questions you may have.



**OUR VISION:**  
INSPIRE THE HIGHEST QUALITY OF LIFE THROUGH EXCEPTIONAL EXPERIENCES.

# *Derby Rec Christmas 2025*





*December 13th, 2025*

*8:30am-5:30pm*

Presented by:

Derby Recreation Commission

Derby Public Library

Julie Olmsted Insurance and Financial Services

# *Breakfast with Santa*

*at Christmas in the Park*



- 8:30a-10:30a
- DRC Kitchen staff made breakfast at Hubbard Arts Center and transported to The Venue
- 160 attendees
- 14 staff volunteered to set up, cook, serve, and clean up
- \$7- Pancake, sausage, toppings, juice or coffee, and photo with Santa

Toppings: syrup, chocolate sauce, strawberry sauce, chocolate chips, whip cream, blueberries, bananas, peanut butter, marshmallows, and mini m&ms

## *Pavilion*

- Make-and-Take Crafts & Coloring 9:00a - 5:00p
- Letters to Santa 9:00a - 5:00p
- Cookie Decorating 12:00p until cookies run out!
- Tabletop Christmas Puzzle 3:00 - 5:00p



## *Venue*

- Breakfast with Santa (\$7) 8:30 - 10:30a
- Live Music 8:30a - 5:00p
- Toy Train Museum Display 8:30a - 5:30p
- Clown Balloon Artist 11:00a - 3:00p
- Face Painting 8:30a - 10:30a and 11:00a - 5:30p (\$)
- Photos with Santa 11:30a - 2:00p & 2:30p - 5:30p

# Outdoor Attractions

- Holiday Inflatables 9:00a - 5:00p
- Barrel Train Rides 9:00a - 4:30p
- Food Trucks 11:30a - 5:30p (\$)
- Tanganyika Animals 12:00 - 4:00p
- Clydesdale-drawn Carriage Rides 2:30 - 5:30p
- Candy Cane Hunt 3:00p



# Zoom with Santa

- 12/17, 6:30-8:30pm
- 12 kids total, 5 single calls, 2 family calls
- Questionnaire includes:
  - Birthday, Siblings, Grade, Teacher, Fav subject, Fav toy, Pets, Best friends, Hobbies, Santa Gift and if they've been naughty or nice this year
- Packages and personalized letters delivered 12/18



# Santa Paws



- 12/20, 1:00-3:00pm
- El Paso Animal Hospital
- 77 photos taken, approx. 95 animals total
- \$5/photo, emailed



# *Santa's Workshop*

Date: December 19th, 2025

Time: 6:30-7:15p

Volunteers: 9

Attendance: 136

Compared to 67 in 2024

Activities:

- Christmas Crafts
- Giant Coloring sheet/ coloring pages
- Temporary Tattoos
- Hot Coco
- Candy Cane Hunt





# *Indoor Activities*

*6:30-7:00p*

- Wooden Ornament coloring
- Temporary Tattoos
- Candy Cane Bead Ornament
- Coloring Station
- Hot coco (4 gallons!)
- Christmas Music

# *Outdoor Activities*

*7:00-7:15p*

- Candy Cane Hunt
  - Est. 90 children participated
  - Ages 6 and under, 7 and up
  - 800 Mini Candy Canes, 6 Jumbo Candy Canes
  - 6 Christmas prizes to win





801 EAST MARKET  
P.O. BOX 324  
DERBY, KS 67037  
TEL 316-788-3781  
FAX 316-788-6549

## MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Darren Hornback, Sports Director  
Brian Hultgren, Sports Coordinator  
Curtis Baxter, Sports Coordinator

DATE: January 6, 2026

RE: 2025 FAST PITCH TOURNAMENTS & SPORT LEAGUES UPDATE

At the meeting we will present on the 2025 tournament season and sports leagues. This will include an update on the DRC and rental tournaments, and youth and adult leagues. We will answer any questions you may have.



**OUR VISION:**  
INSPIRE THE HIGHEST QUALITY OF LIFE THROUGH EXCEPTIONAL EXPERIENCES.

**2025**

# **Tournaments/Leagues**



# 2025 Fast Pitch Tournaments

- **Icebreaker**
- **Spring Swing**
- **Louisville Slugger**
- **Hawaiian Hit Festival**
- **USSSA C State**
- **Derby Fall Finale**





# **Icebreaker**

**March 29-30**

**Decarsky Park**

➤ **Number of Teams: 12**

➤ **Games Played: 29**



# **Spring Swing**

## **April 12-13**

### **High Park & Decarsky Park**

➤ **Number of Teams: 34**

➤ **Games Played : 82**



# **Chick-fil-A**

# **Louisville Slugger**

**May 17-18**

**High Park & Decarsky Park**

**➔ Number of Teams: 40**

**➔ Games Played : 97**



# **Hawaiian Hit Festival**

**May 30-June 1**

**High Park & Decarsky Park**

➤ **Number of Teams: 60**

➤ **Games Played : 145**



# **USSSA C State**

**June 20-22**

**High Park, Decarsky Park,  
Garrett Park**

**➤ Number of Teams: 65**

**➤ Games Played : 158**



# **Derby Fall Finale**

**October 4-5**

**High Park & Decarsky Park**

**➤ Number of Teams: 20**

**➤ Games Played : 36**



# Tournament Totals

- ▶ **Total Number of Teams:** **231**
- ▶ **Total Games Played:** **547**
- ▶ **Tournament Sponsors**
  - ▶ **Chick-fil-A Derby Marketplace**
  - ▶ **Little Busters**



# **Rental Tournaments**

- ▶ **Rental Tournaments: 15**
- ▶ **Total Teams: 429**



# **Adult Softball**

## **Coed & Men's**

- ▶ **Spring – 24 teams**
  - ▶ **96 games**
- ▶ **Summer – 17 teams**
  - ▶ **85 games**
  - ▶ **Sponsor – Don Hattan**
- ▶ **Fall – 19 teams**
  - ▶ **95 games**



# **Youth Baseball/Softball**

- **729 Players**
- **224 Games played**
  
- **Sponsors**
  - **ICI Insurance**
  - **Don Hattan**
  - **Rockin Rico's**



# **Youth Soccer**

## **Spring & Fall**

- ▶ **512 Players**
- ▶ **154 Games played**
- ▶ **Sponsors**
  - ▶ **Chick-fil-A Derby Marketplace**
  - ▶ **Rockin Rico's**



# **Youth Flag Football**

## **Spring & Fall**

- **301 Players**
- **121 Games played**
  
- **Sponsor**
  - **Derby Junior Football**



# **Youth Volleyball**

- ▶ **87 Players**
- ▶ **50 Games played**
- ▶ **Sponsor**
  - ▶ **Five Star Mechanical**



# **Youth Basketball**

- ▶ **240 Players**
- ▶ **98 Games played**
  
- ▶ **Sponsors**
  - ▶ **Don Hattan**
  - ▶ **Five Star Mechanical**



# **Sport Classes**

- ▶ **Gymnastics – 219 participants**
- ▶ **Tae Kwon Do – 92 participants**



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**MEMORANDUM**

TO: DRC BOARD MEMBERS

FROM: Derek Smith, Director of Administration

DATE: December 4, 2025

RE: 2024-2025 DRC AUDIT REPORT

Eric Myer from George, Bowerman and Noel, P.A., will be attending the board meeting to present to you the financial statements and independent auditor's report for the year 2024-2025 for the Derby Recreation Commission.

Information from the audit is included in your packets.



**OUR VISION:**  
INSPIRE THE HIGHEST QUALITY OF LIFE THROUGH EXCEPTIONAL EXPERIENCES.

**DERBY RECREATION COMMISSION**

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**COMPONENT UNIT**

**FINANCIAL STATEMENTS**

**WITH**

**INDEPENDENT AUDITOR'S REPORT**

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**YEAR ENDED JUNE 30, 2025**

**GBN, P.A.**  
*Certified Public Accountants*

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**GBN, P.A.**  
*Certified Public Accountants*  
*Business Consultants*  
*Tax Advisors*

12001 E. 13<sup>th</sup> St. North • Wichita, Kansas 67206 • Telephone (316) 262-6277 • Fax (316) 265-6150

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Derby Recreation Commission  
Derby, Kansas

**Opinion**

We have audited the accompanying financial statements of the governmental activities and each major fund of Derby Recreation Commission (Commission), Derby, Kansas, a component unit of Unified School District No. 260 Derby, Kansas, as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Commission, as of June 30, 2025 and the respective changes in financial position and the respective budgetary comparisons for the General Fund and the Employee Benefits Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and applicable provisions of the Kansas Municipal Audit and Accounting Guide. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and analysis on pages 3 through 10, the schedule of Commission's Proportionate Share of the Net Pension Liability and the Schedule of Commissions contributions on page 39, be presented to supplement the basic financial statements. Such information, is the responsibility of management and, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Wichita, Kansas  
October 15, 2025

**DERBY RECREATION COMMISSION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**For the Year Ended June 30, 2025**

As management of the Derby Recreation Commission, we offer readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the Commission's basic financial statements, which immediately follow this section.

**FINANCIAL HIGHLIGHTS**

- The assets and deferred outflows of resources of the Derby Recreation Commission exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$6,889,250 (net position). Of this amount, \$2,524,752 (unrestricted net position) may be used to meet the Commission's ongoing obligations to citizens and creditors in accordance with the Commission's fiscal policies.
- The Commission's financial position improved during the current fiscal year. The Commission's total net position increased by \$61,231 during the current fiscal year.
- As of the close of the current fiscal year, the Commission's governmental funds reported combined ending fund balances of \$4,421,311 an increase of \$109,810 or 2.5%. Of the ending combined fund balance amount, \$126,399 is restricted, \$4,283,221 is assigned and \$11,691 is unassigned.
- At the end of the current fiscal year, \$4,283,221, is assigned to assist in funding the subsequent year's budget. The total ending uncommitted fund balance for the General Fund was \$4,294,912 or 65.59% of the total General Fund expenditures for the most recent fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements and (3) notes to the financial statements.

**Government-wide financial statements** – The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Commission's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Activities presents information showing how the Commission's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will only result in cash flows in the future fiscal periods (e.g., earned but not used compensated absences).

Both of the government-wide financial statements present the functions of the Commission that are principally supported by taxes and charges for service revenues (governmental activities). The governmental activities of the Commission include general operations, the recreation center, maintenance, adult, youth, Oaklawn Activity Center and special programs, the Rock River Rapids outdoor aquatic park, concession operations, Hubbard Center, bus and other activities.

The government-wide financial statements can be found on pages 11 – 12 of this report.

**Fund financial statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Commission are governmental funds.

**Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating an entity's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the Commission's near-term financing decisions. Both the governmental funds balance sheet and the governmental fund statements of revenues, expenditures and change in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Commission maintains two governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General and Employee Benefit funds, both of which are considered major funds.

The basic governmental fund financial statements can be found on pages 13 – 18 of this report.

**Notes to the Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 – 36 of this report.

### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The assets of the Commission are classified as current assets and capital assets. Cash, investments and receivables are current assets. These assets are available to provide resources for the near-term operations of the Commission. The majority of the current assets are comprised of cash and investments. The significant cash and investment balances are the result of the State legislature’s accelerated tax collection of the second half property tax payments previously due June 20 (July 20 distribution) to May 10 (June 5 distribution). As a result of this change, the Commission has received approximately 92.4% of its 2025 budgeted tax distributions prior to June 30, 2025 from Derby Unified School District No. 260.

Capital assets (e.g., buildings and improvements, machinery, equipment and vehicles) net of related debt, comprises 61.52% of total net position and are used to provide services to citizens; consequently, these assets are not available for future spending. Although the Commission’s net position reflects the investment in capital assets net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to liquidate these liabilities.

Current and long-term liabilities are classified based on anticipated liquidation either in the near-term or in the future. Current liabilities include accounts payable, accrued salaries and benefits and current debt obligations. The liquidation of current liabilities is anticipated to be either from currently available resources, current assets or new resources that become available during fiscal year 2026. Long-term liabilities such as long-term debt obligations and compensated absences payable will be liquidated from resources that will become available after fiscal year 2025.

As noted earlier, net position may serve over time as a useful indicator of an entity’s financial position. In the case of the Commission, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$6,889,250 as of June 30, 2025. The Commission’s net position reflects \$4,238,099 as its net investment in capital assets. This amount represents the total cost of capital assets net of accumulated depreciation and any debt used to acquire those assets that are still outstanding. The Commission’s unrestricted net assets of \$2,524,752 may be used to meet the Commission’s ongoing obligations to citizens and creditors.

### **DERBY RECREATION COMMISSION COMPARATIVE SUMMARY OF NET POSITION June 30, 2025 and 2024**

	<u>Governmental Activities</u>	
	2025	2024
Current and other assets	\$ 4,741,540	\$ 4,653,532
Capital assets	8,181,053	8,459,052
Total assets	\$12,922,593	\$13,112,584

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Deferred outflows of resources related to pensions	<u>730,633</u>	<u>845,129</u>
Long-term liabilities	6,284,245	6,600,192
Other liabilities	<u>330,312</u>	<u>353,377</u>
Total liabilities	<u>6,614,557</u>	<u>6,953,569</u>
Deferred inflows of resources:		
Related to refunded debt	147,954	161,599
Related to pensions	<u>1,465</u>	<u>14,526</u>
Total deferred inflows	<u>149,419</u>	<u>176,125</u>
Net position:		
Net investment in capital assets	4,238,099	4,152,453
Restricted for employee benefits	126,399	91,001
Unrestricted	<u>2,524,752</u>	<u>2,584,565</u>
Total net position	<u>\$ 6,889,250</u>	<u>\$ 6,828,019</u>

**Analysis of the Commission's operations** – The following table provides a summary of the Commission's operations for the years ended June 30, 2025 and 2024. The Commission's net position increased by \$61,231, which represents a 0.90% increase in net position.

**DERBY RECREATION COMMISSION  
COMPARATIVE SCHEDULE OF CHANGES IN NET POSITION  
Fiscal Year Ended June 30, 2025 and 2024**

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Revenues:		
Program revenues:		
Charges for services	\$ 3,212,376	\$ 2,803,450
Operating grants and contributions	53,326	134,108
Capital grants and contributions	–	–
General revenues:		
Payments from Unified School District		
No. 260 for property taxes	4,383,159	4,297,641
Investment earnings	<u>138,310</u>	<u>167,580</u>
Total revenues	<u>7,787,171</u>	<u>7,402,779</u>

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Expenses:		
Recreation Center	\$ 2,175,170	\$ 2,186,568
General operating	1,796,982	1,747,705
Maintenance	242,902	229,948
Adult programs	685,058	671,660
Youth programs	778,363	775,310
Oaklawn programs	193,955	214,134
Special programs	2,144	2,124
Rock River Rapids	1,137,449	773,860
Oaklawn Recreation Center	252,648	208,076
Hubbard Center	283,221	312,481
Bus operations and other	56,281	119,721
Interest on long-term debt	<u>121,767</u>	<u>129,059</u>
Total expenses	<u>7,725,940</u>	<u>7,370,646</u>
Increase in net position	61,231	32,133
Net position – July 1	<u>6,828,019</u>	<u>6,795,886</u>
Net position – June 30	<u>\$ 6,889,250</u>	<u>\$ 6,828,019</u>

Key elements of the increase in net position for governmental activities are as follows:

- Total revenues increased by \$384,392, or approximately 5.19%, and total expenses increased by \$355,294 or approximately 4.82 %, for 2025.
- Payments received from Derby Unified School District No. 260 increased by \$85,518 (1.99%) during the fiscal year. The General Fund tax receipts increased by \$51,853 and the Employee Benefits Fund increased \$33,665. These changes were anticipated in the preparation of the Commission’s 2025 budget.
- Charges for services increased \$408,926, or 14.59% from 2024. The 2025 increase in charges for service was directly related to the increase in visitors at Rock River Rapids.
- Operating grants and contributions decreased by \$80,782 from 2024 to 2025 primarily due to the ending of the KPCCI grant.
- Total governmental activities expenses increased by \$355,294, or about 4.82% for 2025. Rock River Rapids expenses increased by \$363,589. Oaklawn recreation center expenses increased by \$44,572 and General Operating increased by \$49,227. The combined decrease of \$112,879 were in Business operations and other, Oaklawn program and Hubbard Center.
- Approximately 48.39% of total functional expenses are payroll and related benefit costs. Salary costs increased approximately \$34,109 for 2025.

## FINANCIAL ANALYSIS OF THE COMMISSION'S FUNDS

**Governmental funds** – The focus of the Commission's funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the Commission's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the Commission's governmental funds reported combined ending fund balances of \$4,421,311 with approximately 96% of this amount classified as assigned equity and available for use within the Commission's designation and policies.

In the General Fund, total revenues were \$6,622,577 for 2025 compared to \$6,271,850 for 2024, or an increase of \$350,727. The tax appropriations from Derby Unified School District No. 260 increased by \$51,853 and Rock River Rapids increased by \$363,589. Youth Program charges decreased by \$66,565 for 2025 and Oaklawn programs decreasing by \$30,997. General fund total expenditures increased by \$200,615 with Rock River Rapids expenditures increasing by \$363,589. Recreation Center expenditures decreasing by \$171,675. All other functional expenditure areas increasing a combined \$8,701.

The Employee Benefit Fund total revenues increased by \$33,665, which was related to tax appropriations from Derby Unified School District No. 260. Expenditures increased by \$23,414.

**General Fund Budgetary Highlights** – The General Fund total actual revenues (\$6,622,577) were 107.1% of the total amount anticipated in the 2025 budget. Expenditures on a budgetary basis totaled \$6,586,332, which represented only 63.19% of the budgeted expenditures for 2025. The result was an increase in budgetary basis fund balance for the General Fund in the amount of \$36,243, or about a 0.86% increase from the beginning of the year fund balance. The actual carry over balance to the 2026 budget was \$4,256,743 and the anticipated carry over balance in funding the 2026 budget was \$4,283,221, a difference of \$23,478.

The State Legislature's enactment in 2004 of accelerated tax collection requirements requiring property owner tax payments and the related distribution thereof, before June 30th artificially inflates the Commission's reserves at year-end. These distributions annually leave the Commission in a negative cash flow mode through the first seven months of each fiscal year, as the first tax distribution for the 2026 budget year is January 20, 2026. This requires sufficient cash reserves to meet obligations during that period.

## CAPITAL ASSETS

The Commission's investment in capital assets for its governmental activities as of June 30, 2025 amounts to \$8,181,053 (net of accumulated depreciation). The investment in capital assets includes buildings and improvements, machinery and equipment and vehicles. Capital asset acquisitions totaled \$181,067 during 2025. Major capital asset events during the current fiscal year included the following:

- The recreation center made partial payment for new LED sign included in Construction in Progress at year end at a cost of \$33,965.
- Purchase of new fitness equipment at a total cost of \$55,520.
- Purchase of 2025 Ford F-150 at a total cost of \$43,337.

**Capital Assets at Year-End  
Net of Accumulated Depreciation  
June 30, 2025 and 2024**

	<u>Governmental Activities</u>	
	2025	2024
Buildings and improvements	\$ 33,965	\$ –
Buildings and improvements	2,015,915	2,122,938
Machinery and equipment	542,630	597,234
Vehicles	82,992	66,695
Right-of-use leased buildings and improvements	<u>5,505,551</u>	<u>5,672,185</u>
Total	<u>\$8,181,053</u>	<u>\$8,459,052</u>

Additional information on the Commission’s capital assets can be found in Note 3 on page 27 – 28 of this report.

**DEBT ADMINISTRATION**

At the end of the current fiscal year, the Commission had total long-term debt obligations under a capital lease arrangement of \$3,795,000 related to the Derby Recreation Center remodel, Decarsky ball field and Hubbard Arts Center projects. During the current fiscal year, \$350,000 on the capital lease obligation with the City of Derby was retired. The Commission’s total commitments for compensated absences totaled \$221,439 at the end of the current fiscal year, a net decrease of \$17,273. The Commission’s unfunded net pension liability related to the Kansas Public Employees Retirement System (KPERs) was \$2,267,806 at June 30, 2025, a net increase of \$51,327.

Additional information on the Commission’s long-term debt can be found in Note 4 on pages 28 – 30 of this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

In the 2025-2026 budget, General Fund revenues are budgeted to increase \$364,349 or about 5.89% from the 2024-2025 budget year with appropriations from Derby Unified School District No. 260 representing about 54.60% of the total General Fund budgeted revenues. Total General Fund budgeted expenditures for the 2025-2026 budget year are \$10,829,429, an increase of \$405,661 from the 2024-2025 budget year.

## **REQUEST FOR INFORMATION**

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Commission's finances. If you have questions about this report or need any additional information, contact the Derby Recreation Commission, Attention: Superintendent of Recreation, at 801 East Market, P.O. Box 324, Derby, Kansas 67037, call (316) 788-3781, or e-mail at [chris@derbyrec.com](mailto:chris@derbyrec.com).

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## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**DERBY RECREATION COMMISSION**

**STATEMENT OF NET POSITION**

**June 30, 2025**

	<u>Governmental Activities</u>
<b><u>ASSETS</u></b>	
Cash and investments	\$ 4,718,531
Accounts receivable	6,745
Accrued interest receivable	16,264
Capital assets:	
Buildings and improvements	5,134,892
Machinery and equipment	2,877,488
Vehicles	418,476
Construction in progress	33,965
Right-of-use leased buildings and improvements	6,971,970
Accumulated depreciation and amortization	<u>(7,255,738)</u>
Total Assets	<u>12,922,593</u>
<b><u>DEFERRED OUTFLOWS OF RESOURCES</u></b>	
Deferred outflows of resources related to pensions	<u>730,633</u>
<b><u>LIABILITIES</u></b>	
Accounts payable	140,824
Accrued salaries and benefits payable	179,405
Accrued interest payable	10,083
Noncurrent liabilities:	
Due within one year	454,368
Due in more than one year	<u>5,829,877</u>
Total Liabilities	<u>6,614,557</u>
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>	
Deferred inflows of resources related to refunded debt	147,954
Deferred inflows of resources related to pensions	<u>1,465</u>
Total Deferred Inflows	<u>149,419</u>
<b><u>NET POSITION</u></b>	
Investment in capital assets, net	4,238,099
Restricted for employee benefits	126,399
Unrestricted	<u>2,524,752</u>
Total Net Position	<u>\$ 6,889,250</u>

The accompanying notes are an integral  
part of the financial statements.

**DERBY RECREATION COMMISSION**

**STATEMENT OF ACTIVITIES**

**For the Year Ended June 30, 2025**

Functions/Programs	Expenses	Charges For Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
<b>Governmental Activities:</b>					
Recreation Center	\$ 2,175,170	\$ 1,272,756	\$ -	\$ -	\$ (902,414)
General Operating	1,796,982	26,752	-	-	(1,770,230)
Maintenance	242,902	37,827	-	-	(205,075)
Adult Programs	685,058	221,804	913	-	(462,341)
Youth Programs	778,363	492,927	31,300	-	(254,136)
Oaklawn Programs	193,955	138	20,063	-	(173,754)
Special Programs	2,144	996	-	-	(1,148)
Rock River Rapids	1,137,449	1,137,449	-	-	-
Oaklawn Recreation Center	252,648	11,865	500	-	(240,283)
Hubbard Center	283,221	9,862	-	-	(273,359)
Bus operations and other	56,281	-	550	-	(55,731)
Interest on long-term debt	121,767	-	-	-	(121,767)
<b>Total Governmental Activities</b>	<b>\$ 7,725,940</b>	<b>\$ 3,212,376</b>	<b>\$ 53,326</b>	<b>\$ -</b>	<b>(4,460,238)</b>
<b>General Revenues:</b>					
Payments received from Derby USD No. 260 for:					
General operations					\$ 3,218,565
Employee benefits					1,164,594
Investment earnings					138,310
<b>Total General Revenues</b>					<b>4,521,469</b>
Increase in Net Position					61,231
Net Position, Beginning of Year					6,828,019
<b>Net Position, End of Year</b>					<b>\$ 6,889,250</b>

The accompanying notes are an integral part of the financial statements.

**FUND FINANCIAL STATEMENTS**

**DERBY RECREATION COMMISSION**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**June 30, 2025**

	<u>General</u>	<u>Employee Benefit</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 4,535,497	\$ 183,034	\$ 4,718,531
Accounts receivable	6,745	-	6,745
Accrued interest receivable	16,264	-	16,264
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 4,558,506</u>	<u>\$ 183,034</u>	<u>\$ 4,741,540</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 140,824	\$ -	\$ 140,824
Accrued salaries and benefits payable	122,770	56,635	179,405
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities	<u>263,594</u>	<u>56,635</u>	<u>320,229</u>
Fund balances:			
Restricted for Employee Benefits	-	126,399	126,399
Committed to:			
Capital Improvements	-	-	-
Assigned for subsequent year's budget deficit	4,283,221	-	4,283,221
Unassigned	11,691	-	11,691
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total fund balances	<u>4,294,912</u>	<u>126,399</u>	<u>4,421,311</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities and fund balances	<u>\$ 4,558,506</u>	<u>\$ 183,034</u>	<u>\$ 4,741,540</u>

The accompanying notes are an integral  
part of the financial statements.

**DERBY RECREATION COMMISSION**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
TO NET POSITION OF GOVERNMENTAL ACTIVITIES**

**June 30, 2025**

Total Governmental Fund Balances		\$ 4,421,311
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost	\$ 15,436,791	
Accumulated depreciation	<u>(7,255,738)</u>	8,181,053
Pension contributions are reported as an expense in the funds and as a deferred outflow of resources in the governmental activities in the statement of net position		730,633
Pension fundings are reported as a revenue in the funds and as a deferred inflow of resources in the governmental activities in the statement of net position		(1,465)
Deferred refunding bond costs resulting from issuance of refunding bonds are recognized as deferred outflows of resources in the government-wide financial statements		(147,954)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable	10,083	
Compensated absences payable	221,439	
Net pension liability	2,267,806	
Capital lease obligations payable	<u>3,795,000</u>	<u>(6,294,328)</u>
Net Position of Governmental Activities		<u>\$ 6,889,250</u>

The accompanying notes are an integral part of the financial statements.

**DERBY RECREATION COMMISSION**  
**STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES –**  
**ALL GOVERNMENTAL FUNDS**

Year ended June 30, 2025

	<u>General</u>	<u>Employee Benefit</u>	<u>Total Governmental Funds</u>
Revenues:			
Appropriation from USD No. 260	\$ 3,218,565	\$ 1,164,594	\$ 4,383,159
Recreation Center fees, gifts and grants	1,272,756	–	1,272,756
Adult programs	222,717	–	222,717
Youth programs	524,227	–	524,227
Oaklawn programs	20,201	–	20,201
Special programs	996	–	996
Oaklawn Activity Center	12,365	–	12,365
Rock River Rapids	1,137,449	–	1,137,449
Interest	138,310	–	138,310
Hubbard Center	9,862	–	9,862
Other	65,129	–	65,129
	<u>6,622,577</u>	<u>1,164,594</u>	<u>7,787,171</u>
Total revenues			
Expenditures:			
Current:			
Recreation Center	1,671,945	296,301	1,968,246
General operating	1,394,206	369,699	1,763,905
Maintenance	173,590	44,716	218,306
Adult programs	487,918	175,138	663,056
Youth programs	625,892	135,278	761,170
Oaklawn programs	133,973	46,636	180,609
Special programs	2,144	–	2,144
Oaklawn Activity Center	204,675	43,361	248,036
Hubbard Center	173,417	18,067	191,484
Rock River Rapids	1,137,449	–	1,137,449
Bus and other	56,281	–	56,281
Debt service	486,675	–	486,675
	<u>6,548,165</u>	<u>1,129,196</u>	<u>7,677,361</u>
Total expenditures			
Revenues over expenditures	74,412	35,398	109,810
Fund balances, beginning of year	<u>4,220,500</u>	<u>91,001</u>	<u>4,311,501</u>
Fund balances, end of year	<u>\$ 4,294,912</u>	<u>\$ 126,399</u>	<u>\$ 4,421,311</u>

The accompanying notes are an integral  
part of the financial statements.

**DERBY RECREATION COMMISSION**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

**For the Year Ended June 30, 2025**

Net Change in Fund Balances – Total Governmental Funds		\$ 109,810
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:</p>		
Capital outlay	\$ 181,067	
Depreciation	<u>(459,066)</u>	
Excess of depreciation over capital outlay		(277,999)
<p>Governmental funds only report the disposal of fixed assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal</p>		
		–
<p>In the statement of activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due</p>		
		1,263
<p>Pension contributions are reported as expenditures in the governmental funds when made; however, they are reported as deferred outflows of resources in the statement of net position</p>		
		(152,762)
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets</p>		
		350,000
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds:</p>		
Compensated absences payable	17,274	
Amortization of gain on refunded debt	<u>13,645</u>	
Total		<u>30,919</u>
Change in Net Position of Governmental Activities		<u><u>\$ 61,231</u></u>

The accompanying notes are an integral part of the financial statements.

**DERBY RECREATION COMMISSION**

**GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE – BUDGET AND ACTUAL – BUDGET BASIS**

Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Appropriation from USD No. 260	\$ 3,217,714	\$ 3,217,714	\$ 3,218,565	\$ 851
Recreation Center fees	1,184,644	1,184,644	1,272,756	88,112
Adult programs	214,477	214,477	222,716	8,239
Youth programs	522,258	522,258	524,227	1,969
Oaklawn programs	66,600	66,600	20,201	(46,399)
Special programs	-	-	996	996
Oaklawn Activity Center	8,350	8,350	12,365	4,015
Rock River Rapids	743,700	743,700	1,137,449	393,749
Interest	150,000	150,000	138,310	(11,690)
Hubbard Art Center	20,000	20,000	9,861	(10,139)
Other	54,116	54,116	65,129	11,013
<b>Total revenues</b>	<b>6,181,859</b>	<b>6,181,859</b>	<b>6,622,575</b>	<b>440,716</b>
<b>Expenditures and encumbrances:</b>				
Recreation Center	1,845,080	1,845,080	1,594,888	250,192
General operating	1,495,035	1,495,035	1,394,206	100,829
Maintenance	195,082	195,082	164,501	30,581
Adult programs	602,828	602,828	487,918	114,910
Youth programs	676,663	676,663	625,892	50,771
Oaklawn programs	203,760	203,760	133,973	69,787
Special programs	2,550	2,550	2,144	406
Oaklawn Activity Center	329,054	329,054	204,675	124,379
Hubbard Center	462,802	462,802	173,418	289,384
Rock River Rapids	743,700	743,700	1,137,449	(393,749)
Bus and other	62,200	62,200	56,281	5,919
Capital outlay	3,805,014	3,805,014	124,312	3,680,702
Debt Service	-	-	486,675	(486,675)
<b>Total expenditures and encumbrances</b>	<b>10,423,768</b>	<b>10,423,768</b>	<b>6,586,332</b>	<b>3,837,436</b>
Revenues over (under) expenditures and encumbrances	(4,241,909)	(4,241,909)	36,243	4,278,152
Fund balance, beginning of year	4,241,909	4,241,909	4,220,500	(21,409)
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,256,743</b>	<b>\$ 4,256,743</b>

The accompanying notes are an integral  
part of the financial statements.

**DERBY RECREATION COMMISSION**

**EMPLOYEE BENEFIT FUND**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL – BUDGET BASIS**

**Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Appropriation from USD No. 260	\$ 1,170,111	\$ 1,170,111	\$ 1,164,594	\$ (5,517)
Expenditures:				
FICA and Medicare taxes	268,315	268,315	260,288	8,027
Workmen's compensation insurance	26,800	26,800	17,581	9,219
Unemployment insurance	3,800	3,800	4,652	(852)
Health insurance	530,000	530,000	452,901	77,099
Retirement benefits	383,740	383,740	393,774	(10,034)
Other	48,456	48,456	-	48,456
Total expenditures	<u>1,261,111</u>	<u>1,261,111</u>	<u>1,129,196</u>	<u>131,915</u>
Revenues over (under) expenditures	(91,000)	(91,000)	35,398	126,398
Fund balance, beginning of year	<u>91,000</u>	<u>91,000</u>	<u>91,001</u>	<u>1</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,399</u>	<u>\$ 126,399</u>

The accompanying notes are an integral  
part of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

**DERBY RECREATION COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**

**June 30, 2025**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting entity**

The Derby Recreation Commission (Commission) was formed in 1980 pursuant to K.S.A. 12-1901 to establish, operate and maintain a recreational system in Derby, Kansas, and began active operations in January 1981. The Commission is comprised of five board members, two appointed by the Board Members of Unified School District (USD) No. 260, Derby, Kansas, two appointed by the City Council of the City of Derby, Kansas, and one is appointed by those four appointed Commission members. The Commission must certify its annual budget to USD No. 260 for levying of property taxes. The Commission may not acquire real property or issue debt without the approval of USD No. 260. Any lease entered into by the Commission may be subject to approval of USD No. 260. The USD No. 260 is financially accountable for the Commission and, accordingly, the Commission is a component unit of that entity.

**Basis of presentation**

The financial statements of the Commission have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The *Governmental Accounting Standards Board* (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles.

The Commission's basic financial statements include both government-wide, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**Government-wide financial statements**

The statement of net position and the statement of activities display information about the Commission as a whole. The statement of net position presents the financial condition of the governmental activities of the Commission at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore are clearly identifiable to a particular function. Program revenues include (1) charges paid by the recipient for goods or services or privileges provided by a given function or activity and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxes and other items not properly included among program revenues are reported instead as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Commission.

### **Fund financial statements**

During the year, the Commission segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Commission at a more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is reported in a separate column.

### **Measurement focus and basis of accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers property tax revenues to be available in the period for which levied and other revenues if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Interest and charges for services associated with the current fiscal period are considered susceptible to accrual and so have been recognized as revenues of the current period.

The Commission reports the following major governmental funds:

General Fund – to account for all unrestricted resources except those required to be accounted for in another fund. All resources of the Commission are accounted for in the General Fund, exclusive of employee benefits.

Employee Benefit Fund – established pursuant to Kansas law to account for the taxes levied and expenditures for the employer's portion of FICA and Medicare taxes, workmen's compensation insurance, unemployment taxes, health insurance benefits, retirement benefits and tort liability insurance premiums.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Cash and investments

The Commission pools all funds for the purpose of maximizing income through investment activities. Cash deposits are recorded at cost, which approximates fair value. Interest earnings on investments and deposits are credited to the General Fund. Additional cash and investment disclosures are presented at Note 2.

### Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements, if any.

### Inventories

Inventories are considered to be immaterial and are not recorded.

### Capital assets

Capital assets, which includes property and facilities under capital lease obligations, and equipment are capitalized at total acquisition cost, provided such amounts exceed \$3,000 and have a useful life of more than one year. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are reported at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation is recorded on all depreciable capital assets on a straight-line basis over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and improvements	20-50
Machinery and equipment	3-10
Vehicles	5

### Compensated absences

Supervisory and full-time personnel earn paid vacation leave of 10 days after one year of service, 15 days after five years of service and 20 days after ten years of service. Employees may carry a maximum of five days paid vacation leave into the calendar year. All paid vacation leave in excess of five days that is not used by the end of the calendar year following the year in which it was accrued will be forfeited; provided, however that the Superintendent shall have the discretion in appropriate circumstances and in the best interests of the DRC to allow an employee to carry forward unused vacation time. Supervisory and full-time employees earn one day's sick leave for each calendar month worked with a maximum accumulation of 90 days. Accumulated sick leave in excess of 90 days is paid

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

each year to employees at 75% of their daily rate. Employee's terminating in good standing will be paid for up to 90 days of accumulated sick leave at one-third of their normal pay rate at termination. The employment contract with the Superintendent of Recreation provides for full payment of up to 90 days accumulated sick leave at date of termination.

The entire compensated absences liability is reported on the government-wide financial statements. The liability is based on current salary costs and the vested portion of accumulated benefits. On the governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent that they are due for payment during the current year.

### **Accrued liabilities and long-term obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments, compensated absences and capital lease obligations that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

### **Risk management**

The Commission is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission carries commercial insurance for all risks of loss. There were no significant reductions in coverage from prior years and claims resulting from these risks have not exceeded commercial coverage in any of the past three years.

### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### **Deferred outflows/deferred inflows of resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and is not recognized as an outflow of resources (expense) until the future period. The Commission reports amounts related to pensions and unamortized deferred costs on bond refunding's on the government-wide statement of net position as a deferred outflow of resources.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and is not recognized as an inflow of resources (revenue) until that time. The Commission reports amounts related to pensions on the government-wide statement of net position as deferred inflows of resources.

### **Net position flow assumption**

The government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Commission's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

In the government-wide financial statements, equity is reflected as net position and is classified into three components:

- Invested in capital assets, net – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisitions, construction or improvements of those assets.
- Restricted net position – consisting of net position items with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- Unrestricted net position – all other net position items that do not meet the definition of “restricted” or “invested in capital assets, net”.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### **Fund balance policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Recreation Commission Board is the highest level of decision-making authority for the Commission that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

In the governmental funds financial statements, equity is classified into potentially five components:

- Nonspendable – the nonspendable fund balance classification includes amounts that cannot be spent because they are either (1) not in spendable form; or (2) legally or contractually required to be maintained in tact.
- Restricted – that portion of fund balance that has constraints that are (1) external imposed by creditors (such as through debt covenants), grantors, contributors, or laws and regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation.
- Committed – that portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.
- Assigned – fund balance that is constrained by the government's intent to be used for specified purposes, but are neither restricted or committed.
- Unassigned – all amounts not included in the other fund balance classifications. The General Fund shall be the only fund to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

When expenditures are incurred for purposes that include committed, assigned and unassigned amounts, the committed amounts are reduced first, followed by assigned amounts and then unassigned amounts.

Details of fund balance amounts are displayed on the governmental fund balance sheet.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Budgetary principles

The Commission is required by state statute to adopt annual budgets for the General and Employee Benefit funds on or before August 1 for the ensuing year. The Commission is required to certify its adopted budget to Unified School District No. 260 which shall levy a tax sufficient to raise the amount required by such budget on all the taxable tangible property within the taxing district. The Commission may amend the budget by transferring budgeted amounts from one object or purpose to another. Expenditures may not legally exceed the total amount of adopted budget of individual funds. Budgeted revenue and expenditure amounts represent the original adopted budget for such amounts.

The statutes provide for the following timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th and certification of the adopted budget to USD No. 260.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been extended to on or before September 20th. The commission did hold a revenue neutral rate hearing for this year.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. This process requires a notice of public hearing to amend the budget to be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments for the year ended June 30, 2025.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are generally recognized when cash is received or are considered susceptible to accrual. For budgetary purposes, encumbrances, representing purchase orders, contracts and other commitments, are reported as expenditures in the current year budget. All unencumbered appropriations lapse at year-end.

The following reconciliation is presented to provide a correlation between reporting in conformity with generally accepted accounting principles (GAAP) and the budgetary basis of reporting:

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

	<u>Major Governmental Funds</u>	
	<u>General Fund</u>	<u>Employee Benefit Fund</u>
GAAP Fund Balance at June 30, 2025	\$ 4,294,912	\$ 126,399
Adjustments:		
Reserved for encumbrances	<u>(38,169)</u>	<u>—</u>
Budgetary Basis Fund Balance at June 30, 2025	<u>\$ 4,256,743</u>	<u>\$ 126,399</u>

**2. DEPOSITS AND INVESTMENTS**

**Deposits**

K.S.A. 9-1401 establishes the depositories that may be used by the Commission. The statute requires banks eligible to hold the Commission’s funds have a main or branch bank in the county in which the Commission is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of Federal Depository Insurance Corporation coverage. The Commission has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the Commission’s investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The Commission has no investment policy that would further limit its investment choices.

**Custodial Credit Risk – Deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the Commission’s deposits may not be returned to it. State statutes require the Commission’s deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipts issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka.

At year-end, the carrying amount of the Commission's deposits was \$4,710,285 with the bank balances of such accounts being \$4,775,043. Of the bank balances, \$938,171 was covered by federal depository insurance and the remaining balance of \$3,836,871 was covered by pledged collateral and letters of credit held at its custodial banks in joint custody in the name of the Commission and its banks with a fair value of \$3,507,165 at June 30, 2025.

The Commission had cash on hand at June 30, 2025 of \$8,246.

### 3. CHANGES IN CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<b>Governmental Activities:</b>				
Capital assets not being depreciated:				
Construction work in progress	\$ —	\$ 33,965	\$ —	\$ 33,965
Capital assets being depreciated:				
Buildings and improvements	5,134,892	—	—	5,134,892
Machinery and equipment	3,067,621	103,765	293,898	2,877,488
Vehicles	<u>375,139</u>	<u>43,337</u>	<u>—</u>	<u>418,476</u>
Total assets being depreciated	<u>8,577,652</u>	<u>147,102</u>	<u>293,898</u>	<u>8,430,856</u>
Less accumulated depreciation for:				
Buildings and improvements	3,011,956	107,021	—	3,118,977
Machinery and equipment	2,470,385	158,371	293,898	2,334,858
Vehicles	<u>308,444</u>	<u>27,040</u>	<u>—</u>	<u>335,484</u>
Total accumulated depreciation	<u>5,790,785</u>	<u>292,432</u>	<u>293,898</u>	<u>5,789,319</u>
Total capital assets being depreciated, net	<u>2,786,867</u>	<u>(145,330)</u>	<u>—</u>	<u>2,641,537</u>
Right-of-use assets being amortized:				
Buildings and improvements	6,971,970	—	—	6,971,970
Less accumulated amortization	<u>1,299,785</u>	<u>166,634</u>	<u>—</u>	<u>1,466,419</u>
Right-of-use assets being amortized, net	<u>5,672,185</u>	<u>(166,634)</u>	<u>—</u>	<u>5,505,551</u>
Capital assets, net	<u>\$ 8,459,052</u>	<u>\$ (277,999)</u>	<u>\$ —</u>	<u>\$ 8,181,053</u>

### 3. CHANGES IN CAPITAL ASSETS (continued)

Depreciation/Amortization expense was charged to functions/programs as follows:

Governmental Activities:	
Recreation Center	\$ 313,002
General Operations	29,914
Maintenance	18,287
Oaklawn Recreation Center	8,212
Hubbard Center	<u>89,651</u>
 Total depreciation expense – Governmental Activities	 <u>\$ 459,066</u>

### 4. LONG-TERM DEBT

During the fiscal year ended June 30, 2025, the Commission's long-term debt changed as follows:

	Right-of-use Lease Obligations <u>Payable</u>	Compensated Absences <u>                    </u>	Net Pension Liability <u>                    </u>	Total Long-Term Debt <u>                    </u>
Beginning of year	\$ 4,145,000	\$ 238,713	\$ 2,216,479	\$ 6,600,192
Additions	–	227,547	51,327	278,874
Deletions	<u>(350,000)</u>	<u>(244,821)</u>	<u>–</u>	<u>(594,821)</u>
End of year	<u>\$ 3,795,000</u>	<u>\$ 221,439</u>	<u>\$ 2,267,806</u>	<u>\$ 6,284,245</u>
 Amount due within one year	 <u>\$ 370,000</u>	 <u>\$ 84,368</u>	 <u>\$ –</u>	 <u>\$ 454,368</u>

The Commission entered into a revised lease agreement with the City of Derby, Kansas, whereby the Commission leases a community center, known as the Derby Recreation Center, from the City of Derby for a term of ten years, commencing September 1, 2022. The original lease agreement with the City of Derby commenced August 1, 1985 and was amended on March 11, 2003, which was related to completing the second phase of the Derby Recreation Center. The lease agreement dated September 1, 2022 requires the Commission to pay the City of Derby lease payments sufficient to service the debt issued by the City related to the costs of modernizing and repurposing portions of the facility. The Commission is required to perform all maintenance and make all repairs and replacements necessary to keep the facility in good condition, provide for insurance against loss for all risks on the facility and pay all taxes levied upon the facility during the term of the lease. The Commission has the option to renew the lease for additional ten-year periods at a fee of \$1 under the condition that all debt issued by the City related to the facility is paid in full.

#### 4. LONG-TERM DEBT (continued)

The City of Derby, with the approval of the Commission, issued in 1992 general obligation bonds in the face amount of \$3,250,000 for the purpose of completing the second phase of the Derby Recreation Center. The 1992 general obligation bonds were refinanced in 1996 and the 1996 bonds were again refinanced in December 2004, amending the amount of the lease payments to be made by the Commission. On May 9, 2013 the City of Derby, with the approval of the Commission, issued \$4,500,000 of General Obligation Refunding and Improvement Bonds, Series 2013, to provide permanent financing of the remodel improvements at the Derby Recreation Center. The 2013 general obligation refunding and improvement bonds, were refinanced on December 14, 2021, reducing the amount of the payments to be made by the commission by \$200,000. The gain on the refunded debt was recorded as a deferred inflow and is amortized over the life of the lease agreement.

The Commission entered into a lease agreement with the City of Derby, Kansas, whereby the Commission leased a facility, known as the Hubbard Arts Center, from the City of Derby for a term of ten years, commencing February 11, 2019. The lease agreement requires the Commission to pay the City of Derby lease payments sufficient to service the debt issued by the City related to the costs of repair, remodeling and other improvements to the facility. The commission is required to perform all maintenance and make all repairs and replacements necessary to keep the facility in good condition, provide for insurance against loss for all risks on the facility and pay all taxes levied upon the facility during the term of the lease. Upon expiration of the initial term, the City shall extend the lease for one or more periods of up to ten years each, for the period of time remaining on any outstanding debt issued by the City related to the facility. If all debt issued by the City related to the facility is paid in full at the expiration of the initial term, the Commission has the option to renew the lease for a ten year term at a fee of \$1 per year.

In 2019, the City of Derby, Kansas (City) issued general obligation bonds for Phase 1 of Decarsky Park. The Commission entered into an agreement with the City, whereby the Commission agreed to pay the additional cost of \$550,000 for the addition of a fourth ball field at Decarsky park. The agreement requires the Commission to pay the City the debt service costs associated with adding the fourth field by making payments twice a year for fifteen years according to a payment schedule provided by the City of Derby until the portion of the bonds associated with the fourth ball field are paid off.

The current lease agreements qualify as right-of-use lease for accounting purposes and, therefore, has been recorded at the present value of their future minimum lease payments as of the inception date. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025, were as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	\$ 487,300
2027	481,175
2028	480,825
2029	486,300

#### 4. LONG-TERM DEBT (continued)

<u>Year ending June 30,</u>	<u>Amount</u>
2030	\$486,350
2031	483,525
2032	482,800
2033	486,825
2034	210,500
2035	209,425
2036	<u>45,675</u>
Total minimum lease payments	4,340,700
Less amount representing interest	<u>(545,700)</u>
Present value of minimum lease payments	<u>\$ 3,795,000</u>

#### 5. PENSION PLAN

##### Plan description

The Commission participates in the Kansas Public Employees Retirement System, a cost sharing multiple employer defined benefit pension plan. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERS), a body corporate and an instrumentality of the State of Kansas. KPERS provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74-4901 *et. seq.*:

Public employees, which includes:

- State/School employees
- Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the Recreation Commission are included in the local employee group.

KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS, 611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603-3803, by calling 1-888-275-5737 or via KPERS website at [www.kpers.org](http://www.kpers.org).

## 5. PENSION PLAN (continued)

### **Benefits provided**

Benefits are established by statute and may only be changed by the Kansas Legislature. Member employees (except police and firemen) with ten or more years of credited service may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever an employee's combined age and years of credited service equal 85 points (police and firemen normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service).

Monthly retirement benefits are based on statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new cash balance retirement plan (KPERS 3) was created for new hires starting January 1, 2015. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

### **Contributions**

Member contributions are established by state law, and are paid by the employee accordingly to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined based on the results of an annual actuarial valuation for each of the three state wide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

## 5. PENSION PLAN (continued)

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employees, which includes the state and the school employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll.

The actuarially determined employer contribution rates for KPERS employees (not including the 1% contribution rate for the Death and Disability Program) are 9.26% for the period from July 1, 2024 to December 31, 2024 and 9.71% for the period from January 1, 2025 to June 30, 2025. Member contribution rates as a percentage of eligible compensation for the fiscal year ended June 30, 2025 is 6% for public employees, 7.15% for police and firemen, and 6.00% or 2.00% for judges.

### **Employer allocations**

Although KPERS administers one cost sharing multiple employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions and fiduciary net position applicable to each group. The allocation percentages for the Commission's share of the collective pension amounts as of June 30, 2024 was based on the ratio of its contributions to the total of the employer and nonemployer contributions of the local group for the fiscal years ended June 30, 2024. The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2024, the Commission's proportion was 0.106759%, which was an increase of 0.001107% from its proportion measured at June 30, 2023.

### **Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions**

At June 30, 2025, the Commission reported a liability of \$2,267,806 for its proportionate share of the net pension liability. The collective net pension liability was measured by KPERS as of June 30, 2024, and the total pension liability used to calculate the collective net pension liability was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024.

**5. PENSION PLAN (continued)**

For the year ended June 30, 2025, the Commission recognized pension expense of \$386,698. At June 30, 2024 the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Commission contributions subsequent to the measurement date	\$ 233,476	\$ —
Differences between expected and actual experience	275,864	—
Net difference between projected and actual earnings on pension plan investments	13,893	—
Changes in assumptions	137,077	—
Changes in proportion	<u>70,323</u>	<u>1,465</u>
Total	<u>\$ 730,633</u>	<u>\$ 1,465</u>

The Commission reported \$730,633 as deferred outflows of resources related to pensions resulting from Commission contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2025	\$ 379,861
2026	260,064
2027	72,309
2028	16,934
Thereafter	—

**Actuarial assumptions**

The total pension liability at the June 30, 2025 measurement date, was determined by an actuarial valuation as of December 31, 2023, which was rolled forward to June 30, 2024. The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	– Entry age normal
Inflation	– 2.75 percent
Salary increases, including wage increases	– 3.50 to 15.50 percent, including price inflation
Investment rate of return	– 7.00 percent compounded annually, net of investment expense, including price inflation

## 5. PENSION PLAN (continued)

Mortality rates were based on the PUB 2010 Morality Tables, with age setbacks and age set forwards as well as other adjustments based on the different membership groups. Future mortality improvements are anticipated using Scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 29, 2024, as provided by KPERS' investment consultant, are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Non – U.S Equities	43.00%	8.20%
Core Fixed Income	13.00	2.20
Yield Driven	12.00	5.30
Infrastructure	3.00	6.80
Real Estate	15.00	5.70
Alternatives	11.00	12.00
Short-Term Investments	<u>3.00</u>	0.30
Total	<u>100.00%</u>	

### Discount rate

The discount rate used to measure the total pension liability was 7.00% for both of the years ended June 30, 2024 and 2023. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the contractually required rate. Participating employer contributions do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the KPERS' Board of Trustees for these groups may not increase by more than the statutory cap (1.2% for 2024). The expected KPERS employer statutory contribution was modeled for future years, assuming all actuarial assumptions are met in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**5. PENSION PLAN (continued)**

**Sensitivity of the net pension liability to changes in the discount rate**

The following presents the net pension liability of the Pension Plan as of June 30, 2024, calculated using the discount rate of 7.00 percent, as well as what the Pension Plan’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.00 percent) or 1 percentage point higher (8.00 percent) than the current rate:

	June 30, 2024		
	1.00% Decrease <u>(6.00%)</u>	Current Discount Rate <u>(7.00%)</u>	1.00% Increase <u>(8.00%)</u>
Amount due within one year	\$ 3,283,163	\$ 2,267,806	\$ 1,419,245

**Pension plan fiduciary net position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued KPERS financial report.

**6. OAKLAWN ACTIVITY CENTER PROJECT AND LEASE**

In May 2008, the Commission entered into a facility sublease agreement with Derby USD No. 260 to operate the Oaklawn Activity Center, which includes a gymnasium and various other community facilities. The Derby USD No. 260 issued Certificates of Participation in the principal amount of \$1,500,000 dated September 1, 2008 to partially finance planned improvements to the Oaklawn Activity Center. All project improvements remain the property of USD No. 260. The facility improvements were substantially completed in January 2010 and the total cost of the facility improvements incurred by Derby USD No. 260 were \$2,266,258.

The lease agreement requires the Commission to pay Derby USD No. 260 lease payments sufficient to service the Certificates of Participation issued by Derby USD No. 260 related to the costs of expansion, repairs, remodeling and other related costs of the facility. USD No. 260 shall provide ground crew maintenance of the facility and the Commission is required to perform all maintenance and make all repairs and replacements necessary to keep the facility in good condition and shall provide for the cost of utilities for the gymnasium and the new improvements to the facility. USD No. 260 is responsible for property and casualty insurance however, the additional premiums to cover the newly constructed improvements shall be reimbursed to the USD by the Commission. The Commission has the option to renew the lease for additional ten-year periods at a fee of \$1 under the condition that all debt issued by USD No. 260 related to the facility are paid in full.

## **7. OTHER POSTEMPLOYMENT BENEFITS**

As provided by K.S.A. 12-5040, the Commission allows retirees to participate in its group health insurance plan. While each retiree is required to pay the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level premium regardless of age. Further, under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Commission makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured and there is no cost to the Commission under this program. Currently, there are no former employees or retirees receiving health care benefits under the Commission's group health insurance plan. The affects of this postemployment benefit are not quantified in the accompanying financial statements and management believes any impact on the financial statements is not significant.

## **8. TAX ABATEMENTS**

Derby USD No. 260 levies taxes on behalf of the Derby Recreation Commission, which are subject to tax abatement agreements entered into by the City of Derby, Kansas and Sedgwick County, Kansas. Those tax abatement programs include Economic Development Exemptions which Article 11, Section 13 of the Kansas Constitution gives counties and cities the authority to exempt from ad valorem taxation all or any portion of the valuation of buildings, land or other improvements used to facilitate business expansion and new employment creation. Kansas Statutes Annotated 79-213 et. seq. establishes procedures by which the taxable value of personal property being financed by industrial revenue bonds may be wholly or partially exempt.

The tax abatements granted by the City of Derby, Kansas and Sedgwick County, Kansas applicable to taxes levied on behalf of the Commission were approximately \$48,934 for the year ended June 30, 2025.

## **9. COMMITMENTS, CONTINGENCIES AND SUBSEQUENT EVENTS**

Management has evaluated subsequent events through October 15, 2025, which is the date the financial statements were available to be issued.

**REQUIRED SUPPLEMENTARY INFORMATION**

**DERBY RECREATION COMMISSION**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**KPERS PENSION PLAN**

**Schedule of Commission's Proportionate Share of the Net Pension Liability  
Last Ten Years \***

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Commission's proportionate percentage of the net pension liability	0.106759%	0.105652%	0.100293%	0.099285%	0.097885%	0.102489%	0.104572%	0.112075%	0.093208%	0.092505%
Commission's proportionate share of the net pension liability	\$ 2,267,806	\$ 2,216,479	\$ 1,993,869	\$ 1,191,377	\$ 1,696,987	\$ 1,432,153	\$ 1,457,514	\$ 1,623,357	\$ 1,441,955	\$ 1,214,631
Commission's covered employee payroll	\$ 2,463,803	\$ 2,467,263	\$ 2,302,896	\$ 2,016,031	\$ 1,915,026	\$ 1,852,924	\$ 1,897,571	\$ 1,863,404	\$ 1,692,338	\$ 1,639,924
Commission's proportionate share of the net pension liability as a percentage of its covered employee payroll	92.04%	89.84%	86.58%	59.09%	88.61%	77.29%	76.81%	87.12%	85.20%	74.07%
Plan fiduciary net position as a percentage of the total pension liability	71.71%	70.55%	70.66%	81.14%	70.77%	75.02%	74.22%	72.16%	68.55%	71.98%

**Schedule of Commission's Contributions  
Last Ten Years \***

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 218,210	\$ 218,381	\$ 199,759	\$ 179,099	\$ 167,283	\$ 162,223	\$ 163,715	\$ 157,025	\$ 157,965	\$ 150,545
Contributions in relation to the contractually required contribution	(218,210)	(218,381)	(199,759)	(179,099)	(167,283)	(162,223)	(163,715)	(157,025)	(157,965)	(150,545)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commission's covered employee payroll	\$2,463,803	\$2,467,263	\$2,302,896	\$2,016,031	\$1,915,026	\$1,852,924	\$1,897,571	\$1,863,404	\$1,793,088	\$1,639,924
Contributions as a percentage of covered employee payroll	8.86%	8.85%	8.67%	8.88%	8.74%	8.75%	8.63%	8.43%	8.81%	9.18%



## MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Derek Smith, Director of Administration

DATE: December 5, 2025

RE: 2025-2026 AUDIT ENGAGEMENT

Fees for last year's audit were \$7,850; the proposed fee for this year would not exceed \$8,350 plus expenses (travel, copies, postage). The DRC has been pleased with the quality of audit reports from George, Bowerman, and Noel, P.A. The audit is to be returned to the DRC no later than October 15<sup>th</sup> to deliver to our partners at USD 260.

We recommend the approval of the audit for the year 2025-2026 with George, Bowerman, and Noel, P.A.

Attached  
Engagement Letter



## GBN, P.A.

*Certified Public Accountants  
Management Consultants  
Tax Advisors*

12001 E. 13<sup>th</sup> St. North    Wichita, Kansas 67206    Telephone (316) 262-6277    Fax (316) 265-6150

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December 5, 2025

Derby Recreation Commission  
801 E. Market  
P.O. Box 324  
Derby, Kansas 67037

Board of Directors:

We are pleased to confirm our understanding of the services we are to provide for the Derby Recreation Commission, for the year ending June 30, 2026. We will audit the financial statements of the governmental activities and each major fund, which collectively comprise the basic financial statements, of the Derby Recreation Commission, as of and for the year ended June 30, 2026. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A) and KPERS pension plan information, to supplement Derby Recreation Commission's basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Derby Recreation Commission's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.
2. Required Supplementary Information for the KPERS Pension Plan:
  - a. Schedule of Commission's Proportionate Share of the Net Pension Liability
  - b. Schedule of Commission's Contributions

### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted

accounting principles (GAAP) and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide* and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

### **Audit Procedures – General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors or any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

### **Audit Procedures – Internal Control**

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures - Compliance**

As a part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Derby Recreation Commission's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Other Services**

We will also prepare the financial statements, notes to the financial statements and the required supplementary information schedules and assist with preparation of the depreciation schedules of the Derby Recreation Commission, in conformity with generally accepted accounting principles based on the information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud or illegal acts affecting the government received in communications from employees, former employees, regulators or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. Unless we are notified otherwise, this individual will be the Superintendent of Recreation.

### **Engagement Administration, Fees and Other**

We expect to begin our audit fieldwork during September and issue our reports no later than October 15, 2026. This timetable is totally dependent on the ability of the Commission's staff to complete the year-end closeout and provide the detail information necessary to complete the audit in a timely manner. Eric W. Meyer is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fees are based upon rates applied to time expended in performing services and out-of-pocket expenses. Our fee for the examination of the Commission's basic financial statements for the year ending June 30, 2026 will not exceed \$8,350. You will also be billed for our out-of-pocket costs such as travel, postage, copies, telephone, etc. Billings, based on our estimate of current percentage of completion up to 75% of the total contract, will be made on a periodic basis as work progresses and are due when rendered.

Our estimated fee is based on the premise that Commission personnel will be instructed to provide us with assistance in the preparation of various schedules and locating invoices, statements and other supporting documents that we will require from time to time. This will enable us to spend a minimum amount of time performing clerical tasks and thus concentrate strictly on audit functions.

If at any time during the engagement any extraordinary matters come to our attention and an extension of our services appears to be required, we reserve the right to increase our fee, but only after consultation with you.

We will be available for technical assistance throughout the year at no additional cost to the Commission provided that additional time for research or out-of-pocket expenses are not incurred.

Please note that it is our policy to require that master or printers' proofs be submitted to us for review if reproduction or publication of the financial statements, or any portion of them is intended. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The audit documentation for this engagement is the property of GBN, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Kansas, Division of Accounts and Reports, or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of GBN, P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the State of Kansas, Division of Accounts and Reports or its designee. The State of Kansas, Division of Accounts and Report or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We appreciate the opportunity to be of service to the Derby Recreation Commission, Derby, Kansas, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Board of Directors  
Derby Recreation Commission  
December 5, 2025  
Page 6

Sincerely,

**RESPONSE:**

This letter correctly sets forth the understanding of the Derby Recreation Commission.

Management Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Governance Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_



MEMORANDUM

TO: DRC BOARD MEMBERS

FROM: Donita Grinde-Houtman, Aquatic Director  
Jenna Hudson, Program Coordinator

DATE: January 7, 2026

RE: RISK MANAGEMENT COMMITTEE PRESENTATION

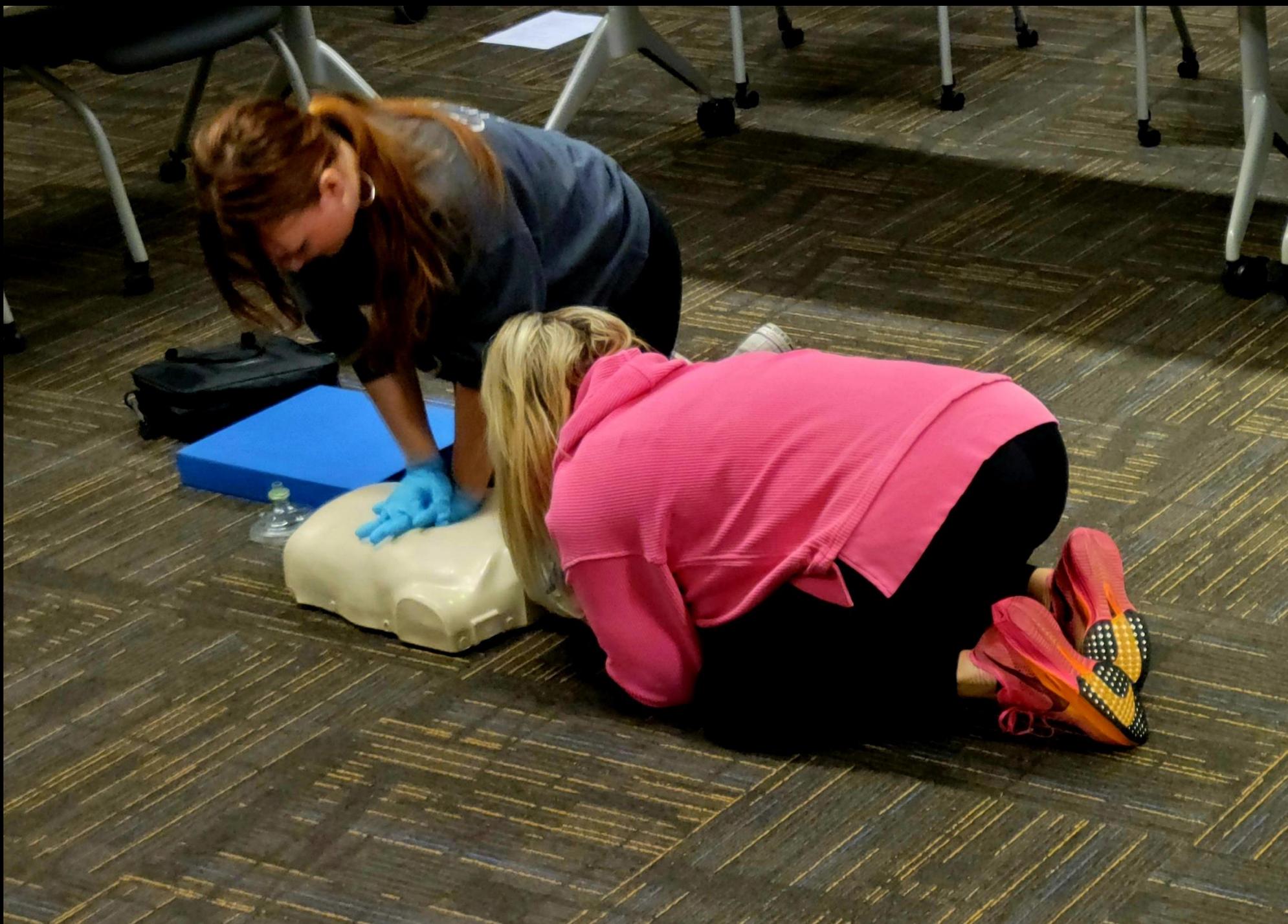
Staff will present an update on the Risk Management Committee. The presentation will include an overview of the committee's focus and accomplishments in 2025 as well as plans for 2026. We will answer any questions that the Board may have.





# Risk Management Committee Report

January 13, 2026





# Committee Purpose



PROVIDE TRAINING AND CERTIFICATIONS TO PREPARE, PREVENT AND RESPOND TO EMERGENCIES



REVIEW, UPDATE, REFORMAT EMERGENCY OPERATIONAL PROCEDURES MANUALS FOR DRC, OAC AND HAC



SUGGEST PROCEDURE REVISIONS TO ENSURE ADHERENCE TO EMERGENCY RESPONSE BEST PRACTICES



IDENTIFY GAPS AND PROPOSE MITIGATION

# 2025 Committee Focus

## Create

- Supervisor hiring EOP checklist

## Update and Integrate

- Rec Station/Camp DRC in HAC EOP manual
- After School Program in OAC EOP manual

## Reformat

- Facility EOP manuals

## Research

- Lockdown/active threat procedures and coordinate updated training



# 2025 Accomplishments



Instructor bridge completed from lay to professional responder level



DRC/HAC/OAC emergency operational procedures updates



Developed supervisor's NEO EOP checklist



Research/Recommend Active Threat procedure



Developed Quick reference guide



Offered Adult CPR/AED Outreach Course

# Mock Drills

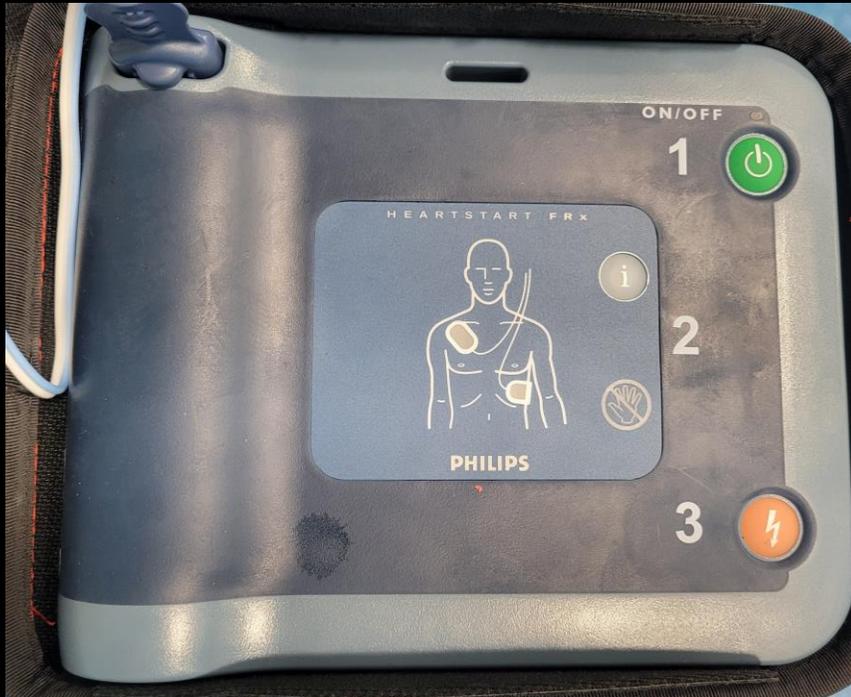
**7 Conducted**

- January: OAC Choking
- February: DRC Kids Club
- June: DRC Locker Room
- September: DRC Track
- September: DRC Fitness Center
- November: DRC Indoor Pool
- December: Gym Fitness Class

**Scenario Type**

- January: Conscious Choking
- February: Infant Respiratory Failure to Arrest
- June: Child CPR/AED
- September: External bleeding
- September: Diabetic Emergency
- November: Asthma Attack
- December: Sprained Ankle

# Certifications: DRC, OAC, HAC = 89



CPR = 0

CPR with First Aid = 19

CPR with First Aid and Administering  
Emergency Oxygen = 0

Administering Emergency Oxygen = 2

CPR Recertification = 43

CPR with First Aid and Administering  
Emergency Oxygen Recertification = 25

# Certifications: Aquatic Department Offerings = 88



Lifeguarding = 36

Lifeguard Instructor = 7

Lifeguard Instructor Review = 13

Lifeguard Instructor Trainer Recertification = 0

Water Safety Instructor = 10

Administering Emergency Oxygen = 22

# Certifications: Rock River Rapids = 145



CPR with First Aid = 16

First Aid = 1

Water Park = 27

CPR with First Aid Review = 26

Lifeguarding with Water Park Review = 63

Lifeguarding/Water Park/Administering  
Emergency Oxygen Review = 12

# 2026 Committee Focus

## Reformat

- Facility EOP manuals

## Create

- Supervisor training for NEO EOP orientation

## Determine

- Best practices for NEO EOP training documentation

## Complete

- American Red Cross First Aid/CPR/AED Instructor updates





DERBY RECREATION

COMMISSION

# EOP Manuals



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**OXYGEN**

**Thank You!**

**CHILD BVM**

**AED**

**ADULT BVM**



801 EAST MARKET  
P.O. BOX 324  
DERBY, KS 67037  
TEL 316-788-3781  
FAX 316-788-6549

**MEMORANDUM**

TO: DRC BOARD MEMBERS

FROM: Dee Anna Claytor, Assistant Director of Programs

DATE: January 6, 2026

RE: ANNUAL VOLUNTEER REPORT

Attached is a copy of the 2025 Volunteer Report for your review. At the meeting we will update you on the volunteer numbers and hours throughout 2025.



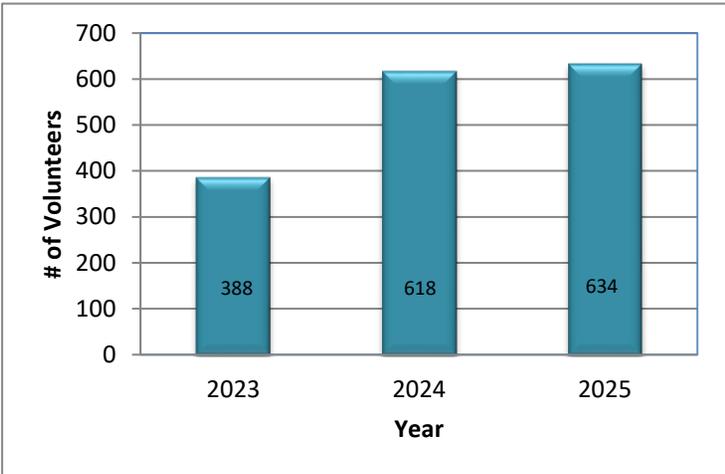
**OUR VISION:**  
INSPIRE THE HIGHEST QUALITY OF LIFE THROUGH EXCEPTIONAL EXPERIENCES.

# 2025 Volunteer Report

Value to the DRC: \$298,200.18

<u>Program Areas</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Art/Culinary Arts	247	370	508
Aquatics	233	59	48
Fitness	10	0	0
Special Events (teens, youth rec, oaklawn)	572	404	392
Special Populations	666	742	591
Sports	4640	4900	5489
Board	208	219	306
Health and Wellness	630	399	369
The Lord's Diner		1950	1960
<b>Total Hours</b>	<b>7206</b>	<b>9043</b>	<b>9663</b>

<u>Program Areas</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Art /Culinary Arts	5	10	4
Aquatics	10	5	2
Fitness	5	0	0
Special Events (teens, youth rec, oaklawn)	142	124	123
Special Populations	35	58	47
Sports	119	125	136
Board	6	6	5
Health and Wellness	66	49	58
The Lord's Diner		241	259
<b>Total Volunteers</b>	<b>388</b>	<b>618</b>	<b>634</b>



Current Dollar Value of a Volunteer Hour by State of KS: \$30.86

[www.independentsector.org](http://www.independentsector.org)

<https://independentsector.org/research/value-of-volunteer-time-methodology/>



801 EAST MARKET  
P.O. BOX 324  
DERBY, KS 67037  
TEL 316-788-3781  
FAX 316-788-6549

**MEMORANDUM**

TO: DRC BOARD MEMBERS  
FROM: Chris Drum, Superintendent of Recreation  
DATE: January 7, 2026  
RE: EXECUTIVE SESSION

Executive session for personnel purposes.



**OUR VISION:**  
INSPIRE THE HIGHEST QUALITY OF LIFE THROUGH EXCEPTIONAL EXPERIENCES.

Just saying *Thank You*  
doesn't seem enough.

Hope you know  
how much your  
*Thoughtfulness*  
is appreciated.

*From The Family Of  
Romana Earline Fry*

To know you are with  
us in our time of *Sorrow*

Sharing our prayers,  
Today & tomorrow

*God* gives us comfort in the  
form of family & friends.

May His peace be with you,  
His *love* never ends.

Thank you for  
the beautiful flowers  
and your thoughts  
& prayers

Connie & Family

From The Family Of  
Lester E. Depperschmidt