



City of Westwood

Investment Management Services | May 2023





Columbia Capital Management, LLC
6700 Antioch, Suite 250
Merriam, Kansas 66204
913.248.8500

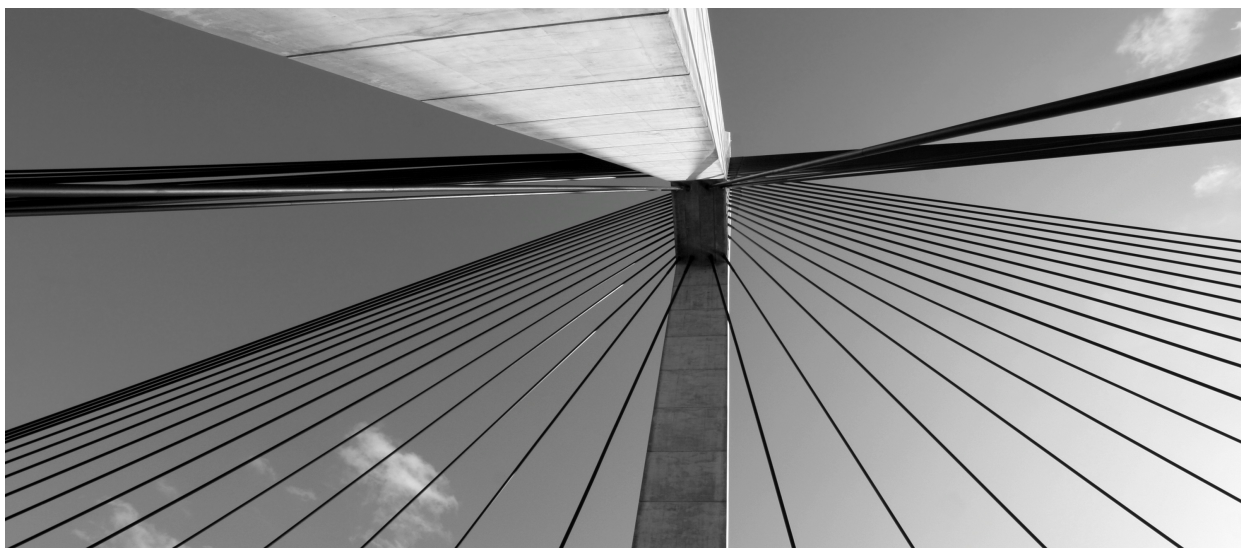
Jeff White

Managing Member
Investment Adviser Representative
jwhite@columbiacapital.com

Adam Pope

Managing Director
Investment Adviser Representative
apope@columbiacapital.com

Columbia Capital is an SEC-registered investment adviser and a registered municipal advisor. Columbia Capital provides advice as a fiduciary to its clients.



FIRM BACKGROUND AND STAFFING

Columbia Capital formed in October 1996 to provide financial and investment advisory services to municipal bond issuers and investment advisory assistance to governments. One of Columbia Capital's first engagements was the drafting of the investment policy for the City of St. Louis. Columbia Capital combines more than 150 years of public finance expertise among its professionals. The firm was founded to offer municipal bond issuers an experienced and independent alternative to obtaining financial advisory services from investment banks.

Local government finance departments have only gotten smaller in recent years. A decade cycle of reduced revenues, budget cuts and reductions to "overhead" have resulted in financial managers doing much more with many fewer resources. Because the urgent often gets in the way of the important, investment management sometimes happens inconsistently. As a result, many local governments are over-allocated to overnight funds and do not have a strategy for producing portfolio income in a challenging yield curve environment.

Columbia Capital's approach is to increase the efficiency of local governments' investment portfolios without creating significant new administrative burdens for smaller, leaner financial staffs. We leverage our significant investment in portfolio management tools—in-house access to Bloomberg, industry-standard portfolio accounting and reporting tools—and our 25-year track record of managing public funds to convert your investment program to an efficient, income-producing source of pride.

Blending investment best practices from the Government Finance Officers Association and others with the unique requirements of state law, Columbia Capital develops investment policies and procedures that protect the safety of public funds while ensuring necessary liquidity and putting idle funds to work. While the range of permitted investments is uniform for all local governments, our implementation plan is crafted to the unique needs and opportunities of each entity.

Columbia Capital manages our clients' portfolios in a comprehensive way. We look to meet the regular and extraordinary liquidity needs of the organization, while maximizing the value

that the relatively limited range of permitted securities can provide to the investing entity. We seek opportunities to provide relative value by identifying asset classes and maturity ranges that are mispriced relative to benchmark securities and we monitor the impacts of changing markets on the portfolio.

Local governments have a duty to ensure public funds are invested in a prudent, transparent, compliant manner. Because the process can be cumbersome, many local governments are reticent to look beyond their checking account for investment opportunities. We simplify the process, while expertly moving idle funds and bond proceeds to investments other than bank deposits that typically providing more flexibility and better yields.

Columbia Capital maintains industry-standard portfolio accounting and reporting software in-house, often interfacing directly with the securities custodian to gather portfolio data. We use these tools along with our in-house Bloomberg service to both monitor and manage the portfolio day-to-day, as well as to provide comprehensive report sets to our clients on a regular, recurring basis and ad-hoc as necessary to meet the needs of budget development, auditor inquiries and accounting entries.

As of March 31, 2023, Columbia manages approximately \$1.68 billion for government agencies. The table below provides an itemized listing of public agency clients.

Client	Services	Funds Invested
Benedictine University (2017-cur)	Bond Proceeds	~\$4.0MM
Bi-State Development Agency (2014-cur)	Debt Service Reserve	~\$37.7MM
Big Bear Airport District (2022-cur)	Idle Funds/Bond Proceeds	~\$8.0MM
City of De Soto, KS (2022-cur)	Idle Funds/Bond Proceeds	~\$24.0MM
City of Edgerton, KS (2016-cur)	Idle Funds/Debt Service Reserve	~17.0MM
City of Junction City, KS (2014-cur)	Idle Funds/Bond Proceeds	~\$33.8MM
City of Lawrence, KS (2017-cur)	Idle Funds/Bond Proceeds	~\$317.4MM
City of Merriam, KS (2014-cur)	Idle Funds/Bond Proceeds	~\$51.8MM
City of Olathe, KS (2022-cur)	Idle Funds/Bond Proceeds	~\$346.3MM
City of Prairie Village, KS (2012-cur)	Idle Funds/Bond Proceeds	~\$31.6MM
City of Riverside, MO (2014-cur)	Idle Funds/Debt Service Reserve	~\$28.6MM
City of Roeland Park, KS (2015-cur)	Idle Funds	~\$13.7MM
City of Shawnee, KS (2020-cur)	Idle Funds	~\$140.7MM
City of Topeka, KS (2012-cur)	Idle Funds/Bond Proceeds	~\$334.6MM
Confluence Charter School (2017-cur)	Bond Proceeds	~\$2.2MM
Governor's State University (2018-cur)	Bond Proceeds	~\$2.7MM
Inland Empire Tobacco Securitization (2021-cur)	Bond Proceeds	~\$10.2MM
Kansas Turnpike Authority (2023-cur)	Idle Funds	~\$168.9MM
Multistate Liquidating Trust (2014-cur)	Qualified Escrow Fund	~\$46.4MM
Roosevelt University (2014-cur)	Debt Service Reserve	~\$21.8MM
SW IL Flood Prevention (2014-cur)	Bond Proceeds	~\$23.1MM
YMCA of Greater Kansas City (2022-cur)	Idle Funds	~\$11.1MM
YMCA of St. Joseph (2022-cur)	Idle Funds	~\$5MM
Total Assets Under Management		\$1,675,781,878.13

In addition to full-service cash management services, Columbia Capital maintains a unique relationship with Riverside County, California, providing quarterly investment reporting for more than 200 trust accounts, as well as providing the City of South Gate, California with ongoing investment consulting.

Columbia Capital is a registered municipal advisor and an SEC-registered investment adviser (IARD/CRD Number: 112773). These designations are important: starting July 1, 2014, only firms with one of these designations may advise on investment portfolios that include municipal bond proceeds.

One of Columbia Capital's strengths is our approach to account staffing. Unlike most firms, Columbia Capital uses a true team approach to providing investment advice. Columbia Capital brings to the City a team of advisors with extensive experience serving a wide array of issuers and borrowers in the state of Kansas and throughout the Midwest.

Jeff White and **Adam Pope** will serve as the primary advisors responsible for day-to-day work related to the City's investment needs. Mr. White will be the firm principal assigned to the engagement. **Stacey Walter**, serving as the firm's compliance officer, and **Samantha Baker** provide key administrative support, including reconciliation of accounts and producing periodic reporting.

JEFF WHITE

Managing Member

Jeff White serves as the Managing Member of Columbia Capital Management, LLC. Prior to joining Columbia Capital in 2001, Mr. White spent more than a decade as a local government management practitioner.

As a city manager, assistant city manager, department head, and budget director in cities from 14,000 to 124,000 in population, Mr. White became very familiar with the financial needs of local governments as debt issuers and investors. As public works director responsible for transportation, building inspection, engineering, parking and water utilities (water, wastewater, and storm water), he managed annual operating budgets of nearly \$55 million and capital programs exceeding \$150 million. He enjoys bringing his passion for public service and an understanding of the business of local government to Columbia's clients.

Mr. White has experience serving a wide variety of issuers. His clients include the Chicago Public Schools; St. Louis County, Missouri; the Metro Bi-State Development Agency (St. Louis); Roosevelt University (Chicago); the YMCA of Greater Kansas City; the Denver Urban Renewal Authority; and numerous regional, local and non-profit issuers and borrowers.

Over the last decade, Mr. White has advised the City of Edgerton, Kansas, on the financing of significant public infrastructure supporting BNSF railroad's newest intermodal transportation facility, the only one of its kind west of the Mississippi, and the development of a related logistics park that will eventually contain more than 30 million square feet of warehouse and distribution space across 3,000 acres. The underpinning of this financing is a three-party agreement between the City, BNSF and a master developer of the surrounding logistics park. Because of the City's small size and limited borrowing capacity, Mr. White helped the City design and implement a public/private partnership model to finance infrastructure costs that would be beyond the City's ability to support on its own.

As Managing Member, Mr. White serves as chief executive of the firm and is active in all areas of service delivery. Mr. White maintains supervisory responsibility for the firm's investment advisory practice and leads Columbia Capital's New Markets Tax Credits (NMTC) advisory practice.

Mr. White holds an A.B. in Political Science from the University of Michigan and a Master of Public Administration in Local Government Management from the University of Kansas. He is a Series 50 municipal advisor representative, a Series 54 municipal advisor principal and a Series 65 Investment Adviser Representative.

ADAM POPE**Managing Director**

Adam Pope joined Columbia Capital in 2013 as a Senior Analyst. Mr. Pope previously worked at the Kansas City Federal Reserve Bank as an assistant economist in the Regional Affairs group for six years. He is an LLC Member.

During his time at the Kansas City Fed, Mr. Pope managed a database of regional economic data that was used for monetary policy briefings, public outreach and regional research. He was the lead author of a quarterly publication called The Midwest Economist, which provided an update on current economic conditions in Kansas and western Missouri. He has been published in the Kansas City Fed's Economic Review and Public Choice. Mr. Pope has spoken to numerous business, education and community groups about the Kansas, Missouri and national economies.

Since joining Columbia, Mr. Pope has served as an advisor for numerous bond transactions across many different credit types. He has worked with clients including City of Fillmore (CA); City of San Bernardino (CA); City of South Gate (CA); City of Rancho Mirage (CA); University of Oklahoma; St. Louis County (MO); and Metro Bi-State Development Agency.

Mr. Pope is also active in Columbia's investment advisory practice, serving as day-to-day portfolio manager. Mr. Pope provides investment advice and administrative support that includes trade settlement, month-end reconciliation, month-end reporting and general account support.

Mr. Pope graduated from Clemson University with a BS and MA in Economics. He is registered with the SEC as a Series 50 Municipal Advisor Representative, a Series 54 Municipal Advisor Principal, and is a Series 65 Investment Adviser Representative. Mr. Pope's Series 65 registration permits him to conduct investment advisory services in the state of California.

STACEY WALTER**Compliance Officer & Controller**

Stacey Walter joined Columbia Capital in 2014 and serves as Compliance Officer and Controller. She is also an LLC Member.

Ms. Walter's background prior to joining Columbia Capital included serving for more than thirteen years in an audit capacity. She worked at Associated Wholesale Grocers (AWG) as a Senior Auditor in the Internal Audit Department for five years. During her time at AWG, Ms. Walter developed, implemented, and managed an internal accounts payable audit program, growing the company's annual recoveries from \$150,000 to over \$2 million. Ms. Walter was also responsible for validating data integrity during new system implementations and upgrades. Performing monthly account reconciliations and audits to ensure adherence to AWG corporate policies and procedures were also part of her responsibilities.

Following her time at AWG, Ms. Walter served as Senior Utility Auditor for Payless ShoeSource. She was responsible for all aspects of trash, telecom and water services for more than 4,000 retail stores in the U.S., Canada and Puerto Rico. This included contract negotiations, as well as audits to optimize utilization of services, improve efficiencies and identify and recover overpayments. During her two-year tenure, her audit findings included annualized savings of: \$60,000 as a result of terminating service for locations closed more than a year prior; \$50,000 by identifying duplicate billings by multiple service providers for the same service; \$100,000 for terminating services no longer needed; and, \$45,000 by identifying and eliminating unapproved third-party telecom billings.

At Columbia Capital, Ms. Walter is actively involved in all facets of the business. Upon joining the firm, she coordinated the day-to-day office management and became active in the firm's compliance program. She also began coordinating the firm's MuniVault® service. In January 2019, Ms. Walter was appointed to the position of Compliance Officer and Controller. She currently manages the firm's extensive compliance program, serves as an investment adviser to our investment advisory clients, and continues to be involved in all facets of the business, including leading the firm's MuniVault® service.

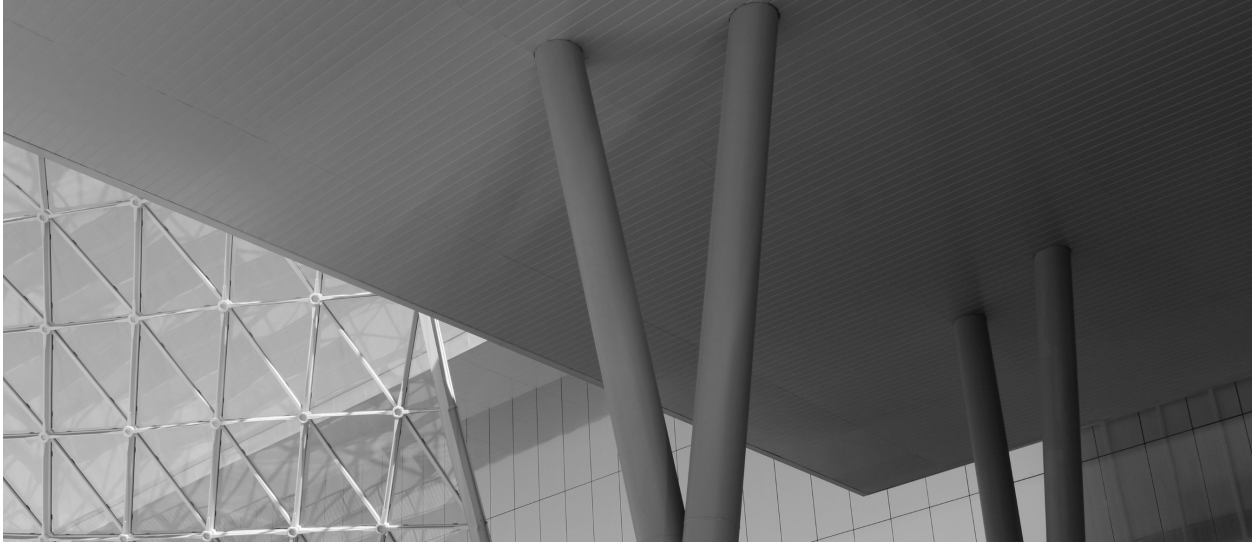
Ms. Walter holds a BS from the University of Central Missouri and an MBA from Park University. She is registered with the SEC as a Series 50 municipal advisor representative, a Series 54 municipal advisor principal and a Series 65 investment adviser representative.

SAMANTHA BAKER**Analyst**

Sam Baker joined the firm in 2022 and works across Columbia Capital's business lines, providing analytical support to the team on municipal advisory, investment advisory and consulting work. She is an integral part of our MuniVault® services, as well.

Ms. Baker graduated with a B.A. in Communication Studies and Sociology and a Master of Public Administration, both from the University of Kansas.

In tandem with her graduate school coursework, Ms. Baker gained local government experience in a city manager's office and finance department of a diverse, mid-sized community. She provided analytical work on a variety of municipal functions including the annual budget, periodic financial reporting, and new program implementation.



INVESTMENT SERVICES

Consistent with public funds best practices, Columbia Capital's investment philosophy focuses on safety, liquidity, yield, in that order. In practice, our core approach is preservation of capital through provision of adequate liquidity. We understand that our municipal clients must balance the need to be sufficiently liquid with the desire to generate income. Our first task when designing the investment portfolio structure for our clients is to evaluate historic cashflows to ensure we will always have sufficient funds to meet not only the day-to-day liquidity needs, but also any extraordinary cash draws that may occur. Only after these conditions are met do we begin to explore opportunities to generate income for the portfolio. Because public funds investment statutes are already limited to high-quality investments, we believe safety is best achieved by the portfolio manager avoiding unscheduled redemptions of investments to meet liquidity needs.

Kansas investment statutes are somewhat unique with respect to the bank "first look" provisions required for most City investments. We take these requirements seriously and will structure our investment practices to fit within the letter and the spirit of these requirements.

Columbia Capital is prepared to provide the City a comprehensive set of investment advisory services. These services included, but are not limited to, the following.

Investment Policy Review. When Columbia is engaged to act as an investment advisor, one of our first action items is to review the investment policy, portfolio management guidelines, broker/dealer relationships and bank relationships. Starting with the authority granted by state law and any bond documents (if applicable), we work closely with our clients' investment staff members to review the current policies and to make recommendations and changes as needed.

Cashflow and Maturity Analysis. Our first task when designing the investment portfolio structure for our clients is to evaluate historic cashflows to ensure we will always have sufficient funds to meet not only the day-to-day liquidity needs, but also any extraordinary cash draws that may occur. Only after these conditions are met do we begin to explore

opportunities to generate income for the portfolio. Because public funds investment statutes are already limited to high-quality investments, we believe safety is best achieved by the portfolio manager avoiding unscheduled redemptions of investments to meet liquidity needs.

Columbia will also provide regular maturity analysis to inform staff of upcoming redemptions and the availability of cash. As requested, we will facilitate the movement of cash from the custodian to the operating account or the reinvestment of available cash.

Investment of Funds. Columbia Capital will facilitate the investment of funds in accordance with the investment policy and applicable Kansas state laws.

Columbia Capital's investment strategy approach focuses on five factors:

- Creating a process that fully complies with statutory requirements
- Ensuring ownership of lawfully-permitted investments
- Diversifying investments to mitigate credit and event risk
- Providing adequate liquidity to meet current expenditure obligations, without suffering losses of principal from unscheduled redemptions
- Optimizing portfolio income without violating portfolio risk management provisions

Columbia Capital will work within the framework of the City's investment policy. The policy defines the broad goals related to the City's investments and outlines the legal constraints imposed on the investment process. The policy is the strategic investment plan.

We will build a tailored investment approach to outline how we will work within the investment policy constraints to execute an efficient cash management program. This document is the tactical investment plan with detailed information on asset allocation, performance benchmarks and expected outcomes. The tactical plan focuses on:

- The ability of the portfolio to meet expenditure obligations, without unexpected principal redemptions (the corollary is that if our approach provides for adequate liquidity, it will generally meet the safety principal as well)
- Predictable income at market-based returns
- Strategic use of the full range of permissible and suitable investments

We expect to subdivide the aggregate portfolio (managed at the City's pooled cash level) into four sub-portfolios.

Day-to-Day Liquidity. By evaluating the historic cashflows of our clients, we identify the typical liquidity needs on a monthly basis. A key component of safety is ensuring ample liquidity to avoid unscheduled redemptions. At the same time, we seek to avoid the natural tendency of treasurers to overstate their daily liquidity needs, dragging down the ability of their overall portfolio to generate income.

Secondary Liquidity. We recognize that monthly cashflows for government agencies are often inconsistent. Governments experience periods of peak cashflows when key taxes are distributed and low cashflows when, for instance bond debt service payments are made. We size a secondary liquidity portfolio to accommodate periodic, larger monthly cash demands

while investing slightly longer on the yield curve to take advantage of the steepness that often exists between overnight and six-month tenors.

Income. After daily and extraordinary liquid needs are met, we look to deploy additional cash to generate income for the portfolio. By taking advantage of the full ranges of asset classes and final maturities available pursuant to state law, we actively manage the portfolio to generate income. Because we are focused on cash income, this portfolio will see periodic unrealized losses due to GASB 31 reporting requirements. We focus on cash generation, instead, as we do not expect unscheduled redemptions from this portfolio.

Capital & Bond. We often segregate bond proceeds and moneys set aside to finance cash-funded capital investment because these moneys are often managed against a draw-down schedule. In some cases, as with bond reserve funds, these investments will have longer final maturities than investments in the Income portfolio and may include a slightly broader range of securities.

Kansas state statute allows cities to invest ordinance-designated multi-year capital funds and bond proceeds under a separate set of statutes from operating funds. These statutes avoid the “bank first-look” requirement, and allow for funds to be invested to meet the expected needs of the project.

Monthly, we evaluate the portfolio allocation against our model balances for each sub-portfolio and adjust the subsequent month’s investments to regain our targeted balance. This is a repeating cycle, ensuring that we are constantly evaluating and re-evaluating each portfolio.

To the extent the City desires to ensure the participation or involvement by local banks (beyond the first look), we can accommodate those desires in our portfolio management implementation.

Credit and Risk Management Analysis. Columbia Capital defines risk as the possibility of investments either losing or gaining value. Risk can either be systematic, something that affects the entire market, or unsystematic, something that affects only a particular security or group of securities.

Columbia Capital is primarily concerned with credit (downgrade or failure of the issuer of the security), event (macroeconomic changes that shock the market), market (the impact of the movement of interest rates on the portfolio) and liquidity risk. Because public agencies invest predominately in high-quality, short-term securities, we often find that liquidity risk—the risk of unscheduled redemption of securities prior to their maturity to meet the agency’s liquidity needs—presents the highest day-to-day risk to our clients. We work to mitigate this risk through proper portfolio design, ensuring that typical and extraordinary liquidity needs are met with short-term, highly-available funds.

For individual securities, the rating of the bond provides the risk associated with holding the security. Historically, bond ratings have done an excellent job of measuring the credit risk of municipal and governmental (but not mortgage-backed) bonds. Event and market risk are measured using industry standard benchmarks such as applicable US Treasury “risk-free” rates. Liquidity risk is binary: unscheduled redemptions are either required or avoided.

The entire team assigned to the City monitors and measures risk. These efforts are led by Jeff White and Adam Pope and documented for our clients in their portfolio reports. Credit risk, as described above, is typically measured by third-party rating agencies. Event and market risk can be modeled by showing *duration* of individual securities and the portfolio as a whole. Liquidity risk is mitigated by the construction and maintenance of sub-portfolios maintaining sufficient balances of highly-available funds to meet typical and extraordinary liquidity needs.

Provide Periodic Reporting. Columbia Capital will work with the City to create a set of reports that best meets the needs of staff, the Council, auditors, and accounting entities. We use industry standard portfolio accounting and reporting software along with our in-house Bloomberg terminal to provide our comprehensive report sets. We typically provide our clients with an overview of their holdings that includes purchase price, size of holding, yield to maturity, current price, duration, etc. If necessary, we will create custom reporting in Excel to respond to the City's unique reporting needs.

Our reporting also provides book values for the portfolios and we have the ability to generate monthly cashflow forecasts, as well, allowing our clients to look at both GASB 31 income and "real" cash income to the budget, as well.

Additionally, we include transaction summaries, projected cash income, unrealized and realized gains, and income and expenses reports. We will ensure that all reporting is in compliance with the applicable investment policies of the City and statutes of the State of Kansas.

Establish Appropriate Benchmarks. Columbia will include various performance reports that show performance over time periods and as compared to certain benchmarks. Columbia Capital reports "market" value rate of return in our performance reports. We use market value because of the mark-to-market requirements found in GASB 31 which governs investments held by government entities. Because of this requirement, and our preference to hold all securities to maturity, from time to time our portfolios will show unrealized or "paper" losses. Generally we will be purchasing securities to mature when needed in order to meet the liquidity demands of the portfolio. Paper losses are not a primary concern for us, as we will seek to use the liquidity portions of the overall portfolio to protect against unscheduled redemptions.

Meeting Attendance. A representative of Columbia Capital, most often Jeff White or Adam Pope, will attend, in person meetings with the City as requested. We will work with City staff to prepare all necessary meeting materials and will be available to answer any questions.

Availability to City Staff and Officials. In each engagement, it is Columbia's goal to act as an extension of our client's staff. We will always be available to City staff and elected officials to answer any questions or concerns they may have. We pride ourselves on our timely response and availability. We understand that often staff is asked to produce a report or presentation on short notice. Columbia will always be available to assist staff in any way necessary.



FEE PROPOSAL

Columbia Capital agrees to provide comprehensive investment advisory services sought by the City for a fee equal to the greater of \$12,000 per year, billed quarterly in arrears, or 0.20% per annum on the total portfolio of the City (pooled cash), billed quarterly in arrears based upon the average of the month-end portfolio balances in each month.

Columbia Capital will not accept hard or soft dollar compensation for the services we provide to the City outside of the fees quoted above.