MINUTES
City of Cocoa
Regular Meeting of The City Council

January 9, 2024

A Regular City Council Meeting was held on Tuesday, January 9, 2024, in Cocoa City Hall, in City Council Chambers, located at 65 Stone Street, in Cocoa, Florida, 32922, as publicly noticed.

Scott Billue provided invocation and Lt. Dellatorre of Cocoa PD led the assembly in the Pledge of Allegiance.

The Recording Secretary took the roll.

PRESENT:	Michael C. Blake	Mayor
	Lavander Hearn	Deputy Mayor
	Matthew Barringer	Councilmember
	Alex Goins	Councilmember
	Lorraine Koss	Councilmember
	Anthony Garganese	City Attorney
	Stockton Whitten	City Manager
	Lori Chabot	Recording Secretary

OTHER STAFF MEMBERS PRESENT:

Jack Walsh, Utilities Director; Charlene Neuterman, Community Services Director; Tammy Gemmati, Administrative Services Director; Evander Collier, Police Chief; Rebecca Bowman, Finance Director; Jonathan Lamm, Fire Chief; Robert Beach, Chief Technology Officer; and Jason Dowty, Help Desk Support Tech.

I. Approval of Agenda and Minutes:

1. **Agenda:** Regular Meeting of January 9, 2024. (24-20).

* **MOTION by Deputy Mayor Hearn; Seconded by Councilmember Goins to approve the agenda for the Regular meeting of January 9, 2024 as written.**

THE VOTE ON THE MOTION WAS:

AYES: Blake, Hearn, Barringer, Goins, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

2. **Minutes: Regular Meeting of October 24, 2023. (24-18).**

* **MOTION by Councilmember Koss; Seconded by Councilmember Goins to approve the minutes for the Regular meeting of October 24, 2023 as written or with amendments.**

THE VOTE ON THE MOTION WAS:

AYES: Blake, Hearn, Barringer, Goins, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

III. Awards and Presentations:

1. Informational Annual Investment Report for FY2023. (24-10). (Finance Director)

   Ms. Bowman introduced Financial Advisor, Mr. John F. Grady, Managing Director of Public Trust Advisors. Mr. Grady presented[1] an Economic Update discussing portfolio strategies and various economic indicators for year 2024.

   Mayor Blake thanked Mr. Grady for his presentation and congratulated Ms. Bowman and her staff for their work.

IV. Delegations:

Brad Whitmore, Cocoa, FL spoke regarding a successful Holiday Boat Parade. It was the fourth year. However, they missed the Cocoa PD Police Boat. He also gave an update on the Dog Park. He asked Council to consider keeping the trailer parking spots in the Lee Wenner parking reconfiguration.

[1] Exhibit A: Economic Update Presentation
Exhibit B: City Council Finance Presentation

Scott Billue, President of Matthews Hope, provided an update to Council on the success of Matthew's Hope and also wanted to clear up some misinformation. He clarified that he does not own the development that Taylor Morrison is building.

V. Consent Agenda:

(A) General Consent Items:

1. To Approve Task Order 2024-07 with Carollo Engineers, Inc., Orlando, Florida, for Design of the PLC Replacements at the Jerry Sellers Water Reclamation Facility. (23-784). (Utilities Director)

********This Item is Confidential per FS 119.0725 and Not for Public Release********

2. Approve a Resolution Amending the FY24 Budget, BAF #24-035-T, by way of a transfer from General Fund Contingency, in the amount of $2,300 for the purposes of updating the Highest and Best Use Appraisal for 915 Florida Ave. (23-794). (Community Services Director)

3. Approval to modify the FY2024 pay plan. (24-04). (Administrative Services Director)

4. Approve a Resolution Amending the FY24 Budget, BAF #24-037-A, in the amount of $112,400, accepting the revenue from Florida City Gas (Pivotal Holdings, Inc.) for the gas easement located at Lee Wenner Park to be allocated to General Fund Contingency for additional Cocoa Village Parking and Street Parking, Project (AFBP24). (24-08). (Community Services Director)

5. Approve a Resolution to Waive Competitive Bidding by way of Single Source to Community Housing Initiative, Inc. of Melbourne for the construction of the five homes in the Michael C. Blake Subdivision. (24-14). (Community Services Director)

6. Announcement of Mayor Blake, Deputy Mayor Hearn and Councilmember Koss to Attend the Florida League of Cities Legislative Action Days from January 28, 2024 - January 31, 2024. (24-17). (Administrative Services Director)

* **MOTION by Mayor Blake; Seconded by Deputy Mayor Hearn to approve the Consent Agenda.**

THE VOTE ON THE MOTION WAS:

AYES: Blake, Hearn, Barringer, Goins, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

(B) Multi-Year Contracts:

VI. Public Hearings:

1. Approve Ordinance on First Reading amending Section 2-26 of the City Code regarding the qualification of candidates for City Council. (23-793). (City Attorney)

City Attorney Garganese shared that this is the First Reading of the Ordinance and read the title into the record as follows:

Ordinance No. 02-2024

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COCOA, FLORIDA; AMENDING SECTION 2-26 OF THE CITY CODE REGARDING THE ELECTION QUALIFYING PERIOD REQUIREMENTS FOR THE OFFICE OF MAYOR AND CITY COUNCIL IN ACCORDANCE WITH SECTION 1 OF ARTICLE XVII OF THE CITY CHARTER; PROVIDING FOR THE REPEAL OF PRIOR INCONSISTENT ORDINANCES AND RESOLUTIONS, INCORPORATION INTO THE CODE, SEVERABILITY AND AN EFFECTIVE DATE.

Attorney Garganese stated this clarifies the qualifications required and more clearly spells it out.

Mayor Blade stated that he liked that it is transparent and does not have any problems with it.

Councilmember Koss thanked Attorney Garganese.

Mayor Blake opened the hearing to the public.

There being no questions or comments, the public portion of the hearing was closed.

* **MOTION by Councilmember Koss; Seconded by Councilmember Goins to approve Ordinance No. 02-2024 on First Reading.**

THE VOTE ON THE MOTION WAS:

AYES: Blake, Hearn, Barringer, Goins, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

2. Consider Petition filed by The Taylor Morrison of Florida, Inc., to create a community development district pursuant to Chapter 190, Florida Statutes, known as the Windward Preserve Community Development District. (24-15). (City Attorney)

City Attorney Garganese shared that this is the First Reading of the Ordinance and read the title into the record as follows:

Ordinance No. 01-2024

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY 3 OF COCOA, FLORIDA, ESTABLISHING THE WINDWARD 4 PRESERVE COMMUNITY DEVELOPMENT DISTRICT 5 PURSUANT TO CHAPTER 190, FLORIDA STATUTES; 6 NAMING THE DISTRICT; DESCRIBING THE EXTERNAL 7 BOUNDARIES OF THE DISTRICT; DESCRIBING THE 8 FUNCTIONS AND POWERS OF THE DISTRICT; 9 GRANTING SPECIAL POWERS; DESIGNATING FIVE 10 PERSONS TO SERVE AS THE INITIAL MEMBERS OF THE 11 DISTRICT'S BOARD OF SUPERVISORS; PROVIDING A 12 SEVERABILITY CLAUSE; AND PROVIDING AN 13 EFFECTIVE DATE.

Mayor Blake opened the hearing to the public.

Katie Delaney, Cocoa, FL, spoke on the Windward project. She stated the residents are asking for smart development. The area is a country type of living, with large properties. The development doesn't seem responsible and the safety issues are huge. Roads are also a concern. She asked about the road work on 524 as she had been to a TPO meeting in December and was told this project was not on their list of projects.

Councilmember Koss asked and Attorney Garganese clarified what Council was voting on.

Discussion continued among Councilmembers with regard to when an HOA takes over and the role of the CDD.

Deputy Mayor Hearn stated that he hears her concerns and is very familiar with the area. He asked if they had spoken with the County or County Commission. She replied there were no phone calls returned.

Jere Earlywine, Tallahassee spoke on behalf of the Petitioner. The CDD is similar to an HOA and there are a lot of advantages.

Councilmember Koss asked about the waste water system and in response, Mr. Earlywine noted that the stormwater will stay with the CDD.

Additionally, Attorney Garganese provided further details and clarification.

There being no further questions or comments, the public portion of the hearing was closed.

* **MOTION by Mayor Blake; Seconded by Councilmember Goins, to approve Ordinance No. 01-2024 on First Reading.**

THE VOTE ON THE MOTION WAS:

AYES: Blake, Hearn, Barringer, Goins, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

VII. Council Business:

1. Consideration of the 2024 City Council meeting date additions and cancellations. (23-760). (Administrative Services Director)

Councilmember Koss shared that she has an objection to the date of the State of the City meeting. She added that doing it in the first quarter is better than late in the year. She asked to move it to the first quarter of the year rather than in October and asked for an amendment.

Mayor Blake asked staff about previous State of the City addresses. In response, Ms. Gemmati stated that in the past the meetings were held individually.

Ms. Senger added that it was frequently done during the Economic Development Update event. This was in December roughly. Ms. Gemmati clarified this year's calendar dates was copied from the prior year, with the dates updated.

Mayor Blake stated that he doesn't want to interfere with Councilmember Koss's District Meeting.

City Manager Whitten requested that if there are going to be district meetings, that they be put on Council's Calendar in order to manage staff.

* **MOTION by Mayor Blake; Seconded by Deputy Mayor Hearn to approve the meeting date additions and cancellations. Each district will maintain their meetings to meet with constituents and must place the dates on the calendar.**

THE VOTE ON THE MOTION WAS:

AYES: Blake, Hearn, Barringer, Goins, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

VIII. City Business:

Multi-Year Contracts:

None.

IX. Informational Agenda:

1. Bi-Weekly Report Covering December 8, 2023 - January 4, 2024. (24-09). (Administrative Services Director)

X. Reports:

City Manager provided Councilmembers with an update about 211 Coquina Drive in Cocoa.

Ms. Senger mentioned a January 27th event at Cocoa High and on Jan 31, 2024 the annual Economic Development update will take place.

Mayor Blake mentioned the legislation dates may interfere with this date.

Ms. Senger also shared that the website has a new chat box feature and provided a demonstration.

Mayor Blake reminded all that January 15, 2024 is Martin Luther King Day.

Councilmember Koss commented on the update about Coquina Dr. and shared her feedback with regard to the explosion reported at this house.

Mayor Blake shared that, along with a few members of the Police Department and the Code Enforcement Director, he spoke with some of the residents in the neighborhood.

Councilmember Koss announced that Shayla Murray is the new Director of Elevate Brevard and is pleased to come on board. She has some great ideas.

Councilmember Koss stated that Pickle Ball is now at Travis Park on Tuesdays and Thursdays.

Deputy Mayor Hearn also spoke about the issue with the fireworks.

Additionally, he added that he was at Bracco Pond and saw several beemats that are responsible for cleaning the water. He recognized Mr. Studstill who saw him at the pond and helped pick up trash.

Councilmember Barringer recalled that at a previous meeting, there were a lot of questions and concerns with regard to Matthew's Hope and the surrounding

neighborhood. To follow up on that, he went to the area and shared what he observed. He also went to the water tower and the nearby homes. He visited and talked with folks in the area and shared their suggestions. While our downtown is the vibrant part of Cocoa, he added he also saw another heart of Cocoa.

Councilmember Goins thanked Councilmember Barringer for his follow up work and due diligence.

Councilmember Goins shared photos of events he recently attended. He also gave an update on Provost Park and the Michael C. Blake subdivision.

Mayor Blake discussed the homeless issue and that there are many 501C3's on our radar and they have a plan that will be shared with the public.

Mayor Blake also recognized reporter Mike Miller who wrote two great articles on Cocoa and thanked him.

He announced the FLC legislative dates and discussed a specific bill to increase homestead exemptions from $50K to $75K. He pointed out that there are many questions about this. He also talked about House Bill 777 regarding water / sewer fees and charges. The bill is to reduce fees but advised there are questions.

Lastly, he shared that the new Form 6 became effective January 1st and stressed to be conscientious of this form.

XI. Adjournment:

* **MOTION by Councilmember Barringer; Seconded by Mayor Blake, to adjourn the Special meeting of January 9, 2024.**

AYES: Blake, Hearn, Barringer, Goins, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

The meeting adjourned at 8:05 p.m.

Michael C. Blake, Mayor

ATTEST:

Lori Chabot, Recording Secretary

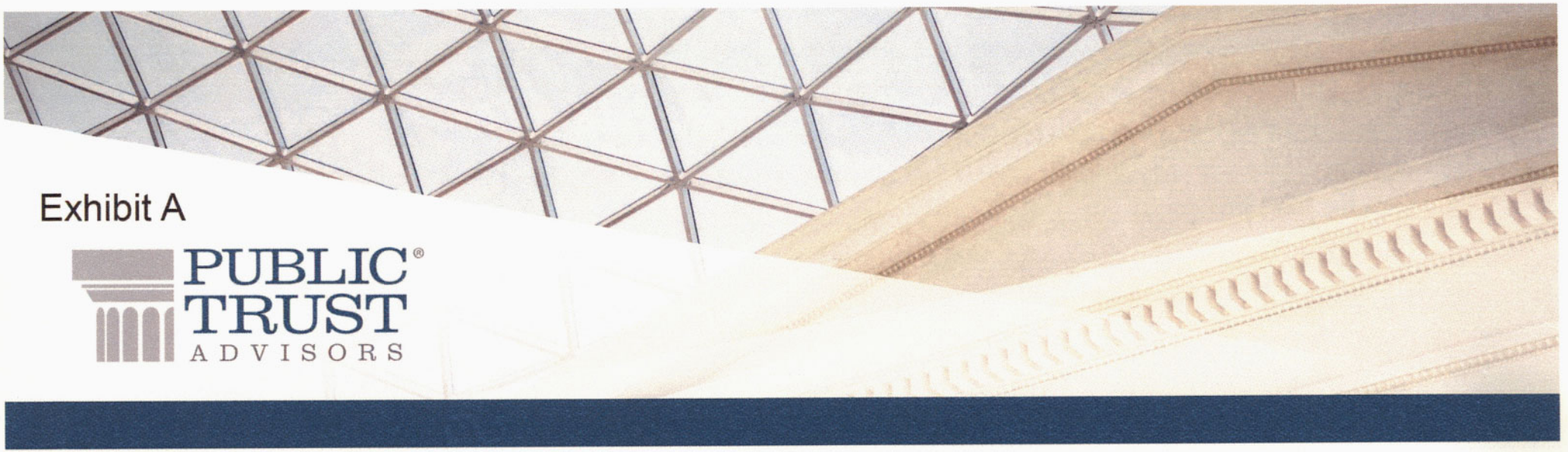


Exhibit A

PUBLIC TRUST ADVISORS

Economic Update

December 2023

Disclosures

Data unaudited. This presentation is for informational purposes only. The information contained herein has been obtained from sources that we believe to be reliable, but its accuracy and completeness are not guaranteed. The information presented should not be used in making any investment decisions and is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events.

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Public Trust Advisors is not a bank and your investment with Public Trust Advisors is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Past performance is not an indicator of future performance or results. **Any financial and/or investment decision may incur losses.**

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Macroeconomic Themes



Has the Fed Done Enough to Tame Inflation?



A Recession or a Soft Landing?



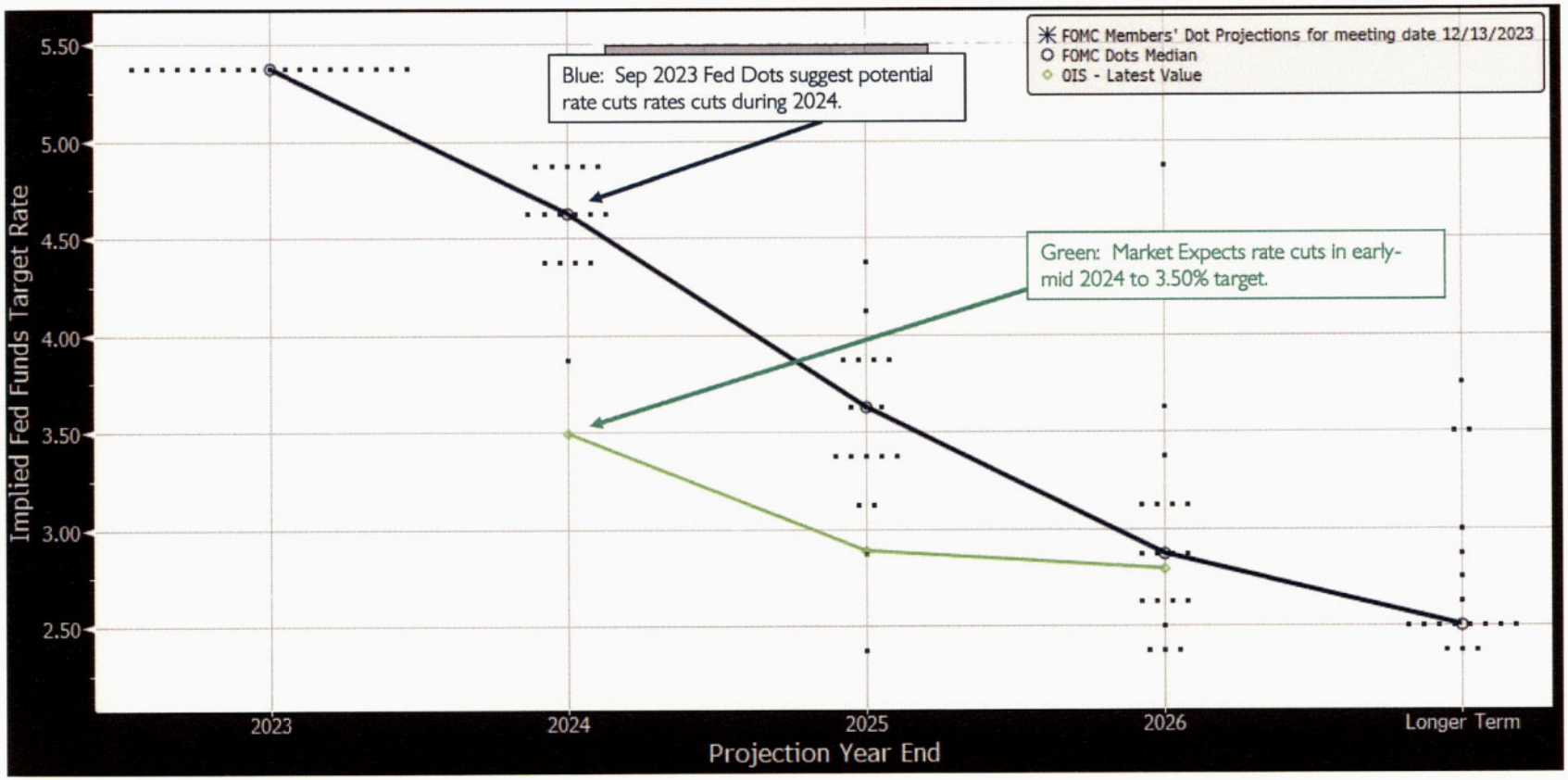
The Waiting Game

Bloomberg Federal Funds Forecast – December 2023

12/29/2023

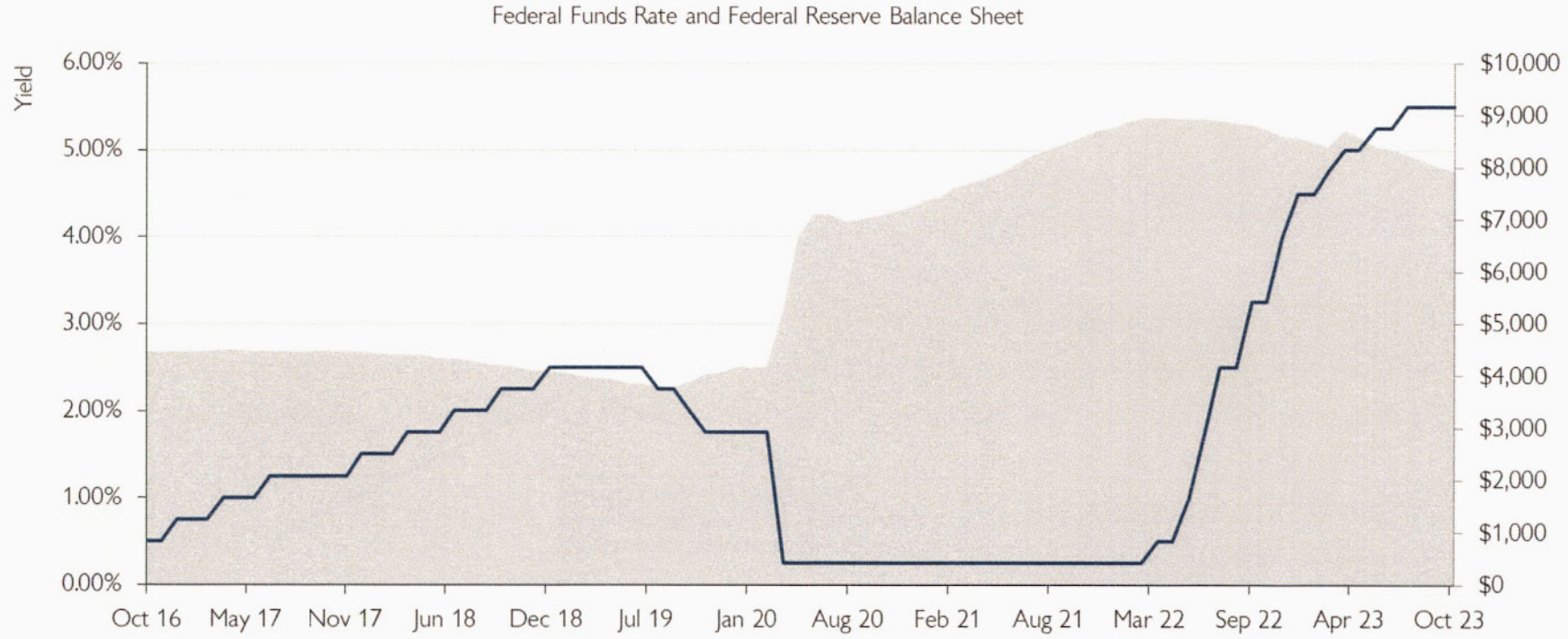
Meeting	#Hikes/Cuts	%Hike/Cut	Imp. Rate Δ	Implied Rate
01/31/2024	-0.160	-16.0%	-0.040	5.288
03/20/2024	-1.003	-84.3%	-0.251	5.077
05/01/2024	-2.075	-107.2%	-0.519	4.809
06/12/2024	-3.118	-104.4%	-0.780	4.548
07/31/2024	-3.960	-84.2%	-0.990	4.338
09/18/2024	-4.918	-95.8%	-1.229	4.098
11/07/2024	-5.630	-71.3%	-1.408	3.920
12/18/2024	-6.303	-67.2%	-1.576	3.752
01/29/2025	-6.950	-64.7%	-1.738	3.590

FOMC Dot Plot –December 2022 vs. December 2023



Aggressive Monetary Policy Forces and an Inverted Yield Curve

- The Federal Funds Target Rate is the short-term interest rate targeted by the Fed as part of its monetary policy. The target Fed Funds level was replaced by a "target range" in December 2008. The grey line represents the upper bound of the range while the shaded blue area illustrates the change in total assets held on the Fed's balance sheet over time.



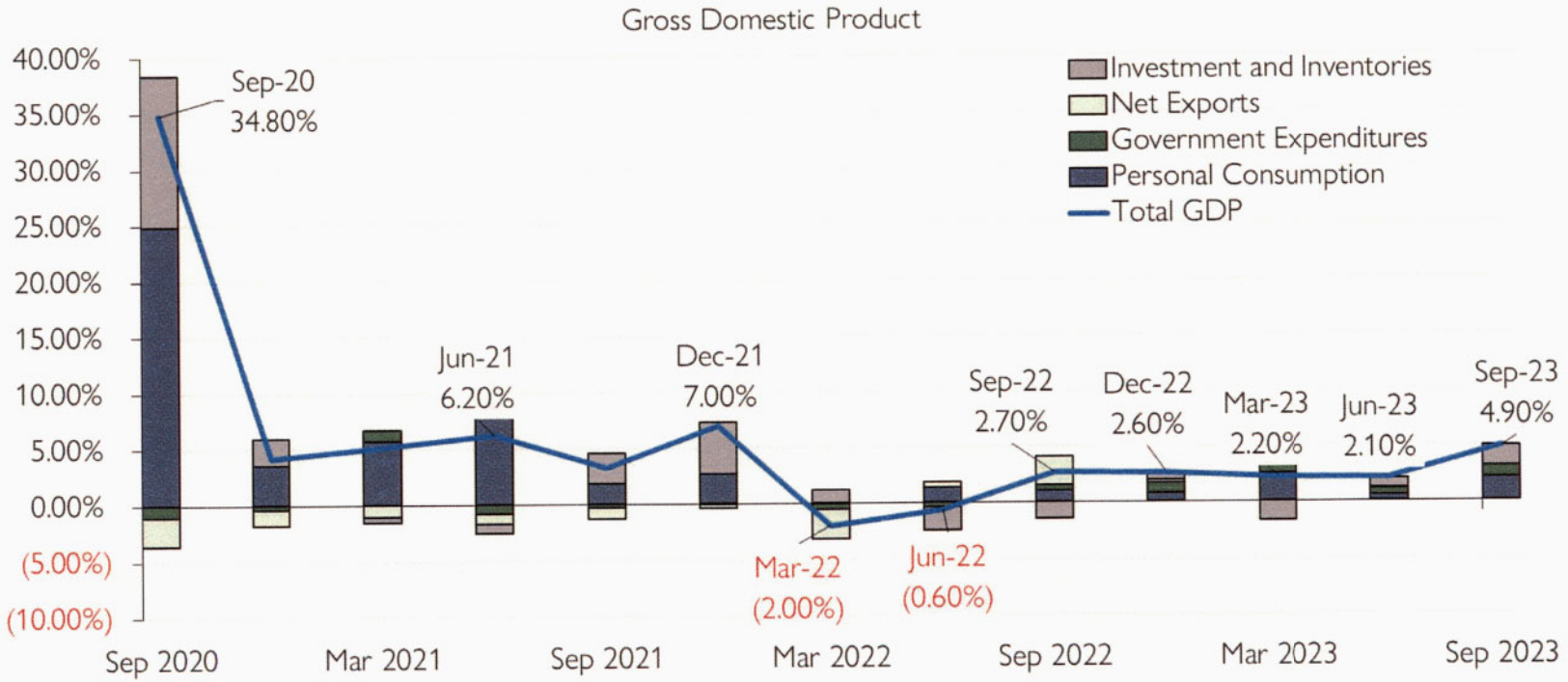
Source: Bloomberg. Data as of October 31, 2023.

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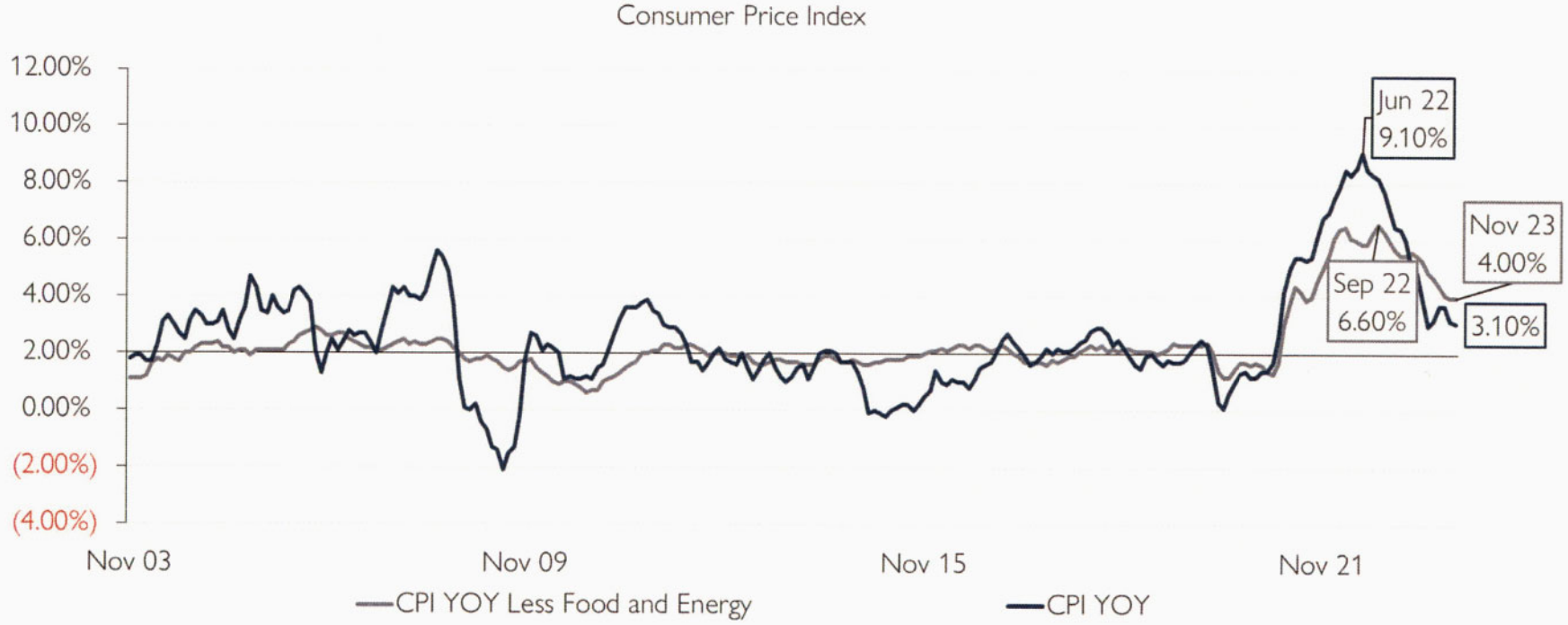
Gross Domestic Product

- U.S. economic growth continued to defy expectations of a slowing economy, posting 4.9% annualized growth for the 3rd quarter. Personal consumption was the largest contributor to growth at 2.11% and the business investment and inventories sector contributed 1.74% during the quarter. This was the highest level for the investment and inventories sector since December 2021. Government expenditures added 0.99%.



Inflation - CPI

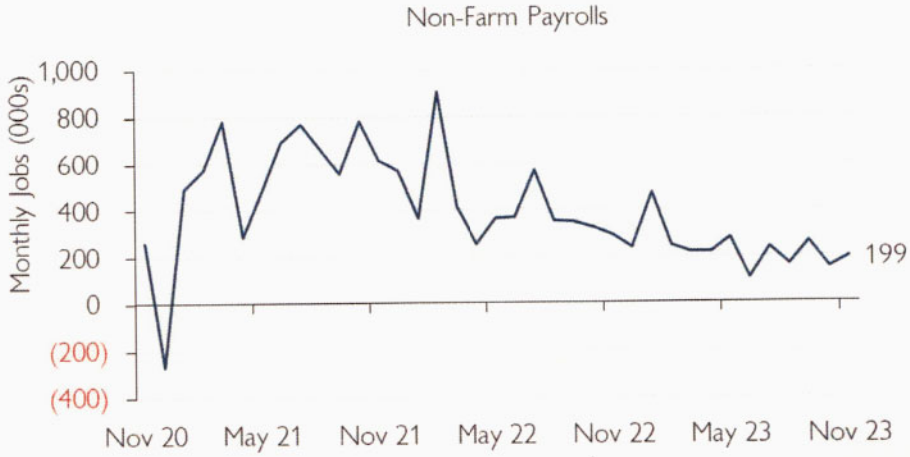
- The year over year November Consumer Price Index was 3.1% down 0.1%% from October, and 0.1% higher than the low of 3.0% in June. The lower inflation figure was helped by a decrease in gasoline prices, down -8.9% year over year, food prices were higher by 2.9% for the year. Core CPI (less food and energy) continued trending lower, down slightly (0.1%) at 4.0%, the lowest since September 2021. The Services sector of CPI, which includes Shelter costs, has remained stubbornly high for months, and remained elevated in November with a year over year increase of +6.5%.



Jobs

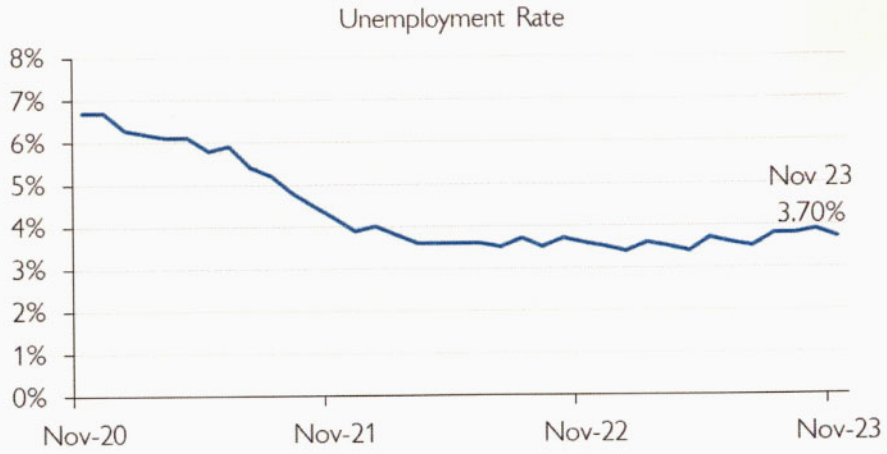
Job Growth continues

- Payrolls were up (+49k) in November to 199k jobs created compared with October.
- Health care (+77k) and Government (+49k) sectors were the largest contributors to growth. Notably, manufacturing added 28k jobs as strikes came to an end and retail lost 38k jobs heading into the holiday shopping season.



Unemployment Levels Remain Low

- The national unemployment declined 0.2% to 3.7% in November.
- The unemployment rate has remained below 4.0% for more than 18 months.
- The number of people not in the labor force that would like a job is 5.3mm in November, compared to more than 8.7mm job openings through October.



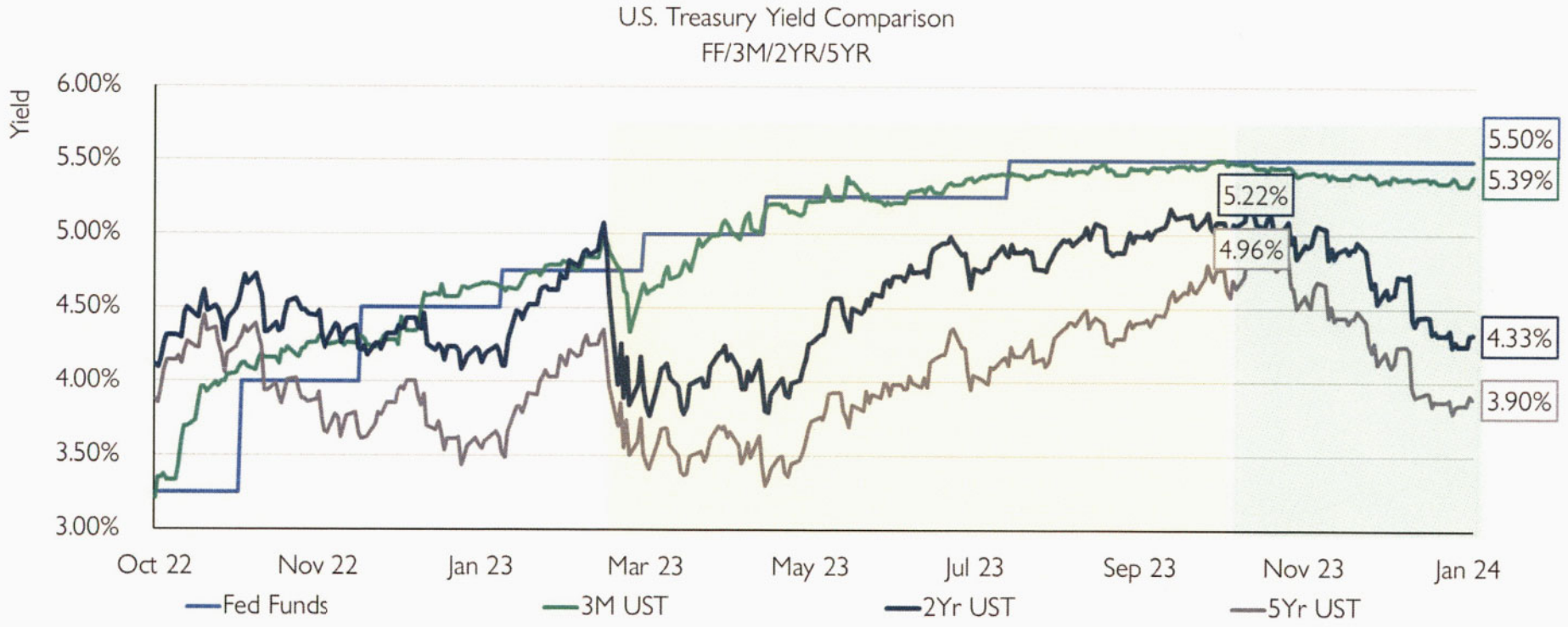
Source: Bloomberg. https://www.bls.gov/news.release/empsit.nr0.htm
Data as of December 12, 2023.

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Lower Inflation and Economic Expectations Push Rates Lower

- U.S. Treasuries with maturities longer than 3 Months and longer have yielded less than the Federal Funds over night rate, for most of 2023. Rates drift lower in November.

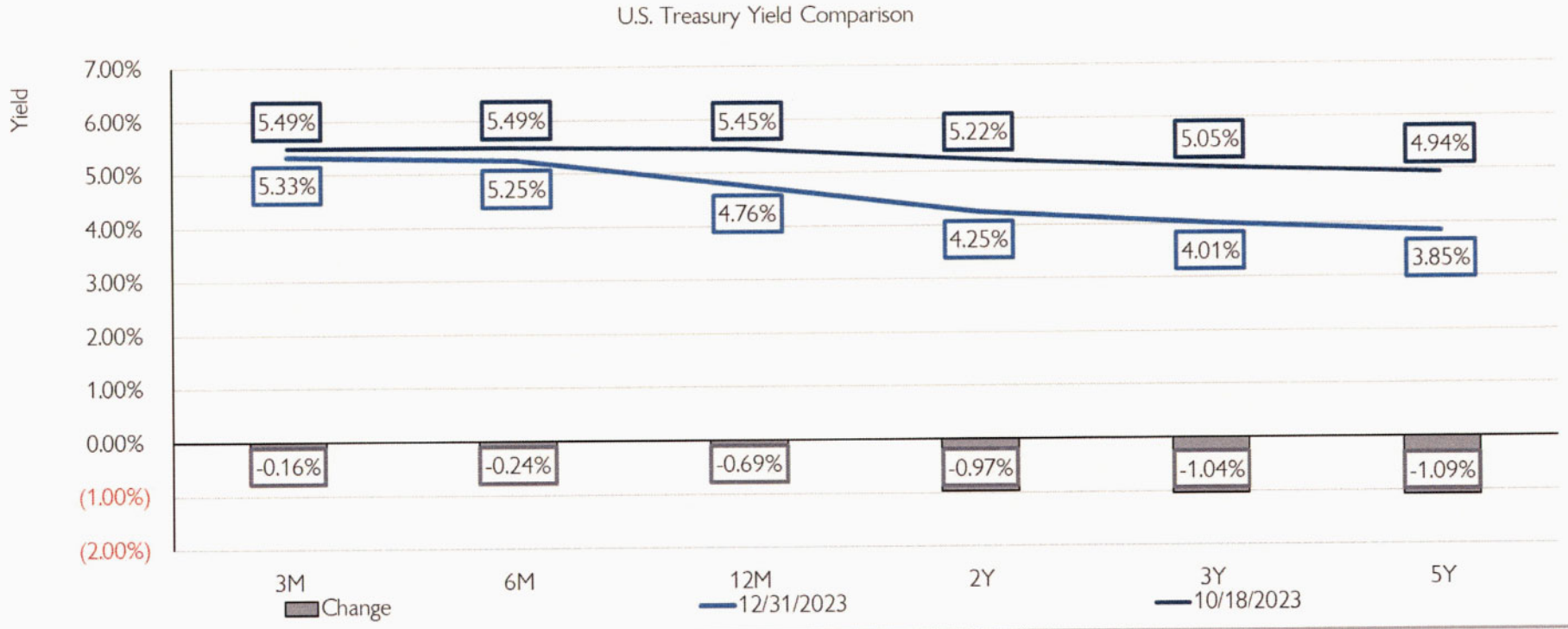


Source: Bloomberg. Data as of January 3, 2024.

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Aggressive Monetary Policy Forces and an Inverted Yield Curve

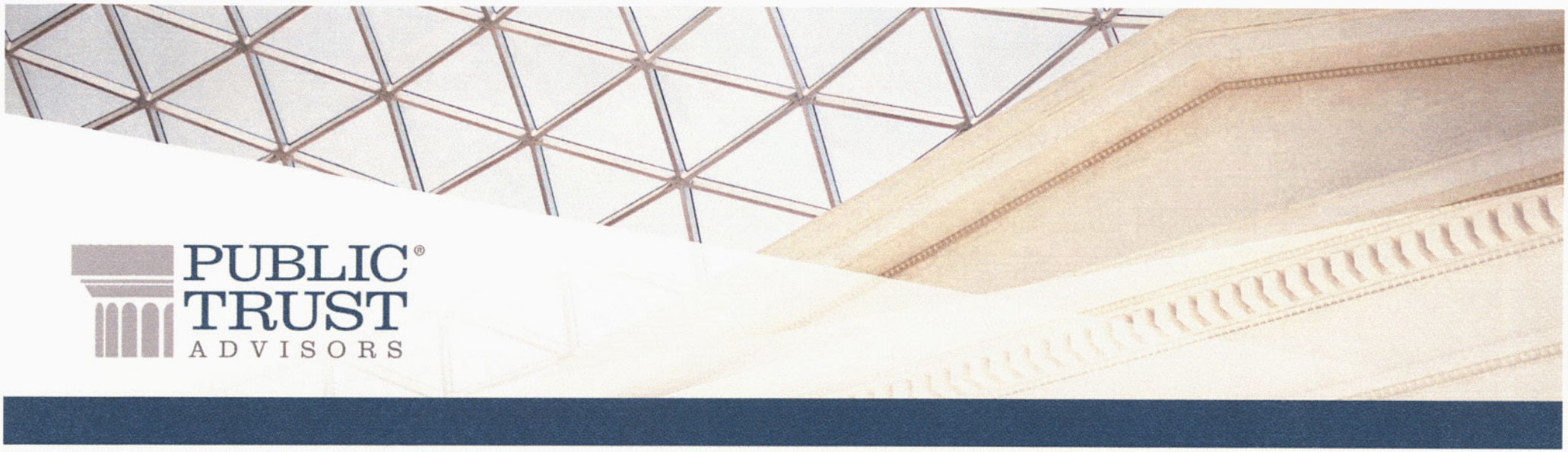
- Short term U.S. Treasury rates remain elevated as a result of aggressive FOMC monetary policy although longer term interest rates have drifted lower from the mid-October highs as inflation has improved in recent months and the expectation of an economic slowdown in 2024.



Source: Bloomberg. Data as of December 31, 2023.

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PUBLIC TRUST ADVISORS

Portfolio Strategy Review

John F Grady, Managing Director

January 9, 2024

COCOA FLORIDA

Disclosures

Data unaudited. This presentation is for informational purposes only. The information contained herein has been obtained from sources that we believe to be reliable, but its accuracy and completeness are not guaranteed. The information presented should not be used in making any investment decisions and is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events.

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Public Trust Advisors is not a bank and your investment with Public Trust Advisors is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Past performance is not an indicator of future performance or results. **Any financial and/or investment decision may incur losses.**

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City of Cocoa's Investment Program Review

- ✓ The City maintained an actively managed investment program during Fiscal year 2023 and the maturity structure for each portfolio is custom tailored based on the following criteria:
  - ✓ Sources and uses of funds
  - ✓ Anticipated timing of expenditures
  - ✓ Investment policy statement objectives and parameters
  - ✓ Current market conditions and historical performance
- ✓ This investment strategy has the primary focus on Safety of principal as the primary objective, providing daily liquidity from bank balances and local government investment pools, and the potential for increased earnings from the longer term investment portfolios.
- ✓ This multiple duration investment approach minimizes risks in rising and declining interest rate environments with the primary objective of safety of principal by investing in highly rated fixed income securities.
- ✓ We collaborate with the City's Finance Director and team to determine optimal investment options based on cash flows, investment policy and FI State Statutes, and current market conditions.
- ✓ The investment program is compliant with the City's investment policy and with Florida State Statutes.

Operating Portfolio Strategy Update

Investment Strategy and Maturity Structure

- The Operating Portfolio provides funding over multiple fiscal years. The portfolio is structured with maturities between one and five years. Funds are undesignated.
- The target duration is approximately 2.5 years
- The portfolio is managed as a with 1-5 year strategy, primarily using maturities between one and five years.

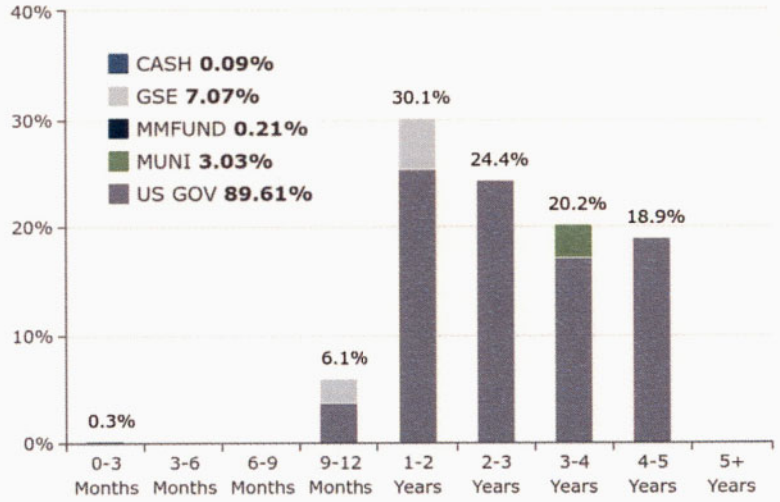
Asset Allocation and Diversification

- The portfolio is well diversified, 89.6% in UST, 7.1% in GSE, 3.0% in municipal bonds and 0.2% in MMF.
- Reinvested $9.5mm (33%) of the portfolio during the fiscal year in securities yielding 3.5% - 5.0%. These investments resulted in an increase in the book yield of 1.13%, providing the opportunity for higher income in FY2024 compared to FY2023.

Portfolio Summary

	09/30/22	09/30/23
Duration	2.483	2.504
Years to Effective Maturity	2.592	2.648
Years to Final Maturity	2.605	2.652
Coupon Rate	1.137	1.663
Book Yield	1.074	2.204
Market Yield	4.237	4.978

Maturity Distribution by Type



Reserves Portfolio Strategy Update

Investment Strategy and Maturity Structure

- The Reserves Portfolio is structured based on requirements defined in the bond indenture for the City's outstanding debt per debt issuance.
- The target duration is approximately 2.5 years
- The portfolio is managed as a with 1-5 year strategy, primarily using maturities between one and five years.

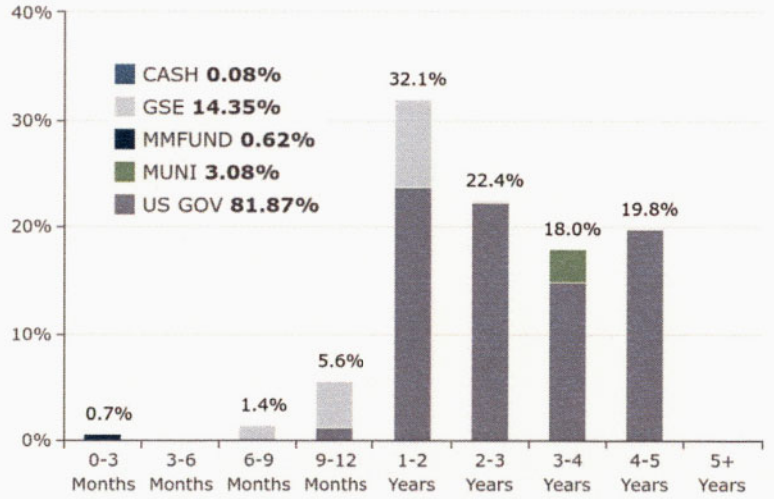
Asset Allocation and Diversification

- The portfolio is well diversified, 81.9% in UST, 14.4% in GSE, 3.1% in municipal bonds and 0.6% in MMF.
- Reinvested $4.4mm (32%) of the portfolio during the fiscal year in securities yielding 3.5% - 4.3%. These investments resulted in an increase in the book yield of 1.09%, providing the opportunity for higher income in FY2024 compared to FY2023.

Portfolio Summary

	09/30/22	09/30/23
Duration	2.455	2.478
Years to Effective Maturity	2.563	2.622
Years to Final Maturity	2.619	2.639
Coupon Rate	1.263	1.692
Book Yield	1.059	2.146
Market Yield	4.208	4.994

Maturity Distribution by Type



Source: Public Trust, Clearwater Analytics.
Data as of September 30, 2023.

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Restricted Portfolio Strategy Update

Investment Strategy and Maturity Structure

- The Restricted Portfolio is restricted cash that is held long-term. These funds are restricted and held long-term.
- The target duration is approximately 2.0 years
- The portfolio is managed as a with 0-5 year strategy, primarily using maturities between three months and five years.

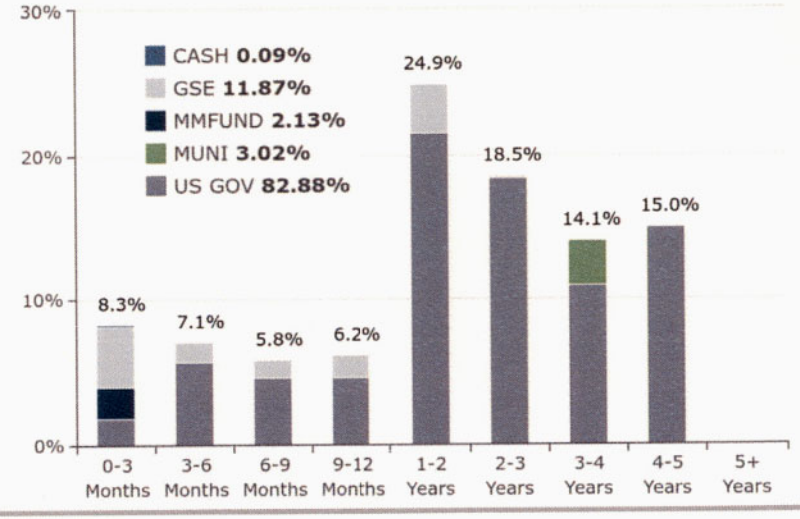
Asset Allocation and Diversification

- The portfolio is well diversified, 82.9% in UST, 11.9% in GSE, 3.0% in municipal bonds and 2.1% in MMF.
- Reinvested $8.3mm (32%) of the portfolio during the fiscal year in securities yielding 3.5% - 5.4%. These investments resulted in an increase in the book yield of 1.20%, providing the opportunity for higher income in FY2024 compared to FY2023.

Portfolio Summary

	09/30/22	09/30/23
Duration	1.983	1.983
Years to Effective Maturity	2.068	2.096
Years to Final Maturity	2.083	2.101
Coupon Rate	0.954	1.677
Book Yield	0.844	2.047
Market Yield	4.086	5.055

Maturity Distribution by Type



Aggregate Asset Allocation – September 30, 2023

Security Distribution	September 30, 2023 Portfolio Balance	Portfolio Allocation	Book Yield	Permitted by Policy*	Compliant
Cash	$ 31,838,242.12	19.55%	0.50%	100.00%	YES
LGIP	20,598,660.90	12.65%	5.49%	25.00%	YES
U.S. Treasury Notes	43,779,429.87	26.88%	2.34%	100.00%	YES
FNMA	1,587,157.73	0.97%	0.60%	40.00%	YES
FHLMC	1,612,487.61	0.99%	0.43%	40.00%	YES
FHLB	1,779,011.68	1.09%	0.29%	40.00%	YES
Money Market Funds	320,684.21	0.20%	4.96%	100.00%	YES
Municipal Bonds	1,541,721.39	0.95%	3.63%	25.00%	YES
FLCLASS	59,819,075.47	36.73%	5.59%	50.00%	YES
Total Portfolio Market Value	**$ 162,876,470.98**	**100.00%**	**3.53%**		

*Security allocations as defined within the City's investment policy statement.

City of Cocoa's Investment Program Review

- ✓ The Federal Open Market Committee (FOMC) began the most aggressive monetary tightening policy in March 2022 increasing the overnight Federal Funds Rate to from 0.25% to 5.50% by July 2023, following two years of zero interest rate policy (ZIRP). This is the highest level in more than two decades. As of December 31, 2023, market expectations are for no additional rate hikes, rather, that the FOMC will need to cut the overnight rate at some during 2024.

- ✓ This monetary policy has also resulted in the highest yields in overnight investment vehicles (LGIPs and MMF strategies) since the early 2000's with rates of more than 5.50% through September 2023.

- ✓ Longer term US Treasury rates have also continued to increase through the end of the fiscal year. The two year US Treasury was 5.05% on September 30th 2023, more than 0.70% higher than the rate of 4.28% on September 30th 2022.

- ✓ We reinvested more than 30% of each portfolio through active management and the higher interest rate environment provided the opportunity for reinvestment in yields as high as 3.5% - 5.0%, the highest yields since 2007. These securities will provide much higher income compared to the securities purchased during the lower interest rate environment.

- ✓ The City has utilized FLCLASS LGIP investment accounts with a yield of 5.59% (September 30, 2023) that the City invests in for daily liquidity. This investment option is AAA rated and provides higher interest earnings compared to the bank deposit rate and provides the same daily liquidity. FLCLASS is benefitting from the significant rise in rates with rates increasing almost daily.

- ✓ City's Operating, Reserve and Restricted portfolios maturity structures are based on historical balances and anticipated cash flow needs as well as serving as longer term reserves. The continued reinvestment within these portfolios during the fiscal year has resulted in higher income opportunities for these assets are benefitting with the reinvestments of securities that will provide higher income for the next 2-4 years. These duration strategies are complementary to the liquidity investments and provide benefits in both rising and declining rate environments.



Exhibit B

PUBLIC TRUST ADVISORS

Portfolio Strategy Review

John F Grady, Managing Director

January 9, 2024

COCOA FLORIDA

Disclosures

Data unaudited. This presentation is for informational purposes only. The information contained herein has been obtained from sources that we believe to be reliable, but its accuracy and completeness are not guaranteed. The information presented should not be used in making any investment decisions and is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration and involvement with an experienced professional engaged for the specific purpose. All comments and discussion presented are purely based on opinion and assumptions, not fact, and these assumptions may or may not be correct based on foreseen and unforeseen events.

Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. Public Trust Advisors is not a bank and your investment with Public Trust Advisors is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Past performance is not an indicator of future performance or results. **Any financial and/or investment decision may incur losses.**

Public Trust Advisors
717 17th Street, Suite 1850
Denver, Colorado 80202

City of Cocoa's Investment Program Review

- ✓ The City maintained an actively managed investment program during Fiscal year 2023 and the maturity structure for each portfolio is custom tailored based on the following criteria:
  - ✓ Sources and uses of funds
  - ✓ Anticipated timing of expenditures
  - ✓ Investment policy statement objectives and parameters
  - ✓ Current market conditions and historical performance
- ✓ This investment strategy has the primary focus on Safety of principal as the primary objective, providing daily liquidity from bank balances and local government investment pools, and the potential for increased earnings from the longer term investment portfolios.
- ✓ This multiple duration investment approach minimizes risks in rising and declining interest rate environments with the primary objective of safety of principal by investing in highly rated fixed income securities.
- ✓ We collaborate with the City's Finance Director and team to determine optimal investment options based on cash flows, investment policy and FI State Statutes, and current market conditions.
- ✓ The investment program is compliant with the City's investment policy and with Florida State Statutes.

Operating Portfolio Strategy Update

Investment Strategy and Maturity Structure

- The Operating Portfolio provides funding over multiple fiscal years. The portfolio is structured with maturities between one and five years. Funds are undesignated.
- The target duration is approximately 2.5 years
- The portfolio is managed as a with 1-5 year strategy, primarily using maturities between one and five years.

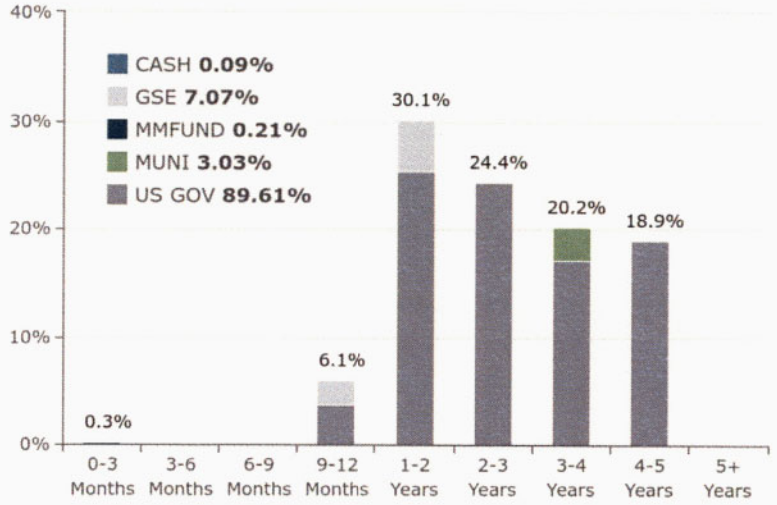
Asset Allocation and Diversification

- The portfolio is well diversified, 89.6% in UST, 7.1% in GSE, 3.0% in municipal bonds and 0.2% in MMF.
- Reinvested $9.5mm (33%) of the portfolio during the fiscal year in securities yielding 3.5% - 5.0%. These investments resulted in an increase in the book yield of 1.13%, providing the opportunity for higher income in FY2024 compared to FY2023.

Portfolio Summary

	09/30/22	09/30/23
Duration	2.483	2.504
Years to Effective Maturity	2.592	2.648
Years to Final Maturity	2.605	2.652
Coupon Rate	1.137	1.663
Book Yield	1.074	2.204
Market Yield	4.237	4.978

Maturity Distribution by Type



Reserves Portfolio Strategy Update

Investment Strategy and Maturity Structure

- The Reserves Portfolio is structured based on requirements defined in the bond indenture for the City's outstanding debt per debt issuance.
- The target duration is approximately 2.5 years
- The portfolio is managed as a with 1-5 year strategy, primarily using maturities between one and five years.

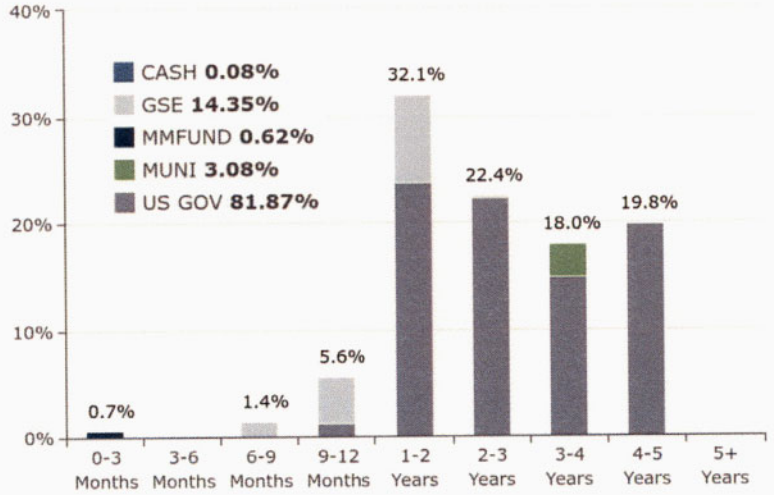
Asset Allocation and Diversification

- The portfolio is well diversified, 81.9% in UST, 14.4% in GSE, 3.1% in municipal bonds and 0.6% in MMF.
- Reinvested $4.4mm (32%) of the portfolio during the fiscal year in securities yielding 3.5% - 4.3%. These investments resulted in an increase in the book yield of 1.09%, providing the opportunity for higher income in FY2024 compared to FY2023.

Portfolio Summary

	09/30/22	09/30/23
Duration	2.455	2.478
Years to Effective Maturity	2.563	2.622
Years to Final Maturity	2.619	2.639
Coupon Rate	1.263	1.692
Book Yield	1.059	2.146
Market Yield	4.208	4.994

Maturity Distribution by Type



Restricted Portfolio Strategy Update

Investment Strategy and Maturity Structure

- The Restricted Portfolio is restricted cash that is held long-term. These funds are restricted and held long-term.
- The target duration is approximately 2.0 years
- The portfolio is managed as a with 0-5 year strategy, primarily using maturities between three months and five years.

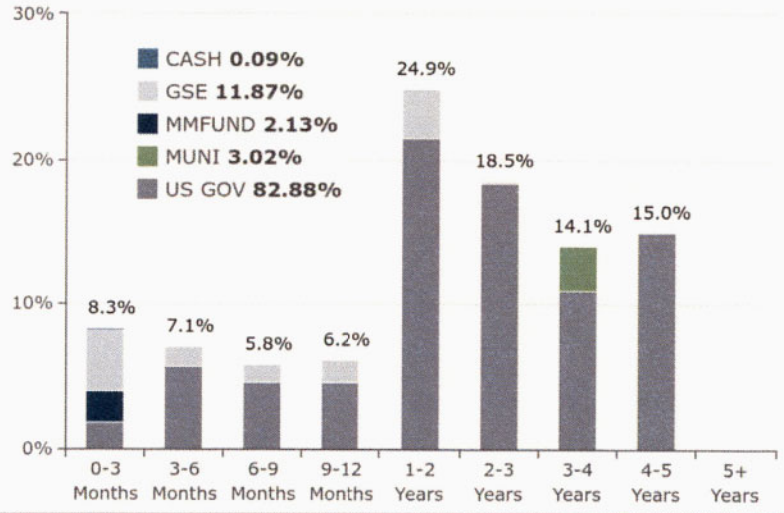
Asset Allocation and Diversification

- The portfolio is well diversified, 82.9% in UST, 11.9% in GSE, 3.0% in municipal bonds and 2.1% in MMF.
- Reinvested $8.3mm (32%) of the portfolio during the fiscal year in securities yielding 3.5% - 5.4%. These investments resulted in an increase in the book yield of 1.20%, providing the opportunity for higher income in FY2024 compared to FY2023.

Portfolio Summary

	09/30/22	09/30/23
Duration	1.983	1.983
Years to Effective Maturity	2.068	2.096
Years to Final Maturity	2.083	2.101
Coupon Rate	0.954	1.677
Book Yield	0.844	2.047
Market Yield	4.086	5.055

Maturity Distribution by Type



Aggregate Asset Allocation – September 30, 2023

Security Distribution	September 30, 2023 Portfolio Balance	Portfolio Allocation	Book Yield	Permitted by Policy*	Compliant
Cash	$ 31,838,242.12	19.55%	0.50%	100.00%	YES
LGIP	20,598,660.90	12.65%	5.49%	25.00%	YES
U.S. Treasury Notes	43,779,429.87	26.88%	2.34%	100.00%	YES
FNMA	1,587,157.73	0.97%	0.60%	40.00%	YES
FHLMC	1,612,487.61	0.99%	0.43%	40.00%	YES
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