



CITY OF BELLE ISLE, FL

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MEMORANDUM

From the Desk of Bob Francis, City Manager

To: Budget Committee
Date: July 8, 2022
Re: Request for Premium Pay (Stipend) for Employees for Current Fiscal Year

Over the recent months, we have seen a dramatic increase in the cost of goods and services. Inflation accelerated further in May, with prices rising 8.6% from a year ago for the fastest increase since December 1981, the Consumer Price Index for All Urban Consumers (CPI-U) increased 1.0 percent in May on a seasonally adjusted basis after rising 0.3 percent in April, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 8.6 percent before seasonal adjustment. The increase was broad-based, with the indexes for shelter, gasoline, and food being the largest contributors. Even though we've seen a slight increase in the cost of fuel, it is still up over \$1.70/gal. a year ago. These three items impact our employees most significantly.

In order to help employees, I am requesting that the Budget Committee accept my request to provide a stipend of \$4,265/employee using ARPA funds. This would be considered "premium pay" under ARPA and is an eligible expense. As this would be "premium pay" it would not compound over the years as a pay increase would. The City Manager would not receive this stipend. The total amount would be \$127,950. With deductions taken out, each employee would take home \$3,000.