



City of Cambridge

Executive Department

LOUIS A. DePASQUALE
City Manager

LISA C. PETERSON
Deputy City Manager

February 11, 2021

To: Department Heads
From: Louis A. DePasquale
City Manager
Re: The Living Wage Ordinance Cost of Living Adjustment

The Living Wage Ordinance (2.121) provides, at 2.121.030 (b), that the wage shall be upwardly adjusted each year no later than March 1st in proportion to the increase in the Annual Average Consumer Price Index for the prior calendar year for All Urban Consumers (CPI-U) in the Boston area, as published by the federal Bureau of Labor Statistics.

For calendar year 2020 the CPI-U increased by 1.13%. **Therefore, the new living wage as of March 1, 2021 is \$16.65.** This amount should be communicated to vendors subject to the Living Wage Ordinance and will be used to adjust pay for appropriate city employees. A list of your department's affected employees will be forwarded to you separately. This will show old and new wage rates.

The Personnel Department will take the necessary steps to adjust affected employee wages in the Personnel/Payroll system during the week of March 1. There will be no need for retroactive payments, as we are making the change at the beginning of a pay week. If you have any questions pertaining to these new rates please contact Sheila Keady Rawson or Barbara Armistead in the Personnel Department.

The adjustment does not affect any existing contractual agreements unless the terms of those agreements so require. Questions concerning applicability and enforcement of the ordinance should be directed to the Law Department or the Purchasing Department.

