



GENERAL MANAGERS NEWSLETTER

(February 2015)

"Most of us spend too much time on what is urgent and not enough time on what is important."...Stephen Covey, American writer & educator

North Carolina State Budget Work Begins

Top state economists told lawmakers that they expect North Carolina will face a \$271 million budget shortfall this fiscal year, which ends June 30. That represents a modest 1.3% deficit that state reserves and/or spending cuts can handle fairly readily. But its cause – lagging personal income tax payments (5.8% below budget projections) resulting from sluggish wage growth across North Carolina – is a signal that the state's economic recovery is not yet as robust as anticipated, the economists told legislators.

However, with the state's unemployment rate now dropping steadily, wages should start climbing during the next fiscal year. The state's fiscal situation will be clearer by early May, after April's final surge of state income tax payments have been recorded. For now, the disappointing state revenue receipts could make legislators less likely to consider much additional program funding, further significant tax cuts, or new or expanded economic-development tax incentives as they begin their discussions on adjusting the state's \$21 billion budget.

Meanwhile, the state's revenue trends are positive, predicted to finish at a modest 2.9% growth rate for the current fiscal year – just not the 4% legislators expected when they adopted the budget last summer. And the budget picture includes some bright spots: sales tax receipts are 2.3% ahead of expectations; and business taxes, including corporate income and franchise taxes, are up 5.7%.

The N.C. Senate gave final approval to a proposal to reduce the state's motor fuels tax by 2.5 cents per gallon, to establish a new floor for it of 35 cents per gallon, and to allow for future revenue growth to pay for much-needed transportation improvements across North Carolina.

CAHA Scholarship Golf Tournament, April 15th

Have you gotten your foursome together yet for the annual CAHA Scholarship Fund Golf Tournament at Pine Island Country Club on April 15? The registration form is now up on our website at:

- <http://www.charlotteareahotels.org/>
- Then go to "CPCC Scholarship" at <http://www.charlotteareahotels.org/cpcscholarship.html>

You can complete the form right there as an individual golfer or your whole foursome. You can also buy mulligan packages and sign up for sponsorship opportunities. (Several vendors already have.) You can then email the form to us, or fax or mail it. You can also pay by credit card on the website. Just look for the "Pay Here" link.

So, registration is open and now is the time to sign up. And while you're at it, help us get others signed up and/or sponsoring the tournament. Remember, you don't have to be a member of CAHA to participate, so pass this information to friends, business associates and others.

Hotels Reveal Top Tech Priorities for 2015

In a recent national survey, hoteliers revealed what they say will be their top priorities in technology this year:

- 39.5% - Customer-facing mobile solutions
- 37.8% - Adding bandwidth
- 28.7% - Preparing for changes in payment technology
- 22.1% - Securing data
- 21.6% - Migrating to the cloud
- 20.5% - Leveraging mobile solutions for employee-facing applications
- 20.0% - Developing a digital strategy

Airbnb on Pace to Surpass Hotel Companies

An article in *Business Travel News*, February 2 issue, reports that Airbnb bookings are on track to outpace the largest hotel companies within a few years, although the room-sharing platform is unlikely to become a major player in the business travel space anytime soon, according to research conducted by Barclays.

In terms of size, Airbnb already has overtaken the largest hotel companies. During the past year, the number of rooms available through Airbnb has grown from about 300,000 to about 1 million. By comparison, as of 2014, the largest hotel company measured by rooms was Inter-Continental Hotels Group (IHG) with a portfolio of about 687,000 rooms.

While this direct comparison by size of rooms available is not necessarily a good one (for example, not all Airbnb's listings are available year-round), its listing could double within the next year. Airbnb's current bookings are about 37 million room nights per year about 1/5th of what IHG sold last year. But at this pace of growth Airbnb bookings could outpace IHG's bookings within two or three years.

Even so, Barclay's representatives say that Airbnb will remain mostly a leisure player during that time, with only about 10% of bookings currently used for business travel.

Charlotte Awarded the 2016 Triple-A All-Star Game

The Charlotte Knights and BB&T Ballpark, the most visited venue in all of Minor League Baseball in 2014, have been awarded the 2016 Triple-A All-Star Game set for Wednesday, July 13, 2016 at BB&T Ballpark. The game will be televised nationally on MLB Network.

\$56,680 Salary Minimum for Exempt Employees May Be on the Horizon

A group of 26 Democratic senators have reaffirmed their support for updating the Department of Labor's overtime regulations to boost workers' overtime pay in a letter to President Obama. The senators on January 29th specifically urged the President to raise the overtime threshold for salaries workers to \$56,680 a year in order to ensure that "more middle-class workers are paid for overtime hours."

This affirms what has been anticipated and that is that the current salary exemption of \$23,660 (or \$455 a week) is expected to at least double. That means that an entire swath of employees who make between \$23,660 a year and \$56,680 a year would become subject to overtime pay requirements, regardless of their duties. Employers will need to evaluate just how many employees this will affect and begin budgeting for the eventuality.

The DOL is currently expected to announce their proposed changes in March 2015; already a delay from November 2014. Employers should also plan for the exemption for executive, administrative, or professional roles to become somewhat more constricted, as there is consensus that regulations regarding these roles will be tighten. We may see a minimum threshold for the amount of an employee's time that must be performed in a "white collar" role to continue to be exempt.

There is no action required by employers at this time but planning for the inevitable is prudent.

Crazy Things Guests Have Requested From Their Hotels

Cond é Nast Traveler has accumulated a list of some of the crazy things hoteliers have had guests ask for. Here are a few:

Tower23, San Diego

A guest asked that their room have the following items waiting for them upon check-in: a white stuffed-animal kitten; a kitten poster with an uplifting message; and gluten-free kitten-shaped multivitamins. The kitten-shaped multivitamins proved impossible to find, but luckily the guest was satisfied with "critter-shaped" vitamins offered in their stead.

Hotel Plaza Athénée, Paris, France

Once a client requested small lions for his daughter's birthday party; with very short notice, the concierge managed to source two small lions for the party. The girl (and her parents) were thrilled.

The Beverly Hills Hotel, Beverly Hills, CA

A guest was breeding her award-winning show dog and had the concierge arrange an actual wedding for the two young collies, complete with a minister, catering, outfits, etc. They got married in the Crystal Ballroom and then honeymooned in the garden suites.

The St. Regis Bahia Beach Resort, Puerto Rico

Chief Concierge Josell Valzquez has received a variety of outlandish requests, including a last minute request for a farm animal: "*I was asked to obtain a goat at 2:00 AM,*" he reports. "*There*

was an international film crew staying with us during their project and the star of the documentary was an old male goat (you just can't make this stuff up). The goat had unfortunately passed away during the night, and the film crew was scheduled to complete the last scene between 3:00 AM and 4:30 AM before flying out of Puerto Rico immediately after." Valzquez, and his last-minute Billy-goat, managed save the shoot at the eleventh hour.

Hotel Principe di Savoia, Milan, Italy

A guest asked the staff to order one thousand red roses and spread them along the corridor of the Presidential Suite he was staying in because he preferred walking on rose petals to an unadorned floor.

Tides Inn, Irvington, VA

Following company policy, the staff at the Tides Inn was giving a celebrity guest plenty of space and refraining from asking for photos or autographs. However, three days into the stay, the celebrity's personal assistant requested that the concierge organize some "celerity attention" for the guest. The resort's concierge split the hotel staff into three groups: one to request autographs; one to request photographs; and one to learn everything they could about the guest in order to properly praise their award wins, charity involvements, and past roles. The celebrity left with ego fully intact.

Jumeirah Frankfurt

Head Concierge Stefan Horchner helped rectify a classis error when two women mixed up their identical luggage upon checking out. Horchner managed to get one of the departing airlines to hold its departure (no mean feat in this era of heightened airport security) and wait for the suitcases to make it to their rightful owners.

OK now come on Charlotte, surely we have some strange requests by guests that can equal if not exceed these. Send us yours and we'll run a summary, and yes...both you and the guest will remain unnamed.

Future CAHA Events

CAHA General Membership Meetings: *February 19; March 19; April (no meeting due to CAHA Golf Tournament); May 21; June 18; July 16; August 20 (tentative); September 17; October 15; November 19; December 17 (Third Thursday of each month, 3 pm, subject to change.)*

CAHA HR Committee Meetings: *March 12; May 14; July 9; September 10; November 12 (Second Thursday of even-numbered months, 9 AM, subject to change)*

CAHA Security Committee Meetings: *March 12; May 14; July 9; September 10; November 12 (Third Wednesday of even-numbered months, 10 AM, subject to change):*

CAHA Golf Tournament: *April 15, 2015 noon (Pine Island Country Club)*

Support Our Supplier Members:

Afterdisaster; Alliance Bus; Charlotte Arrangements; Charlotte Paint/Pro-Tec Finishes; Computer Rents; Environmental Diversified Services; Ipswich Shellfish Group; LUCCY: MSS Solutions; Regency DKI; Show Pros Event Staffing Services; Tarheel Linen Service; U.S. Foodservice; Visit Charlotte; and Where Charlotte Magazine

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