



GENERAL MANAGERS NEWSLETTER (June 2016)

"You may have to fight a battle more than once to win it."...Margaret Thatcher, British
Prime Minister

CAHA Launching an Annual Wage & Benefits Survey

Behind the scenes, the CAHA HR Committee has been working on a wage and benefits survey for member hotels. The committee has been conducting "spot" surveys for some time; if a hotel wants a quick check on wages for a specific job or two, we send it out to the HR Committee; they respond directly and confidentially to CAHA; and we produce the summary report. But these surveys were coming more and more frequent. So, the Committee asked, "why don't we do our own?"

Well, the Committee produced a final draft which the GM's approved at their last meeting. The survey will cover hourly and salaried positions, as well as a number of benefits. Many of the hotels (GM's and HR personnel alike) are as interested in the industry-wide benefits as the wages.

But wait; don't some of our hotels use *WageWatch* online? Yes, they do, and we encourage everyone to, but it costs money and that's "initially" a hurdle for many. And, *WageWatch* has so many individual line items for basically the same job, that those that do use *WageWatch* are finding it difficult to use the reports available from *WageWatch* because not enough (5 minimum) hotels have reported wages under that "specific" job title. We want local hotels to use *WageWatch*, and we're actually hoping our survey will help "move" others to that online survey.

For our survey on wages and salaries, we're actually using the *WageWatch* job titles, but tying all the different ones (for the same job) into a single title that we all agree to use. And the benefits portion is going to be really good and informative.

A couple of **key points** about our CAHA survey:

- Your data will be completely protected. *ONLY* employees of our association management company, SALCO Consulting LLC will see your data; no one from the HR committee or the industry will see <u>any</u> of the raw data.
- Our association management company has been doing wage and benefit surveys
 for associations for many, many years, and because it's an independent third
 party, there is no issue of legality. Doing surveys like this through industry
 associations using third parties has been going on for decades.
- Some hotels may have restrictions on participating in surveys like this. We understand. If you will share the survey and instructions with corporate, maybe

you will be given permission to participate. But even then, some hotels may be limited to only parts of the survey (i.e., no wages, but "OK" on benefits). **Participate where and how you can.** It just makes that part of the survey summary that much more meaningful.

- **ONLY summary data will be published**. NO individual data. In fact, if less than 5 entities report for any line, that data will not be summarized or reported (which is standard practice in the association and survey field).
- We want "individual" hotel surveys; not cumulative hotel ownership groups. You may decide to submit reports for each of your hotels, or one or two…but the more we have the better the survey results.
- ONLY participating hotels will receive the summary results. So, if you want them, you need to participate.
- So, how do we think this will help in increasing participation in WageWatch? Well, for those that already do participate in WageWatch, you've already got to pull these numbers together anyway once a year, so once you do that for us and our survey, you're ready to simply submit those same numbers to WageWatch. For those that don't currently participate in WageWatch, you're now 90% of the way to what you need to do, and you only do it once annually.

We're putting the finishing touches on the survey with complete instructions now. It will be posted on the CAHA website to access for completing and submitting the data. The deadline for reporting will be June 30, so we can produce and send the summary out just about the time when most people are entering "budget time!" Be on the lookout for more information and make sure your hotel participates....you'll be the beneficiary.

New Federal Overtime Regulations Unveiled

The new federal overtime regulations were finalized on May 19 by the US Labor Department. It is estimated that the changes will make 4.2 million employees nationwide – including 156,000 in North Carolina – newly eligible for overtime pay when they work more than 40 hours a week. When the rule takes effect in December, it will:

- Guarantee time-and-half pay to any salaried employee earning under \$47,476 a year (\$913 a week) who works more than 40 hours in a week.
- Automatically update the salary threshold every 3 years, tying it to the 40th percentile of full-time salaried workers in the lowest-income census region. The first update would be January 1, 2020, when the DOL projects a salary threshold increase to \$51,000.
- Make no changes in the duties tests used to determine whether a salaried employee above the threshold is considered exempt from overtime pay.
- For the first time, allow certain bonuses and incentive payments to count toward up to 10% of the new salary level, if the payments are made on at least a quarterly basis.

The USDOL released <u>this summary</u> of the rule, <u>this guidance</u> for private employers, <u>this guide</u> for small businesses, this <u>Q&A</u>, and a range of <u>other resources</u>.

There are several great webinars coming up that you and your HR folks should participate in:

- Thursday, May 26, at 3:00 p.m. Eastern time Webinar presented by the National Restaurant Association (NRA) and the law firm of Seyfarth Shaw. NRA members register here.
- Thursday, June 2 at 2:00 p.m. Eastern time Webinar presented by the American Hotel & Lodging Association (AH&LA) and the law firm of Morgan, Lewis and Bockius. AH&LA members register here.
- In addition, the U.S. Department of Labor (DOL) itself is offering a general webinar on the new overtime rules from 1:00 to 2:30 p.m. Eastern time on **May 26, June 2, or June 9**. Register here.

(Thanks to NCRLA.)

What Do You Do If Your Building Gets Hit with Graffiti?

That's a good question: what <u>DO</u> you do if your building (or one close by) gets hit with graffiti? Being hotels, brand sensitive, not wanting to give hotels guest anything to worry about, you probably want to get it washed off or painted over as quickly as possible. Well, while "speed" is important, there is something to keep in mind.

The CAHA Security Committee had a great meeting recently with CMPD about gangs and what's going on in the Charlotte region. If you mention the word "graffiti" we all immediately think "gangs." And that may or may not be true. While there is a lot of graffiti around town, particularly in some areas, gangs today are actually using social media to "send messages" to themselves and rival gangs. But still, there may be some information in those "drawings" that would be helpful to the police.

So, here are two recommendations we learned:

- Call the police (311 during regular business hours) and report it and they will send someone from the gang unit out to look at it and take pictures of the graffiti. (There may be something new in there that you and I don't see, and they would miss it if you immediately got rid of it. They'll take that back and start looking for trends, new gang insignias, etc. which is helpful to all of us...by helping the police.)
- Or, a quicker way to deal with it, so that you can move on with washing it off or painting over it, is for <u>you</u> to take a picture of it and sending it by email to CMPD and they'll then have it to look into. You can do that online at the CMPD http://charmeck.org/city/charlotte/CMPD/Pages/default.aspx

Good Retail Sales Numbers for April and Early May

Sales at retailers jumped in April (the last full month of data) by the most in a year. Purchases climbed 1.3 % last month, the biggest gain since March 2015, after a 0.3 % March drop that was smaller than previously reported by the US Department of Commerce.

Healthier household finances, reflecting reduced borrowing and increased savings, mean consumers have the wherewithal to boost spending even as gasoline prices rise and job growth moderates. Eleven of 13 major retail categories showed increases last month, indicating the advance was broad-based. Demand at auto dealers climbed by the most in a year and sales at grocery stores and online merchants were the strongest in almost two years.

And now, the National Retail Federation (NRF) reports that incoming data at mid-May points to an even better outlook and indicates a pickup in economic activity in the coming months. The preliminary results from the University of Michigan's consumer sentiment survey for May showed more optimism and were consistent with the pickup in April retail sales. The index increased more than six points to 95.8 from its previous score of 89. According to the survey, more consumers reported that their finances had improved than at any time since February 2005 and wage growth was at its highest level since November 2000 while inflation expectations fell.

Job openings across the country increased to 5.75 million in March, just short of the high reached in July 2015. Although openings increased in March, hiring slowed to 5.29 million from 5.51 million in February. Whether that reflected uncertainty about the economy or that firms were having trouble finding qualified workers was unclear. Nonetheless, the report confirmed that the labor market remained healthy through the first quarter of the year.

Soap Recycling

Is your hotel participating in our program with Clean the World? Many of our members (your peers here in Charlotte) are. Yes, it costs a few bucks, but you're (1) reducing the cost of your solid waste disposal, (2) reducing what goes into our local landfills, and (3) helping a great cause that is helping children in need. Need any more reasons?

To get started, contact Riki Katherine Iverson with Clean the World at riverson@cleantheworld.org

Future CAHA Events

CAHA Annual Charity Golf Tournament for CPCC Scholarships: *April 26, 2017 Pine Island Country Club*

CAHA General Membership Meetings: June 16, July 21, August 18, September 15, October 20, November 17, December 15 (Third Thursday of each month, 3 pm, subject to change.)

CAHA HR Committee Meetings: July 14; September 15; November 10 (Second Thursday of even-numbered months, 9 AM, subject to change.)

CAHA Security Committee Meetings: July 20; September 21; November 16 (Third Wednesday of even-numbered months, 10 AM, subject to change.)

Support Our Supplier Members:

Afterdisaster-Metrolina; Charlotte Paint/Pro-Tec Finishes; Gordon Food Service; Ipswich Shellfish Group; Konica Minolta Business Solutions; Moneysworth Linen Services; MSS Solutions; PIVOTek; Regency DKI; Show Pros Event Staffing Services; Tarheel Linen Service; The Charlotte Destination Group; TruGuard Construction Group; U.S. Foodservice; Visit Charlotte; and Where Charlotte Magazine

(Disclaimer: The information contained herein comes from many reliable sources. Every effort has been made to ensure its accuracy, but neither CAHA nor SALCO Consulting can assume any liability for omissions or inaccuracies. We are not attorneys and cannot give legal advice. You are urged to seek appropriate legal or professional council on all legal, accounting, tax or employment issues.)