

**Testimony Submitted by Cindy Hollowood
Holiday Inn, Saratoga Springs**

**New York State Department of Labor
2014 Wage Board Public Hearing
December 9, 2014**

My name is Cindy Hollowood, and I am the General Manager of the 168-room Holiday Inn in Saratoga Springs. I would first like to thank members of the Wage Board for allowing me to testify today, specifically as my testimony relates to the minimum wage as applied to tipped employees.

Our employees are the backbone of the operations of our hotels and we take great pride in providing them with fair wages, benefits and the opportunity to learn and grow in our industry and move up towards life-long careers. Our tipped workers currently make above the \$5.00 cash minimum wage, earning at least \$5.75 an hour plus tips. In addition to their cash wage, those classified as tip eligible employees make around \$256 in weekly tips based on a 32 hour work week. Roughly \$40 per day for a 5 hour shift. These tip credit eligible employees have been employed for 5.5 years. We currently employ 105 full-time employees, 28 of whom are tip credit eligible.

At our hotels, every employee is provided per shift, one nutritious meal at \$1.85, with no hours worked requirement. We provide employees with a full breakfast, a sandwich, burger, or meal salad for lunch or dinner, and we always offer the chef's daily special. All of which include a drink. The chef special is usually the same meal that might be served at a banquet function which could be anything from chicken breast to prime rib to filet mignon.

The average hourly wage for a tip credit eligible employee with tips is \$14.75 per hour. This amount is \$2.00 to \$2.50 more per hour than our other employees earn. An increase in the cash wage for tipped employees would be costly as 25% of our staff are tip credit eligible. Over 40% of our annual business expenses includes payroll and this cost of doing business is continually rising. We pay our team well above area averages and reward them for their service to the company. This year our total years of service by team members exceeded 1006 years. If you increase the tip wage it will limit the amount of capital investment we can make in our business. In 2014 we spent \$870,000 to improve our product and stay competitive and gave that amount of work to local contractors. We will also be forced to limit hours or eliminate positions to cover this increase costs, putting people out of work and on unemployment.

There will come a point when the burden is too large and the costs have to be reduced or shifted. If that happens, I am afraid it will be the employees you are trying to help that will end up bearing that burden.

I respectfully request that the Wage Board not recommend to the State that an increase in the cash wage is needed. Thank you for your time and I am happy to answer any questions you may have.

Thank You!