

# DECISION PAPER



## 2017 Revised Pay Ranges

### **ISSUE:**

As you may know, minimum wage in California will increase to \$10.50, effective January 1, 2017. In addition, minimum wage is expected to increase consistently over the next several years, reaching \$12.00, by January 1, 2019.

In order to be competitive in this market, we have identified positions that require more pre-employment screening, experience, and are more difficult to fill. In order to address attracting qualified candidates and reducing compression in pay rates, we have developed the attached pay ranges. One attachment shows the redlined version, while the other accepted the redlined changes, for ease of reading.

Thankfully, the Feds postponed an increase to our salaried employees to be paid at the rate of \$3,956.66/month, effective 12/1/16; however, we are still required to pay exempt employees 2x the minimum wage.

### **BACKGROUND:**

Over the past several years, Tahoe Donner Association, along with many other local resorts, have struggled to be at full capacity for staffing needs. This has mostly impacted our winter operations, but summer operations have had their challenges, too.

In November, 2007, the Board approved pay rates. In January, 2015, the Board approved a 5% adjustment to maximum on all ranges; however, with increasing minimum wage, the compression between positions has been significant.

### **OPTIONS:**

1. Maintain the existing pay ranges and rates.
2. Change our pay ranges, according to the redlined pay ranges attached.
3. Initiate a compensation study for all positions and pay ranges, which could be extremely costly.

### **RECOMMENDATION:**

Management recommends approving Option 2 to change our pay ranges, according to the redlined pay ranges attached.

---

**Prepared by:** Mary Peterson

**Board Meeting Date:** December 17, 2016

**General Manager Approval to Place on the Agenda:** \_\_\_\_\_