

**TOWN OF DEERFIELD  
BOARD OF SELECTMEN  
February 18, 2019  
Public Hearing Regarding KENO**

**Call to Order**

5:30 pm – Chairman Pitman called the meeting to order

**Present:** Richard Pitman, Chairman; ~~Andrew Robertson~~, Vice Chairman. Fred McGarry, Jeff Shute and Cindy McHugh, Selectpersons.

**Absent:** Andrew Robertson (*correction, 2.25.19*)

**Pledge of Allegiance to the Flag**

Chairman Pitman asks all to rise and pledge allegiance to the Flag

Chairman Pitman thanks all for coming this evening and stated that he was going to start with the public hearing before the select board's regular meeting and read the following notice:

“The Board of Selectmen will hold a public hearing in accordance with RSA 31:95-b on Monday, February 18, 2019 at 5:30 pm. This hearing shall be held for the purpose of discussing the operation of KENO in the Town of Deerfield, as the question will be on the official ballot. The hearing shall be held in the downstairs conference room of the George B. White Building, 8 Raymond Road, Deerfield, NH.”

Chairman Pitman welcomed Kelly J. Cleveland from the state KENO division to which Ms. Cleveland stated that she was Director of Sales and Product Development.

The chairman stated that the hearing was now open and asked if anyone would like to speak.

A member of the audience asked how much KENO would impact the town and what does KENO fund?

It was asked that he repeat his question.

He asked what benefits would the town get from KENO being in it.

Ms. Cleveland stated that KENO funds kindergarten. That is the way that the legislature passed it. For the town, there are two locations that could be legible, one of which has a bar, so they have to accept each location individually.

For the one location that would be legible at this point, 8% of all KENO sales are retained by the location, so there is an 8% commission on KENO. Other lottery games could be sold and for those games, there is a 5% commission.

**Couldn't here this part from Kelly as the Chairman was whispering and someone was shuffling papers.**

Other things that they have seen at locations is that they have done an economic study after all the locations that exist right now. Statewide there is about 170, 160 about at this time of year and they have reports of increased beer, food, wine, beverage sales. They have had to hire additional staff. They have seen great things happen from that.

There are also tips that happen for the staff so its just a good way to increase revenues at a location.

Another audience member “Maddy” asked if there has been any pros or cons from the sites that have been doing KENO?

Ms. Cleveland stated that they have not honestly seen anything negative or heard anything from KENO. It is a very benign game. Often if anyone is in a location, someone may not even know that it is happening. There is no sound to it, no noise. It's just a tv monitor in the corner showing the draws. There is a self-service machine where a person can go up and touch the screen to receive their tickets or they can go up to the bartender and receive their ticket that way.

The pros are that it is helpful to the location. The location that is here in town. Rather than going to Manchester, Hooksett or other communities nearby, there are a lot of towns around here that have KENO on the ballot. Rather than going elsewhere, they stay here and support their local economy.

The audience member "Maddy" continued to ask if there are any parking issues? She stated that the one location in town seems to currently have some issues with parking. Is that something that would be an issue.

Chairman Pitman stated to "Maddy", that they really needed to keep this to the "KENO" issue and not that issue. He continued that she could ask "The Lion" afterwards. That is why they are here.

Selectman McGarry stated that he knew in the statute that KENO is limited to only those establishments that have liquor licenses. He asked what the rationale of the legislature to just limiting it to those types of establishments?

Ms. Cleveland stated that she didn't know exactly what the rationale was. She thought that they wanted to reserve KENO to adult establishments and for that reason, and not only does it have to have a liquor license, it has to have a bar.

She stated that they go out individually and inspect their establishments to see if they have the right layout to keep KENO out of straight family establishments.

Selectman Shute asked how the revenues were going at this time for KENO in general?

Ms. Cleveland stated that for the locations that they have KENO, on average they are meeting their estimated revenues.

When KENO was first proposed, it was based on certain truths that they projected. It was 250 locations, 175,000.00 of projected sales per year.

Right now, the active 160 locations are averaging about that. However, they are well below the threshold of 250 locations to make the full projected amount of \$43 million in sales. Right now, they are at about \$15 million with about a return of \$5 million this year they are far short of the goal and it is not for a lack of effort but they have to get legal adoption from each town and city. People like herself have to go to the towns to try and pass it.

They are in an interesting predicament because by law, they are not allowed to push the vote but only allowed to educate the people on what KENO is.

Chairman Pitman asked if there were any others that wanted to speak or comment. None were heard. He stated that they would be voting on it on March 3<sup>rd</sup> and if none, he would close the public hearing and thanked everyone.

Public Hearing was closed.