



City of Concord

City Council

Meeting Minutes

Monday, October 16, 2017

7:00 PM

City Council Chambers
37 Green Street
Concord, NH 03301

1. Call to Order

Mayor Pro Tem St. Hilaire called the meeting to order at 7:00 p.m.

2. Roll Call.

Present: 12 - Councilor Candace Bouchard, Councilor Byron Champlin, Councilor Mark Coen, Councilor Amanda Grady Sexton, Councilor Allan Herschlag, Councilor Fred Keach, Councilor Linda Kenison, Councilor Jennifer Kretovic, Councilor Gail Matson, Councilor Keith Nyhan, Councilor Dan St. Hilaire, and Councilor Brent Todd

Excused: 3 - Mayor Jim Bouley, Councilor Stephen Shurtleff, and Councilor Robert Werner

3. Agenda overview.

Public Meeting

4A. Presentation by a Representative of the New Hampshire Lottery Commission.

Action: Kelley-Jaye Cleland, Director of Product Development and Sales for the NH Lottery Commission, pointed out that there are 63 permissible locations within Concord for Keno. They have scheduled meetings with seven locations with more calls going out for recruitments to see what the interest is. She stated that interest appears to be high and benefits for Keno within bars and taverns include: equipment is free of charge for them; of every Keno dollar sold, they receive an eight percent commission; they receive assistance from the NH Lottery for marketing and promotion; they have a dedicated sales representative within the area. She noted that the funds from Keno would go to fund full day kindergarten; \$1,100 is earmarked for FY19 and if they have enough funds, they can go up to \$1,800 per pupil in an enrolled and approved kindergarten. She stated that it is a win-win for municipalities because it's driving more business to the bars and restaurants - there will be higher check averages which will mean higher tips and salaries for employees. She pointed out that they would be bringing back some funds that are currently being spent in Massachusetts stating that in FY16, over \$900 million were the sales for Keno in Massachusetts; of the claims for \$600 or

greater, approximately 2.5 percent of those claims were from New Hampshire residents.

Councilor Champlin inquired, if Concord voters choose not to authorize Keno, how this would affect the city's eligibility to receive funding for full day kindergarten. Ms. Cleland responded that it doesn't mean that funds won't be here but it does mean less funds for Keno and the bars and restaurants in Concord would lose out on that opportunity.

Mayor Pro Tem St. Hilaire asked if the nuances of Keno could be explained. Ms. Cleland responded that Keno would be a New Hampshire specific game unlike any other draw game such as Megabucks, Powerball, etc. She explained that its a draw every five minutes from 11:00 a.m. to 11:00 p.m. and the person has the opportunity to choose numbers 1 through 80; they can choose up to five numbers; every five minutes, twenty random numbers are drawn. She noted that this is done on a random number generator; they are still trying to determine as to where this will be housed - either here in New Hampshire, at their data site in Vermont, or elsewhere. Keno is completely computerized and random without human touching of the numbers. Ms. Cleland added that individuals can bet one number or up to twelve with a chance to win back from \$1.00 to \$1 million; there is also a multiplier that then makes the price structure more complex.

Mayor Pro Tem St. Hilaire questioned where people would cash in if they do win. Ms. Cleland responded that they can cash in at the establishment if it's under \$600, at a self service terminal (MP terminal), reinvest that money to play more, or take the ticket to any NH Lottery retailer. She pointed out that if it's over \$600, they have to come to Concord or mail their ticket in and claim it through the mail.

Councilor Champlin noted that reinvesting their winnings implies that there is a guaranteed return. He questioned if this what is implied. Ms. Cleland responded that its gambling so if they win and want to play again, they can reinvest or they can cash out their winnings.

Councilor Champlin noted that modern electronic computer driven slot machines are designed so that they can assess the gaming techniques and preferences of the person sitting in front of the machine and modify their behavior so they keep that person gaming encouraging them to gamble more. He inquired whether the Keno machines have a similar faculty. Ms. Cleland responded not that she is aware of explaining that the numbers that are drawn for this are the same across the state.

She noted that when people place their wagers its all random and there is no way to know what those numbers are going to be.

Councilor Champlin indicated that, theoretically, slot machines are random too but designed to be manipulative. He noted that this is what he is trying to assess with Keno questioning if they are networked to a central computer that can modify them and modify the wins in order to keep people gaming. Ms. Cleland responded that people would be completing a play slip and when they place that wager, there is a central system but there is nobody playing with this central system - it's completely anonymous.

- 4B. Open discussion regarding Senate Bill (SB) 191, Keno and the funding of full-day kindergarten in New Hampshire.

Action: Mayor Pro Tem St. Hilaire invited anyone from the public to testify on Keno.

Public Testimony

Paul Henle, State Representative for Ward 2, stated that he did not vote for this bill and does not support Keno. His hope is that Concord will choose not to approve Keno. He noted that the state does fund education partly through gambling but has never tied the amount of money spent on education with the result of gambling endeavors. He pointed out that the bill says that the city would receive more money for kindergarten if Keno is more successful. He feels that they are delving deep into the gambling business to say how they fund education and choose to live as a society will depend on how much the citizens of the state gambles. He stated that it's not their only choice to fund kindergarten; the State of NH could easily fund kindergarten if the legislature had the will to do so.

Councilor Herschlag strongly supports that the public has a voice in letting them know whether or not they would like to have Keno within the community. He noted that Representative Henle has stated his position to Keno.

Representative Henle added that he believes the way the bill is worded is that, even if no municipality within the state voted to have Keno and there was no Keno in the state, they would still receive \$1,100 per kindergarten student. He noted that if Keno is adopted and the threshold is not met, everyone would still receive that \$1,100 per kindergarten student; the difference comes if enough money is raised, potentially there could be as much as \$1,800 per kindergarten student.

Councilor Champlin noted his agreement with Councilor Herschlag.

It was noted that the Keno topic is a yes or no question on the bottom of the ballots for the upcoming November 7, 2017 Municipal Election.

There being no further public testimony, Mayor Pro Tem closed the hearing.

5. Adjournment

The time being 7:16 p.m., Councilor Champlin moved to adjourn the meeting. The meeting was duly seconded and passed with no dissenting votes.

A true copy; I attest:

*Michelle Mulholland
Deputy City Clerk*