



New Haven Democracy Fund

"To ensure that all the citizens of New Haven have a fair and meaningful opportunity to participate in the election of mayor."
New Haven Code of General Ordinances, Chapter 2, Article XI, §2-821 • Established in 2007 • democracyfund@newhavenct.net



2021 ANNUAL REPORT

To: Mayor Justin Elicker and the New Haven Board of Alders

Date: January 31, 2022

Pursuant to Section 2-823(a) of the Democracy Fund Ordinance and Section 2 of the Democracy Fund Board Bylaws, the New Haven Democracy Fund Board issues an annual report to the Mayor and the Board of Alders, containing a statement of the financial condition and expenditures of the Fund, a summary of the Board’s activities for the preceding year, and a request for appropriations for the upcoming fiscal year.

A note about 2021 and the impact of the Covid-19 pandemic on the operations of the Fund:

Citizens continued to experience a change in the normal operation of offices and legislative services in the City of New Haven. Daily business operated on rotating schedules for most of the year to limit the number of people in the Hall of Records and City Hall in an attempt to social distance and limit spread of the disease. There were continued difficulties in conducting normal business as a result of changes to staffing, hours of operation, location of workers, access to on-site resources (particularly needing appointments to visit the Town Clerk and Registrar of Voters offices), and other changes that resulted from the health crisis. With the creation and wide distribution of the COVID-19 vaccines, some normal or semi-normal operations returned in the latter half of 2021 and the Board was able to meet in person a few times during the year. However, with the Omicron variant spike in November through the end of the year, the Board returned to virtual meetings and digital communications as the primary method of administering and overseeing the Fund.

The NHDF Board is thankful for the hard work and dedication of all city staff and elected officials especially during the past couple years. A fuller understanding of the direct impact of the Coronavirus Pandemic can be found in Section III.B.

Prepared by Alyson Heimer, Administrator of the New Haven Democracy Fund
To be Approved by the New Haven Democracy Fund Board on January 26, 2022

I. Statement of Financial Condition and Expenditures

The Democracy Fund began calendar year 2021 with **\$ 199,837.90**
Of which \$55,000 was held in a Webster Bank CD
The remainder was in the TD checking account

Total income to the Fund in 2021: **+ \$ 250,598.39**

Capital infusion from the City of New Haven **+ \$ 250,000.00**

TD Ameritrade

Checking Account Interest: **+ \$ 79.64**

CD Interest (Matured June 2021) **+ \$ 518.75**

Subtotal **\$ 450,436.29**

Total expenditures made by the fund in 2021: **(\$ 181,384.52)**

Election costs:

Candidate Committee payouts:

Primary Election:

Grants **(\$20,000.00)**

Matching Funds

Elicker 1st **(\$23,176.00)**

Dubois 1st **(\$10,786.00)**

Elicker 2nd **(\$18,358.22)**

General Election:

Grants **(\$40,000.00)**

Matching Funds

Carlson **(\$9,148.00)**

Elicker **(\$11,449.70)**

Returned overages:

Debate held October 19, 2021: **(\$1,416.00)**

Administrator Costs: **(\$21,666.66)**

Remaining Encumbrances **(\$ 4,333.34)**

2022 Administrative Encumbrances **(\$ 27,300.00)**

(see section I.B.1 for details)

Total remaining and unencumbered value of Fund (December 31, 2021) \$269,051.77

Where is the money held?

Financial Vehicles	
Webster Bank	(\$55,858.06)
Encumbrances*	
Administrator contract 2020-2021	(\$26,000.00)
Board reserve budget for 2021	(\$ 6,000.00)
Cash on hand	
TD Bank Checking Account	\$ 253,608.24

*All encumbered funds are held along with cash funds in a fluid form in the same checking account.

A. Income

1. Interest

Total Interest earned on the Webster Bank CD (closed as of June 1, 2021) was **\$1,154.75** which was earned between January 2020 and June 2021. The 2021 portion of the total interest earned on the CD was **\$518.75**.

Checking account interest for 2021 totalled **\$79.64**.

B. Administrator Costs

Alyson C. Heimer served as the Administrator of The Fund for the entire term covered by this report. Her contract was renewed by the Board in a unanimous vote in June 2020 for the following fiscal year (see June 2020 Minutes for more information.)

In January 2021 a RFQ was released through the Purchasing Department’s bidding system in search of calls for proposals for an administrator for the Fund.

1. Stipend

Expenditures from January 1, 2021 through December 31, 2021 for the services of New Haven Democracy Fund Administrator Alyson C. Heimer were as follows:

Monthly payment of \$2,166.66 for term of contract ending January 31, 2021 (rolling renewal until the completion of the RFQ process for Administration of the Fund) = \$12,999.96

Total budgeted contractual services:	= \$26,000.00
Paid contractual services:	= \$21,666.59
Encumbrances payments:	= \$4,333.33

2. Administrator Contract Expiration

The Administrator's contract was renewed with Alyson C. Heimer for a seventh time in June 2021 following an open RFQ search that yielded one bid. Heimer restarted the RFQ at the rate of \$26,000 with an optional extension for an additional year. This RFQ was intended to cover the period from February 2021 until December 2021, causing overlapping contracts that impacted timely disbursements of stipend payments. This was rectified in November 2021 and a first payment was made to Heimer for July-October services in December 2021. Payment for November and December 2021 is still outstanding. The board voted in November 2021 to extend the contract with Heimer with an annual increase of 5% for January 2022 - December 2022.

The \$26,000 encumbrance was reserved by The Fund in July 2020 for services to be rendered in the new Administrator's contract for July 2020 - June 2021. In January 2021, an RFQ was awarded to Alyson Heimer to continue as Administrator of the New Haven Democracy Fund at a rate of \$2,166.66 per month from February until the end of the calendar year with an option for a one year renewal. In November 2021, the board renewed Ms. Heimer with a 5% increase to the monthly stipend and reserved \$27,300 as encumbered funds for the year January 1, 2022 to December 31, 2022. The Finance Department renewed the *insurance waiver* for Ms. Heimer, continuing the practice that has been used since the first Administrator, Robert Wechsler requested a waiver in 2009.

II. Board Composition

A. Current Board

James O'Connell, William Wynn, and Sergio Rodriguez (Chair) continued to serve the Board as executive members. Aaron Goode and James Bhandary-Alexander serve as general members.

Currently, two board seats remain open. Seats can be filled by members from any political affiliation up to a total of 3 seats per political party. The maximum number of Democrats have been appointed to the board.

As of December 31, 2021, Fund Board Members were:

- Chair Sergio Rodriguez (Democrat - term expiration 8/1/2021; Renewal pending)
- William Wynn (Republican - term expiration 8/1/2021; Renewal pending)
- James O'Connell (Republican - term expiration 3/1/2021; Renewal pending)
- Aaron Goode (Democrat - term expiration 5/1/2022)
- James Bhandary-Alexander (Democrat - term expiration 4/1/2024)

We had a new board member join the Fund in 2021. James Bhandary-Alexander brings considerable legal expertise to the board and has already been pivotal in projects regarding the Ordinance review and parsing conflicting passages of text between state, municipal and Fund rules and regulations.

We ask the Board of Alders and City Administration to place a focus on ensuring that devoted residents fill vacant seats on Boards and Commissions in 2022.

III. Summary of Board Activities

The Fund and the Board are dedicated to transparent government operations. Here are some of our substantive contributions to the New Haven community over the past year.

A. Virtual Meetings and Communications

Virtual Meetings were held for a majority of the year with in-person meetings held in the Autumn months of 2021.

In the Spring of 2020, City Hall closed its doors to the public and a statewide quarantine was put in place by Governor Ned Lamont. Among other restrictions, the lockdown disallowed in person meetings of more than 6 people. The Board of Alders took a significant step in allowing online meetings to be held and Board members to cast their votes virtually. The Democracy Fund purchased a professional Zoom account and continued to hold monthly public meetings online.

B. Elections Process Changes

There were no changes to state law that directly impacted the operation of the Fund in 2021, however the year saw changes that impacted the election process. The state expanded acceptable reasons for voting absentee and continued to see higher levels of absentee voting throughout 2021 for both the primary and the general election. Due to the pandemic, there was also a significant decrease in the number of in-person events that took place in 2021 including events hosted by and for candidates. This led to an increased focus by the campaigns on online fundraising which reduced the number of cash contributions made to each campaign during the cycle. The increased reliance on online fundraising platforms is something that the board could choose to examine in 2022 as it accounts for the large majority of contributions to funded candidates.

One of the major changes in 2021 was to the New Haven Democracy Fund debate. As a result of the pandemic, the debate was simulcast by news outlets and in-person attendance was strictly limited. Attendance at the New Haven Democracy Fund board meetings by members of the public also saw decreased numbers in 2021 at the few in-person meetings that were held, but the meetings that were held virtually were routinely attended by members of the public and participating and interested campaigns.

The 2022 Legislative Session is a short session this year. It is the duty of the Administrator to stay abreast of state level issues. This is accomplished with the support of other statewide organizations with similar interests, including Common Cause, New Haven Votes, and through relationships with legislators.

C. 2021 Election Cycle

The Administrator led Trainings for 4 exploratory or declared campaigns in the Primary Election, three of which declared candidacy and two of which qualified for the grant. The general election saw two candidates compete, both of whom received the grant and matching funding.

The Karen DuBois-Walton campaign was planning to move through the DTC convention and in anticipation of that, the board had approved a second round of funding and the \$20,000 grant. However, the campaign did not continue to the ballot phase and the funds were never disbursed.

Both Republican and Democratic candidates used the fund in 2021. This was the first time the program was used by a Republican candidate during the General Election and was a huge success for the Board.

D. Statewide Relationships

The Fund works closely with State groups to ensure lawful execution of the ordinance in advance of the new election year in 2023. COVID precautions caused mass cancellation of in-person events, conferences, training meetings, and restricted access to public buildings worldwide.

The Fund continues its positive and professional relationship with many employees of the SEEC on both the Compliance and Enforcement sides of the Department.

E. Ordinance Revision

The Board created a sub-committee chaired by Bhandary-Alexander to examine the Ordinance in detail and work with key community partners in improving the program language. The scope of this work extends through the entire body of Ordinance text and addresses multiple issues. More information on that process is available by request or on the NHDF website. The subcommittee meetings are open to the public, and we welcome input from the city, elected officials and all residents of the city.

F. City-Wide Relationships

Local groups in the New Haven community continue to be allies, and the Board maintains active memberships or representative seats on the League of Women Voters, New Haven Votes Coalition, Republican and Democratic Town Committees, and all known advocacy groups committed to increased voter participation in the city. If members of the community have other suggestions for groups and movements with voter participation, education, and advocacy, please inform any Board member or the Board administrator as the New Haven Democracy Fund would always seek new mutually-beneficial relationships.

The Board continues to work closely with City of New Haven Officials to ensure the Fund remains compliant with Ordinance regulations and general contract law. The Fund's checking account at TD Bank currently receives a monthly interest payment of \$9.97. The Board will work with the finance department to again move a portion of unencumbered funds to a higher yield financial vehicle to bear interest into the account at a prevailing rate.

IV. Future Goals of The Board

Ordinance Review - 2022 is going to be a year of redesigning key elements of the Fund, its operation and organization. This process begins with a review of the Ordinance to address the many outdated or conflicting sections which, over the past ten years, brought about complex problems that needed to be resolved. Now that we have such resolutions, which were created using community involvement and assistance from the State Elections Enforcement Commission, we would like to cement those clarifications into the language of the Ordinance. This will reduce confusion for any new candidate unfamiliar with the fund while reading the ordinance.

Expansion of the Program - The Fund will craft a method of participation for those running for other offices in the City of New Haven, which will include a Democracy Fund pledge and code of conduct, and/or financial support. The exact details are to be determined by the Ordinance subcommittee and must be approved by the Democracy Fund Board and then by the Mayor and Board of Alders before taking effect.

CPI Increases - Every four years the Board is required to adjust the grants and other amounts based on the rate of inflation. This process is to be completed during the first quarter of 2022.

Community Engagement - The Administrator will continue to attend CMT meetings, with the main purpose of raising awareness of the fund and recruiting two new board members. This is part of the public relations work with the community that is outlined in the Administrator contract.

Administrator RFQ - The Board also intends to put together a new RFQ for the Administrator position. Administrator Heimer has served since 2013 and while her institutional knowledge, skills and abilities are a great asset to the Fund, it is important to make this position continually open to new people who bring different viewpoints and can help grow the program in new ways.

V. Request for Appropriations

The Fund expended the most it ever has during the 2021 cycle as a result of enthusiastic participation and both a primary and a general election. The New Haven Democracy Fund is working as it was designed, and desired outcomes from such a program have been seen throughout the past decade.

The Democracy Fund Board requests an infusion of \$250,000 in appropriations from the Board of Alders between now and Spring 2023. The Fund last received a replenishment this year (2021) of \$250,000, which was integral to the program's success. A continued investment in the New Haven Democracy Fund renews the city's commitment to remove the appearance of corruption in our local elections, and provides a vehicle to multiply the value of small dollar local contributions to campaigns. Such measures ensure that candidates for office in New Haven spend more time communicating with each resident, no matter how much they can contribute financially to their election.

This valuable city program can continue far into the future by appropriating a replenishment of \$250,000 before the upcoming election in 2023.



Alyson Heimer
New Haven Democracy Fund Administrator


Sergio Rodriguez (Feb 1, 2022 09:07 EST)

Sergio Rodriguez
New Haven Democracy Fund Board Chair

NHDF 2021 Annual Report_Final

Final Audit Report

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