



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



ANNUAL REPORT

To: Mayor John DeStefano and the New Haven Board of Aldermen

Date: February 11, 2013

Pursuant to Section 2-823(a)¹ of the Democracy Fund Ordinance and Section 2 of the Democracy Fund Board Bylaws, the New Haven Democracy Fund Board is required to issue an annual report to the Mayor and the Board of Aldermen that contains 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.

I. Statement of Financial Condition and Expenditures

The Democracy Fund began calendar year 2011 with \$352,006.30 in cash.

Expenditures from January 1, 2012 through December 31, 2012 (on a cash basis) were for services rendered by outgoing Fund Administrator Robert Wechsler and by current Fund Administrator Kenneth J. Krayeske.

Wechsler Services from January 1, 2012 through June 30, 2012:	\$ 7,790.00
Krayeske Services from July 1, 2012 through December 31, 2012:	<u>\$ 6,986.00</u>
Total Expenditures:	\$14,776.00

At the end of calendar year 2012, the Democracy Fund contained \$287,816.15.

It should be noted that the Fund Board passed a resolution at its December 2012 meeting seeking payment of \$700.00 to Administrator Krayeske for his training in June 2012. The City rejected his bill for 10 hours of training in June 2012 as outside of his contract period, however, the Fund Board insists that the Administrator be paid for training.

¹ The Ordinance specifically mandates that the Board must issue this report in January. However, given the lack of quorum on the board, the Board could not approve and issue this report until its February 11, 2013 meeting. It should be noted, however, that much of the information in this report was prepared and issued as a formal budget request to Budget Director Joe Clerkin on January 7, 2013.

II. Board Vacancies

As with 2011, the Board had difficulty achieving quorums in meetings in 2012. Throughout 2012, the Board had multiple vacancies. While the Board recruited and seated two new members, Patricia Kane, Esq. and Tyrone McClain, two board members resigned (Caleb Kleppner and Richard Abbatiello). A third, Board chair Anna Mariotti, resigned in the very first week of 2013, reducing the Board to three sitting members, thus eliminating quorum for January 2013.

The appointment of John DiManno was confirmed by the Board of Aldermen on February 4, 2013 as the fourth member, leaving three positions unfilled. The Board continues to experience an acute need for volunteer talent.

At the start of 2013, as with 2012, the Board has a serious need for three new appointments.

III. Summary of Board Activities

In 2012, the New Haven Democracy Fund Board continued the pursuit of its mission and purpose by hiring a new administrator. The New Haven Independent and the New Haven Register wrote stories about the new hire of Ken Krayeske as administrator.

Mr. Krayeske has sought to leverage the Fund's limited resources to make it more effective and make its data more accessible. The administrator and former board chair Anna Mariotti reached out to multiple community stakeholders and national election law experts.

After attending a candidate training at the New York City Campaign Finance Board, Mr. Krayeske began to restructure the candidate and board training manuals. Those should be done shortly. Pursuant to the Ordinance, the Administrator revised various election forms, and the Board approved them in its December 2012 meeting.

The Administrator and former Board Chair met with rewritten and revised parts of the Democracy Fund's website to improve the clarity and transparency of the Fund's data. The administrator has revised the individual contribution cards to assist in presentation and tracking of candidate-donor matching pairs.

Recognizing a potential depletion of the Democracy Fund, the Fund Board at its August meeting approved a \$200,000.00 budget request and authorized the administrator to present that \$200,000.00 request to the City for its budgeting process.

IV. Request for Appropriations

The Democracy Fund Board in September 2012 passed a resolution officially asking the City of New Haven to appropriate \$200,000.00 to replenish the Democracy Fund. The Board had not requested appropriations for the past three fiscal years.

Since the inception of the Democracy Fund, the Board has spent more than twenty-five percent of its initial funds, and with the 2013 mayoral election approaching, the Board is concerned about depletion of the Fund. The Board has submitted paperwork to Budget Director Joe Clerkin to have this request considered as part of the City's 2013-2014 budget process.

The Board, through the Administrator, will continue to monitor the appropriation request through the budget process.

At the start of the 2013-2014 Fiscal Year, the Finance Department expects there to be \$268,307.65 in the Democracy Fund account. If the Administrator makes an expected \$25,000 stipend for 2013-2014, and two candidates both obtain at least \$25,000 in matching funds and grants, an additional \$75,000 will be drawn from the Fund. This would reduce the Fund to below its primary grant of \$200,000.00.

The Fund has not been replenished since 2007. Given the load from the coming 2013 election, the Fund seeks \$200,000.00 to replenish its coffers.