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Mayor Deirdre Waterman's Spirit of Pontiac Update!



## Mayor Waterman's Spirit of Pontiac Update

*Deirdre Waterman has been mayor of Pontiac since 2014. She holds the distinction of being the city's first woman to serve as mayor and the state's first African-American female ophthalmologist.*

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**IT'S OFFICIAL! GOVERNOR SNYDER SIGNS  
FINAL DOCUMENT TO RELEASE PONTIAC  
FROM STATE OF OVERSIGHT**



## Pontiac to exit receivership, state oversight ends immediately

Tuesday, August 1, 2017

By Natalie Broda, [nbroda@digitalfirstmedia.com](mailto:nbroda@digitalfirstmedia.com), [@NatalieBroda](https://twitter.com/NatalieBroda) on Twitter

The state's Treasury Department has agreed to release Pontiac from its receivership status, officially ending more than eight years of state oversight on the city's finances.

Michigan Treasurer Nick Khouri announced on Tuesday, Aug. 1 that the Pontiac Receivership Transition Advisory Board would be dissolved and that effective immediately, city officials would once again have full power over Pontiac's internal operations and finances. Since 2016, when most of the city's spending power was returned by the board, all expenditures over \$10,000 required the advisory board's approval.

Deirdre Waterman, mayor of Pontiac, could not be immediately reached for comment.

Lincoln Park in Wayne County was also released from receivership on Tuesday. Gov. Rick Snyder stated that the end of receivership marks a new day for both communities.

"Under the guidance of the RTABs, both Lincoln Park and Pontiac have made significant progress to right their finances and build solid, fiscal foundations for their communities," Snyder said in a statement. "This is a great achievement for the cities and demonstrates that through collaboration and focusing on economic development, this system can work to ensure a more stable, prosperous future and better quality of life for all Michiganders."

Since 2009, Pontiac has slashed its long-term debt from over \$45 million to approximately \$8.2 million, according to the Treasury Department. At the end of fiscal-year 2016, Pontiac ended with a general fund balance of \$14 million, retaining \$5.6 million more than originally projected.

Another factor considered by the treasury was Pontiac's blight remediation programs. About 677 blighted residential properties have been demolished in Pontiac since 2012, mostly through the use of the federal Community Development Block Grant program.

More economic development opportunities in the city was another key factor according to the treasury. Downtown Pontiac has seen major economic activity over the past year, including the opening of the newly renovated historic Flagstar Strand Theatre for the Performing Arts, the renovation and increasing occupancy of the historic Riker Building on Huron Street, the addition of two new breweries, tech startups, a vintage resale shop, a real estate firm and a small art theater currently in the works on Saginaw Street.

Here's a timeline of Pontiac's state oversight:

- July, 2007: Mayor of Pontiac requests preliminary review of city finances
- August, 2007: Financial Review Team establishes financial emergency exists
- June, 2008: Pontiac enters into consent agreement with the state
- February, 2009: Gov. Jennifer Granholm informs the city it has failed to abide by the terms of the consent agreement
- March, 2009: Emergency manager instated
- August, 2013: Emergency manager removed, Receivership Transition Advisory Board appointed
- March, 2016: Advisory board meets on “as needed” basis, some financial control returned to Pontiac
- August, 2017: Pontiac officially removed from receivership status.

## **Governor Snyder's Final Removal From State Receivership Prompted by RTAB Vote Today**

**Thursday, July 27, 2017**

Four days after the RTAB (Receivership Transition Advisory Board) voted to recommend termination of receivership, Governor Snyder has signed the order which will completely remove Pontiac from state oversight. This is a landmark achievement for the City.

Effectively, the Governor's order will end Pontiac's long journey through the financial crisis and recovery that began almost ten years from before this date. It was on July 31st, that the Department of Treasury commenced a preliminary review of the city's finances to determine whether or not a serious financial problem existed. Their review led to a finding by the Finance Recovery Team that a serious financial problem existed. Subsequently, Governor Jennifer Granholm appointed the first Emergency Manager in March 2009 and who was followed by two subsequent Emergency Managers over the next nine years. On August 19, 2013, the financial emergency was declared rectified and the Receivership Transition Advisory Board (RTAB) was appointed by the Governor on August 19, 2013 to oversee the city's transition back to local control and was approved by the RTAB today.

In a statement made by Mayor Deirdre Waterman after the 4-0 RTAB vote at the Special Meeting, she noted that their recommendation signified that this victory, that the City had achieved by emerging from crisis and stabilizing its financial recovery. “Your unanimous vote of recommendation to the Governor to completely end Pontiac's Receivership, is a significant moment in Pontiac's history and for the citizens of Pontiac. Since the initial review by the Financial Review Team in 2007, it has been a long and arduous journey for the City to come through. But today it is clear we have made much progress in not only fiscally sound, not only with economic progress but also with the potential now to fulfill the hopes and aspirations of our citizens. I feel this is indeed an achievement for all the citizens of Pontiac, including all the people who have come together to get to this moment -- the elected officials; all the representatives, all the neighborhood groups, all the civic organizations, all the people who believed in Pontiac's ability to be resilient and resurgent.”

Comments from the Board: Mr. Keith Sawdon, “I just want to congratulate the Mayor and staff and of course City Council for working hard to get to this point. I was reminded today that it's been four years since the Board has been formed and it's been hard work, but we got here and I'm doubly proud of the work that we've done.”

Mr. Robert Burgess stated “I too would like to congratulate the Mayor, the Council and the citizens as well, for getting to this point. I know that it won't be easy going forward, but I think you're in good hands

and you will do the things that you need to do in order to make Pontiac a successful municipality. Thank you”

Mr. Edward Koryzno, RTAB Chairman, said “I also would like to commend the Mayor and City Council for making the significant progress in improving the City’s financial condition. The residents should be very thankful for leadership that’s been exercised in the last four years.”

Once approved by Governor Snyder, all of the financial orders left by the Emergency Manager will remain in place for one year, during which the RTAB will be dismissed.

## **Board votes to end state oversight - Official decision from state could come next week**

**Sunday, July 30, 2017**

By Natalie Broda, [nbroda@digitalfirstmedia.com](mailto:nbroda@digitalfirstmedia.com), [@NatalieBroda](https://twitter.com/NatalieBroda) on Twitter

Pontiac's final layer of state oversight could be terminated as early as next week.

In a unanimous vote held on Thursday, the city's receivership transition advisory board recommended to Gov. Rick Snyder to end receivership status for the city of Pontiac. While spending power was returned to city officials by the board in 2016, board approval was still required for expenditures over \$10,000.

The request to terminate receivership is currently in review at the state treasurer's office, with an official decision expected from state officials early next week.

In 2009, Gov. Jennifer Granholm appointed the first emergency manager to Pontiac after it was found that the city was struggling with its finances and was potentially approaching bankruptcy. What followed was years of state oversight, including two other emergency managers in the city, and the addition of the receivership transition advisory board in the summer of 2013.

Should the termination be approved, financial orders left by the emergency manager will remain in place for one year while the board is dissolved, according to a statement from the city.

Deirdre Waterman, mayor of Pontiac, originally set up a meeting with the receivership transition advisory board to approve the city council's vote to ratify a recent settlement agreement between Pontiac and its retirees over healthcare. The settlement of the retiree healthcare litigation was the final hurdle set by the board before they would consider terminating state oversight, Waterman said.

The board decided to vote instead to remove the city from receivership at that meeting.

"The vote yesterday was an astoundingly proud moment for the citizens of Pontiac," Waterman said.

"The long and difficult journey leading from the financial crisis 10 years ago has ended, returning back all of the control and home rule to the citizens of Pontiac ... This means that we will have the power now to work singularly on behalf of the citizens of Pontiac, to again fulfill the dreams and aspirations that have been long delayed by emergency manager control and receivership. It feels immensely gratifying." Edward Koryzno, chairman of the receivership transition advisory board, congratulated the city for its progress.

"I also would like to commend the mayor and the city council for making the significant progress in improving the city's financial condition. The residents should be very thankful for leadership that's been exercised in the last four years," Koryzno said in a statement.