



**City Attorney's Office**

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December 14, 2017

Common Council  
City of West Allis

RE: Loan for Reclaimers, LLC; Loan No. 00005311

Dear Council Members:

The above-referenced delinquent loan has been referred to this office for collection. After making collection efforts, this office's recommendation is to write-off the remaining balance of \$128,266.13 based on the summary below:

In December 2015, the City loaned Reclaimers, LLC \$150,000 for its business operations. The loan was secured by a shared second position lien on the company's equipment and personal guaranties from three of the company's members, Mark Oliver, Loretta Oliver, and Michael Oliver. In May 2017, Mark Oliver notified the City that the company was in default on its obligations and planning on closing its business.

To try to recoup some of the money loaned, in August 2017, the City Attorney's office negotiated a \$7,500 settlement from the primary lienholder to release the City's lien on the equipment. Additionally, our office sued Michael Oliver and collected a \$15,000 settlement, with the approval of the Administration and Finance Committee, in lieu of his filing personal bankruptcy. Due to Mark and Loretta Oliver filing bankruptcy and receiving a discharge of their personal liability on the guaranty from the bankruptcy court, the City cannot pursue collection from them. Similarly, with the LLC having no assets, initiating a collection action against it would be fruitless.

Therefore, based on the above analysis, the City Attorney's Office recommendation is to write-off the remaining balance of the loan and not pursue any further collection efforts.

Respectfully submitted,

  
Jenna Merten  
Deputy City Attorney