CITY OF STOUGHTON, 207 S FORREST STREET, STOUGHTON, WISCONSIN

RESOLUTION OF THE COMMON COUNCIL

To authorize a small claims lawsuit against BUD-MAR LLP and BEEANDBEE Investment Company LLP regarding unpaid annexation agreement town tax reimbursements.

Committee Action:	Finance Committee recommended 5-0 on October 27, 2020
Fiscal Impact:	$5,344 is owed to the City of Stoughton.

File Number:	R-170-2020	**Date Introduced:**	November 10, 2020

WHEREAS, the City of Stoughton entered into an annexation agreement with BUD-MAR LLP and BEEANDBEE Investment Company LLP; and

WHEREAS, said agreement required BUD-MAR LLP and BEEANDBEE Investment Company LLP to reimburse the City of Stoughton for taxes the city is required by law to pay the Town of Rutland within 30 days of request; and

WHEREAS, the City of Stoughton paid $3,769.11 and $1,575.11 to the Town of Rutland for taxes payable in 2020 for BUD-MAR LLP and BEEANDBEE Investment Company LLP's properties; and

WHEREAS, BUD-MAR LLP and BEEANDBEE Investment Company LLP were invoiced by the city for the town taxes on February 7, 2020; and

WHEREAS, BUD-MAR LLP and BEEANDBEE Investment Company LLP have not paid the invoices despite requests by city staff to do so in August 2020; and

WHEREAS, the City of Stoughton's attorney had recommended in 2019 small claims action against BUD-MAR LLP and BEEANDBEE Investment Company LLP as the avenue to collect on the invoices for a similar situation:

BE IT RESOLVED by the Common Council of the City of Stoughton authorizes city staff to pursue a small claims lawsuit against BUD-MAR LLP for $3,769.11 plus other costs permitted by law and BEEANDBEE Investment Company LLP for $1,575.11 plus other costs permitted by law.

Council Action: ☐ **Adopted** ☐ **Failed** **Vote** _____

Mayoral Action: ☐ **Accept** ☐ **Veto**

_____

Mayor Tim Swadley Date

Council Action: _____ ☐ **Override** **Vote** _____

CITY OF STOUGHTON
FINANCE DEPARTMENT
207 S Forrest Street, Stoughton, WI 53589

(608) 873-6677 www.ci.stoughton.wi.us

Date: October 20, 2020

To: Finance Committee

From: Jamin Friedl, CPA
Director of Finance/Comptroller

Subject: Pursue Small Claims Lawsuit for Unpaid Amounts

The City of Stoughton entered into an annexation agreement with BUD-MAR LLP and BEEANDBEE Investment Company LLP on March 11, 2014. As part of that agreement, both entities are required to reimburse the City for the amount the City is required by law to pay to the Town of Rutland annually because of the annexation of the parcel owned by each entity. The table below represents the remaining repayment schedule related to this agreement:

Year	Property Owners	Date Invoiced	Date Due	Invoice Amount
2020	BEEANDBEE Investment Company LLP	2/7/2020	3/7/2020	$ 1,575.11
2020	BUD-MAR LLP	2/7/2020	3/7/2020	$ 3,769.11

As can be seen in the above table, the aforementioned entities now have past due amounts totaling $5,344.22. The properties in question here were sold in 2018; however, the annexation agreement is silent in terms of how to treat this particular situation. Following communications with the City Attorney, we were informed the best course of action available to us is to file a lawsuit in small claims court in an attempt to collect the amounts owed.

The Finance Department is requesting permission from the Finance Committee to request approval from the City of Stoughton Common Council to move forward with filing a lawsuit in small claims court.

Respectfully submitted,
Jamin Friedl, CPA
Director of Finance

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Council Action: ☐ **Adopted** ☐ **Failed** **Vote** _____

Mayoral Action: ☐ **Accept** ☐ **Veto**

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Mayor Tim Swadley Date

Council Action: _____ ☐ **Override** **Vote** _____