



**TO:** Members of Troy City Council  
**FROM:** Lori Grigg Bluhm, City Attorney *LGB*  
Susan M. Lancaster, Assistant City Attorney *SML*  
**DATE:** September 3, 2013  
**SUBJECT:** Asset Management Consultants of Virginia, Inc. v. City of Troy

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Enclosed please find a copy of a lawsuit filed by Asset Management Consultants of Virginia, Inc. against the City of Troy. Asset Management Consultants of Virginia, Inc. ("Asset Management") is an asset recovery business that solicits its potential clients through the use of the Freedom of Information Act (FOIA). Asset Management files FOIA requests with different governmental entities, requiring the municipalities to identify all cash bonds, deposits, and escrows that are held by the municipality. Asset Management then contacts the private entities on these lists, and offers to pursue a return of the bond, escrow or deposit, in exchange for a percentage of the amount recovered.

Asset Management's FOIA request is undeniably for commercial purposes. Even so, before spending hours in reviewing 58 years of financial documentation (the FOIA request goes back to the City's date of incorporation), City Administration suggested to Asset Management that information from the last few years could be retrieved through a review of the up to date check registry on the City's webpage. As a response, the City was served with this lawsuit.

The City had some concerns about the amount of time that it would take to comply with this FOIA request, and also has some privacy concerns about disclosing the names, addresses and other information for every person and company that has paid money to the City for home or building renovations, fence permits, swimming pools, etc. This is especially true since the FOIA information is requested for a profit purpose, and does not necessarily further the core purpose of FOIA, which is to provide information so that Troy's citizens can participate in an informed manner as to the operations of government. Asset Management is using FOIA as a commercial business tool, using municipal employees and tax dollars to do work which results in a profit to a private business.

Our office will assume defense of this lawsuit absent objection from City Council. Please let us know if we can provide additional information.

**PROPOSED RESOLUTION:**

**RESOLVED**, that the City Attorney is hereby authorized and directed to represent the City of Troy in any and all claims and damages in the matter of *Asset Management Consultants of Virginia, Inc. v. City of Troy*, and to retain any necessary expert witnesses or pay any necessary costs to adequately represent the City.