

So Ordered.

Dated: September 9, 2021



Katherine M. Perhach
Katherine Maloney Perhach
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF WISCONSIN

In re:
Justin L. Delain,
Debtor.

Chapter 11
Case No. 21-20818-kmp

ORDER APPROVING FINAL APPLICATION FOR ALLOWANCE OF FEES AND COSTS BY IANA A. VLADIMIROVA, SUBCHAPTER V TRUSTEE AND OVERRULING OBJECTION FILED BY MICHELLE WEGAND

Iana A. Vladimirova, as the Subchapter V Trustee, filed a Final Application for Allowance of Fees and Costs (the "Application") following the dismissal of this bankruptcy case. According to the Certificate of Service on file, Ms. Vladimirova mailed an amended notice of the Application on August 13, 2021, providing 21 days for objections. (Docket No. 200.) That period has expired.

One timely objection was filed. Creditor Michelle Wegand filed an objection stating that she had not been paid by Mr. Delain and was not sure why the Subchapter V Trustee should be paid. Ms. Wegand filed a proof of claim for \$5,002 for "services not performed and had to hire someone else to complete what debtor didn't." Claim No. 1-1. The attachments show she received a judgment in this amount in Brown County Circuit Court. *Id.* Ms. Wegand designated \$3,025 of the claim as entitled to priority pursuant to 11 U.S.C. § 507(a)(7) as a deposit "toward purchase, lease, or rental of property or services for personal, family, or household use."

Ms. Vladimirova's Application requests approval of her fees as an administrative expense under § 503(b)(2), as compensation and reimbursement awarded under § 330(a). That section permits the Court to award a trustee "reasonable compensation for actual, necessary services rendered by the trustee," as well as "reimbursement for actual, necessary expenses." In reviewing the Application, the Court finds the services Ms. Vladimirova provided were necessary and beneficial and the compensation appears to be reasonable under 11 U.S.C. § 330.

Ms. Wegand seems to be under the mistaken impression that if this Court approves Ms. Vladimirova's fees that Ms. Vladimirova will receive payment of this amount from the Court or the Debtor through this bankruptcy case. That is not the case. All this Court is doing is approving the amount of fees and costs due and owing to Ms. Vladimirova from Justin Delain. With the dismissal of the bankruptcy case, Mr. Delain became "liable in the ordinary way (that is, outside of bankruptcy proceedings) to pay the debts that [he] had had as debtor in possession." *In re Sweports, Ltd.*, 777 F.3d 364, 366 (7th Cir. 2015). By approving the fees in this case, the Court is creating a debt owed by Mr. Delain to Ms. Vladimirova, and if Mr. Delain refuses to pay it, she, like any other creditor, can sue Mr. Delain in state court. *See id.* at 366-367. The approval of Ms. Vladimirova's Application involves the entry of an order she can "take into state court as a basis for obtaining damages." *Id.* at 367. Approval of Ms. Vladimirova's Application allows her to pursue Mr. Delain for payment in the same way that Ms. Wegand may now pursue Mr. Delain for payment outside of this bankruptcy case.

IT IS THEREFORE ORDERED: Ms. Wegand's objection is overruled.

IT IS FURTHER ORDERED: Iana A. Vladimirova, as the Subchapter V Trustee, is hereby allowed final compensation in the amount of \$24,637.34, consisting of \$24,237.50 in fees and \$399.84 in costs, to be paid by Justin L. Delain.

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