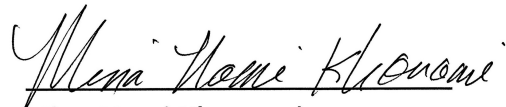


This document has been electronically entered in the records of the United States Bankruptcy Court for the Southern District of Ohio.

IT IS SO ORDERED.

Dated: June 6, 2025




Mina Nami Khorrami
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

In re:

Amanda C. Ratliff,

Debtor.

:
:
: Case No. 23-54096
: Chapter 7
: Judge Nami Khorrami
:
:

Corey Buzzard, *et al.*,

Plaintiffs,

v.

Amanda C. Ratliff,

Defendant.

:
:
:
:
:
: Adv. Pro No. 24-02005
:
:
:
:

ORDER DIRECTING PLAINTIFFS AND DEFENDANT TO FILE SUPPLEMENTAL BRIEFS AND DIRECTING PLAINTIFFS TO SUPPLEMENT THE RECORD FROM THE STATE COURT REGARDING MOTION FOR SUMMARY JUDGMENT OF PLAINTIFFS COREY BUZZARD AND SHERI CARR (DOC. 18)

I. Introduction

Before the Court are the *Motion For Summary Judgment Of Adversary Plaintiffs Corey Buzzard And Sheri Carr*¹ (Doc. 18) (the “Motion”), the *Adversary Defendant’s Memorandum In Opposition To Motion For Summary Judgment Of Adversary Plaintiffs Corey Buzzard And Sheri Carr* (Doc. 20) (the “Response”),² and the *Reply Of Adversary Plaintiffs Corey Buzzard And Sheri Carr* (Doc. 21) (the “Reply”). For the reasons which follow, the Motion is not in a posture for decision at this point. Therefore this Court directs the parties to file supplemental briefs regarding the finality of the state court decision and entry that is the subject of the Motion and directs the Plaintiffs to supplement the state court record as stated herein.

II. Jurisdiction and Venue

The Court has jurisdiction pursuant to 28 U.S.C. §§ 157 and 1334 and Amended General Order 05-02 entered by the United States District Court for the Southern District of Ohio, referring all bankruptcy matters to this Court. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(I). Venue properly lies in this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

III. Procedural Background

In 2020, the Plaintiffs filed an action in the Court of Common Pleas for Franklin County, Ohio (the “State Court”), styled *Buzzard et al. v. Ratliff, et al.*, Case No. 20-CV-5203 (the “State Court Action”). The Plaintiffs in the State Court Action asserted claims for employment discrimination under Ohio Revised Code Chapter 4112 against the Debtor and entities owned by

¹ Plaintiffs Corey Buzzard and Sheri Carr shall be referred to individually as “Plaintiff Buzzard” and “Plaintiff Carr” respectively. They will be referred to collectively as the “Plaintiffs.” Defendant Amanda Ratliff, who is the debtor in the underlying chapter 7 bankruptcy case, will be referred to as the “Defendant” or the “Debtor.”

² On March 25, 2025, the Debtor filed *Defendant Amanda C. Ratliff’s Motion For Extension Of Time To Respond To Adversary Plaintiffs Corey Buzzard And Sheri Carr’s Motion For Summary Judgment* (Doc. 19), seeking an extension of time through April 9, 2025, to respond to the Motion. To clarify the record, the Debtor shall upload a proposed order granting the requested extension within seven (7) days from the entry of this Order.

the Debtor.³ The State Court Action proceeded to a bench trial in the State Court in July 2023. On November 9, 2023, the State Court issued its *Decision And Entry Granting Judgment In Favor Of Plaintiffs Corey Buzzard And Sherri Carr* (the “State Court Decision”). Notice of Filing of Trial Ct. R. Ex. 105, ECF No. 16-106.

The State Court Decision found in favor of the Plaintiffs and against the Debtor and the ACR Entities on the Plaintiffs’ claims of employment discrimination and retaliation under Chapter 4112 of the Ohio Revised Code. Specifically, the State Court Decision found that Plaintiff Buzzard was entitled to \$10,880.00 in economic damages, \$2,500,000.00 in non-economic damages (reduced to \$350,000.00 by operation of the cap on non-economic damages found in Ohio Revised Code § 2315.18(B)(2)), and \$5,000,000.00 in punitive damages against the Debtor and the ACR Entities. Notice of Filing Trial Ct. R. Ex. 105 at 26-27, ECF No. 16-106. Further, the State Court Decision found that Plaintiff Carr was entitled to \$28,333.38 in economic damages, \$1,000,000.00 in non-economic damages (reduced to \$350,000.00 by Ohio Revised Code § 2315.18(B)(2)), and punitive damages of \$2,000,000.00. *Id.* at 27-28. As to both of the Plaintiffs, the State Court found that they were entitled to attorney fees, in an amount to be determined at a later date. *Id.* at 29 (“This matter will be scheduled for a future hearing to receive evidence on the extent of Plaintiffs’ motion for attorney fees.”).

On November 23, 2023 (the “Petition Date”), two weeks after the State Court Decision was rendered, the Debtor filed her chapter 7 bankruptcy case, case no. 23-54096 (the “Main Case”). Under 11 U.S.C. § 362, the automatic stay prevented any further proceedings as to the Debtor, and on December 12, 2023, the State Court stayed all further proceedings in the State

³ The other defendants in the State Court Action are ACR Consulting Services, LLC, ARC Healthcare, LLC, and ARC Healthcare Holdings (the “ACR Entities”). The ACR Entities are limited liability companies that are owned by the Debtor, but which are not debtors in this bankruptcy case.

Court Action. Notice of Filing Trial Ct. R. Ex. 113, ECF No. 16-114. On March 1, 2024, the Plaintiffs notified the State Court that this Court had entered an order clarifying that the automatic stay did not apply to the ACR Entities and requested that the State Court reinstate proceedings as to the ACR Entities. Notice of Filing Trial Ct. R. Ex. 114, ECF No. 16-115. On September 12, 2024, the State Court entered a decision that awarded attorney fees to the Plaintiffs against the ACR Entities but denied their request for prejudgment interest. Notice of Filing Trial Ct. R. Ex. 117, at 3, ECF No. 16-118.⁴ On October 3, 2024, the State Court entered a *Final Judgment Entry Against Defendants ACR Consulting Services, LLC, ARC Healthcare, LLC, And ARC Healthcare Holdings*. Notice of Filing Trial Ct. R. Ex. 119, ECF No. 16-120. None of the State Court's post-petition decisions pertained to the Debtor, nor could they, given the existence of the automatic stay and then the Debtor's chapter 7 discharge.⁵ The only determination by the State Court as to the Debtor's liability to the Plaintiffs is the State Court Decision.

IV. Analysis

A. The Parties Have Not Addressed Whether The State Court Decision Is A Final Judgment Under Ohio Law For Purpose of Issue Preclusion

The Plaintiffs in their Motion seek summary judgment under Rule 56 of the Federal Rules of Civil Procedure (the "Civil Rules"), made applicable herein by Rule 7056 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). Mot. Summ. J. 12, ECF No. 18. The Motion asserts that summary judgment is warranted because issue preclusion would apply to the State

⁴ The State Court awarded attorney fees of \$1,753,600.00 to Plaintiff Buzzard and \$759,444.46 to Plaintiff Carr and awarded both of the Plaintiffs \$12,466.20 in costs. Notice of Filing Trial Ct. R. Ex. 117, at 3, ECF No. 16-118.

⁵ The automatic stay terminated under 11 U.S.C. § 362(c)(2)(C) on March 4, 2024, when the Debtor's discharge was entered. After that date, the Debtor's discharge barred further activity as to the Debtor in the State Court Action. 11 U.S.C. § 524(a)(2). The pendency of an action to except a particular debt from the discharge under 11 U.S.C. § 523(a)(6) does not change this result. Such debts are presumed to be discharged unless and until the bankruptcy court enters judgment determining that a particular debt was excepted from the discharge. *In re Prate*, 634 B.R. 72, 78 (Bankr. N.D. Ill. 2021).

Court Decision such that the Plaintiffs are entitled to judgment as a matter of law. Mot. Summ. J. 5-11, ECF. No. 18.

When considering whether to apply issue preclusion (traditionally known as collateral estoppel) in dischargeability proceedings in bankruptcy, courts apply the preclusion law of the state where the judgment was rendered. *Long v. Piercy (In re Piercy)*, 21 F.4th 909, 918 (6th Cir. 2021). The State Court Decision was rendered by an Ohio court, so this Court applies Ohio's issue preclusion principles.

Under Ohio law, issue preclusion is determined as follows:

The doctrine of collateral estoppel, or, more correctly, issue preclusion, precludes further action on an identical issue that has been actually litigated and determined by a valid and final judgment as part of a prior action among the same parties or those in privity with those parties.

State v. Williams, 667 N.E.2d 932, 935 (Ohio 1996); *Tarrify Props., LLC v. Cuyahoga Cnty., Ohio*, 37 F.4th 1101, 1109 (6th Cir. 2022).

This Court questions whether the State Court Decision in this case is a final judgment under Ohio law. A final judgment is a mandatory element for the application of issue preclusion. *Williams*, 667 N.E.2d at 935; *Glidden Co. v. Lumbermens Mut Cas. Co.*, 861 N.E.2d 109, 118 (Ohio 2006) ("The issues must have been determined by a final appealable order."); *Quality Assocs., Inc. v. The Procter & Gamble Distrib. LLC*, 949 F.3d 283, 289 (6th Cir. 2020) (emphasizing that interlocutory orders cannot have preclusive effect under Ohio law). Whether or not an order has issue preclusive effect is determined by analyzing whether the order is a final appealable order under Ohio Revised Code § 2505.02. *Glidden Co.*, 861 N.E.2d at 118 (holding that a partial summary judgment order issued in an action that was later voluntarily dismissed due to settlement could have no issue preclusive effect in subsequent litigation because no final appealable order was ever entered in the first litigation due to the settlement); *Williams*, 667 N.E.2d

at 935-36 (applying Ohio Revised Code § 2505.02 to determine whether there was a final appealable order that could give rise to issue preclusion).

The title of a court decision or a statement contained therein that it is final and appealable is not dispositive. *In re Murray*, 556 N.E.2d 1169, 1172 (Ohio 1990) (“Generally, the question of whether an order is final and appealable turns on the effect which the order has on the pending action rather than the name attached to it, or its general nature.”); *see also Coleman v. Stroup*, 211 N.E.3d 1282, 1290 (Ohio Ct. App. 2023) (holding that a trial court’s statement that an order is a “final appealable order” does not determine finality).

Under Ohio Revised Code § 2505.02(B), to be a final order, an order or judgment must “dispose of the merits of the cause or some separate and distinct branch thereof and leave nothing for the determination of the court.” *VIL Laser Sys., L.L.C. v. Shiloh Indus., Inc.*, 894 N.E.2d 303, 305–06 (Ohio 2008) (citation omitted). An order determining liability but leaving damages undetermined is not a final order. *Miller v. First Int’l Fid. & Trust Bldg., Ltd.*, 866 N.E.2d 1059, 1061 (Ohio 2007). Thus, a lower court decision that awards attorney fees but defers their amount to later proceedings can lack finality because it does not resolve an entire claim for relief. *State ex rel. Beacon Journal Pub. Co. v. Akron*, 819 N.E.2d 1087, 1091 (Ohio 2004) (noting that the court had dismissed an earlier appeal for lack of a final appealable order where an application for attorney fees remained unresolved in the lower court); *RAJ Holdings, Inc. v. Helman*, 2024 WL 4878643, at *1 (Ohio Ct. App. Nov. 25, 2024) (holding that trial court entry, which awarded compensatory and punitive damages and determined that plaintiff was entitled to attorney fees without determining their amount, was not a final appealable order).

Here, the Plaintiffs each asserted one claim for relief for employment discrimination and/or retaliation under Ohio law against the Debtor and the ACR Entities. Notice of Filing Trial Ct. R.

Ex. 001, ¶¶ 67-83. ECF No. 16-2. In their written closing arguments filed after the trial in the State Court Action had concluded, the Plaintiffs asserted that they were entitled to an award of attorney fees based upon their argument that punitive damages were appropriate. Notice of Filing Trial Ct. R. Ex. 103 at 14, ECF No. 16-104. Ohio law “allows an award of attorney fees to the prevailing party as an element of compensatory damages when the jury finds that punitive damages are warranted.” *Phoenix Lighting Grp., L.L.C. v. Genlyte Thomas Grp., L.L.C.*, 153 N.E.3d 30, 34-35 (Ohio 2020). The State Court Decision found that each Plaintiff was entitled to an award of attorney fees but deferred the determination of their amount to a later date. Notice of Filing Trial Ct. R. Ex. 105 at 29, ECF No. 16-106. Thus, it appears that as to each Plaintiff on each claim for relief in the Complaint, the State Court Decision may not fully determine compensatory damages.

Complicating matters here, however, is the fact that the State Court Decision contains a finding of “no just cause for delay” under Rule 54(B) of the Ohio Rules of Civil Procedure (the “Ohio Civil Rules”). Notice of Filing Trial Ct. R. Ex. 105 at 29, ECF No. 16-106. Ohio Civil Rule 54(B) applies in actions where there are multiple claims and/or multiple parties. In such an action, the trial court may “enter final judgment as to one or more but fewer than all of the claims or parties only upon an express determination that there is no just reason for delay.” *Id.* However, if an order does not fully resolve at least one entire claim for relief, it is not a final order under Ohio Revised Code § 2505.02(B) and therefore Ohio Civil Rule 54(B) cannot create a final appealable order even if the trial court found that there is “no just cause for delay.” *Miller*, 866 N.E.2d at 1062.

Some Ohio courts hold that, where attorney fees are part of the compensatory damages, an order that determines liability and other components of damages but leaves the fees for later determination is not a final order. *Chilli Assocs. Ltd. P’Ship v. Denti Rests. Inc.*, 2022 WL 807010,

at *6-8 (Ohio Ct. App. Mar. 8, 2022). This is because “[d]amages are a remedy for a claim, but not a claim in and of themselves. *Id.* (quoting *White v. Emmons*, 2011 WL 1432183, at *2 (Ohio Ct. App. Mar. 31, 2011)).

On the other hand, other Ohio courts have held that the presence of a certification indicating that there is “no just cause for delay” can create a final appealable order even where the trial court has deferred the question of attorney fees to a later date. *See, e.g. Camp v. Gerwin*, 233 N.E.3d 1149, 1154-55 (Ohio Ct. App. 2024) (holding that “no just cause for delay” certification caused order that deferred determination of attorney fee issue to be a final appealable order) and *Niehaus v. Columbus Maennerchor*, 2008 WL 3319289, at *6 (Ohio Ct. App. Aug. 12, 2008) (same).

Based upon the foregoing, it is obvious that the finality of the State Court Decision presents a nuanced question of Ohio civil procedure.⁶ Before attempting to resolve that question, the Court will provide the parties with an opportunity to brief this issue. Accordingly, the Court directs the parties to submit supplemental briefing on the finality issue.

B. The State Court Record Must Be Authenticated and Certified As Complete

The Sixth Circuit has held that when bankruptcy courts are asked to apply issue preclusion to a state court decision, the bankruptcy courts must review the whole state court record and not merely the state court decision. *Spilman v. Harvey*, 656 F.2d 224, 228 (6th Cir. 1981); *Long v. Piercy (In re Piercy)*, 21 F.4th 909, 919 (6th Cir. 2021); *Yost v. Henkel (In re Henkel)*, 490 B.R. 759, 781-83 (Bankr. S.D. Ohio 2013). The Court accordingly directed the parties to provide the entire record from the State Court Action to be filed with this Court. Agreed Order Establishing Case and Briefing Schedule, ¶ 1, ECF No. 13. The Plaintiffs filed the state court record on January

⁶ The Court notes that Ohio courts themselves have occasionally observed that the issue of finality under Ohio Revised Code § 2505.02 and Ohio Civil Rule 54(B) can present substantial complexity. *See, e.g., Wolford v. Newark City Sch. Dist. Bd. of Edn.*, 596 N.E.2d 1085, 1086 (Ohio Ct. App. 1991) (“This issue engraves one more chapter onto the continuing saga frustrating Ohio lawyers as to what is, or is not, a final, appealable order.”).

29, 2025. Notice of Filing of Trial Ct. R., ECF No. 16. However, to be considered on summary judgment, evidence must be authenticated. *David A Flynn, Inc. v. GMAC*, 345 F. App'x 974, 978-79 (6th Cir. 2009). The Plaintiffs did not include a stipulation of counsel or any evidence of authenticity, such as an affidavit or declaration that the record of the State Court Action is true, complete, and accurate. *See Imsirovic v. Fitch (In re Fitch)*, 666 B.R. 563, 566-67 (Bankr. S.D. Ohio 2025) (noting that a declaration of counsel who participated in the underlying state court proceeding had been filed to authenticate the state court record). Accordingly, the Court directs the Plaintiffs to provide evidence of authentication and completeness regarding the record of the State Court Action.

IT IS THEREFORE ORDERED THAT:

- (1) The Plaintiffs shall file a stipulation or evidence in a form permitted by Civil Rule 56(c)(1)(A) addressing authenticity and completeness of the record of the State Court Action previously filed by the Plaintiffs;
- (2) Each party shall file a supplemental memorandum addressing the issue of whether the State Court Decision is a final appealable order as required for issue preclusion under Ohio law;
- (3) Defendant shall upload an order granting *Defendant Amanda C. Ratliffs' Motion For Extension Of Time To Respond To Adversary Plaintiffs Corey Buzzard And Sheri Carr's Motion For Summary Judgment* (Doc. 19); and,
- (4) These filings shall be made **within 30 days after the entry of this Order.**

IT IS SO ORDERED.

Copies to:

Kimberly L. Burroughs (via ECF)
Charles Benjamin Cooper (via ECF)
Kaela King (via ECF)
Brian M. Garvine (via ECF)