

# In the United States Bankruptcy Court

## for the Northern District of Iowa

### Western Division

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NEIL R. KOEPPEN and  
ELAINE M. KOEPPEN

Bankruptcy No. 92-51661XS

*Debtor(s).*

Chapter 13

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### ORDER RE: APPLICATION FOR ATTORNEY FEES

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The matter before the court is the application filed by debtors' counsel for allowance of professional fees. The application was filed December 23, 1992 and was served on all creditors. No one objected. The court set hearing on the application for April 13, 1993. No one appeared.

Debtors' attorney, Jeffrey L. Poulson, seeks allowance of \$1,360.00 in fees and \$184.10 in expenses for representing debtors in this chapter 13 case. The application shows that Poulson spent 13.6 hours on the case. He asks compensation at the rate of \$100.00 per hour.

The plan was filed with the petition on September 8, 1992. The clerk gave notice of the meeting of creditors and of the bar date for objections to the plan. The meeting of creditors was held November 2, 1992. No creditors attended. The bar date for objections to the plan was December 2, 1992. No objections were filed. The plan was confirmed on December 14, 1992, as originally proposed.

An attorney is entitled to reasonable compensation for actual, necessary services provided to the debtor. The court is also mindful that in a chapter 13 case, fees allowed to debtor's counsel which are paid from the estate reduce the dividend to unsecured creditors. Debtors may have little incentive to hold down fees because it may not matter to them whether their disposable income is paid to their attorney or to their creditors. Their concern may be only that their disposable income be sufficient to pay their secured creditors, the cost of administration and the minimum payments to creditors under 11 U.S.C. § 1325(a)(4). Without an incentive to keep fees low, debtors may unnecessarily use an attorney's time.

At the outset of this case, Poulson estimated his fees at \$1,000.00. He provided in his agreement with his clients that he would be paid additional fees based on his hourly rate. Nothing untoward for the debtors appears to have occurred in this case. No objections to the plan were filed. No creditors appeared to take an active part in the case, save perhaps with questions directed to Poulson. Although no objections were filed, Poulson spent 2.8 hours on the case after the bar date had passed. Although the court does not doubt that the time was spent for the reasons stated, it has not been further justified. Therefore, the court will allow 10.8 hours at the rate of \$100.00 for fees and \$184.10 in expenses. In the future, any requests by counsel for reimbursement of copy expense should show the number of copies made and the rate charged.

**ORDER**

IT IS ORDERED that Jeffrey L. Poulson, attorney for the debtors, is allowed \$1,080.00 in fees and \$184.10 in reimbursed expenses for a total allowance of \$1,264.10. The debtors having already paid a pre-petition retainer of \$1,200.00,

IT IS FURTHER ORDERED that the balance of \$64.10 shall be paid from the estate under the plan.

SO ORDERED ON THIS 19th DAY OF APRIL, 1993.

William L. Edmonds  
Chief Bankruptcy Judge