

# In the United States Bankruptcy Court

## for the Northern District of Iowa

RONALD B. REIL and KAYE A. REIL  
Debtors.

Bankruptcy No. 92-00860W  
Chapter 11

### ORDER RE: INTERIM FEE APPLICATION

The matter before the court is the interim fee application filed by Childers & Fiegen, P.C., counsel for the debtors. Its application was filed and served on April 13, 1994. No one has objected. Counsel seeks an interim award of \$24,043.18 under 11 U.S.C. §§330 and 331. Counsel seeks permission to apply a \$15,000.00 retainer to its award and asks that the court order immediate payment of the balance.

The application includes the time entries of three attorneys and three paralegals. Each professional's total time for the application, his/her hourly rate and total charges are as follows. Where necessary, the time entries have been adjusted by the court to show half of the actual time expended for travel, rather than to show actual time at half the hourly rate.

	Hours	Rate	Total
<b>Attorneys</b>			
Dan Childers	81.75	\$135.00	\$11,036.25
Thomas L. Fiegen	1.10	100.00	110.00
Kathleen Corcoran	86.80	85.00	7,378.00
<b>Paralegals</b>			
Sue M. Daves	64.70	50.00	3,235.00
Melanie Fisher	6.00	35.00	210.00
Nancy Roth	5.60	40.00	224.00
<b>Total Time:</b>			\$22,193.25
<b>Expenses:</b>			1,879.93
<b>Grand total:</b>			\$24,073.18

The court's total is \$30.00 greater than the total requested by the application. The court will use its figure. For the reasons stated hereafter, the court will allow as interim professional fees the sum of \$20,268.60 and expenses in the amount of \$1,874.38.

Rather than itemize each disallowance or reduction by date, time, attorney and task, the court will set out a general area of disqualification, an example and the total amount disallowed.

There were incidents of attorneys and paralegals discussing matters or events in the case without justification for the discussion. An example was a three-minute discussion as to the status of the case between attorneys Childers and Corcoran on October 7, 1993. Total dollar disallowance for this category is \$419.00.

Paralegal personnel billed for what appeared to be clerical work which could have been done by a secretary without charge. An example was the apparent mailing of case-related documents to the debtors by paralegals. A specific example is a recurring entry: "draft documents enclosed memo to clients enclosing. . . .", November 18, 1993, by S. D. Another example is the assignment of paralegal personnel to put notation of deadlines on calendars. See November 17, 1993, by S.D. Total disallowance for this category is \$74.25.

There were instances of paralegal personnel reviewing the work of attorneys for what appeared to be merely informational purposes or the similar review of court orders or other filings. An example is S.D. review on January 18, 1994, of former attorney's fee application. No justification was provided for this review. Total disallowance in this category is \$85.00.

The charges for work on the plan and disclosure statements total approximately \$12,089.00. The court finds this excessive, for the reason that three attorneys and three paralegals worked on the plan and statement, often reviewing and redoing each other's work. The court believes that the division of labor on the disclosure statement led to duplication of effort and wasted effort. The court will disallow 10 per cent of the charge--\$1,208.90.

Last, as to time entries, the court notes that \$137.50 worth of effort was spent on the motion for permission to pay off nearly all pre-petition creditors and to disband the Unsecured Creditors Committee. Despite counsel's reliance on 11 U.S.C. §105, there was no reasonable legal basis to support such a motion, and the court finds the work to have been done without benefit to the estate. The amount charged will be disallowed.

Last, the court knows of no reason for charging more to receive a FAX transmission than to copy a page of documents. Copying charges in this district are more than generous at 25 cents per page. Counsel will not be allowed 30 cents per page for FAX receipts. The expense disallowance will be \$5.55.

The court will, therefore, allow interim fees in the amount of \$20,268.60, and reimbursement of expenses in the amount of \$1,874.38, for a total interim allowance of \$22,142.98. Counsel may apply its \$15,000.00 retainer. The debtors shall pay the balance within 14 days of the service date of this order.

IT IS ORDERED that Childers & Fiegen, P.C. is allowed interim professional fees in the amount of \$20,268.60 and reimbursement of expenses in the amount of \$1,874.38. Counsel may apply its \$15,000.00 retainer. The debtors shall pay the balance of \$7,142.98 within 14 days of the service date of this order.

SO ORDERED ON THIS 27 DAY OF JUNE, 1994.

William L. Edmonds  
Chief Bankruptcy Judge

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I certify that on \_\_\_\_\_ I mailed a copy of this order by U. S. mail to: