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**EFFECTIVE STRATEGIES TO ENHANCE  
DELINQUENT COLLECTIONS**

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## **Kevin H. Buraks, Esquire**

Kevin Buraks is a Managing Attorney at Portnoff Law Associates, Ltd. and serves as a member of Portnoff's Executive Leadership Team. Mr. Buraks is a past chair of the Philadelphia and Montgomery County Bar Associations' bankruptcy committees and serves on the Board of Editors of *Pratt's Journal of Bankruptcy Law*. He has lectured extensively on the topics of municipal collections and bankruptcy law, and his articles have been published in a variety of legal journals and periodicals, including *The National Law Journal*.

For the past eight years, Mr. Buraks served as an elected member of the Tredyffrin/Easttown School Board, including two years as Board President. Mr. Buraks also volunteers his time to the Montgomery Child Advocacy Project, where he represents children who are the victims of abuse or neglect. He was recognized for his work with the underprivileged on the First Judicial District of Pennsylvania Pro Bono Role of Honor. Mr. Buraks graduated from Haverford College and Rutgers Law School.

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# **EFFECTIVE STRATEGIES TO ENHANCE DELINQUENT COLLECTIONS**

## **I. ACCELERATING DELINQUENT COLLECTIONS**

### **A. Incentivizing Payment**

#### **1. Positive Incentives**

- a. Payment Plans/Hardship Program
- b. Facilitating Payments

#### **2. Negative Incentives**

- a. Penalties/Interest
- b. Collection Costs and Attorney Fees
- c. Liens
- d. Judgments
- e. Sheriff's Sales

#### **3. Hiring a Private Collector**

## **II. THE MUNICIPAL CLAIMS AND TAX LIENS ACT (53. P.S. § 7101, et seq.)**

### **A. Shifting of Collection Costs**

### **B. High Statutory Interest Rate**

### **C. Ability to Create Payment Plans/Hardship Program**

## **III. COLLECTING DELINQUENT MUNICIPAL FEES IN BANKRUPTCY**

### **A. Pre-petition vs. Post-petition Claims**

### **B. Monitoring Pleadings**

### **C. Utility Service**

## **IV. INCREASING CURRENT COLLECTIONS THROUGH ENHANCED DELINQUENT COLLECTIONS**



## ***WHY HIRE PORTNOFF?***

- **Experience**

Portnoff Law Associates is a law firm with over 29 years of experience collecting delinquent municipal claims, such as water and sewer fees, trash, fire marshal, streetlight, capital improvement and abatement of nuisance charges, and delinquent real estate taxes. We have experience in all aspects of municipal collection law, including: review of enabling ordinances and resolutions, review of billing practices, forensic auditing, data analysis, consumer protection law, bankruptcy, tax exemptions, and representing taxing districts in legal challenges to the underlying claims. In 2018, we do this work on behalf of over 140 municipal and school district clients in 22 Pennsylvania counties.

- **Expertise**

Since its inception, our firm has been at the forefront of collecting delinquent municipal claims and taxes in Pennsylvania. We successfully lobbied for passage of legislation in 1996 that allows municipalities to shift the fair and reasonable costs of collection to the delinquent property owner. This shifting allows for municipalities to receive 100% of their claims. We represent municipalities that are large and small, urban, suburban and rural, wealthy and distressed, and everything in between. We represent clients that have delinquencies that stretch back decades and others that want us to collect only recently assessed charges. Our expertise allows us to work with our clients to create a customized collections program based upon the unique needs of the community. At no additional cost, we will administer a hardship program that is available to owner occupants experiencing financial difficulty, allowing them to pay according to their means.

- **Results**

Our clients collect more money, faster. The shifting of collection fees and costs provides an incentive for property owners to pay their delinquent fees and taxes in the current year, resulting in an increase in our client's *current* collection rates. All funds collected are remitted weekly, together with detailed payment information, giving our clients almost immediate use of their money. Our high level of professionalism results in positive relations with most delinquent property owners, and we regularly receive notes of appreciation from them.

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