

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW MEXICO

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U.S. BANKRUPTCY COURT  
ALBUQUERQUE, NM

In re:

FURR'S SUPERMARKETS, INC.,

Case No. 11-01-10779-SA

Chapter 11

Debtor.

**TRUSTEE'S MOTION TO ALLOW INCREASE OF SAGE ACCOUNTING'S HOURLY RATES**

Yvette J. Gonzales, the chapter 7 trustee in the above-captioned bankruptcy case (the "Trustee"), pursuant to 11 U.S.C. § 327(a), requests that the Court approve an increase in the hourly rates charged by Sage Accounting, Small/Kefauver CPA's, P.C. ("Sage") from \$100 per hour to \$135 per hour, and in support hereof states:

1. On February 8, 2001, the debtor in possession Furr's Supermarkets, Inc. ("Furr's") commenced this bankruptcy case by filing a voluntary petition for relief under Chapter 11 of the Bankruptcy Code.

2. On September 21, 2001, Furr's filed an application to employ Sage to provide accounting work for Furr's, docket #1093 (the "Sage Employment Application"). An order granting the Sage Employment Application was entered November 5, 2001, docket #1292 (the "Sage Employment Order").

3. On December 19, 2001, the case was converted to a Chapter 7 case, and the Trustee was appointed as the Chapter 7 trustee.

4. On January 11, 2002 the Trustee filed her Motion to Retain Certain Professionals Retained, or Sought to be Retained, by the Debtor in Possession, docket #1482 (the "Professional Retention Transfer Motion"). The Court entered an order granting the Professional Retention Transfer Motion on March 29, 2002, docket #1629 (the "Professional Retention Transfer

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Order"). Sage was one of the professionals included in the Professional Retention Transfer Motion and Order.

5. When Furr's filed the Sage Employment Application, Sage agreed to a billing rate for CPA Rachel Kefauver of \$100 per hour. This rate was based in large part on Furr's agreeing to give Sage sufficient work to keep Ms. Kefauver busy full time on the Furr's account.

6. Going forward, Sage's role in the case will be much more limited, and the Trustee cannot offer Sage any incentive for Sage to bill the estate at rates lower than Sage's regular hourly rates.

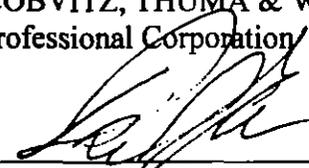
7. The regular hourly rate for Ms. Kefauver is \$135 per hour.

8. The Trustee wishes to amend the Sage Employment Order and/or the Professional Retention Transfer Order to provide that Sage may bill the estate \$135 per hour, starting June 17, 2002, for Ms. Kefauver's time.

8. Granting the relief requested in this Motion is in the best interest of the estate and should be made effective as of the date this Motion is filed.

WHEREFORE Debtor requests approval of the Court to increase the billing rate for Sage accountant Rachel Kefauver, CPA from \$100 per hour to \$135 per hour, effective June 17, 2002, and for all other just and proper relief.

JACOBVITZ, THUMA & WALKER  
A Professional Corporation

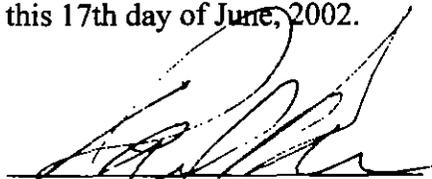
By: 

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Attorneys for the Chapter 7 Trustee

This certifies that a copy of  
the foregoing document was  
served by first class mailed on:

United States Trustee  
P.O. Box 608  
Albuquerque, NM 87103

this 17th day of June, 2002.

A handwritten signature in black ink, appearing to read "David T. Thuma", written over a horizontal line.

David T. Thuma