

MINUTES OF THE EXECUTIVE COMMITTEE MEETING
OF THE INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY
(ISDOC)

Meeting held at MWDOC
10500 Ellis Ave., Fountain Valley
7:30 a.m. - December 2, 1997

ISDOC Executive Committee Members Present:

Sterling Fox
President
4622 Plumosa Drive
Yorba Linda, Ca. 92686
TEL: (714) 777-9593
FAX: (714) 777-8304
HOME: (714) 693-1162

Keith Coolidge
1st Vice President
c/o MWDOC
P.O. Box 20895
Fountain Valley, Ca. 92728
TEL: (714) 963-3058
FAX: (714) 964-9389

Mary A. Matheis
2nd Vice President
73 Nighthawk
Irvine, Ca. 92714-3683
TEL: (714) 476-4488
FAX: (714) 476-2878

Teri Cable
3rd Vice President
12279 Baja Panorama
Santa Ana, Ca. 92705
TEL: (714) 647-5658
FAX: (714) 647-5622

Ron Kennedy
Secretary
24151 Adonis Street
Mission Viejo, Ca. 92691
TEL: (714) 837-7050
FAX: (714) 837-7092

Joan Finnegan
Treasurer
258 Sherwood Street
Costa Mesa, Ca. 92627
TEL: (714) 548-3690
FAX: (714) 646-1685

Robert Hanson
Past President
23301 Ridge Route Drive, #219
Laguna Hills, Ca. 92653
TEL: (714) 770-0736
FAX: (714) 770-1720

cc: LAFCO Representatives
John B. Withers (present)
Phillip L. Anthony (present)
Bob J. Huntley (present)
Russ Behrens - McCormick, Kidman & Behrens
Dana Smith - LAFCO
Wes Bannister
Arlene Schafer (present)
Julia Kelly - LBCWD (present)

Call to Order

1. Preliminaries

President Fox called the meeting to order at 7:30 A.M.

2. Review Minutes of November 4, 1997 Executive Committee Meeting.

Committee approved Minutes of November 4, 1997 Executive Committee Meeting.

3. Financial Report -

Treasurer, Joan Finnegan, submitted the Treasurer's Report indicating a balance on-hand of \$3,032.83 as of December 1, 1997. Responding to a question regarding why receipts for the October 23rd meeting were lower than expected on last month's report, Joan reported that many people had paid in advance and that the receipts were split over two monthly reports.

4. Program Plan for 1998

President Fox indicated that he wanted to structure the discussion into three categories: (a) Date, (b) Format, (c) Speakers.

- a. The dates for 1998 meetings of membership will be:
January 29
April 30
July 30
October 29

This is in keeping with the fifth Thursday approach which seems to minimize conflict with other scheduled meetings.

- b. The format for the meetings will be similar in that all meetings will be luncheon meetings starting at 11:30 AM and ending at 1:00 PM. The committee encouraged renewed special district "profile" reports whenever possible.
- c. Several speakers and subjects were discussed with the committee favoring a panel discussion regarding LAFCO matters for the January meeting.,

During discussion of the 1998 Program, Arlene Schafer suggested that we adopt a theme - "Communicate in '98 - Help Us Rate". The Committee accepted the idea with the understanding that it would be presented to the

membership at the January meeting.

5. **LAFCO Matters**

John Withers reported that the next meeting of the Commission would be December 3rd; that the Commission would review and discuss the South County Consolidation Study at a Strategic Planning Workshop on January 23rd; that the Commission would consider the Coastal-MWDOC matter on January 12th; that four new applications have been filed at LAFCO involving Carpenter Irrigation District, Serrano Water District and East Orange County Water District.

6. **CSDA Report**

Bob Huntley reported that CSDA's Legislative Committee would be including non-Board Members and that much effort continues in their attempt to develop a credible Certification Program.

7. **Legislative Report**

Keith Coolidge distributed a letter (copy attached) outlining the discussion points at the Assembly Committee on Local Government - November 17th Interim Hearing re: LAFCO and briefly referred to proposed legislation regarding the "public contracting" issue.

8. **Other Comments**

Terri Cable suggested that we drop the phrase - "Help Us Rate" from the proposed theme for 1998 in that it's meaning is not sufficiently evident. Arlene Schafer and the Committee agreed.

9. **Adjourn**

Meeting was adjourned at 8:40 A.M.

Dated December 2, 1997

Respectfully submitted,

By: 

Ronald E. Kennedy
Secretary, Independent Special
Districts of Orange County (ISDOC)

ISDOC

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY

BALANCE ON HAND AS OF OCTOBER 31, 1997:

\$ 3,032.83

RECEIPTS:

None

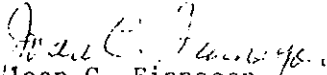
EXPENSES:

None

BALANCE ON HAND AS OF DECEMBER 1, 1997:

\$ 3,032.83

Respectfully submitted,


Joan C. Finnegan
ISDOC Treasurer

12/2/97

Ron:

Following are the receipts and expenses on the 10/23/97 ISDOC Luncheon from the respective Treasurer's Reports:

October 22, 1997 Treasurer's Report Receipts	\$250.00
October 31, 1997 Treasurer's Report Receipts	\$235.00*
Total Receipts 10/23/97 ISDOC Luncheon	<u>\$485.00</u>
* Phil Anthony had overpaid on previous luncheon \$15.00 - \$5.00 credit on 10/23/97 luncheon	
October 31/97 Treasurer's Report Expenses:	
Check #1166 Cookies	\$ 12.50
Check #1167 Catering	<u>\$368.00</u>
Total Expenses 10/23/97 ISDOC Luncheon	<u>\$380.50</u>
Profit on 10/23/97 ISDOC Luncheon	<u>\$104.50</u>

*Thanks
Joan*

cc: Sterling Fox

*Fox
12/2/97
9:15a*

CALIFORNIA DEPARTMENT OF EDUCATION
ADULT EDUCATION ACT
Section 321/326
Fiscal Year 1996-97

ENROLLMENT CLOSE-OUT PACKAGE

This Close-out package is comprised of the following :

Adult Basic Enrollment Report

Annual Performance Report

Return the original of each of these forms and retain a copy for your records

DEADLINE FOR SUBMISSION:

July 31, 1997

Submit to:

Mr. John Roman
California Department of Education
Adult Education Unit
P.O. Box 944272
Sacramento, CA 94244-2720

**ADULT EDUCATION - FY 1996-97
CLOSE-OUT
ENROLLMENT REPORT**

SUBMISSION DEADLINE:
July 31, 1997
Return to: Agenda Item 27
Mr. John Roman Attachment A
Adult Education Unit Page 2
P. O. Box 944272
Sacramento, CA 94244-2720
(916) 323-5047

COUNTY & VENDOR/DISTRICT CODES (See Letter of Encumbrance for these codes)

FY		County Code		District/Vendor Code							
9	6	3	0	M	6	9	2				

AGENCY NAME (School District/Community College/Private Agency)
Placentia Library District

**SECTION I. TOTAL ENROLLMENT DATA (July 1, 1996 through June 30, 1997)
BY INSTRUCTIONAL PROGRAM**

	ADULT BASIC EDUCATION (ABE) (A)	ENGLISH AS A SECOND LANGUAGE (ESL) (B)	ABE/ESL MIXED (C)	ESL-CITIZENSHIP (D)
NUMBER OF TEACHERS (UNDUPLICATED)	19	34	4	
NUMBER OF INSTRUCTIONAL HOURS	1218	1717		
NUMBER OF ENROLLEES (UNDUPLICATED)	28	53		
NUMBER OF ATTENDANCE HOURS	1351	1969		

**SECTION II. NUMBER OF ESL-CITIZENSHIP STUDENTS WHO HAVE MET THE FIVE (5) CRITERIA **
AND CUMULATIVE NUMBER OF ATTENDANCE HOURS**

	Amount	Amount
NUMBER OF STUDENTS WHO HAVE MET THE FIVE (5) CRITERIA		CUMULATIVE NUMBER OF ATTENDANCE HOURS

**Only students who have met the following requirements may be claimed:

- 1.) Evidence is available to show there has been a gain in skill levels for the instruction areas;
- 2.) Evidence is available to show the individual has completed training to take the INS test;
- 3.) Evidence is available that shows the individual has completed the INS N-400 form and is able to answer questions about the information provided;
- 4.) Evidence is available to show the individual has successfully completed a practice test using items from one of the following examinations: • CASAS, • ETS, • 1/3 of INS Practice Questions;
- 5.) Students must attend a minimum of 12 hours before their attendance is counted for HHU reimbursement.

SECTION III. NARRATIVE FORM

Please provide a brief paragraph which describes how your program improved (1) access to users; (2) accountability; (3) quality and responsiveness; and (4) planning and coordination. Use separate pages if necessary (include the agency name and grant number on any attachments).

Access to the program has been improved by the addition of volunteer office help resulting in better reception desk coverage and more opportunity for telephone contact. The literacy program has been made more visible to the business community by participation in Chamber of Commerce events, speaking engagements at business organizations, and articles and advertisements in various local publications. Accountability is maintained through monthly tutor report forms and phone calls, and an adult learner progress evaluation form. The progress evaluation form is designed to help the student define his or her reading and writing goals and to show progress over time. The forms are completed by the student and tutor together every six months. To enhance the quality and responsiveness of the program, staff participated in various literacy related conferences and workshops and incorporated ideas from those events into the literacy program. Supplemental training workshops were offered to tutors to enhance their teaching skills.

CALIFORNIA DEPARTMENT OF EDUCATION ADULT EDUCATION - FY 1996-97

ANNUAL PERFORMANCE REPORT

The information requested in this report is required by the United States Office of Education (USOE) as part of the approval of the states' application for Adult Education funds. The California State Plan for Adult Basic Education, approved by USOE, page 5, item 12, states "CDE annually will report information about the state's adult education students, programs, expenditures and goals as may be required by the Secretary." And, on page 53, item (3) which states in part, "the applicant will agree to follow State Guidelines that may be revised from year to year with respect to accountability and data collection procedures."

The four following tables must be completed and returned to the California Department of Education by July 31, 1997.

.....

COUNTY CODE & DISTRICT/VENDOR CODE:
(See Letter of Encumbrance)

AGENCY: Placentia Library District

FY	County Code	District/Vendor Code		
96	30	M	69	2

PROGRAM YEAR: 1996-97

REPORTING PERIOD: JULY 1, 1996 - JUNE 30, 1997

TABLE 1. Report the number of participants in your program(s) who had achievements in the listed areas during the reporting period. Participants who have several achievements may be listed more than once.

PARTICIPANT ACHIEVEMENT	NUMBER OF PARTICIPANTS (may be duplicated)
EDUCATIONAL:	
1. Obtained an Adult High School Diploma	
2. Passed the GED test	
3. Entered other educational or training program	5
SOCIETAL:	
4. Applied for US citizenship	1
5. Received US citizenship	
6. Registered to vote or voted for the first time	
ECONOMIC:	
7. Gained employment	
8. Secured employment retention or obtained job advancement	
9. Removed from public assistance	
OTHER (specify):	

TABLE 2. Report the number of participants and the number of classes by time and location

LOCATION OF CLASS (A)	NUMBER OF PARTICIPANTS (B)	NUMBER OF DAYTIME CLASSES (C)	NUMBER OF EVENING CLASSES (D)	SITES OPERATING FULL-TIME PROGRAMS (25 hours or more unduplicated count) (E)
SCHOOL BUILDING:				
1. Elementary/Secondary school				
2. Community college (junior college, technical institute, etc)				
3. Four-year college				
OTHER LOCATIONS:				
4. Learning center				
5. Correctional institution				
6. State/local institution for the disabled				
7. Work site	12	2		
8. Library	69			
9. Community-based organization center				1
10. Home or home-based				
11. Other				
TOTAL:				

TABLE 3. Enter an unduplicated count of personnel by function and job status.

Function Organizational Placement and Type of Job Performed (A)	ADULT EDUCATION PERSONNEL		
	Total number of part-time personnel (B)	Total number of full-time personnel (C)	Unpaid Volunteers (D)
1. Local-level administrative/supervisory/ancillary services	3		1
2. Local teachers			
3. Local counselors			57
4. Local paraprofessionals			

Agenda Item 28
SECTION IATTORNEYS AT LAW
101 WEST BROADWAY SUITE 1800
SAN DIEGO, CALIFORNIA 92101-8219
TELEPHONE (619) 234-5000 FAX: (619) 236-1995
*internet: pillsburylaw.com*Writer's direct dial number / email:
(619) 544-3177

January 13, 1998

VIA FACSIMILETO: ORANGE COUNTY INVESTMENT POOL
PARTICIPANTS' DISTRIBUTION LISTRe: In re County of Orange

Dear Pool Participants:

We continue to monitor the status of various post-confirmation issues in the County's bankruptcy case.

On December 23, 1997, Bankruptcy Judge Ryan approved the OCIP compromise with the County regarding the \$30 million in settlement funds from settlement of the Merrill Lynch investigation by the District Attorneys office, and \$17.6 million of additional funds.

On January 12, 1998, United States District Judge Gary Taylor considered Fuji's Motion for Partial Summary Judgment on the Pleadings. The matter was taken under submission, and when we receive Judge Taylor's ruling, we will advise you of the outcome.

During the next several months, the District Court will consider two motions in the Merrill Lynch civil action which may impact the case. On February 9, 1998, the Court will consider Merrill Lynch's Motion to Transfer Venue to a Federal Court located outside of California. On March 16, 1998, the Court will consider Merrill Lynch's Motion for Partial Summary Judgment.

We will contact you soon regarding distribution of settlement funds, the Court's ruling on the Fuji motion and any additional information regarding these matters.

Orange County Official Investment Pool
Participants' Committee and Counsel
January 13, 1998
Page 2

If you have any questions, please do not hesitate to contact me.

Very truly yours,

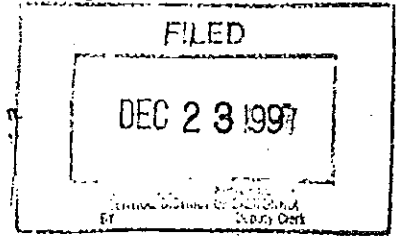


Patrick C. Shea

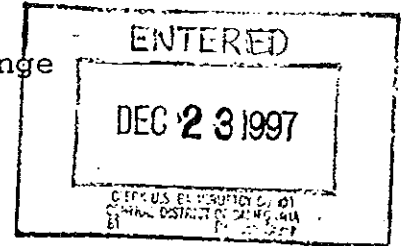
cc: Tom Hayes

Official Investment Pool Participants'
Committee and Counsel

1 PILLSBURY MADISON & SUTRO
2 PATRICK C. SHEA #069391
3 MATTHEW S. WALKER #101470
4 101 W. Broadway, Suite 1800
5 San Diego, CA 92101
6 Telephone: (619) 234-5000



5 Attorneys for Official Committee of Orange
6 County Investment Pool Participants



8 UNITED STATES BANKRUPTCY COURT
9 CENTRAL DISTRICT OF CALIFORNIA

10 _____)
11 In re)
12)
13 COUNTY OF ORANGE, a political)
14 subdivision of the State of)
15 California,)
16 Debtor.)

Case No. SA 94-22273JR
Chapter 9

[PROPOSED] ORDER APPROVING
AND AUTHORIZING SETTLEMENT
AGREEMENT RE: (1) \$30
MILLION MERRILL LYNCH
SETTLEMENT; AND (2) \$17.6
MILLION IN ADDITIONAL
FUNDS

Date: December 23, 1997
Time: 3:30 p.m.
Place: Courtroom 606
34 Civic Center Plaza
Santa Ana, CA 92701

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COPY

1 AT SANTA ANA, CALIFORNIA, IN SAID DISTRICT, ON THIS 23RD DAY
2 OF DECEMBER, 1997.

3 The "MOTION FOR ORDER APPROVING COMPROMISE REGARDING:
4 (1) \$30 MILLION MERRILL LYNCH SETTLEMENT; AND (2) \$17.6 MILLION
5 IN ADDITIONAL FUNDS" (the "Motion") filed by the Official
6 Committee of Orange County Investment Pools Participants came on
7 for hearing before the undersigned United States Bankruptcy Judge
8 on December 23, 1997, at 3:30 p.m. Appearances were made as
9 reflected in the record of the hearing.

10 The Court having considered the Motion, the memorandum of
11 points and authorities, declaration of Patrick C. Shea and
12 exhibits filed in connection therewith, the notice of the hearing
13 on the Motion, the records in this case, and good cause appearing
14 therefor, it is hereby

15 ORDERED that the Motion is granted in its entirety; and it
16 is further

17 ORDERED, that the "Agreement re the Disposition of the \$30
18 Million Received from Merrill Lynch in its Settlement with the
19 District Attorney and the Distribution of Additional Funds"
20 substantially in the form attached hereto as Exhibit "A" (the
21 "Settlement Agreement") is approved and authorized; and it is
22 further

23 ORDERED, that the settlements, compromises, releases and all
24 other terms and conditions contained in the Settlement Agreement
25 are authorized and approved; and it is further

26 ORDERED, that the County of Orange is authorized to execute
27 and implement the Settlement Agreement; and it is further

28

1 ORDERED, that the partial prepayment of allowed B-12 claims
2 contemplated by the Settlement Agreement is approved in all
3 respects; and it is further

4 ORDERED, that the Additional Funds not used to prepay
5 allowed B-12 claims may be deposited into the County's General
6 Account; and it is further

7 ORDERED, that the form, scope and timing of the notice of
8 the Motion were appropriate under the circumstances.

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10 Dated: December 23, 1997

JOHN E. RYAN

United States Bankruptcy Judge


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Submitted by

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15 Patrick C. Shea
16 Pillsbury Madison & Sutro LLP
Attorneys for County of Orange

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AGREEMENT RE THE DISPOSITION OF
THE \$30 MILLION RECEIVED FROM MERRILL LYNCH
IN ITS SETTLEMENT WITH THE DISTRICT ATTORNEY AND
THE DISTRIBUTION OF ADDITIONAL FUNDS

THIS AGREEMENT RE THE DISPOSITION OF THE \$30 MILLION RECEIVED FROM MERRILL LYNCH IN ITS SETTLEMENT WITH THE DISTRICT ATTORNEY, AND THE DISTRIBUTION OF ADDITIONAL FUNDS (this "Agreement"), is entered into as of September __, 1997, by and among the COUNTY OF ORANGE, a political subdivision of the State of California (the "County"), and the Official Committee of Orange County Investment Pools Participants (the "Pool Committee") appointed in the Chapter 9 case for the County pending in the United States Bankruptcy Court for the Central District of California (the "Bankruptcy Court") and designated Case No. SA-94-22272 JR (the "County Chapter 9 Case"). Terms not otherwise defined in this Agreement shall have the meanings given to them in the County's Second Amended Plan of Adjustment (the "Plan") in the County Chapter 9 Case.

RECITALS

A. Under the Plan, all "Net Litigation Proceeds" are to be distributed by the litigation Representative, Thomas Hayes, in accordance with the distribution scheme of Section VI.D. of the Plan.

B. Net Litigation Proceeds are defined in Section II.A. of the Plan to be all "Litigation Proceeds" after deducting paid or unpaid Litigation Costs, and Litigation Proceeds are defined to include "any Cash . . . received or recovered from anyone . . . including, but not limited to, awards of damages, rescission, interest, attorneys' fees and expenses, penalties, actual or punitive damages, and increased ownership interests in property, on account of any Pool-Related Claims of the County or [any Pool Participant which assigned its claims to the County], whether by way of settlement, litigation or otherwise"

C. "Pool-Related Claims" are defined in Section II.A. of the Plan to mean "any and all claims, demands, obligations, debts, liabilities, suits, causes of action, remedies or rights of any kind whatsoever . . . which in any way relate or pertain to the Pools, the operation or management of the Pools, any transaction entered into by or on behalf of the Pools, any investment made in, by, or on behalf of the Pools, the manner in which assets of the Pools have been invested, purchased or sold, any purchase or sale of assets by or on behalf of the Pools, any deposit of funds into the Pools or withdrawal of funds from the Pools, any other transfer of assets by the Pools or of assets of the Pools, the conduct, act or omission of any person or entity . . . in connection with the Pools or with any transaction with, or investment of, the Pools, any statement, representation or omission which otherwise in any way relates or pertains to the Pools or the manner in which the affairs of the Pools have been conducted; provided, however, that the term "Pool-Related Claims" does not include any Excluded Claims."

D. In June of this year Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") entered into an Agreement of Settlement and Release (the "Merrill Lynch Settlement") with the District Attorney for the County ("D.A.") pursuant to which Merrill Lynch has paid to the County \$30 million (the "Settlement Funds") and the D.A. expressly agreed "that he shall not . . . institute, maintain or assert against [Merrill Lynch], and discharges [Merrill Lynch] from, any and all civil causes of action, claims, legal and administrative relief, of any kind and nature . . . that have been, or could be alleged or asserted now or in the future by the District Attorney against [Merrill Lynch] . . . related to, in connection with, or arising out of any acts, omissions, facts, matters, transactions or occurrences, in connection with or relating to [Merrill Lynch's] relationship, communications, and transactions with Orange County, the sale of securities to or by Orange County, repurchase agreements or reverse repurchase agreements entered into by Orange County; or the sale of securities issued by Orange County" prior to December 6, 1994.

E. The County and the Pool Committee wish to resolve the distributional entitlement to the Settlement Funds.

F. The County and the Pool Committee wish to resolve the distributional entitlement respecting an estimated, at August 29, 1997, \$17,586,472 in Accounts 683 and 690 (referred to herein as "Additional Funds") without incurring the cost of conducting an independent audit of those accounts and funds.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the covenants and conditions set forth herein, the parties hereto agree as follows:

1. Distribution of the Settlement Funds. Of the \$30 million Settlement Funds \$27 million (plus interest earned on such \$27 million from the date of receipt of the Settlement Funds by the County to the date of distribution) will be transferred to the Representative for distribution under Section VI.D. of the County's Plan of Adjustment immediately after the entry of a Bankruptcy Court order approving this Agreement and authorizing such distribution. The County will promptly apply for an order of the Bankruptcy Court doing so, and the Pool Committee will support the County's application. The balance of the Settlement Funds will be retained by the County.

2. Additional Funds. The County will retain \$10,320,988 of the Additional Funds. The balance of such Additional Funds (currently not less than \$7,265,484), and all interest accruing on the total of such Additional Funds prior to distribution, will be used by the County immediately after the entry of a Bankruptcy Court order approving this Agreement and authorizing such distribution to partially pay on a pro rata basis the B-12 (Non-School Municipality County-Administered Account) claims of the Non-School Pool Participants under the County's Plan of Adjustment. The County will promptly apply for an order of the Bankruptcy Court doing so, and the Pool Committee will support the County's application.

3. Future Settlements. The County and the Pool Committee further agrees that all Cash, economic benefit, or property received or recovered by the Representative or the County from anyone other than a party to the CSA, including, but not limited to, awards of damages, rescission, interest, attorneys' fees and expenses, penalties, actual or punitive damages, and increased ownership interests in property, whether by way of settlement, litigation or otherwise ("Future Settlement"), as a result of any of the actions being or to be prosecuted by the Representative will be immediately transferred to the Representative and distributed in accordance with Section VI.D.1. of the County's Plan of Adjustment or pursuant to an applicable separate agreement, approved by the Bankruptcy Court, providing for the assignment of particular Excluded Claims to the Representative, regardless of whether any such action may involve Excluded Claims.

4. Bankruptcy Court Approval. Promptly after the Execution of this Agreement by the County and the Pool Committee, the County shall file with the Bankruptcy Court the motions or applications required to obtain approval of this Agreement and the distributions described herein.

5. Entire Agreement; Modification; Waiver. This Agreement, including the Exhibit hereto, constitutes the entire agreement between the parties hereto respecting the Settlement Funds, Additional Funds and Future Settlements, and supersedes all prior and contemporaneous agreements and understandings of the parties, whether oral, written or implied, as to the subject matter hereof. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all parties affected thereby. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

6. Further Assurances and Cooperation. Each party hereto agrees to execute any and all documents and to do and perform any and all acts and things necessary or appropriate to effectuate or further evidence the terms and provisions of this Agreement.

7. Headings. The descriptive headings of the several sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

8. Applicable Law. This Agreement shall be governed in all respects, including its validity, interpretation and effect, by title 11 of the United States Code and the laws of the State of California, without giving effect to the principles of conflicts of law thereof.

9. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10. Due Authorization. Each party to this Agreement hereby represents and warrants that (i) such party is authorized to enter into this Agreement, and (ii) the persons signing this Agreement on behalf of such party have been authorized to execute this Agreement on its behalf.

11. Construction. The parties acknowledge that each party and its counsel have reviewed this Agreement, and each party has had its interests represented in the drafting of this Agreement, and that the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by its official representatives thereunto duly authorized, all as of the day and year first above written.

THE COUNTY OF ORANGE, a political
subdivision of the State of California

THE OFFICIAL COMMITTEE OF
ORANGE COUNTY INVESTMENT
POOLS PARTICIPANTS

By: _____
Jan Mittermeier, Executive Director

By: _____
Paul Brady, Committee Chair

By: _____
Bruce Bennett, Counsel

By: _____
Patrick C. Shea, Committee
Counsel

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

In re	)	Case No. SA 94-22272 JR
)	
COUNTY OF ORANGE, a	)	Chapter 9
political subdivision of)	
the State of California,	)	NOTICE OF ENTRY OF JUDGMENT OR
	)	ORDER AND CERTIFICATE OF
Debtor.	)	MAILING
)	
)	
)	

TO: ALL PARTIES IN INTEREST ON THE ATTACHED SERVICE LIST

1. You are hereby notified, pursuant to Bankruptcy Rules 7005 and 9022 that a judgment* or order entitled [PROPOSED] ORDER APPROVING AND AUTHORIZING SETTLEMENT AGREEMENT RE: (1) \$30 MILLION MERRILL LYNCH SETTLEMENT; AND (2) \$17.6 MILLION IN ADDITIONAL FUNDS was entered on December 23, 1997.

2. I hereby certify that I mailed a copy of this notice and a true copy of the order or judgment to the persons and entities on the attached service list on December 24, 1997.

DATED: December 24, 1997.

JON D. CERETTO
CLERK OF THE
BANKRUPTCY COURT

By KIM WEST
Deputy Clerk

* If a judgment is by default, then a copy of the judgment must be attached to this notice.

Attachment to Notice of Entry of Judgment or Order
Case No. SA 94-22272 JR

Bruce Bennett, Esq.
Hennigan, Mercer & Bennett
c/o 10 Civic Center Plaza, R, 407
Santa Ana, CA 92702

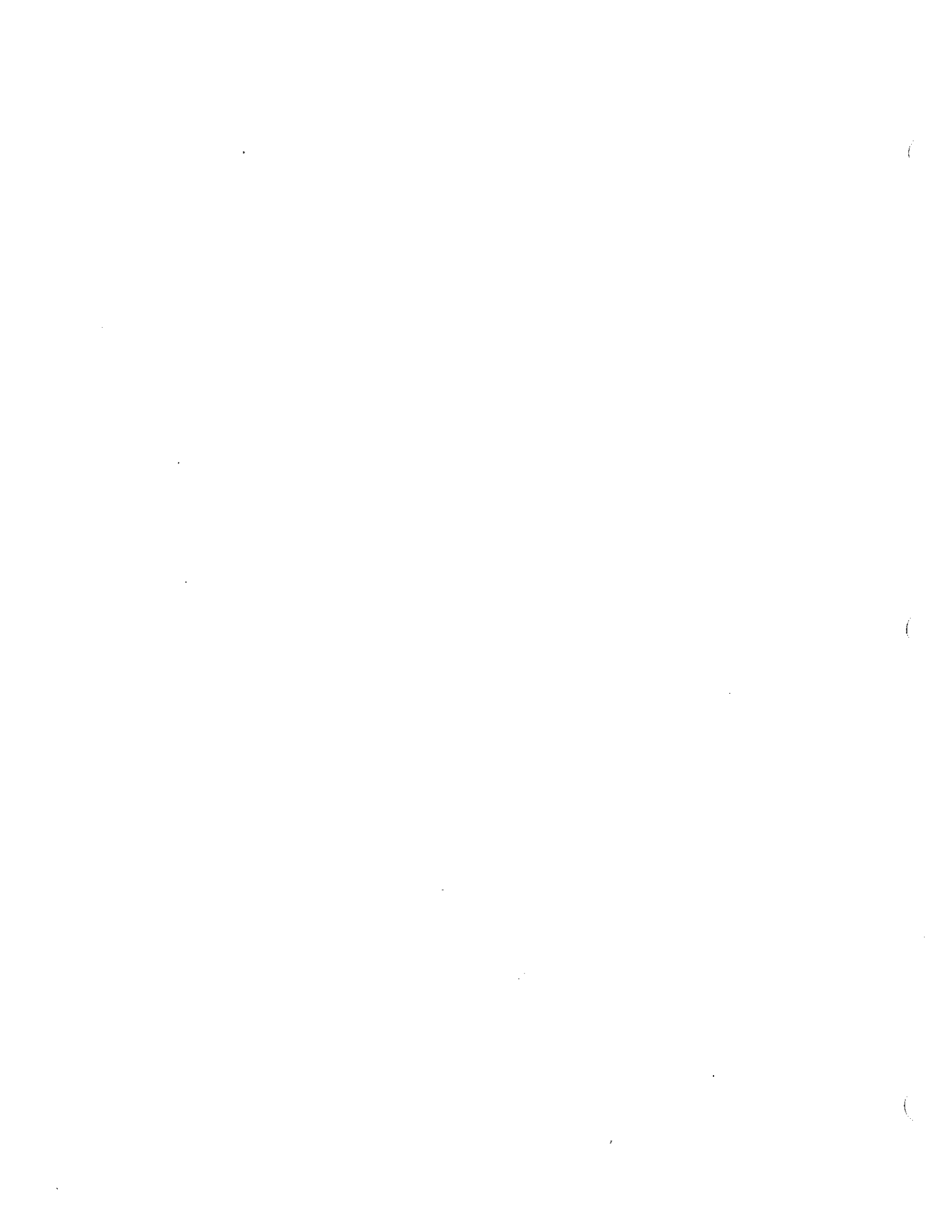
Bruce Bennett, Esq.
Hennigan, Mercer & Bennett
601 South Figueroa Street, Suite 3300
Los Angeles, CA 90017

Marcy J.K. Tiffany
Office of the U.S. Trustee
221 N. Figueroa Street, Suite 800
Los Angeles, CA 90012

Laurence M. Watson, Esq.
Office of County Counsel
10 Civic Center Plaza
P.O. Box 1379
Santa Ana, CA 92702

Robert J. Moore, Esq.
Murphy, Weir & Butler
2049 Century Park East, 21st Floor
Los Angeles, CA 90067

Patrick C. Shea, Esq.
Pillsbury Madison & Sutro
101 W. Broadway, Suite 1100
San Diego, CA 92101



1 PILLSBURY MADISON & SUTRO LLP
PATRICK C. SHEA #069391
2 MATTHEW S. WALKER #101470
101 W. Broadway, Suite 1800
3 San Diego, CA 92101
Telephone: (619) 234-5000
4

Attorneys for Official Committee of Orange County
Investment Pool Participants

6 BRUCE BENNETT #105430
JOHN L. AMSDEN #137168
7 HENNIGAN, MERCER & BENNETT
601 S. Figueroa Street
8 Suite 3300
Los Angeles, CA 90017
9 Telephone: (213) 694-1200

10 Reorganization and Litigation Counsel
for County of Orange
11

12 UNITED STATES BANKRUPTCY COURT

13 CENTRAL DISTRICT OF CALIFORNIA

14	_____	)	Case No. SA 94-22273JR
15	In re	)	Chapter 9
16	COUNTY OF ORANGE, a political	)	<u>NOTICE OF MOTION AND</u>
17	subdivision of the State of	)	<u>MOTION FOR ORDER APPROVING</u>
17	California,	)	<u>COMPROMISE REGARDING:</u>
18	Debtor.	)	<u>(1) \$30 MILLION MERRILL</u>
18		)	<u>LYNCH SETTLEMENT; AND</u>
19	_____	)	<u>(2) \$17.6 MILLION IN</u>
19		)	<u>ADDITIONAL FUNDS;</u>
20		)	<u>MEMORANDUM OF POINTS AND</u>
20		)	<u>AUTHORITIES; DECLARATION</u>
21		)	<u>OF PATRICK C. SHEA</u>

Date: December 23, 1997
Time: 3:30 p.m.
Place: Courtroom 606
34 Civic Center Plaza
Santa Ana, CA 92701
Estimated time for
hearing - ½ hour

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Local Bankruptcy Rules
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1 PLEASE TAKE NOTICE THAT the COUNTY OF ORANGE (the
2 "County") and the OFFICIAL COMMITTEE OF ORANGE COUNTY
3 INVESTMENT POOLS PARTICIPANTS will, and do hereby, move the
4 Bankruptcy Court for an order: (1) approving the "Agreement
5 re the Disposition of The \$30 Million Received from Merrill
6 Lynch in Its Settlement with the District Attorney and The
7 Distribution of Additional Funds" substantially in the form
8 attached hereto as Exhibit "A" (the "Agreement"); and (2)
9 authorizing execution, delivery and performance of the
10 Agreement by the County.

11 PLEASE TAKE FURTHER NOTICE that a hearing on said
12 motion will be held on December 23, 1997 at 3:30 p.m., or as
13 soon thereafter as the parties may be heard, in Courtroom
14 606, United States Courthouse, 34 Civic Center plaza, Santa
15 Ana, California. Pursuant to Local Bankruptcy Rule
16 111(1)(g), any response to this motion must be in writing,
17 accompanied by a memorandum of points and authorities and
18 supporting evidence, and filed with this Court and served
19 on: (1) Bruce Bennett, Esq., Hennigan Mercer & Bennett, 601
20 S. Figueroa St. #3300, Los Angeles, CA 90017-5704;
21 (2) Patrick C. Shea, Esq., Pillsbury, Madison & Sutro LLP,
22 101 West Broadway, Suite 1800, San Diego, CA 92101; and
23 (3) Office of the United States Trustee, 221 N. Figueroa
24 Street, Suite 1900, Los Angeles, CA 90012. Pursuant to
25 Local Bankruptcy Rule 111(1)(j), failure to file and serve a
26 proper response in conformity with the requirements of the
27 Local Bankruptcy Rules not later than eleven days before the
28 hearing on the Motion may be deemed by the Bankruptcy Court

1 to be consent to the granting of the motion and the relief
2 requested.

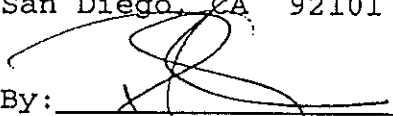
3 This motion is brought on the ground that execution,
4 delivery and performance of the Agreement is in the best
5 interests of the County and the Pool Participants (defined
6 below).

7 This motion is based upon the accompanying memorandum
8 of points and authorities, the accompanying declaration of
9 Patrick C. Shea, the files and records in this case, and
10 such other and further evidence and argument as may
11 hereafter be adduced.

12 Dated: December 2, 1997

Respectfully Submitted,

13 PILLSBURY MADISON & SUTRO LLP
14 PATRICK C. SHEA
15 MATTHEW S. WALKER
16 101 West Broadway, Suite 1800
17 San Diego, CA 92101

18 By: 
19 Patrick C. Shea
20 Attorneys for Official
21 Committee of Orange
22 County Investment Pool
23 Participants

24 BRUCE BENNETT #105430
25 JOHN L. AMSDEN #137168
26 HENNIGAN, MERCER & BENNETT
27 601 S. Figueroa Street
28 Suite 3300
Los Angeles, CA 90017

By: _____
Bruce Bennett
Reorganization and
Litigation Counsel for
County of Orange

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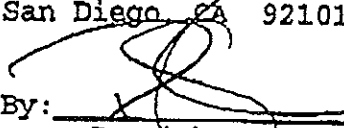
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4 delivery and performance of the Agreement is in the best
5 interests of the County and the Pool Participants (defined
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9 Patrick C. Shea, the files and records in this case, and
10 such other and further evidence and argument as may
11 hereafter be adduced.


12 Dated: December 2, 1997

Respectfully Submitted,

PILLSBURY MADISON & SUTRO LLP
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MATTHEW S. WALKER
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Attorneys for Official
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Bruce Bennett John L. Amshin
26 Reorganization and
Litigation Counsel for
County of Orange

1 MEMORANDUM OF POINTS AND AUTHORITIES

2 I. INTRODUCTION.

3 By this motion, the County of Orange ("County") and the
4 Official Committee of Orange County Investment Pools
5 Participants (the "Pool Committee") seek an order approving
6 the "Agreement re the Disposition of The \$30 Million
7 Received from Merrill Lynch in Its Settlement with the
8 District Attorney and The Distribution of Additional Funds"
9 (the "Agreement") entered into between the County and the
10 Pool Committee. The Settlement Agreement incorporates two
11 related settlements referred to herein as the "DA/Merrill
12 Lynch Settlement Funds Compromise" and the "Additional Funds
13 Compromise."

14

15 II. FACTUAL BACKGROUND.

16 A. Background Relating to The DA/Merrill Lynch
17 Settlement Funds Compromise.

18 In June of this year, the District Attorney for the
19 County (the "D.A.") and Merrill Lynch, Pierce, Fenner &
20 Smith Incorporated ("Merrill Lynch") entered into an
21 "Agreement of Settlement and Release" (the "DA/ML Settlement
22 Agreement"). The DA/ML Settlement Agreement ended an
23 investigation by the D.A. into certain conduct by Merrill
24 Lynch relating to the County and the Pools.

25 The DA/ML Settlement Agreement provides, inter alia:

26 [The D.A.] shall not . . . institute, maintain or
27 assert against [Merrill Lynch], and discharges
28 [Merrill Lynch] from, any and all civil causes of
 action, claims, legal and administrative relief,
 of any kind and nature . . . that have been, or

1 could be alleged or asserted now or in the future
2 by the District Attorney against [Merrill
3 Lynch] . . . related to, in connection with, or
4 arising out of any acts, omissions, facts,
5 matters, transactions or occurrences, in
6 connection with or relating to [Merrill Lynch's]
7 relationship, communications, and transactions
8 with Orange County, the sale of securities to or
9 by Orange County, repurchase agreements or reverse
10 repurchase agreements entered into by Orange
11 County; or the sale of securities issued by Orange
12 County [prior to December 6, 1994].

13 Pursuant to the DA/ML Settlement Agreement, Merrill
14 Lynch paid the County \$30 million (the "Settlement Funds").

15 The Agreement resolves the County's and the Pool
16 Committee's potentially conflicting claims and entitlements
17 to the Settlement Funds. The County and Pool Committee have
18 been negotiating concerning the Settlement Funds since the
19 settlement became public knowledge in June 1997. The
20 Agreement represents a compromise concluded after many
21 discussions and meetings.

22 Under the County's confirmed Second Amended Plan of
23 Adjustment (the "Plan"), all "Net Litigation Proceeds" are
24 to be paid to the Representative for ultimate distribution
25 in accordance with Section VI.D. of the Plan.

26 Net Litigation Proceeds are defined in Section II.A. of
27 the Plan to be all "Litigation Proceeds" remaining after
28 deduction of "Litigation Costs." Litigation Proceeds are
29 defined to include, in pertinent part:

30 any Cash . . . received or recovered from
31 anyone . . . including, but not limited to, awards
32 of damages, rescission, interest, attorneys' fees
33 and expenses, penalties, actual or punitive
34 damages, and increased ownership interests in
35 property, on account of any Pool-Related Claims of
36 the County or [any Pool Participant which assigned

1 its claims to the County], whether by way of
2 settlement, litigation or otherwise

3 "Pool-Related Claims" are defined in Section II.A. of
4 the Plan to mean:

5 any and all claims, demands, obligations, debts,
6 liabilities, suits, causes of action, remedies or
7 rights of any kind whatsoever . . . which in any
8 way relate or pertain to the Pools, the operation
9 or management of the Pools, any transaction
10 entered into by or on behalf of the Pools, any
11 investment made in, by, or on behalf of the Pools,
12 the manner in which assets of the Pools have been
13 invested, purchased or sold, any purchase or sale
14 of assets by or on behalf of the Pools, any
15 deposit of funds into the Pools or withdrawal of
16 funds from the Pools, any other transfer of assets
17 by the Pools or of assets of the Pools, the
18 conduct, act or omission of any person or
19 entity . . . in connection with the Pools or with
20 any transaction with, or investment of, the Pools,
21 any statement, representation or omission which
22 otherwise in any way relates or pertains to the
23 Pools or the manner in which the affairs of the
24 Pools have been conducted; provided, however, that
25 the term "Pool-Related Claims" does not include
26 any Excluded Claims.

17 The County and the Pool Committee have agreed that
18 \$27 million of the Settlement Funds shall be deemed to be
19 Net Litigation Proceeds under the Plan and \$3 million of the
20 Settlement Funds shall be deemed reimbursement for expenses
21 the County incurred in the course of the D.A.'s
22 investigation of Merrill Lynch.

23 B. Background Relating to The Additional Funds
24 Compromise.

25 Prior distributions made to the Pool Participants have
26 been based on various accounting conventions and
27 assumptions. Since confirmation of the Plan, the County has
28 continued to analyze its accounts to reconcile as fully as

1 practicable its accounting records. As a result of its
2 efforts, the County has identified \$17,586,472 as of August
3 29, 1997¹ in certain County Administered Accounts (the
4 "Additional Funds") as remaining unallocated in accounts
5 used to track post-petition transactions in funds of the
6 County and in funds ultimately distributed to Pool
7 Participants.

8 The County asserts that it has made all distributions
9 to Pool Participants required to be made pursuant to the
10 Comprehensive Settlement Agreement and all other applicable
11 agreements and that the Additional Funds are post-petition
12 assets of the County. The Pool Committee asserts that the
13 Pool Participants are entitled to some or all of these
14 monies because such funds were accounted for in accounting
15 funds used to account for assets allocated to Pool
16 Participants as well as County assets.

17 Both the Pool Committee and the County agree that a
18 precise allocation of these monies between the Pool
19 Participants, on the one hand, and the County, on the other
20 hand, could not be made without a comprehensive audit which
21 would cost millions of dollars and that such an audit may
22 not be conclusive. The County's accountants and the Pool
23 Committee's accountants have already expended significant
24 time and energy attempting allocate the Additional Funds.
25 Unfortunately, these efforts have not been sufficient to

26

27 1 The County has advised the Pool Committee that there are
28 more previously unidentified funds. Those funds will be the
subject of a later motion.

1 precisely allocate these monies. Rather, these efforts have
2 only demonstrated that attempting to further refine the
3 allocation of the Additional Funds will be difficult,
4 expensive, time consuming and potentially inconclusive.
5 Further, the Pool Committee would likely be required to pay
6 its accountants hundreds of thousands of dollars to monitor
7 and validate, to the extent possible, the County's audit.

8 The Pool Committee and the County are not confident
9 that all of these accounting expenditures, which benefit
10 none of the parties, would result in a definitive
11 disposition of the Additional Funds. Rather, further
12 discussions and a negotiated resolution would probably
13 follow all of these expenditures.

14 C. Summary of The Agreement's Provisions
15 Concerning the Merrill Lynch Settlement Funds
16 Compromise.

17 The Agreement resolves the dispute concerning the
18 Settlement Funds by providing for distribution of \$27
19 million of those funds, plus a pro rata portion of interest
20 earned on the entire \$30 million, to the Representative, who
21 will distribute those funds according to the Plan. The
22 balance of the Settlement Funds will be retained by the
23 County.

24 In light of the potential for future disagreements
25 concerning the allocation of recoveries, the Agreement also
26 specifies that both the County and the Pool Committee have
27 agreed that all cash or other economic benefit recovered by
28 the Representative or the County from anyone other than a

1 party to the CSA, as a result of any of the actions being or
2 to be prosecuted by the Representative will be transferred
3 to the Representative and distributed in accordance with
4 either Section VI.D.1. of the Plan or agreements that may be
5 approved in the future by the Bankruptcy Court.

6 D. Summary of The Agreement's Provisions
7 Concerning the Additional Funds Compromise.

8 The County will retain \$10,320,988 of the \$17,586,472
9 Additional Funds and such amount shall be deposited into the
10 County's General Fund. The balance of the Additional Funds,
11 not less than \$7,265,484, and all interest accruing on all
12 the Additional Funds prior to distribution, will be used by
13 the County to partially prepay on a pro rata basis the
14 allowed B-12 (Non-School Municipality County-Administered
15 Account) claims of the Non-School Pool Participants under
16 the Plan.

17

18 III. ARGUMENT.

19 A. The Court May Approve a Settlement That is
20 Reasonable, Fair and Equitable.

21 Courts generally favor the resolution of disputes
22 through settlement. Jeff D. v. Andrus, 899 F.2d 753, 759
23 (9th Cir. 1989). The underlying premise is that settlement
24 results in the "amicable adjustment of disputes and the
25 concomitant avoidance of costly and time consuming
26 litigation." Decaney v. Mendoza, 573 F.2d 1075, 1078 (9th
27 Cir. 1978), cert. denied, 499 U.S. 956 (1980).

28

1 Bankruptcy Rule 9019(a) gives the bankruptcy court
2 authority to approve a compromise or settlement. The Ninth
3 Circuit has long recognized that "[t]he bankruptcy court has
4 great latitude in approving compromise agreements." Woodson
5 v. Fireman's Fund Ins. Co. (In re Woodson), 839 F.2d 610,
6 620 (9th Cir. 1988). The reasonableness of a settlement is
7 determined by the particular circumstances of each case, and
8 the order approving or disapproving a settlement will not be
9 disturbed on appeal absent a clear abuse of discretion.
10 United States v. Alaska Nat'l Bank (In re Walsh Constr.,
11 Inc.), 669 F.2d 1325, 1328 (9th Cir. 1982). In considering
12 whether to approve a settlement agreement, the court "should
13 form an educated estimate of the complexity, expense, and
14 likely duration of such litigation, the possible
15 difficulties of collecting on any judgment which might be
16 obtained, and all other factors relevant to a full and fair
17 assessment of the wisdom of the proposed compromise."
18 Protective Comm. for Indep. Stockholders of TMT Trailer
19 Ferry, Inc. v. Anderson, 390 U.S. 414, 424 (1968); see also
20 Martin v. Kane (In Re A & C Properties), 784 F.2d 1377, 1381
21 (9th Cir.), cert. denied, 479 U.S. 854 (1986); In re Texaco,
22 Inc., 84 B.R. 893, 901 (Bankr. S.D.N.Y. 1988).

23 The Ninth Circuit has articulated the following factors
24 for consideration in determining whether a proposed
25 settlement is reasonable, fair and equitable:

- 26 • The probability of success in the litigation;
- 27 • The difficulties, if any, to be encountered in the
28 matter of collection;

- 1 • The complexity of the litigation involved, and the
2 expense, inconvenience and delay necessary
3 attending it; and
4 • The paramount interest of creditors and a proper
5 deference to their reasonable views in the
6 premises.

7 In re Woodson, 839 F.2d at 620, citing, In re A & C
8 Properties, 784 F.2d at 1381.

9 In evaluating the proposed settlement, "[w]hile the
10 court must apprise itself of the probabilities of ultimate
11 success should disputed issues be litigated, it is not the
12 duty of the court to determine those issues, for that would
13 render compromise useless." In re Equity Funding Corp. of
14 America, 416 F. Supp. 132, 146 (C.D. Cal. 1975). Moreover,

15 [T]he approval of a proposed settlement does not
16 depend on establishing as a matter of legal
17 certainty that the subject claim or counterclaim
18 is or is not worthless or valuable. The probable
19 outcome in the event of litigation, the relative
20 advantages and disadvantages are, of course,
21 relevant factors for evaluation. But the very
22 uncertainties of outcome in litigation, as well as
 the avoidance of wasteful litigation and expense,
 lay behind the Congressional infusion of a power
 to compromise. This is a recognition of the
 policy of the law generally to encourage
 settlements. This could hardly be achieved if the
 test on hearing for approval meant establishing
 success or failure to a certainty.

23 Florida Trailer & Equip. Co. v. Deal, 284 F.2d 567, 571 (5th
24 Cir. 1960). Accordingly, in approving a settlement
25 agreement, the court need not conduct an exhaustive
26 investigation into the validity, or a mini-trial on the
27 merits, of the claims to be compromised. In re Walsh
28 Constr., Inc., 669 F.2d at 1328. It is sufficient that the

1 court find that the settlement was negotiated in good faith
2 and that the proposed compromise is reasonable, fair and
3 equitable. TMT Trailer, 390 U.S. at 424; In Re A & C
4 Properties, 784 F.2d at 1381.

5 Here, the County and the Pool Committee believe that
6 the Settlement Agreement is reasonable, fair and equitable
7 to the County and to all Pool Participants.

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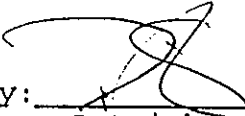
IV. CONCLUSION.

For the reasons set forth above, the Pool Committee and the County respectfully request that the Bankruptcy Court approve the Agreement and the transactions contemplated thereby.

Dated: December 2, 1997

Respectfully Submitted,

PILLSBURY MADISON & SUTRO LLP
PATRICK C. SHEA
MATTHEW S. WALKER
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San Diego, CA 92101

By: 
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Attorneys for Official
Committee of Orange County
Investment Pool Participants

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JOHN L. AMSDEN #137168
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By: _____
Bruce Bennett
Reorganization and Litigation
Counsel for County of Orange


1 IV. CONCLUSION.

2 For the reasons set forth above, the Pool Committee and
3 the County respectfully request that the Bankruptcy Court
4 approve the Agreement and the transactions contemplated
5 thereby.

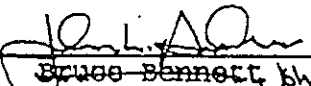
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8 PILLSBURY MADISON & SUTRO LLP
9 PATRICK C. SHEA
10 MATTHEW S. WALKER
11 101 W. Broadway, Suite 1800
12 San Diego, CA 92101

13 By: 
14 Patrick D. Shea
15 Attorneys for Official
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24 By: 
25 Bruce Bennett, John L. Amstden
26 Reorganization and Litigation
27 Counsel for County of Orange
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DECLARATION OF PATRICK C. SHEA

I, PATRICK C. SHEA, HEREBY DECLARE:

1. I am an attorney admitted to practice before the Bankruptcy and District Courts of the Central District of California, and am a member of Pillsbury Madison & Sutro LLP, attorneys for the Pool Committee. I have personal knowledge of the matters set forth in this declaration, and if called as a witness, I could competently testify thereto.

A. The Merrill Lynch Settlement Funds
Compromise.

2. In June of this year, the D.A. and Merrill Lynch entered into the DA/ML Settlement Agreement. It has been widely reported that the DA/ML Settlement Agreement resolved an investigation by the D.A into certain allegedly wrongful conduct by Merrill Lynch relating to the Pools.

3. I have read the DA/ML Settlement Agreement, which is quoted at pages 3 and 4 of this pleading. Merrill Lynch paid the County the \$30 million Settlement Funds pursuant to the DA/ML Settlement Agreement.

4. The Pool Committee and the County have been negotiating concerning the Settlement Funds since the settlement became public knowledge in June 1997. The Agreement represents a compromise concluded after many, many discussions and meetings.

5. Absent a settlement, the County and the Pool Participants could be denied access the Settlement Funds for a substantial time.

1 6. The proposed compromise also saves that parties
2 the cost and expense of litigating a dispute over the
3 Settlement Funds.

4 7. The Agreement reduces the potential for further
5 similar disputes by providing that all future settlements
6 recovered by the Representative or the County as a result of
7 any action prosecuted now or in the future by the
8 Representative will be immediately distributed either in
9 accordance with Section VI.D.1. of the Plan or pursuant to
10 an agreement to be approved in the future by the Bankruptcy
11 Court.

12 B. The Additional Funds Compromise.

13 8. The County has advised the Pool Committee that
14 since confirmation of the Plan, the County has continued to
15 analyze its accounts to reconcile as fully as practicable
16 its accounting records. According to the County, as a
17 result of its efforts, the County has identified \$17,586,472
18 as of August 29, 1997² in certain County Administered
19 Accounts (the "Additional Funds") as remaining unallocated
20 in accounts used to track post-petition transactions in
21 funds of the County and of funds ultimately distributed to
22 Pool Participants.

23 9. Both the Pool Participants and the County agree
24 that a determination of the ownership of these funds could
25 not be made without a comprehensive audit which would cost
26 _____

27 2 The County has advised the Pool Committee that there are
28 more previously unidentified funds. Those funds will be the
subject of a later motion.

1 millions of dollars, and that such an audit may not be
2 conclusive. The County's accountants have expended
3 significant time and energy attempting to determine
4 ownership of the Additional Funds. The Pool Committee's
5 accountants have worked with the County's accountants in
6 this endeavor. Unfortunately, these efforts have not been
7 sufficient to demonstrate ownership of the Additional Funds.
8 Rather, these efforts have demonstrated that attempting to
9 determine ownership of the Additional Funds will be
10 difficult, expensive, time consuming and probably
11 inconclusive.

12 10. The Pool Committee believes that negotiated
13 disposition of the Additional Funds represents one of the
14 many possible outcomes of litigation. This factor is
15 difficult to assess, because the difficulty of obtaining
16 dispositive accounting information limits the parties'
17 ability to support their respective claims. This settlement
18 reflects the Pool Committee's negotiation of what it
19 believes is a fair result in this matter.

20 11. Absent a settlement, the Additional Funds could be
21 tied up in litigation for years while the County and Pool
22 Participants conduct audits and then litigate their claims.

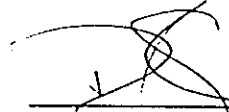
23 12. The Pool Committee believes the Additional Funds
24 Compromise also provides the benefit of avoiding the costs
25 and expenses of litigation.

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1 I declare under penalty of perjury under the laws of
2 the State of California that the foregoing is true and
3 correct. Executed at San Diego, California, this 2nd day of
4 December, 1997.

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6 _____
7 Patrick C. Shea

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AGREEMENT RE THE DISPOSITION OF
THE \$30 MILLION RECEIVED FROM MERRILL LYNCH
IN ITS SETTLEMENT WITH THE DISTRICT ATTORNEY AND
THE DISTRIBUTION OF ADDITIONAL FUNDS

THIS AGREEMENT RE THE DISPOSITION OF THE \$30 MILLION RECEIVED FROM MERRILL LYNCH IN ITS SETTLEMENT WITH THE DISTRICT ATTORNEY, AND THE DISTRIBUTION OF ADDITIONAL FUNDS (this "Agreement"), is entered into as of September __, 1997, by and among the COUNTY OF ORANGE, a political subdivision of the State of California (the "County"), and the Official Committee of Orange County Investment Pools Participants (the "Pool Committee") appointed in the Chapter 9 case for the County pending in the United States Bankruptcy Court for the Central District of California (the "Bankruptcy Court") and designated Case No. SA-94-22272 JR (the "County Chapter 9 Case"). Terms not otherwise defined in this Agreement shall have the meanings given to them in the County's Second Amended Plan of Adjustment (the "Plan") in the County Chapter 9 Case.

RECITALS

A. Under the Plan, all "Net Litigation Proceeds" are to be distributed by the litigation Representative, Thomas Hayes, in accordance with the distribution scheme of Section VI.D. of the Plan.

B. Net Litigation Proceeds are defined in Section II.A. of the Plan to be all "Litigation Proceeds" after deducting paid or unpaid Litigation Costs, and Litigation Proceeds are defined to include "any Cash . . . received or recovered from anyone . . . including, but not limited to, awards of damages, rescission, interest, attorneys' fees and expenses, penalties, actual or punitive damages, and increased ownership interests in property, on account of any Pool-Related Claims of the County or [any Pool Participant which assigned its claims to the County], whether by way of settlement, litigation or otherwise"

C. "Pool-Related Claims" are defined in Section II.A. of the Plan to mean "any and all claims, demands, obligations, debts, liabilities, suits, causes of action, remedies or rights of any kind whatsoever . . . which in any way relate or pertain to the Pools, the operation or management of the Pools, any transaction entered into by or on behalf of the Pools, any investment made in, by, or on behalf of the Pools, the manner in which assets of the Pools have been invested, purchased or sold, any purchase or sale of assets by or on behalf of the Pools, any deposit of funds into the Pools or withdrawal of funds from the Pools, any other transfer of assets by the Pools or of assets of the Pools, the conduct, act or omission of any person or entity . . . in connection with the Pools or with any transaction with, or investment of, the Pools, any statement, representation or omission which otherwise in any way relates or pertains to the Pools or the manner in which the affairs of the Pools have been conducted; provided, however, that the term "Pool-Related Claims" does not include any Excluded Claims."

D. In June of this year Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") entered into an Agreement of Settlement and Release (the "Merrill Lynch Settlement") with the District Attorney for the County ("D.A.") pursuant to which Merrill Lynch has paid to the County \$30 million (the "Settlement Funds") and the D.A. expressly agreed "that he shall not . . . institute, maintain or assert against [Merrill Lynch], and discharges [Merrill Lynch] from, any and all civil causes of action, claims, legal and administrative relief, of any kind and nature . . . that have been, or could be alleged or asserted now or in the future by the District Attorney against [Merrill Lynch] . . . related to, in connection with, or arising out of any acts, omissions, facts, matters, transactions or occurrences, in connection with or relating to [Merrill Lynch's] relationship, communications, and transactions with Orange County, the sale of securities to or by Orange County, repurchase agreements or reverse repurchase agreements entered into by Orange County; or the sale of securities issued by Orange County" prior to December 6, 1994.

E. The County and the Pool Committee wish to resolve the distributional entitlement to the Settlement Funds.

F. The County and the Pool Committee wish to resolve the distributional entitlement respecting an estimated, at August 29, 1997, \$17,586,472 in Accounts 683 and 690 (referred to herein as "Additional Funds") without incurring the cost of conducting an independent audit of those accounts and funds.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and of the covenants and conditions set forth herein, the parties hereto agree as follows:

1. Distribution of the Settlement Funds. Of the \$30 million Settlement Funds \$27 million (plus interest earned on such \$27 million from the date of receipt of the Settlement Funds by the County to the date of distribution) will be transferred to the Representative for distribution under Section VI.D. of the County's Plan of Adjustment immediately after the entry of a Bankruptcy Court order approving this Agreement and authorizing such distribution. The County will promptly apply for an order of the Bankruptcy Court doing so, and the Pool Committee will support the County's application. The balance of the Settlement Funds will be retained by the County.

2. Additional Funds. The County will retain \$10,320,988 of the Additional Funds. The balance of such Additional Funds (currently not less than \$7,265,484), and all interest accruing on the total of such Additional Funds prior to distribution, will be used by the County immediately after the entry of a Bankruptcy Court order approving this Agreement and authorizing such distribution to partially pay on a pro rata basis the B-12 (Non-School Municipality County-Administered Account) claims of the Non-School Pool Participants under the County's Plan of Adjustment. The County will promptly apply for an order of the Bankruptcy Court doing so, and the Pool Committee will support the County's application.

3. Future Settlements. The County and the Pool Committee further agrees that all Cash, economic benefit, or property received or recovered by the Representative or the County from anyone other than a party to the CSA, including, but not limited to, awards of damages, rescission, interest, attorneys' fees and expenses, penalties, actual or punitive damages, and increased ownership interests in property, whether by way of settlement, litigation or otherwise ("Future Settlement"), as a result of any of the actions being or to be prosecuted by the Representative will be immediately transferred to the Representative and distributed in accordance with Section VI.D.1. of the County's Plan of Adjustment or pursuant to an applicable separate agreement, approved by the Bankruptcy Court, providing for the assignment of particular Excluded Claims to the Representative, regardless of whether any such action may involve Excluded Claims.

4. Bankruptcy Court Approval. Promptly after the Execution of this Agreement by the County and the Pool Committee, the County shall file with the Bankruptcy Court the motions or applications required to obtain approval of this Agreement and the distributions described herein.

5. Entire Agreement; Modification; Waiver. This Agreement, including the Exhibit hereto, constitutes the entire agreement between the parties hereto respecting the Settlement Funds, Additional Funds and Future Settlements, and supersedes all prior and contemporaneous agreements and understandings of the parties, whether oral, written or implied, as to the subject matter hereof. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing by all parties affected thereby. No waiver of any of the provisions of this Agreement shall be deemed or constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

6. Further Assurances and Cooperation. Each party hereto agrees to execute any and all documents and to do and perform any and all acts and things necessary or appropriate to effectuate or further evidence the terms and provisions of this Agreement.

7. Headings. The descriptive headings of the several sections of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

8. Applicable Law. This Agreement shall be governed in all respects, including its validity, interpretation and effect, by title 11 of the United States Code and the laws of the State of California, without giving effect to the principles of conflicts of law thereof.

9. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument,

10. Due Authorization. Each party to this Agreement hereby represents and warrants that (i) such party is authorized to enter into this Agreement, and (ii) the persons signing this Agreement on behalf of such party have been authorized to execute this Agreement on its behalf.

11. Construction. The parties acknowledge that each party and its counsel have reviewed this Agreement, and each party has had its interests represented in the drafting of this Agreement, and that the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by its official representatives thereunto duly authorized, all as of the day and year first above written.

THE COUNTY OF ORANGE, a political
subdivision of the State of California

THE OFFICIAL COMMITTEE OF
ORANGE COUNTY INVESTMENT
POOLS PARTICIPANTS

By: _____
Jan Mittermeier, Executive Director

By: _____
Paul Brady, Committee Chair

By: _____
Bruce Bennett, Counsel

By: _____
Patrick C. Shea, Committee
Counsel

10/7/97 insertion faxed to Bruce Bennett

3. Future Settlements. The County further agrees that all Cash, economic benefit, or property received or recovered by the Representative or the County from anyone other than a party to the CSA, including, but not limited to, awards of damages, rescission, interest, attorneys' fees and expenses, penalties, actual or punitive damages, and increased ownership interests in property, whether by way of settlement, litigation or otherwise ("Future Settlement"), as a result of any of the actions being or to be prosecuted by the Representative (except to the extent they represent the proceeds of the Excluded Claims of Pool Participants assigned to the Representative by separate agreement) will be immediately transferred to the Representative and distributed in accordance with Section VI.D.1. of the County's Plan of Adjustment, regardless of whether any such action may involve Excluded Claims of the County. Moreover, one-half of all Cash and other property reserved for any Disputed Claim in Classes A-1 and B-1 under the Plan to the extent such Disputed Claims are (i) disallowed by a Final Order other than by reason of the assertion by the County of a defense, offset or counterclaim which is a Pool-Related Claim or (ii) equitably subordinated by a Final Order, for whatever reason, will also be immediately transferred to the Representative and distributed in accordance with Section VI.D.1. of the County's Plan of Adjustment.

1 PROOF OF SERVICE BY MAIL

2 I, Jemma Samala, hereby declare:

3 1. I am over the age of 18 years and am not a party
4 to the within cause. I am employed by Pillsbury Madison &
5 Sutro LLP in San Diego, California.

6 2. My business address is 101 West Broadway, Suite
7 1800, San Diego, California 92101.

8 3. On December 2, 1997, I served a true copy of the
9 attached document titled exactly:

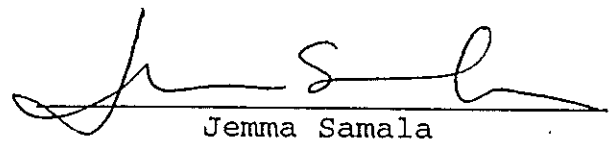
10 NOTICE OF MOTION AND MOTION FOR ORDER APPROVING
11 COMPROMISE REGARDING: (1) \$30 MILLION MERRILL LYNCH
12 SETTLEMENT; AND (2) \$17.6 MILLION IN ADDITIONAL FUNDS;
MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF
PATRICK C. SHEA

13 by placing it in a sealed envelope and depositing it in the
14 United States mail, first class postage fully prepaid,
15 addressed to the following:

16 [See Attached Service List]

17 I declare under penalty of perjury that the foregoing
18 is true and correct.

19 Executed this 2nd day of December, 1997, at San Diego,
20 California.

21 
22
23 Jemma Samala



**MEMORANDUM**

To: Member Agency Managers
From: Keith Coolidge
Date: November 18, 1997
Subject: **Assembly Committee on Local Government – 11/17 Interim Hearing re: LAFCO**

An interim hearing on Local Agency Formation Commission (LAFCO) issues Monday (Nov. 17) focused on growth management and the need to protect agricultural lands as well as LAFCO-specific issues such as funding, staffing, and the nuts-and-bolts of Cortese-Knox.

Titled "Growth at the Margin: What's the Role of LAFCO?", the Assembly Committee on Local Government heard several recommendations on growth management, including:

- The State should adopt comprehensive growth-management strategies, with local input, to control growth at the local level;
- There is a need for better coordination between state and local governments to improve growth-management planning;
- Local governments need better coordination among units responsible for growth-management decisions; and
- The property-tax shifts contribute to poor growth-management planning by cities and counties, and the Legislature should return the property tax to all local governments.

On LAFCO-specific issues, CALAFCO representatives offered these recommendations:

- Cities and special districts should contribute to general funding of LAFCOs, which now comes from the counties. The formula should be fair and based on each city's and special district's proportional budget. This would be similar to the formula now embodied in AB 972 (Torlakson).
- All LAFCOs should be independent of county government.
- CALAFCO supports increasing the number of public members and is willing to consider alternatives to the current method of choosing public members (they are now chosen by the other LAFCO commissioners from a pool of applicants).
- LAFCOs need to do a better job educating the public about LAFCO's roles and responsibilities and they should strive for better public accountability.

- Orange County's Dana Smith, who serves as CALAFCO executive director, encouraged the Committee to revisit provisions that were in the original version of former Assemblyman Mike Gotch's AB 1335 and subsequently deleted in the Legislative process. She suggested these provisions could provide LAFCO with more specific policy guidance.
- Ms. Smith also suggested that special districts in urban counties, such as Orange County, are better candidates for consolidation than those currently serving rural counties. She also suggested that it makes more sense to consolidate single-function special districts than those that provide multiple services.
- Ms. Smith also suggested that some special districts, particularly water and sewer districts, could be reorganized into regional districts serving multiple cities.

Dr. Alvin Sokolow, a public policy specialist at the University of California, Davis, concluded that Cortese-Knox is more than 25 years old and in serious need of modification. He told the Committee that all of the issues raised during the hearing have been discussed for years without resolution and that it will take strong political will if the Legislature wants to effectively deal with the growth-related problems confronting the state.

PLACENTIA LIBRARY DISTRICT BOARD OF TRUSTEES

TO: Library Board of Trustees
FROM: Elizabeth D. Minter, Library Director *Edm*
SUBJECT: Review Library Revenue Issues, including whether to renew the services contract with California Advocates for legislative information services; and continue the discussion of the feasibility of Library Parcel Tax ballot issue, including consideration of the proposal by Pat Irot to establish a Study Committee to review the impact on the community of the library's service reductions.

DATE: January 20, 1998

BACKGROUND:

Library Revenue Issues

At its Meeting on April 15, 1997, the Board requested that an item for the discussion of Library Revenue Issues be included on each Agenda.

1. Property Tax

The Governor's Budget for Fiscal Year 1998-99 contains no provision for reversal of ERAF.

Library Director Minter talked with Assemblyman Ackerman by telephone about the possibility of having library districts exempted from ERAF since they are established by the Education Code. He responded that while the Governor's Budget has no provision for ERAF reversal the bipartisan support for including it in this year's budget is greater than ever before. He did not dismiss the suggestion but asked that we wait several weeks to see how the general ERAF reversal momentum is building in this session.

I talked with Mike Belote of California Advocates about my conversation with Assemblymen Ackerman and Mike is prepared to assist the District with taking the exemption for library districts forward. I have an appointment to meet with Mike Belote on Wednesday, January 21 in Irvine. Trustee Pappas has agreed to attend this meeting with me.

The Board will need to determine whether it intends to continue its Legislative Services contract with California Advocates. The cost is \$2,500 per year plus expenses for printing and postage. This contract has been paid from the Meeting Room revenues in the County Exempt Fund.

2. State Funds

The Governor's Budget recommends no increase in Public Library Foundation Funds.

The recommended increases in the Transaction Based Reimbursements will not significantly impact Placentia Library District.

3. Local Revenues

Staff is continuing to investigate a new vendor for delinquent accounts collection services. This project is being held up by the Anaheim Public Library as it controls the output of information from the shared library system. A Consortium meeting on this topic is scheduled for this week.

Parcel Tax Election Considerations

Library Director Minter talked with Bob Tunstall, Administrative Aide in Supervisor Steiner's Office, and Orange County Librarian John Adams about whether they foresee the county-wide 1/8¢ or 1/4¢ sales tax option being placed on a ballot. Both indicated that there is no willingness for this to happen in Orange County.

I am expecting to talk with County Elections Manager Rosyln Lever before the Board Meeting. I hope to have the estimate for various types of election expenses.

At the December 16, 1997 Board Meeting President Dinsmore read a memo from Pat Irot in which she suggested the establishment of a study committee that would review the District's financial condition and subsequent service cuts. This was proposed in the spirit of providing a number of community opinion leaders who will become more articulate about the Library's needs for increased funding. Mrs. Irot's memo is Attachment A.

RECOMMENDATION:

1. Determine whether to renew contract with California Advocates
2. Determine whether to establish a Study Committee
3. Give direction for future action.

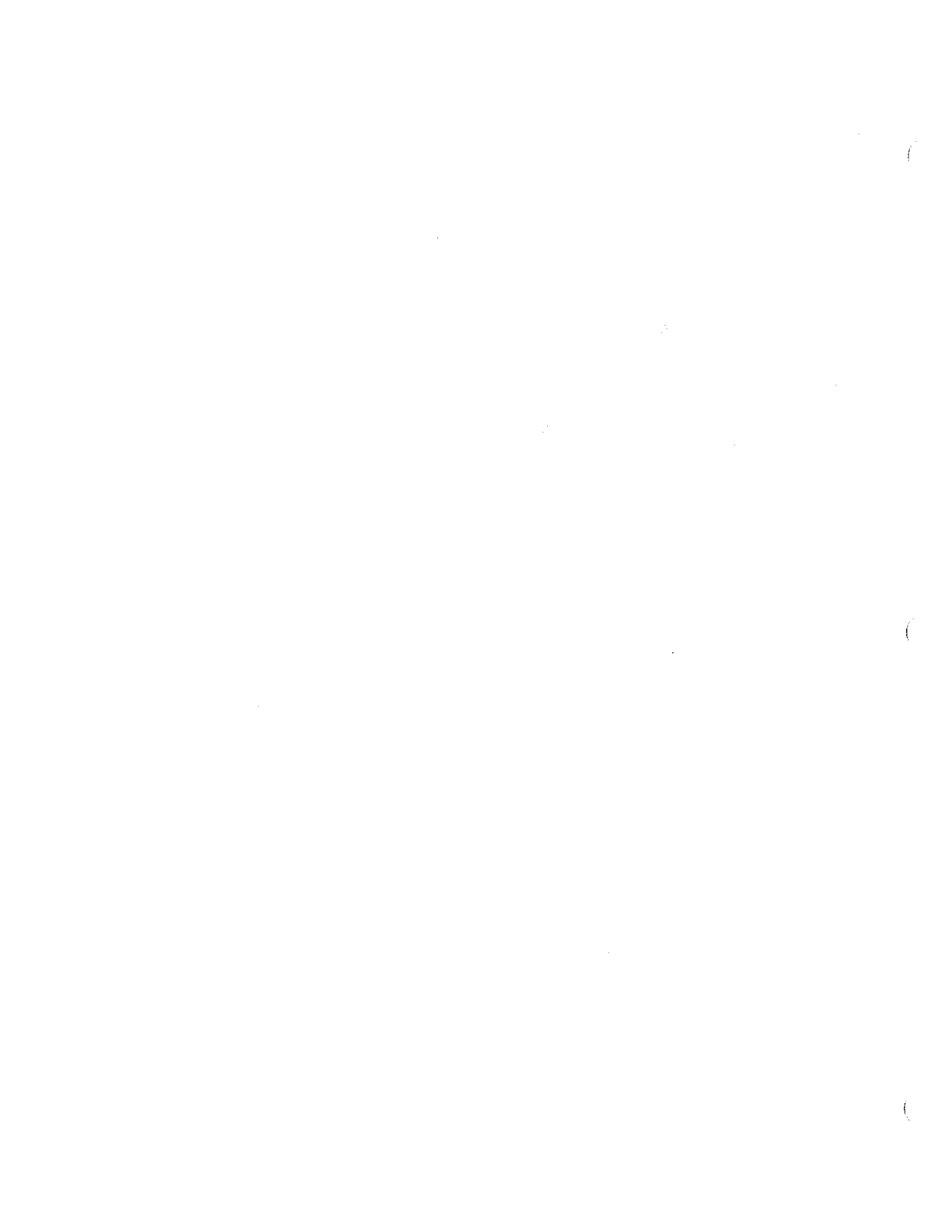
PLACENTIA LIBRARY DISTRICT BOARD OF TRUSTEES

TO: Library Board of Trustees
FROM: Elizabeth D. Minter, Library Director
SUBJECT: Election Cost Estimates
DATE: January 20, 1998

Orange County Registrar of Elections Roslyn Lever provided the following information for estimating the cost of a special election for Placentia Library District:

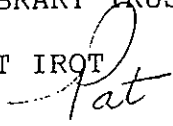
Conducting the election with another election, such as a primary, when the District's census would not otherwise be set-up -- \$1.00 per registered voter, or \$20,816.

Conducting a special election with nothing else on the ballot -- \$3.00 per registered voter, or \$62,448. She also said since the District is small the amount for a special election may be slightly under \$2.00 or \$39,551.



TO: LIBRARY TRUSTEES

FROM: PAT IROT



RE PUBLIC HEARING DECEMBER 16, 1997
REDUCTION OF LIBRARY HOURS

When resources became tight, and prior to the Measure W campaign efforts were made to maintain patron hours. This decision, at was acknowledged, impacted negatively on acquisitions for the collection. But, the attempt was to keep the doors open as much as possible for the patrons.

Following the failure of Measure W to pass, the Board, at about this time last year, voted to reduce the number of hours the library is available to the patrons and concentrate the resultant savings, thus made available, on improving the collection. The savings were projected to derive from reduction in staff to a skeleton force, just enough staff to cover the various stations with one person during the operating hours.

Over one year has passed since that decision, and it seems timely for the Board to study the consequences of the reduced patron hours and staff. Perhaps a study committee is needed to review the available data. Are patrons needs being served? by the number of hours? by the schedule of hours? by the increase in acquisitions? by the "kind" of acquisitions?, by the services provided?

The implicit question is whether the decision has worked? the effect on the collection? the effect on patron satisfaction? the effect on staff?

The study committee could then be charged with making recommendations to the Board relative to the restoration of hours? restoration of collection categories? restoration of services? These recommendations could be prioritized and used as a guide when funds become available.

The purpose of the study is to inform the Board of Trustees of the (1)efficacy of its decision and (2)for the allocation of anticipated improved revenues.

In addition, the participants on the study committee would develop a broader base of understanding of the library needs.

PLACENTIA LIBRARY DISTRICT BOARD OF TRUSTEES

TO: Library Board of Trustees
FROM: Elizabeth D. Minter, Library Director *edm*
SUBJECT: Review Policy Handbook, Section I, Item C: Board of Trustees Handbook,
Article IV: Board Organization and Procedures
DATE: January 20, 1998

BACKGROUND:

At its meeting on December 16, 1997, the Library Board of Trustees amended its Board of Trustees Handbook, Article III, Board Organization and Procedures by replacing the content of the former Article III with the following:

The December Regular Meeting shall be designated as the Annual Meeting for the purpose of nominating and electing the officers of the Board: the President and Secretary.

The term of office shall be one year. The President and Secretary shall serve no more than two consecutive terms. In the event no other member of the Board of Trustees is able to accept nomination to office, the incumbent may continue in office until the next Annual Meeting when another member is available to serve in the office.

At the December meeting the President will appoint two representatives from the Library Board of Trustees to the Placentia Library Foundation to serve for one year.

The Board requested that an Article IV be presented to define the role and responsibilities of the Friends of Placentia Library and the Placentia Library Foundation. Attachment A is a draft for Article IV.

RECOMMENDATION:

Review, Revise and Adopt.



PLACENTIA LIBRARY DISTRICT BOARD OF TRUSTEES

TO: Library Board of Trustees
FROM: Elizabeth D. Minter, Library Director *Edm*
SUBJECT: Board of Trustees Handbook, Draft of Article ~~VI~~^{IV}
DATE: January 20, 1998

1 ARTICLE IV. Placentia Library Support Organizations

2

3 A. Definition and Purpose

4

5 Two independent, not-for-profit organizations have been established by Library supporters to
6 supplement the Library's revenue, public relations activities, programs, and volunteer
7 recruitment. Both of these organizations are certified as non-profit corporations by the California
8 Secretary of State, and have been granted 501 (c) (3) status by the Internal Revenue Service. This
9 means that donations to both of these organizations are tax deductible. Both organization are
10 managed by Boards of Directors which are self-perpetuating and operate in close cooperation
11 with, but administratively independent of, the Library Board of Trustees. The Library Director is
12 an *ex officio* member of both Boards of Directors. Placentia's Public Library is designated as the
13 sole beneficiary of the activities of both of these organizations. The Library provides
14 administrative support to both of these organizations through the active participation of the
15 Library Director, Administrative Assistant, and Volunteer Coordinator.

16

17 B. Friends of Placentia Library

18

19 The Friends of Placentia Library was established in 1968. Its mission is to foster closer relations
20 between the Placentia Library and the citizens of Placentia, and to support the functions,
21 resources and needs of the Library.

22

1 The Friends of Placentia Library is a membership organization. It conducts day-to-day
2 fundraising through book sales, membership contributions, and special events to fund current-
3 year programs and projects for the Library. The Friends conducts an annual Author's Brunch in
4 support of the Adopt-A-Book program of Placentia Library Foundation.

5
6 Friends of Placentia Library grants and gifts to the Library are coordinated through the Library
7 Director.

8
9 The Library Board of Trustees sends a representative to each Friends of Placentia Library Board
10 Meeting to encourage the Friends in its activities, and to keep an open channel of communication
11 between the two boards. The Friends of Placentia Library President is encouraged to attend and
12 make a report at each Library Board of Trustees Regular Meeting.

13
14 The Board of Directors of the Friends of Placentia Library appoints one of its members to the
15 Placentia Library Foundation Board of Directors.

16
17 C. Placentia Library Foundation

18
19 Placentia Library Foundation was established in 19⁹⁴~~84~~. Its mission is to ensure the future
20 provision of resources and services at Placentia Library District through building and managing
21 endowment and capital funds, and providing grants to the Placentia Library District from these
22 funds. Specific programs supported by the Foundation include: The Library's collection of
23 books, magazines and audiovisual materials; the Library's reference and information services; the
24 Library's facilities and equipment; and special Library projects.

25
26 Placentia Library Foundation is not a membership organization. It raises money through an
27 annual giving campaign for individuals and corporations, and a planned giving program. The
28 main projects of Placentia Library Foundation are the Adopt-A-Book program for the purchase of
29 current-year books and magazines, and the Book Endowment Program for long term financial
30 security. The Foundation offers named endowment programs designed around each donor's
31 specifications. The Foundation also seeks grants in support of Library programs, services, and
32 facilities.

33

- 1 Placentia Library Foundation grants and gifts to the Library are coordinated through the Library
- 2 Director.
- 3
- 4 The Library Board of Trustees appoints two (2) representatives to the Placentia Library
- 5 Foundation Board of Directors.
- 6
- 7 The Friends of Placentia Library Board of Directors appoints one (1) representative to the
- 8 Placentia Library Foundation Board of Directors.

PLACENTIA LIBRARY DISTRICT BOARD OF TRUSTEES

TO: Library Board of Trustees
FROM: Elizabeth D. Minter, Library Director *Edm*
SUBJECT: Travel Authorizations for Special District Risk Management Authority
Education Day for Elected Officials and Managers, and California Studies
Conference X
DATE: January 20, 1998

BACKGROUND:

Special District Risk Management Authority (SDRMA) Education Day for Elected Officials and Managers

The SDRMA Education Day will be held on February 19 from 8:30 A.M. to 4:00 P.M. at the Country Side Suites in Ontario.

Topics for this year are "Board Ethics/Brown Act" and "Employment-Related Issues".

The District receives a discount on its liability insurance bill for having at least 2 Board or Management representatives attend this program. Library Director Minter is scheduled to be at the California Library Services Board meeting in Sacramento on this date.

Several staff members will be attending the SDRMA staff workshop on February 18.

There is no charge to member Districts for representatives attending SDRMA meetings. Lunch is provided at no charge to participants.

Background information is Attachment A.

California Studies Conference X

In December, 1997 the District received a grant from the California Council on the Humanities to conduct a discussion series entitled "Gold Rush". This program is one of the California Sesquicentennial activities.

California Conference X will be held February 5-7 at the University of Southern California. It will prepare staff and volunteers to maximize the productivity of the local discussion groups.

Library Director Minter has approved attendance for Principal Librarian Suad Ammar and Library Board Placentia History Room Delegate Pat Irot at a cost of \$112 per person. Since Pat

Irot is not covered by the Blanket Travel Authorization for Fiscal Year 1997-98 the Board needs to ratify the payment of her registration fee.

Background information for this Conference is Attachment B.

RECOMMENDATION:

1. Determine who will attend the SRRMA Education Day in Ontario on February 19, 1998.
2. Ratify payment of \$112 for Library Volunteer Pat Irot to attend the California Studies Conference X, February 5-7, 1998 in Los Angeles.

WHE. AND WHERE

Thursday
February 19, 1998

COUNTRY SIDE SUITES

204 NORTH VINEYARD

ONTARIO, CA 91764

1-800-248-4661

Room charges are \$79 + tax, single occupancy. For room reservations, call the hotel directly and identify yourself as attending the SDRMA Education Day.

There is no charge for attendance of SDRMA member districts; \$100 per person from non-member districts.

Lunch is provided.

Room charges and meals other than lunch are the responsibility of attendees.

WE MUST RECEIVE YOUR EDUCATION DAY REGISTRATION FORM BY:

February 11, 1998

Reservations not canceled by February 13, 1998 and no-shows are subject to a lunch charge.

PLEASE TO CHANGES IN THE "INCENTIVE CREDIT PROGRAM", EDUCATION DAY CREDITS WILL BE APPLICABLE FOR ATTENDANCE OF BOARD MEMBERS AND MANAGEMENT PERSONNEL ONLY!

COURSE AND FACULTY

BOARD ETHICS/BROWN ACT

Ron Stewart, SDRMA's General Counsel, will provide information on Board activities and how individual Board members should conduct themselves while representing their respective entities. The Brown Act and recent amendments will also be discussed.

This session is recommended for all Board members, particularly those Board members whose districts have no formal Board policy.

Presenter: Mr. Ronald Stewart
Stewart, Humpherys, Burchett,
Sandelman & Molin

EMPLOYMENT-RELATED ISSUES

Dennis Walsh will present a session covering common employment related liability issues through the use of vignettes, with audience participation.

The session is designed to help management recognize and avoid situations which may lead to wrongful termination claims.

Presenter: Dennis Walsh
Walsh & Declues, LLP

REGISTRATION FORM
 EDUCATION DAY - Thursday, February 19, 1998

District _____
 Address _____
 Phone _____

ATTENDEES: _____
 TITLE: _____

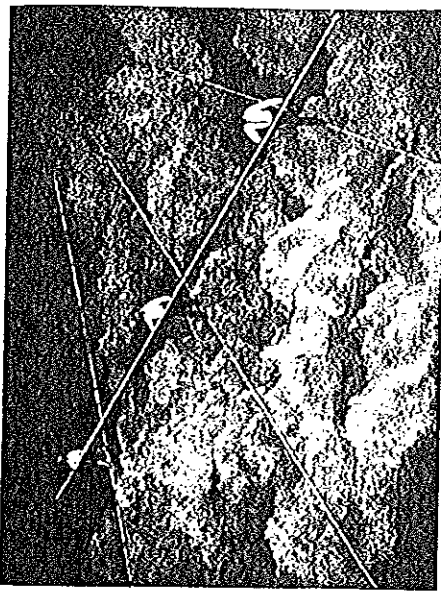
MAIL FORM BY FEBRUARY 9, 1998
 TO: 2400 Venture Oaks Way, Suite 460, Sacramento, CA 95833-3291
 OR: FAX FORM TO (916) 641-2776 BY FEBRUARY 11, 1998
Reservations not canceled by FEBRUARY 13, 1998 will be subject to a meal charge.

EDUCATION DAY SCHEDULE

- 8:00 a.m. Registration & Coffee to 8:30 a.m.
- 8:30 a.m. **INTRODUCTION** to 9:00 a.m.
- 9:00 a.m. **Board Ethics/Brown Act** to 10:00 a.m.
- 10:00 a.m. Break to 10:15 a.m.
- 10:15 a.m. **Board Ethics/Brown Act cont.** to 12:00 a.m.
- 12:00 a.m. Lunch to 1:00 p.m.
- 1:00 p.m. **Employment Practices** to 2:30 p.m.
- 2:30 p.m. Break to 2:45 p.m.
- 2:45 p.m. **Employment Practices/ Question & Answer** to 4:00 p.m.



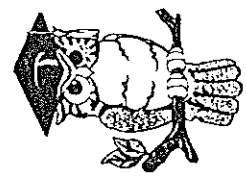
For additional information contact:
 James W. Towns, Executive Director, or
 Murphy J. Lott, Loss Control Officer
 at 1-800-537-7790




SDRMA
SPECIAL DISTRICT RISK
MANAGEMENT AUTHORITY

in cooperation with
CALIFORNIA
SPECIAL DISTRICTS ASSOCIATION
 presents

EDUCATION DAY
FEBRUARY 19, 1998



TO: Elizabeth Minter, Library Director
FROM: Suad Ammar, Principal Librarian 
DATE: January 8, 1998
SUBJECT: Request to attend the "California Studies Conference X"

This is a request to attend a conference that relates directly to the Library's "Gold Rush" program. I think it will help prepare me to direct the program more efficiently. Pat Irot, the Library Board's representative to the Placentia History Room Committee, will also benefit from attending this Conference.

The "California Studies Conference X", a three day conference from February 5, to February 7, 1998 is co-sponsored by the California Council for the Humanities and the California Studies Association, the Getty Research Institute for the History of Art and the Humanities, the Southern California Studies Center of the University of Southern California, the U.S.C. School of International Relations, Loews Santa Monica Beach Hotel and Self-Help Graphics.

The Conference will be held at the University of Southern California and other Los Angeles locations. It will kick off the three year celebration of California's Sesquicentennial with an exploration of the theme "1848-1998: 150 years Since the Discovery of Gold and the U.S.-Mexican War"

The cost for registration, attending special presentations and parking totals \$112.00

TO: Elizabeth D. Minter, Library Director
 FROM: Charlene Dumitru, Administrative Assistant *CD*
 DATE: January 20, 1998
 SUBJECT: Certificates of Deposit

BACKGROUND:

Over ten years ago Certificates of Deposit were established for backup emergency funds to be used primarily in the event of a payroll shortfall. The Certificates are held in amounts of \$5,000 and \$2,500, so that in the event a withdrawal was necessary, the required funds could be withdrawn without disturbing the entire investment.

These Certificates of Deposit have an annual maturity date of January 22. The District has ten days from that date to make any alternate decisions for the investment of these funds. The Certificates of Deposit are currently held at California State Bank, Placentia. They earn an interest at the rate of 5.25% which is rolled into a Savings Account at the same institution. The savings account is earning 2% interest.

Account numbers and values of the Certificates of Deposit are as follows:

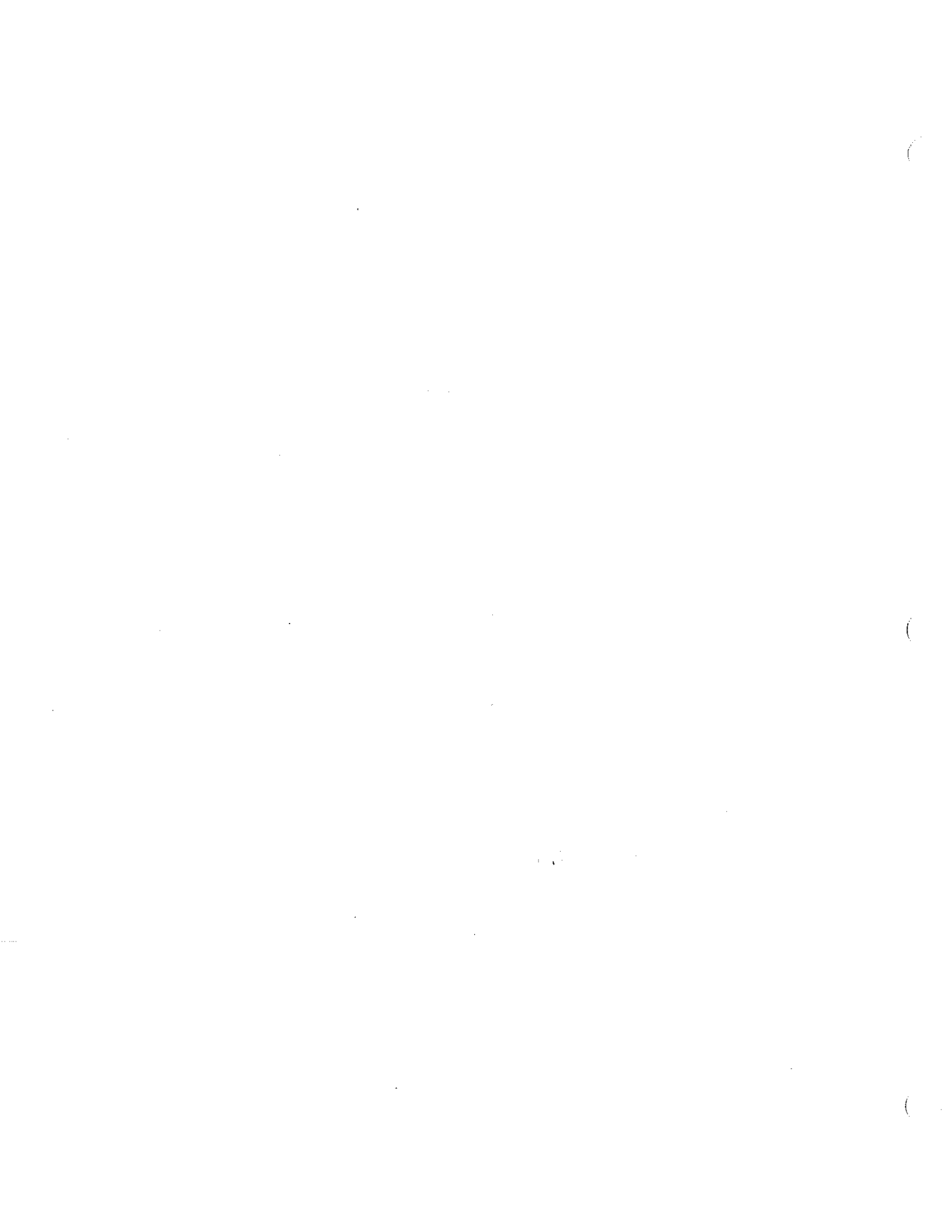
174445017	\$ 5,000.00	174445021	\$ 2,500.00
174445018	\$ 5,000.00	174445022	\$ 2,500.00
174445019	\$ 5,000.00	174445055	\$ 2,500.00
174445020	\$ 5,000.00		
7001118	Savings \$4,877.86		


**COMPARISON OF INTEREST RATES ON CERTIFICATES OF DEPOSIT
AS OF JANUARY 12, 1998**

Financial Institution	Current Rate	Savings Rate	Penalty for early withdrawal
California State Bank (current bank)	4.95% 5.30	2.00%	1 month interest
Sanwa Bank	5.15%	2.00%	1 month interest
Bank of America	5.15%	2.00%	1 month interest
Cen Fed Bank	5.49% (8 month promo rate - then renews at the rate current at the time)	2.00%	no withdrawal during initial 8 months thereafter 3 months interest

RECOMMENDATION:

1. Leave all accounts at California State Bank
2. Purchase additional Certificate of Deposit in the amount of \$2,500.00 from Savings Account.



TO: Elizabeth Minter, Library Director
FROM: Suad Ammar, Principal Librarian 
DATE January 20, 1998
SUBJECT: **Program Committee Report for the Month of December 1997**

Thirty letters were sent to community leaders, presidents and chairpersons of clubs and organizations in Placentia inviting them to participate in the reading and discussions of the definitive anthology "*Gold Rush: a Literary Exploration.*"

Placentia Library was awarded a joint grant by the California State Library and the California Council for the Humanities to direct this program commemorating the California Sesquicentennial and the California Statehood during the next three years.

Wendy Elliott, Instructor at California State University, Fullerton will be the leading scholar for the four reading and discussion sessions. The group will meet at 7:00 p.m. on the following dates:

Tuesday, February 10
Tuesday, March 3
Tuesday, March 24
Tuesday, April 14

This program also leads to the 75th anniversary of the City of Placentia in 2001, the anniversary of the Bradford House, and the 100th anniversary of the Placentia Round Table in 2003.

TO: Elizabeth Minter, Library Director
FROM: Suad Ammar, Principal Librarian
DATE: January 20, 1998
SUBJECT: **Program Committee Report for the Month of December 1997**

PLACENTIA LIBRARY DISTRICT		
PROGRAM STATISTICS		
DEPARTMENT	DECEMBER 97	
	# of Programs	#of Attendees
<i>LITERACY SERVICES</i>		
Citizenship Exam	1	11
<i>CHILDREN'S SERVICES</i>		
Class Visits	1	15

TO: Elizabeth Minter, Library Director
FROM: Cyrise Smith, Children's Librarian
DATE: January 20, 1998
SUBJECT: December activities in the Children's Department

Programming- There was no storytime programming during the month of December. Programming will resume January 6. The Children's Department would like to thank the Friends of Placentia Library and the Placentia Round Table Women's Club for sponsoring the winter session of storytimes.

Class visits- Class visits from local schools continued. 1 class visited the library this month, with 15 children receiving instruction and help with the library and its services.

School/Community Outreach- The Children's Librarian acted as a judge for Morse Elementary schools' art and literature contest "Children's Reflections".

Community Support- The Children's Department would like to thank Julia Whalen for the donation of the "Sing and Snore Emie". The toy was raffled off as a fund raiser for the Children's Department. One-hundred and forty-two dollars was raised. Congratulations to the winner of the "Sing and Snore Emie" Betty Wymer, long-time volunteer at the Placentia Library.

TO: Elizabeth Minter, Library Director
FROM: Cheryl Willauer, Library Assistant
DATE: January 20, 1998
SUBJECT: **Publicity materials produced for December 1997**

Information on the Placentia Library cable channel #53:

1. Placentia Library Trustees.
2. Library Hours.
3. December quotes.
4. Afghan for sale at Circulation Desk.
5. Literacy asking for volunteers to take the tutor training program.
6. Placentia Library Literacy Services offering INS-approved citizenship examination.
7. Friends of Placentia Library bookstore and on going sale in lobby.
8. Storytimes and lapsit programs for children.
9. Holiday closing.
10. Asking for ConAgra Employees to contact Library

Newspaper articles published:

1. Placentia Library honors longtime volunteers (should read *employees*)
2. Understanding Living Trusts seminar to be held at Library
3. Community Blood Drive at the Library.
4. Righting reading wrongs.
5. Main Library in Orange now out of circulation.

pacific clippings

post office box 11789
santa ana, calif. 92711

Placentia News DEC 11 1997
Weekly

Agenda Item 35

Page 2

Placentia Library honors longtime volunteers

332

Some bits and pieces before the year ends: Did you know that Cheryl Willauer and Kalle Mattas were honored for their 20 years of Placentia Library service? Cheryl, in technical services and administration, said the years have gone by quickly and she enjoyed the time she spent supervising the Children's Library. She now finds her function as a volunteer coordinator "rewarding and challenging."



ttavian

Because of the large contingent of volunteers, the library has managed to stay alive despite huge financial cutbacks and ongoing crises. The volunteers provide a high level of customer satisfaction. We can thank Cheryl for scheduling volunteer staffing to meet our community needs. In addition to her "regular work," she provides staff support for the Friends of the Placentia Library and Placentia Library Foundation. A talented comput-

er-graphics technician, she is the editor of the library pages in the "Placentia Quarterly."

Katie Mattas has grown up (really!) in the Library, starting as a page while attending El Dorado High, then on to other positions, including clerk and reference desk librarian along the way. She has enjoyed it all and currently focuses her efforts in the area of literacy ser-

vices representing the library at various organizations concerned with the development of adult literacy.

I really like this lady: Sandra Stark, library board trustee and president of the Library Foundation. As unique as her first name, she's a ball of energy... (Halley's Comet pales next to her!) She helped form the foundation, contributing countless volunteer hours on its behalf. Sandra received a 10-year pin. Recipients of 5-year pins were Elizabeth Minter, Library director, and Esther Guzman, who helps train the student shelvers and volunteers.

FOOD FOR THOUGHT: Deadline: Placentia, October 1997 "Pancake Breakfast a Huge Success." A big thank-you to those who donated food items, flipped pancakes, sauteed sausages and refilled coffee cups: Woody Murphy (American Legion Post 277), Richard O'Hara, "Bud" Steffan, Jim Welso, Jim

Bardwell, John Carlson, Jim and Daniel Fenstermaker, Ev Freywald, William Latta, Patty too, Tom Ortiz, Autumn Humphrey, Jim Aviles, Perry Murphy, Pua Poi, Marv Reid, Dannaca Daniel, Mayur Patel, Angela Viera, Charnell Whitney and Nolan Wirtz. A little "dough" for the pancakes and lots of dough raised for the Boys and Girls Club and senior centers. Missed anyone? Gotcha covered with a "Communitywide thank-you!"

DYNAMO DECORATIONS: If you have not driven past Casey Jones' home (across the street from Ruby Drive Elementary) you simply must...every year Casey adds a little bit of this and a little bit of that to his house and yard...it's a must see!

Sending Happy Anniversary Wishes (and many more years) to Jim and Ruth Purdy, and Reinhard and Priscilla Buss.

FOR THE CHILDREN: Another big success...Placentia's Round

Table (PRT) Women's Club held a barbecue during this year's Heritage Festival. Ever wonder how these events go? Did they reach their goals, and which organizations benefitted? PRT pledged all monies raised would go to the children of the community...Looks like the Boys and Girls Club of Placentia will receive \$2,000, and \$1,000 to the Placentia Children's Library. Thank you (a big one!) to all who participated and supported the fund-raiser!

Correction: The Office Depot coupon in the "Buy in Placentia" booklet does not expire until Dec. 31 despite the date printed on the coupon.

Our condolences to Andrea Andreef and her family for the loss of Andrea's aunt Radka Eagan.

Placentia People is written by resident April Ottavian. Comments, suggestions and information for the column are welcome. Please mail or deliver to 922 Diamond Road or call 579-7885.

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Los Angeles Times
OC Edition
Daily

DEC 8 1997

TUESDAY 332
JAN.

13

Understanding Living Trusts

Sponsor/Group: Attorney Scott A. Bourdelais
Where: Placentia Library, 411 E. Chapman Ave.
Time: 7 p.m.
Admission: Free
Information/Reservations: (714) 541-9569

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Placentia News DEC 11 1997
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TODAY

Community Blood Drive 7:45
a.m. to 1 p.m. at the Placentia Library, 411 E. Chapman Ave.
Call 993-8141.

Choral Concert with Jazz Band 7 p.m. at Tuffree Middle School, 2151 N. Kraemer Blvd.
Call 996-1881.

Main library in Orange now out of circulation

³³²
CITIES: With a face-lift under way, the tiny facility won't reopen until fall 1998.

By **ANN PEPPER**
The Orange County Register

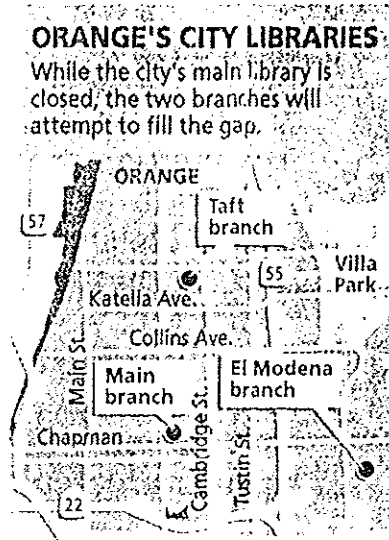
ORANGE — Orange's main city library, the smallest in Orange County, closed for renovation Christmas Eve and will reopen sometime in the fall with a fresh look, a safer structure and a lot better Internet access.

The project, currently funded at \$1.5 million, has long been anticipated by library workers and patrons. The old building, dedicated in 1961, has been squeezed to accommodate triple the 40,000 population it was built to serve.

Orange's main has about 16,800 square feet plus storage compared with the Huntington Beach Public Library's 115,000-square-foot main branch, one of the county's largest. And, although Orange's building isn't going to get bigger, the space will be better used. Plus, Internet access will jump from one station to as many as 20.

"Our patrons are both excited because they've seen the plans (for the renovation) on display and concerned about what (the closure) is going to mean for getting their reports and assignments completed," said Yolanda Moreno, adult services and circulation supervisor.

"But we want to move forward with improving the library's technology and we can't do it without the renovation," Moreno said. "There's no doubt the public will be inconvenienced because we can't take everything with us. But we're going to do the best we can and staff is geared up to help the public get that information it wants."



The Orange County Register

A significant portion of the main library's collection and all of its staff will be moved to the two smaller branches where hours also will be lengthened to try to accommodate patrons' needs, Moreno said.

For months librarians have been taking residents' suggestions for what they most want brought to the branches. Next week, the staff will decide priorities and try to accommodate as many of the requests as possible.

Much of the business and reference collections will go to the El Modena branch. Children's services will set up shop at the Taft branch. Both plan to have expanded collections and staffing by February.

What can't be taken will be stored at the Bank of America building recently purchased by the city and a possible site for a future new and larger library, Moreno said. It's across Center Street from the main library.

On Tuesday, about a half dozen library workers were culling the library's collections for misfiled books, or ones too damaged or

ORANGE LIBRARY SERVICES

The city of Orange's main library at 101 N. Center Street closed for renovation Christmas Eve and will be unavailable to patrons until fall. As much as possible of the main library's collection and all of its staff will be shifted to the two branch libraries in an effort to accommodate library users. Here are addresses, phone numbers and hours for the two branches:

El Modena Branch Library, 380 S. Hewes St., (714) 288-2450

Taft Branch Library, 740 E. Taft Ave. (714) 288-2430

Hours through January
Monday, Tuesday, Wednesday — 1 to 8 p.m.
Thursday — 1 to 6 p.m.
Friday, Jan. 16, Jan. 30 — 1 to 5 p.m.
Saturday — 1 to 5 p.m.

Hours beginning in February
Monday, Tuesday, Wednesday — 10 a.m. to 9 p.m.
Thursday and Saturday — 10 a.m. to 6 p.m.
Alternate Fridays beginning Feb. 13 — 10 a.m. to 6 p.m.

Source: City of Orange Library

outdated to be reshelved when the library reopens.

"One surprise (has been) that our science-fiction books don't circulate that much," Moreno said. "Science fiction isn't that popular at the main. It seems more popular at El Modena."

Richard Lusk and his son, Corey, 14, had science fact in mind when they showed up at the library Tuesday and discovered it closed.

"I need a book for a genetics report on eye color," said Corey, a student at St. Norbert's High School.

They'd already checked the Taft branch and hadn't found what they wanted. Next stop: El Modena.

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The Register
Daily

1 - 1998

Righting reading wrongs

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The news that the main library of the city of Orange closed for renovation last week and will stay closed until fall gives us a mixed reaction.

There is frustration at not being able to enjoy in the coming months the homey environs of one of the county's smallest — but also friendliest — central city libraries. But there is also anticipation of how the facility will be upgraded.

The strategy that library officials are employing deserves note. For the past two months they have been taking suggestions from residents about what books they most want brought to satellite branches, for accessibility during the renovation period. This canvassing of customers is helpful on several levels, not least of which in the merely personal sense of helping to build a relationship with the community. Beyond that not-intangible benefit, library staff also get a clearer sense of patrons' interests — a consumer sampling of the kind that private businesses might utilize.

Indeed, a new accent on entrepreneurial approaches can be seen in many public libraries. They're prodded not just by financial limitations but by the example of some local

private bookstores that offer customers comfortable reading spaces, music and even food and coffee — and are rivaling libraries as popular venues for people who love to read.

The ideal approach is for a library entirely funded by private community effort — whether non-profit or for-profit in its organization. But even tax-supported libraries can move beyond the narrow mentality of government subsidy, a mentality that too often is resistant to innovation.

Some public-library reformers advocate adding snack shops or gift shops to help raise funds and expand points of connection with customers. Another idea is to link up with academic libraries and with patrons' home computers to offer services unbounded by bricks and mortar. The public libraries of tomorrow ought to be "total service environments, like Las Vegas casinos," State Librarian Kevin Starr has argued.

Increased links with the private sector can offer more resources. In Orange, for instance, local civic and business activists have supplied such services at the main library as Internet access.

The Orange library is listening to customers, and the payoff is sure to be more customer support.

TO: Elizabeth Minter, Library Director
FROM: Katie Matas, Literacy Coordinator *KLM*
DATE: January 20, 1998
SUBJECT: **Placentia Library Literacy Services Report for the month of December**

Program Statistics

Active tutors: 54

Active students: 61

Students waiting to be matched: 32

Percentage of tutors reporting (Dec hours): 87%

Tutoring hours reported: 216

Other volunteer hours reported: 57

Total volunteer hours: 273

Citizenship Exam. The citizenship exam was administered December 6, 1997. Eleven people took the exam. The next exam is scheduled for Saturday, January 24, 1998.

Tutor Training. The next tutor training workshop is scheduled to begin Tuesday, January 20, 1998.

Other Networking Activities. Placentia Community Network did not meet in December. The next meeting will be Thursday, January 15, 1998.

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

Additionally, it is noted that regular audits are essential to identify any discrepancies or errors in the accounting system. By conducting these audits frequently, potential issues can be resolved before they become significant problems.

The second part of the document focuses on the role of technology in modern accounting. It highlights how software solutions can streamline the process, reduce manual errors, and provide real-time insights into the company's financial health.

Finally, the document concludes by stressing the need for continuous education and training for accounting professionals. As the industry evolves, staying updated on the latest trends and regulations is crucial for success.

The following table provides a summary of the key findings from the study.

Category	Findings
Financial Accuracy	85% of respondents reported high accuracy in their records.
Technology Adoption	70% of companies have implemented accounting software.
Audit Frequency	60% of companies conduct quarterly audits.
Professional Training	90% of respondents value ongoing education.

SAFETY COMMITTEE MEETING
DECEMBER 17, 1997
MINUTES

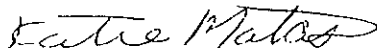
- I. Call to Order: 3:20 P.M.
- II. Members Attending: Jerry Conn
Katie Matas
Cindy McClain
- Members Absent: Esther Guzman
- III. Old Business

IV. New Business

1. On December 4, 1997, two ceiling tiles fell in the Children's Department. A third tile that was loose was removed to avoid having it fall. The electrical maintenance employees need to be instructed in the correct way to remove and replace the ceiling tiles.
2. The Anaheim delivery boxes will no longer be stored by or under the mail table. A small desk was removed from the workroom to make a safer place to store the delivery boxes.

The next meeting will be January 21, 1998 at 3:15 P.M.

Respectfully submitted,



Katie Matas



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PLACENTIA LIBRARY DISTRICT
MISSION STATEMENT
Adopted by the Library Board of Trustees
June 15, 1992

To provide library services and materials that are responsive to the informational, recreational, educational, and cultural needs of all member of the community.

THE PURPOSE OF THE PLACENTIA LIBRARY
DISTRICT IS TO:

- Acquire, organize and maintain a collection of print and non print materials to meet the informational, recreational, educational, and cultural reading, listening and viewing needs of the residents of the District and other eligible users.
- Provide qualified staff to assist the public with the use of the collection and the information contained therein.
- Provide and operate a library facility, that is free of physical barriers, to house the collection and services, to provide reading and study space for users, and to provide space for library and community programs.
- Collect, preserve and maintain a collection of published and unpublished material about the City of Placentia and contiguous communities, about current and prior residents of Placentia, and published materials by authors who reside or have resided in Placentia.

1 PLACENTIA LIBRARY DISTRICT
 2 BOARD OF TRUSTEES
 3 HANDBOOK
 4
 5

6 I. DEFINITION AND HISTORY
 7

8 A. Definition of a Special District
 9

10 Special Districts are the most local form of government. There are over 2,000 special districts in the State
 11 of California. They provide many essential services to areas embracing both incorporated and
 12 unincorporated territories, sometimes within and sometimes across county boundaries. In most cases
 13 special districts were organized by local citizens seeking solutions to their many service and utility
 14 problems, and in the process established service areas not necessarily limited to or encompasses by the
 15 other political boundaries of existing cities and counties. In the case of the Placentia Library District there
 16 was no county library available or an incorporated city at that time to provide library service to the citizens
 17 of the territory. Today there are five special library districts with exclusively elected boards in the State of
 18 California and five more district libraries that use school board members as their governing body.
 19

20 B. History
 21

22 The Placentia Library District was formed in September 1919, pursuant to the Library District Act of 1909
 23 (California State Education Code, Chapter Four (4), Sections 27501 through 27707).

24 In 1926, the board started their first non-storefront library located on the northwest corner of Bradford and
 25 Center. In 1927, they moved into the 4500 square foot library. This building was designed by Carlton
 26 Monroe Winslow of Los Angeles. At that time, the population of the district was approximately 800
 27 people.

28 September of 1974 saw the doors open to the present library at 411 E. Chapman in the civic Center. The
 29 district joined the City in a joint-powers authority to construct the 28,800 square foot structure to serve a
 30 growing population of 31,000 people.

31 In 1966, the Placentia Library District worked in conjunction with the Yorba Linda Library District and the
 32 Orange County Public Library to form the Santiago Library System.

33 In 1974, the System in conjunction with the universities and colleges formed a network called Libraries of
 34 Orange County Network (LOCNET).

1 Membership in the System and Network provides an expanded source of books reference services,
 2 audiovisual and technical processing for all patrons. Autonomy is still maintained by each member library
 3 of the System.

4 C. Administration

5 The Placentia Library District is governed by a five member elected Board of Trustees. The governing
 6 board promulgates policies and regulations for the district, as well as establishing the budget for tax rate.

7 Memberships are maintained for the District in California Library Association (CLA) AND California
 8 Special Districts Association (CSDA). Staff memberships include American Library Association (ALA),
 9 Special Libraries Association (SLA), Orange County Library Association (OCLA), American Society of
 10 Information Science (ASIS), Public Library Executives Association of Southern California (PLEASC),
 11 Public Library Administrators of Orange County (PLAOC).

12 II. BOARD MEMBERS ARE TRUSTEES

13 A. Qualification of Library Trustees

14
 15 Serving on a Board of Library Trustees constitutes a public trust. It carries with it the responsibility of
 16 rendering faithful service, and of providing enlightened leadership to promote the best library service the
 17 community can afford.

18
 19 The Board of Library Trustees should be composed of men and women representing the highest standards
 20 of the community. An ideal board member is an able and dedicated person with integrity, imagination, and
 21 enthusiasm, a sense of humor, and love and respect of books. Additional qualities which will ensure the
 22 value of an individual as a board member are:

- 23
- 24 1. Understanding of cultural, social and economic conditions in the community
- 25
- 26 2. Appreciation of the role of the library as an educational center for the whole community.
- 27
- 28 3. Ability to help make the library appreciated and respected in the community.
- 29
- 30 4. Availability to give the time and effort required for board and committee meetings.
- 31
- 32 5. Willingness to keep informed on library trends, developments, and progress so that the
- 33 program will constantly grow according to modern requirements.
- 34

1 6. Willingness to present the library fiscal, building, and program needs to appropriating
 2 bodies and community.
 3

4 B. Authority
 5

6 Libraries in unincorporated towns and villages may be established and operated under the Unincorporated
 7 Towns Library Act. This is found in the California Education Code, Sections 27501-27665. Upon the
 8 establishment of the library district, the Board of Trustees consisting of five members, is constituted and
 9 continued in the manner prescribed in the Education code.
 10

11 C. Selection and Appointment
 12

13 1. Election-Section 27601 of the Education Code in part, is amended to read: (8-20-74)
 14

15 a. Elections shall be held biennially in the district on the same day as the school district election
 16 as specified in Section 1111, in the odd number years.

17 b. The Trustees shall hold office for a term of four years beginning on the first day of July next
 18 succeeding their appointment or election.
 19

20 2. Vacancies of Unexpired Term-Notice of Vacancy is announced to the local newspapers and posted
 21 in three (3) conspicuous locations. Applications are available at the library director's office. The
 22 Library Board will screen all applications and make an appointment. The Orange County Board of
 23 Supervisors will be informed of the appointment. (Govt. Code 1780.)
 24

25 D. Duties and Responsibilities
 26

27 The duties and powers of boards of library trustees are set forth in the following section of the Education
 28 Code of California: libraries in unincorporated towns and villages, Sections 27501-27665.
 29

30 Generally, the board of library trustees is responsible for maintaining the total effectiveness of the library
 31 service, and for keeping the public informed of the library's policies services, and needs. The board has a
 32 public relations responsibility to interpret the library to the community it serves.
 33

34 The following duties and responsibilities are prescribed by law:
 35

36 1. The board manages the affairs of the library district. (In practice, the board determines
 37 policy, and delegates administration to the director.

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2. The board meets at least once each month, with special meetings subject to call by request of a majority of the board’s membership, or by the president of the board.
3. The board keeps a record of its proceedings.
4. The board makes and enforces rules and regulations necessary for the administration and protection of libraries and library properties.
5. The board administers trusts, gifts and property received by the library, and may, in some cases, dispose of property for the benefit of the library. It also purchases, builds, or rents, and equips such real property as its necessary for library operations.
6. The Board prescribes the duties and powers of the director and other employees of the library, determines the number of and appoints all officers and employees, and fixes their compensation. The officers and employees hold their offices or positions at the pleasure of the board.
7. The board purchases necessary library materials and other personal property. The board may borrow, lend and exchange books by arrangement with other libraries, and may allow non-residents to borrow books upon such conditions as may be prescribed.
8. The board delegates to the director the rendering of an annual report to the State Librarian on the condition of the library for the period ending June 30 of each year.
9. The board adopts a yearly budget with the advice and assistance of the director, presents the budget requirements to the appropriating body, and is prepared to explain and justify the allocation of amounts to be spent for the various items in the budget.
10. The board has the power to make a contract with a city or county for library service, and determine the compensation to be paid for such service.
11. The board of library trustees may do and perform any and all other acts and things necessary or proper to carry out the provisions of the Education Code relating to libraries.

E. Rules for Library Trustees

- 1 1. Each trustee should attend library board meetings regularly and carry his full share of
2 responsibility. (Govt. Code 1770.)
3
- 4 2. All authority rests with a majority of the board. It must never be assumed by the president or
5 any other member or group of members.
6
- 7 3. After a policy or regulation has been adopted by a majority vote of the board, it should
8 receive the unanimous support of board members.
9
- 10 4. The board is responsible for adequate financial support of the library and for economical and
11 efficient use of funds.
12
- 13 5. The board should select a director who will merit and receive the confidence of the board as a
14 satisfactory administrator of the library.
15
- 16 6. Directives and recommendations to the director should emanate from a majority of the board
17 at a regular or duly called special meeting.
18
- 19 7. The director should attend board meetings except when his own salary or other conditions of
20 employment are being discussed.
21
- 22 8. Complaints from the public, staff grievances, and other problems should be taken up at a
23 regular or duly called special meeting of the board. They should not be handled by individual
24 board members.
25
- 26 9. News releases and other releases of information should be made by the director or a
27 designated board member. Confidential discussions of the board in executive session should
28 be respected.
29
- 30 10. All meetings of the board shall be conducted under the laws pertaining to the Brown Act.
31 (Govt. Code 54950 to 54961.)
32

33 III. BOARD ORGANIZATION AND PROCEDURES

34
35 A. Officers
36

1 } The board shall elect, at its regular meeting in July, one of its members as president and another as
2 } secretary. Each officer shall serve for one year and/or until election of his successor.

3

4 B. Duties of Officers

5

6 President—The president of the board shall preside at all meetings, appoint all committees, authorize
7 call for any special meetings, certify (with the secretary) all bills approved by the board, and generally
8 perform the duties of a presiding officer.

~~and to represent the board~~

9 Secretary—The secretary shall authenticate the proceedings of each board meeting, write official
10 letters on behalf of the board, and file copies of such letters with the board's records. The secretary
11 shall perform the duties of president in his/her absence.

12 C. Meetings

13 The board of library trustees shall meet at least once a month at such time and place as may be decided by
14 the board. At the request of any three members, special meetings shall be called 24 hours notice, which
15 notice shall be written and delivered to all board members.

16 1. Minutes of Meetings: A true and accurate account of all proceedings of board meetings shall
17 be recorded by the secretary or by one appointed by the board from library staff for this
18 specific purpose. All motions shall be recorded as stated, and their adoption or rejection shall
19 be shown in the minutes. As a matter of good practice, it is recommended that minutes be
20 prepared in several copies and sent to board members prior to the next meeting.

21 2. Quorum: A quorum for the transaction of business shall consist of a majority of the members
22 of the board.

23 D. Duties of the Director

24 As the chief administrative officer of the library, the director is responsible for the management of the
25 library within the framework of the policies adopted by the board.

26 1. The director is responsible for preparing the annual budget request for adoption by the library
27 board, and for administering the budget after its approval.

28 2. The director is in charge of library personnel, and handles such matters as staff appointments,
29 assignments of duties, service standards, promotions and transfers, approval of salary

1 increments in conformity with classification and pay plans, staff development and morale,
2 disciplinary actions, and any necessary dismissal of employees.

3 3. The director is ultimately responsible for selecting books and other library materials.

4 4. The director is responsible for developing a program of public relations according to the
5 community's needs.

6 5. The director is responsible for preparing an annual report and is to forward it to the State
7 Librarian to comply with the state law.

8 In the advisory capacity of professional expert to the board, the director is responsible for attending board
9 meetings (except when matters relating to the position of director are under consideration), for
10 recommending policies, programs, and changes, and for conducting such investigations and making such
11 reports as the board may from time to time require.

12 E. The Library Board and the Director

13 The closest cooperation and harmony should be maintained between the library board and the director.
14 Each should keep the other fully informed of major decisions and actions.

15 The board is in control:

16 1. It informs itself about general library objectives and makes plans for the management of the
17 library in the light of these objectives.

18 2. It establishes policies in regard to (a) finances, including the acquisition of funds; (b)
19 property; (c) library equipment and materials; (d) Personnel; (e) services, including rules and
20 regulations; and (f) public relations.

21 3. It selects and appoints a competent director in whom it has genuine confidence and to whom
22 it gives full support and encouragement.

23 F. Miscellaneous

24 1. Telephone credit cards are issued to each trustee for the purpose of carrying on library
25 business from home or office as required.

26 2. To encourage participation in library related activities; the district will reimburse expenses
27 incurred for travel, meals, lodging and conference fees. The library board can be requested to
28 give advance approval for reimbursement.

- 1
 - 2
 - 3
 - 4
3. Memberships for trustees in the California Library Association are paid for by the district. This will provide the trustees with periodicals and bulletins to keep them aware of library activities within the state.

Placentia Library Foundation
Comparative Responsibilities
April 27, 1994
(Revised)

Library Board

Elected officials.

Manage all tax revenues, local revenues (fines & fees), and grants.

Approve budget and all programs for Library services.

Set all Library policies.

Approve all expenditures.

Hire and evaluate the Library Director.

Appoints 2 of its members to sit on the Board of Directors of the Placentia Library Foundation.

Friends of the Placentia Library

Independent of the Library Board of Trustees

Day to day fundraising through booksales and special events for current year projects.

Has an annual membership drive with dues ranging from \$5.00 for an individual to \$50 for a lifetime membership.

Grants and gifts to the Library are coordinated through the Library Director. A Library Board member attends the Friends Board Meetings.

Appoints 1 of its members to sit on the Board of Directors of the Placentia Library Foundation.

Placentia Library Foundation

Independent of the Library Board of Trustees.

Long term funding resource

Creation and management of endowment, capital and operating funds.

Annual fund drive, special gifts, directed appeals, bequests, charitable remainder trusts.

No activities to be in competition with the Friends of the Library.

Grants and gifts to the Library are to be coordinated through the Library Director.

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent data collection procedures and the use of advanced analytical techniques to derive meaningful insights from the data.

3. The third part of the document focuses on the implementation of data-driven decision-making processes. It provides a detailed overview of the steps involved in identifying key performance indicators (KPIs) and using data to inform strategic decisions.

4. The fourth part of the document discusses the challenges and risks associated with data management and analysis. It offers practical advice on how to mitigate these risks and ensure the integrity and security of the data.

5. The fifth part of the document concludes with a summary of the key findings and recommendations. It stresses the importance of ongoing monitoring and evaluation to ensure that the data-driven approach remains effective and relevant over time.

11. The final section of the document provides a list of references and sources used in the research. It includes a mix of academic journals, industry reports, and books on data management and analysis.

Why Do We Have A Library Foundation?

The purpose of the Placentia Library Foundation is to ensure the future provision of resources and services at Placentia Library District through building and managing endowment and capital funds, and providing grants to the Placentia Library District from these funds.

Specific programs to be supported by the Foundation include:

- 📖 The Library's collections of books, magazines, audio visual materials, and reference and information services for adults and children;
 - 📖 The Library's facilities and equipment; and
 - 📖 Special Library projects.
-
-

Donor Benefits

The Foundation has been granted 501(c)(3) status by the Internal Revenue Service. Contributions to the Foundation are tax deductible for donors who itemize their income tax deductions.

Deferred gifts have many special tax and income advantages for the donor. Several members of the Foundation Board of Directors are available to explain this program to you by personal appointment.

For additional information please call the Placentia Library Foundation Office at (714) 528-1925 Ext. 203.

How To Include Placentia Library Foundation In Your Will or Living Trust

Percentage

"I give, devise and bequeath to Placentia Library Foundation for the support of Placentia Public Library located in Placentia, California, _____ % of the residue of my estate."

Dollar Amount

I give, devise and bequeath to Placentia Library Foundation for the support of Placentia Public Library located in Placentia, California, the sum of \$ _____."

Specific Property

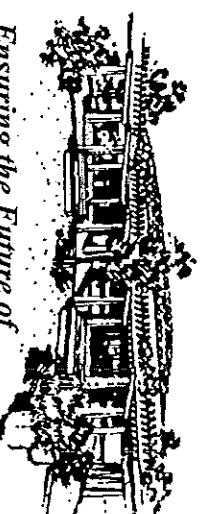
"I give, devise and bequeath to Placentia Library Foundation for the support of Placentia Public Library located in Placentia, California, my interest in (describe the property and its exact location)."

Placentia Library Foundation Board of Directors

Saundra M. Stark, President
David D. Hiskey, Esq., Secretary
Jane DeJovine, Ph.D.
A. C. "Pat" Irot
M. A. McHenry, CPA
Jean Pappas
Al Penry
Elizabeth D. Minter, MLS, Ex. Officio

How To Make A Gift To The

PLACENTIA LIBRARY FOUNDATION



*Ensuring the Future of
Placentia's Public Library*

PLACENTIA LIBRARY FOUNDATION
411 East Chapman Avenue
Placentia, CA 92870-6198
(714) 528-1925 Ext. 203

Creating a Legacy for Placentia

It makes sense to give to the Placentia Library Foundation so that your name and your gift will live on after you. Your gift to the Foundation, large or small, will meet the changing needs of your public library. There are a number of ways to give wisely through the Placentia Library Foundation

By Will or Trust

Many persons who have provided for family members in their wills or trusts have also left money through bequests to local charities like the Placentia Library Foundation.

A number of individuals with no survivors have named a local charity like the Placentia Library Foundation as the primary beneficiary of their will or trust.

These bequests can substantially reduce the amount of your estate tax by using allowable charitable deductions.

Outright Gifts and Year-End Giving

Perhaps you want to make charitable gifts during your lifetime. By doing so you can take maximum advantage of the charitable deduction on your income tax return. Lifetime gifts can also serve to reduce the size of your estate and allow you to see the impact of your donation on the services of the Library.

Life Insurance

You can make the Placentia Library Foundation the beneficiary of life insurance policies. If you do so irrevocably, your annual premiums are tax deductible. The cash surrender value of an existing policy is also tax-deductible.

Gifts with Lifetime Interest

You can provide for yourself and your survivors by making a trust now and specifying that the income go either to yourself or others for a specified number of years or for life, with the principal ultimately going to Placentia Library Foundation. In the case of a gift of low-yield, low basis securities, such a gift could increase your income for life.

Book Endowment Fund

Your can assure that your annual giving goes on forever even if your estate is limited.

For each \$250 increment given to the Book Endowment Fund, either during your lifetime or through your estate, the principal is invested and the interest is used to purchase a book magazine or other collection item each year for your Library.

A commemorative book plate imprinted with your name will be placed in each book as recognition of your gift.

Memorial Gifts

When a relative or friend dies the family sometimes asks that you make a contribution to a charity of your choice. A gift to Placentia Library Foundation provides a continuing memorial. The family of the person you are remembering will be informed of the gift.

It's Your Choice

Only you can make the decision about who will benefit from your years of work.

We urge you to talk to your attorney, accountant, financial planner, life insurance underwriter, or any Director of the Placentia Library Foundation about making the Foundation one of your beneficiaries.

Donor Recognition

Adopt-A-Book and Adopt-A-Magazine donors are recognized with customized bookplates in the items purchased. The are also listed in *Placentia Library Notations*, the Foundation's newsletter.

Book Endowment Fund donors are recognized *each year* with customized bookplates in the items purchased with the proceeds from their gift.

The names of donors contributing \$500 or more to the Book Endowment Fund will be permanently recognized in the Library.

Mission

The mission of the Friends of Placentia Library is to:

Foster closer relations between the Placentia Library and the citizens of Placentia

and

To support the functions, resources, services and needs of the Library.

Membership

Membership in this organization is an evidence of support for this community and particularly its educational, cultural and recreational needs.

Members are provided a pre-sale time at our Used Book Sales prior to opening for the general public.

We are indebted to several local merchants who provide Friends members with discounts.

Friends of Placentia Library Board of Directors

Pat Irot, President
Bob Olson, Vice President
Barbara Hemmerling, Secretary
Marjorie Dailey, Treasurer
Ted Farkas, Membership Chair
Camille Himes
Marge Horrocks
Renée Scott
Frances Stoller
Kay Suiter
Virginia Walker

Directors Emeriti

Ruth Cain
Nita Godwin
Bev Johnson

Placentia Library District Board of Trustees

Peggy Dismore, President
Ray Evans, Secretary
Robin Masters
Jean Pappas
Saundra M. Stark
Elizabeth D. Minter, Library Director















A
Community Volunteer Organization
Supporting Public Library Services
at
Placentia Library District

Friends of Placentia Library
411 East Chapman Avenue
Placentia, CA 92870-6198

Programs

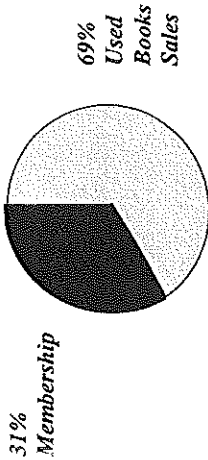
The Friends of Placentia Library is in its third decade as a nonprofit community organization.

Through the members' efforts, Placentia Library programs are supported by providing:

-  Children's Summer Reading Program
-  National Library Week Program
-  Date Due Reminders for Borrowers
-  Telephone Message System
-  Volunteer and Employee Recognition
-  Camp Library for Children
-  Color Printer for Electronic Reference System
-  Special Library Events and Receptions
-  Local History Archives
-  Storytimes for Children
-  Computer for Public Use
-  Reference Materials

Money

The Friends of Placentia Library receives its revenue from membership contributions, sustaining contributions and used book sales.



The annual budget is approximately \$12,000

The Friends of Placentia Library support a variety of Library programs and services by purchasing equipment, funding speakers and special events and co-publishing a newsletter with the Placentia Library Foundation

In addition to its own projects, the Friends of Placentia Library sponsors an Author's Brunch each year to benefit the Placentia Library Foundation. This highly anticipated community event attracts over 200 participants and involves over 30 community leaders who serve as celebrity waiters.

\$













All our proceeds are spent supporting Placentia Library Programs!

Volunteers

Friends volunteers donate over 12,000 hours of service to Placentia Library each year.

You are invited to become a part of this exciting and rewarding program.

Friends volunteers are involved in:

-  Friends Book Store
-  Checking in Books
-  Sorting Used Books for Sale
-  Summer Reading Program for Children
-  Literacy Tutors
-  Author's Brunch
-  Semi-Annual Book Sales
-  Literacy Office Assistants
-  Preparing New Books for Circulation
-  Friends Board of Directors
-  Putting up Bulletin Boards and Displays
-  Occasional Special Projects