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19
 20 UNITED STATES DISTRICT COURT

21 FOR THE NORTHERN DISTRICT OF CALIFORNIA

22 SHARON L. LEUZINGER,) Case No. C 06-0398 SBA

23 Plaintiff,)

24 -v-)

25 COUNTY OF LAKE,) **ORDER APPROVING**
 26) **DISTRIBUTIONS FROM**
) **LEUZINGER SECTION**
) **468B TRUST**

27 Defendant.)

1 Pursuant to the parties' Stipulation Regarding Distributions From Leuzinger Section 468B
2 Trust, the Court makes the following findings of fact:

3 1. On January 26, 2006, plaintiff Sharon L. Leuzinger filed a complaint in this Court against
4 defendant Lake County ("the County"), alleging nine causes of action for employment
5 discrimination and state and federal statutory violations.

6 2. After a jury trial, a verdict was entered in favor of Leuzinger on three state causes of
7 action on September 24, 2007, and on October 31, 2007, the Court entered Judgment in Leuzinger's
8 favor in the sum of \$1,697,001.

9 3. On January 27, 2009 the Honorable Sandra Brown Armstrong approved establishment of
10 the Leuzinger Section 468B Trust [Docket No. 251] ("the Trust."). The Trust is a "disputed
11 ownership trust" governed by 26 U.S.C. §468B(g) and 26 C.F.R. §1.468B-9

12 4. On March 3, 2008, the County filed a Notice of Appeal in the U.S. Court of Appeals for
13 the Ninth Circuit.

14 5. On March 24, 2009, the County deposited the sum of \$1,796,884.79 in the Trust which
15 reflected full payment of the judgment, together with costs and accrued interest.

16 6. On March 30, this Court issued an Order Awarding Plaintiff Attorneys' Fees in the total
17 amount of \$735,500.50.

18 7. Pursuant to the County's Notice of Appeal, both parties filed briefs in the Ninth Circuit
19 and on June 11, 2009, participated in oral argument.

20 8. Before a decision was rendered by the Ninth Circuit, the parties participated in a
21 mediation at which plaintiff claimed to have accrued additional attorneys' fees in the amount of
22 \$165,565.00 since the motion for attorneys' fees had been filed, and further claimed accrued interest
23 on the statutorily-awarded fees of \$10,912.87 and on the pending statutory fees of \$48,478.95. A
24 settlement of this entire matter was reached at the mediation which required the County to pay the
25 total sum of \$2.5 million.

26 9. On July 10, 2009, the parties filed a Stipulation to Dismiss the appeal in the Ninth Circuit
27 and on July 22, 2009, the Ninth Circuit dismissed the appeal pursuant to that Stipulation.

28 10. In addition to the amount of \$1,796,884.79 which has been paid into the Trust, as per the

1 parties' mediated settlement agreement, the County has paid the additional amount of \$703,115.21
2 into the Trust.

3 ACCORDINGLY, pursuant to the Stipulation of the parties the Court Orders that
4 distributions shall be made from the Leuzinger Section 468B Trust as follows:

5 (a) \$352,113.69 to the Law Offices of Stephen M. Murphy as attorneys' fees and costs;

6 (b) \$147,866.62 to Sharon Leuzinger;

7 (c) \$500,000.00 to BARCO Assignments, Ltd., for periodic payments for attorneys' fees to
8 Susan Sher;

9 (d) \$500,000.00 to BARCO Assignments, Ltd., for periodic payments for attorneys' fees to
10 Stephen M. Murphy;

11 (e) \$1,000,000.00 to BARCO Assignments, Ltd., for periodic payments to Sharon
12 Leuzinger; and

13 (f) Any residual funds remaining in the Trust to the Stephen M. Murphy Trust Account for
14 distribution to Leuzinger and her attorneys according to their agreement.

15 **IT IS SO ORDERED.**

16
17
18 Dated: 9/9/09


SAUNDRA BROWN ARMSTRONG
United States District Judge