

# Other Oranges Feel Squeeze From Disaster

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It is the ultimate Orange County "derivative" problem.

We're talking about the fracas that has developed in a handful of American outposts whose only misdeed was to name their counties Orange.

As it happens, there are at least eight Orange counties, and seven of them are miles away from California, the site of the much-publicized Orange County financial disaster. But confused investors and others have pestered all eight Oranges with telephone calls that run the gamut from teasing to terrified.

"I've heard from a lot of investors since all this broke loose, wanting to know what I thought and whether anybody is getting us mixed up," says Vergie Moreland, treasurer of Orange County, Texas.

In New York's Orange County, they're wanting to know "what's your reverse-repo line? Have you liquidated all the securities?" says Ruth McMorrow, that county's commissioner of finance. Ms. McMorrow knows those are jokes. But she isn't happy with local radio station WALL-AM that broadcast: "Orange County Files For Bankruptcy!" and explained later.

It's really not a laughing matter in Florida's Orange County either, where a woman bondholder called finance officials Friday demanding to know "how she will survive if we go bankrupt," says Martha Haynie, the county's comptroller. "We told her: It's not us," and had the woman's bank call her, too.

Combined, the "other" Oranges have a population less than half of Orange County, Calif.'s 2.6 million. And in contrast to the California county's dalliances with

## Where They Are

Various states, in addition to California, which have an Orange County



derivatives, these smaller Oranges are much more conservative. For example, Indiana's Orange County (pop.: 18,500) invests only in certificates of deposit and Treasury bills, not even mutual funds. "I'm a Quaker," says Louanne Rutherford, the treasurer there, who sounds nothing like the California county's risk-taking Robert Citron. "We only take chances on things we know are a given."

In North Carolina's Orange County (pop.: 100,000), official John Horner says a man marched in to pay his taxes last week and declared: "I want to make sure I'm in Orange County, North Carolina, rather than California, before I give you my money!" Other Oranges are in Vermont and Virginia.

Florida's Orange County (pop.: 740,000) is the biggest "other" Orange, and that is where confusion has been the greatest. The county received so many calls — at least 60 — from worried bondholders and vendors that the comptroller's office put out a news release to clear things up. Nonetheless, a British newspaper reported that "the problems of Orange County continued to mount after the Florida local authority filed for bankruptcy . . . ." Oops.

Last week, the comptroller office's investment manager, Steven Alexander, printed up a computer-generated sign with pictures of champagne bottles and glasses. The message on the sign?

ORANGE COUNTY, FLORIDA, THE HOME OF NO DERIVATIVES.