

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF WISCONSIN

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JOSEPH MORALES

Plaintiff,

v.

CONSOLIDATED ENERGY  
COOPERATIVE,

Defendant.

ORDER

06-C-0080-C

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The parties have presented a proposed order to the court, reciting their agreement to dismiss *with prejudice* all claims and pending causes of action in this case, with the court to retain jurisdiction to enforce the settlement agreement. The order presents a dilemma. District courts cannot dismiss suits with prejudice and retain jurisdiction to enforce the settlement of the case. Shapo v. Engle, 463 F.3d 641, 643 (7th Cir. 2006) (citing Kokkonen v. Guardian Life Ins. Co., 511 U.S. 375, 380-81 (1994); Lynch, Inc. v. SamataMason, Inc., 279 F.3d 487, 489 (7th Cir. 2002)). Once a suit has been dismissed with prejudice, the district court lacks the authority to act in the case. (The only exception to this rule applies if a lawsuit ends in an injunction. In that instance, the court may retain jurisdiction over

the terms of the injunction and enforce violations through contempt proceedings, id., (citing United States v. City of Chicago, 870 F.2d 1256, 1257 (7th Cir. 1989).).

I will leave it to the parties to decide whether they prefer dismissal *without* prejudice to the court's losing jurisdiction to enforce the settlement agreement and then submit a new proposed order incorporating their preference.

Entered this 22d day of December, 2006.

BY THE COURT:  
/s/  
BARBARA B. CRABB  
District Judge