

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

MICHAEL THIEL,

Plaintiff,

v.

VILLAGE OF PLOVER,

Defendant.

OPINION AND ORDER

19-cv-959-wmc

In this case, plaintiff Michael Thiel claims his former employer, the Village of Plover (“the Village”), failed to compensate him properly for overtime worked in violation of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. § 203, *et seq.* After litigating this case for almost a year, the parties have notified the court that they have reached a settlement agreement. The settlement only concerns the claim brought by Thiel, rather than any FLSA collective action or Rule 23 class claims. Still, the settlement agreement releases all claims, and the parties seek dismissal of the entire action with prejudice. Thus, as required by law, the parties seek court approval as to the dismissal of Thiel’s FLSA claims. (Dkt. #12.)

In particular, the FLSA bars settlements that “establish sub-minimum wages.” *Walton v. United Consumers Club*, 786 F.2d 303, 306 (7th Cir. 1986) (“[T]he Fair Labor Standards Act is designed to prevent consenting adults from transaction about minimum wages and overtime pay. Once the Act makes it impossible to agree on the amount of pay, it is necessary to ban private settlements of disputes about pay. Otherwise the parties’ ability to settle disputes would allow them to establish sub-minimum wages.”). In approving a settlement, therefore, this court must determine whether the settlement’s

terms and conditions represent “a fair and reasonable resolution of a bona fide dispute over FLSA provisions” and reflect a “compromise of disputed issues [rather] than a mere waiver of statutory rights brought about by an employer’s overreaching.” *Lynn’s Food Stores, Inc. v. U.S. Dept. of Labor*, 679 F.2d 1350, 1354-55 (11th Cir. 1982).

Here, the parties have submitted a thorough brief and relevant evidence to support their motion. In particular, the parties represent that the amount plaintiff stands to receive through the negotiated Settlement Agreement represents a fair compromise of disputed issues and does not establish a sub-minimum wage. The parties explain that the disputed question in this case is whether, as a paramedic within defendant’s Fire Department, plaintiff’s overtime compensation was proper under 29 U.S.C. § 207(k). The parties jointly represent that: (1) defendant produced plaintiff’s time and payroll records; and (2) an analysis of those records show if successful in this lawsuit, plaintiff could reasonably expect to recover \$8,973.18 (\$4,486.59 in unpaid overtime, plus \$4,486.59 in liquidated damages). Since the parties’ settlement agreement provides settlement payments to plaintiff totaling \$8,973.18, and the court has no basis to dispute the parties’ representations, it finds that this amount represents a fair compromise of disputed issues and does not establish a sub-minimum wage.

As to attorneys’ fees, the settlement agreement provides for reimbursement of plaintiff’s attorneys’ fees and costs in the amount of \$15,121.60. The parties also jointly represent that the fees: (1) were negotiated separately from plaintiff’s award; (2) represent reimbursement for the time worked on the case; and (3) are consistent with plaintiff’s

written agreement with plaintiff's counsel. Again, the court can discern no reason to adjust this agreed-upon fee award.

ORDER

Accordingly, IT IS ORDERED that the parties' joint motion to approve settlement agreement (dkt. #11) is GRANTED. Further, in accordance with this agreement, this case is DISMISSED WITH PREJUDICE AND WITHOUT COSTS.

Entered this 1st day of December, 2020.

BY THE COURT:

/s/

WILLIAM M. CONLEY
District Judge