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(ITEM) From Corporation Counsel, recommending payment in the amount of \$35,000 by the Wisconsin County Mutual Insurance Corporation on behalf of Milwaukee County to Robert Elliot, attorney in the matter of Ruben Angeles et al. v. Milwaukee County et al., Case No. 14-CV-1074, by recommending adoption of the following:

A RESOLUTION

WHEREAS, Ruben Angeles was a County employee working at General Mitchell International Airport; and

WHEREAS, Mr. Angeles completed a purchase of 6.1 years of pension service in 2005, resulting in an anticipated retirement date of approximately April 1, 2014, utilizing the Rule of 75; and

WHEREAS, shortly before Mr. Angeles intended to retire, he was informed by the Retirement Office that there were errors associated with his purchase of service and that his previously purchased service credit could not be included in his pension benefit and eligibility calculation, thus making him ineligible to retire at that time; and

WHEREAS, Mr. Angeles alleges that in reliance on information received from Milwaukee County (the County), he made financial commitments and personal plans that required him to terminate his employment in April 2014; and

WHEREAS, Mr. Angeles alleged that he represented a class of persons who had purchased service credit in reliance on statements and actions of the County and who were detrimentally affected by the refusal of the Retirement Office to recognize their purchases; and

WHEREAS, Mr. Angeles alleged that he and other members of the potential class suffered the diminution of the constitutionally protected property pension rights and suffered due process violations by the actions of the County and the Retirement Office, and he and his wife Pamela alleged compensatory damages in the nature of emotional distress, in addition to a claim for his benefits and his attorneys' fees; and

WHEREAS, as a result of the adoption of pension ordinance amendments in February 2015, subject to review and approval by the Internal Revenue Service, the purchase of service credit made by Mr. Angeles was thereafter recognized by the Pension Board and Mr. Angeles was authorized to retire with the pension benefits that he had anticipated; and

WHEREAS, on April 9, 2015, the Committee on Judiciary, Safety, and General Services Committee adopted File No. 15-258, approving the payment to Mr. Angeles of his unused sick allowance balance at retirement, under applicable formulas, plus interest, in the amount of \$3,667.90, and a payment to Mr. Angeles to reimburse him for

47 health insurance premiums that he had paid during the time period between April 2014
48 and May 2015, in the amount of \$2,640; and

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50 WHEREAS, United States District Judge Adelman referred the remaining claims
51 for compensatory damages and attorneys' fees to U.S. Magistrate Judge Duffin for
52 mediation; and

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54 WHEREAS, the parties reached a tentative settlement agreement at that
55 mediation to resolve all remaining claims in return for dismissal of the suit; and

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57 WHEREAS, the risk of continuing the litigation and substantially increasing the
58 exposure to attorneys' fees for Mr. Angeles, in addition to the continuing defense
59 counsel fees for the County and the Pension Board, outweighs the advantages of a trial
60 with possible appeals; and

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62 WHEREAS, subject to approval by the Milwaukee County Board of Supervisors,
63 the County Executive, the Pension Board, and the Wisconsin County Mutual Insurance
64 Corporation (WCMIC), the settlement provides for a total payment to Mr. Angeles'
65 attorney, Robert Elliott, of \$140,000 for attorneys' fees, of which \$35,000 will be paid by
66 WCMIC on behalf of the County, with the remainder to be paid the Pension Board and
67 its insurer; and

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69 WHEREAS, the Litigation Manager for WCMIC, the Office of Corporation
70 Counsel, and the County's outside counsel with Lindner & Marsack S.C., recommend
71 approval of this settlement; and

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73 WHEREAS, the Committee on Judiciary, Safety, and General Services, at its
74 meeting of September 10, 2015, recommended adoption of this resolution (vote 4-1);
75 now, therefore,

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77 BE IT RESOLVED, the Milwaukee County Board of Supervisors approves a
78 settlement of all remaining claims of Ruben and Pamela Angeles with a payment to Mr.
79 Angeles' attorney, Robert Elliott, of \$140,000 for attorneys' fees, of which \$35,000 will
80 be paid by the Wisconsin County Mutual Insurance Corporation on behalf of Milwaukee
81 County, with the remainder to be paid the Pension Board and its insurer, in return for a
82 dismissal of the pending litigation and a full release by the Angeles'.

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