



AUHR 3.06 EMPLOYMENT OF RETIREES

Rule

A [Public Employee Retirement System \(PERS\)](#) retiree who has applied for and is eligible to receive a service retirement allowance and who has submitted the appropriate paperwork documenting their intention to retire as of a specific date from the City of Portland may be reemployed by the City of Portland. Reemployment of such employees is solely at the discretion of the City Auditor and subject to the following conditions:

1. Reemployment shall be to a classification in which the retiree previously held status or to another classification, providing the employee is qualified to perform the work.
2. The retiree shall not have the benefit of any previously acquired seniority.
3. No permanently appointed employee shall be displaced by reemployment of a retiree.
4. Must be approved by the City Auditor or a designee.
5. No reemployed Tier One/Two retiree may work for the City, including the Auditor's Office, for more than 2078 hours or two years, whichever results in the longer period of employment for the reemployed retiree, without approval by the City Auditor. An OPSRP Pension Program retiree may not work more than 1199 hours or two years, whichever results in the longer period of employment without approval by the City Auditor.

NOTE: The number of hours paid by a PERS covered employer to a PERS Tier One/Two retiree may not total 1040 hours or more in a calendar year without negatively impacting the retiree's retirement benefits. The number of hours paid by a PERS covered employer to an OPSRP Pension Program retiree may not total 600 hours or more in a calendar year. Returning retirees are responsible for ensuring they do not exceed this limit in a calendar year.

Salary of Retiree Appointments

The salary rate of retirees shall be at the step or position on the salary range for the classification of the position they previously held, or if they are hired into a new classification, to the step or place in the salary range for the classification that affords them the least reduction in pay from the rate at retirement.

Retirees are not eligible for annual salary increases other than Cost of Living (COLA) increases granted to all employees in the particular classification.

Limitations of Retiree Status

Working after retirement for the Auditor's Office constitutes a new employment relationship. (See attachment) Any employee returning as a retiree appointment shall not accrue or be eligible to receive paid vacation or additional retirement benefits, nor are they eligible for management leave or any other form of paid leave such as jury duty or funeral leave. Retirees may be eligible for paid sick time under the City of Portland City Code or State law. Retirees may receive holiday pay if they are in pay status their scheduled work day before and their scheduled work day following the holiday. In addition, if an FLSA exempt retiree is required to work on a City observed holiday they are entitled to a postponed holiday with pay to be taken at the mutual convenience of the retiree and the Auditor's Office.

Retirees in an FLSA covered position who work overtime hours must be paid for those hours. Retirees may not accrue compensatory time off.

Retirees have no seniority rights for purposes of layoff and recall and do not require "just cause" for discipline or removal from a position

Retiree Health Benefits

Retirees who retire from a benefits eligible position and who return to work a schedule of at least 40 hours per pay period (with or without a break in service) are eligible for City paid health insurance benefits at the appropriate employer contribution for a maximum of six months from the date of retirement. Application of eligibility rules for working retirees are subject to the federal Affordable Care Act (ACA) guidelines.

Human Resources Rule Information and History

Questions about this administrative rule may be directed to the [Management Services Division](#) of the Auditor's Office.

Adopted by the City Auditor December 11, 2017.

Adapted from City of Portland Human Resources Administrative Rule 3.06
Employment of Retirees.

Adopted by Council March 6, 2002, Ordinance No. 176302.

Last revised April 25, 2016.