



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 9/9/2025

To: Sonoma County Board of Supervisors

Department or Agency Name(s): County Executive Office and Sonoma County Employee Retirement Association

Staff Name and Phone Number: M. Christina Rivera and Julie Wyne, 707-565-8103

Vote Requirement: Majority

Supervisory District(s): All

Title:

Internal Revenue Code section 401(a)(9) Minimum Distribution Regulation

Recommended Action:

Approve the IRC section 401(a)(9) Minimum Distribution Regulation

Executive Summary:

The Sonoma County Employees' Retirement Association (SCERA) is required to maintain Internal Revenue Code regulations impacting the administration of the Retirement Plan. One of those regulations addresses the age upon which a plan member must begin taking a distribution from the plan. The age has been changed by the SECURE Act 2.0 which necessitates a change in SCERA's Internal Revenue Code section 401(a)(9) Minimum Distribution Regulation which must be approved by both the Board of Retirement and the Board of Supervisors.

SCERA will send a notification to the membership. The proposed change only affects members who have deferred their retirement and left their contributions on deposit with SCERA after leaving County, the Courts, or Sonoma Valley Fire District employment and only those who are over age 72 and have not started receiving benefits yet.

Discussion:

Internal Revenue Code tax regulations governing the Sonoma County Employees' Retirement Association (SCERA) and its Board are subject to change from time to time in order to respond to changes in law, in practices or other factors. Internal Revenue Code regulations set forth at 26 Code of Federal Regulations §1.401(a)(9), Required Minimum Distribution Rules (otherwise known as Section 401(a)(9) of Title 26 of the United States Code) were adopted by SCERA on September 9, 2014, and since that time relevant Federal law and California laws have changed.

The Federal Government passed the Setting Every Community Up for Retirement Enhancement Act of 2022 (SECURE 2.0) effective January 1, 2023, Section 106 of which increases the age at which a participant in an employer-sponsored retirement plan, like SCERA, must generally begin taking required minimum distributions, from age 72 to an applicable age depending on the year in which the participant reaches 72, 73 or 74. California enacted an amendment to the County Employees Retirement Law in Stats. 2023, Ch. 159, Sec. 13 (SB 885), effective January 1, 2024, Section 11 of which amended California Government Code section 31706

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to allow county retirement plans, such as SCERA, to implement the applicable age based upon Section 401(a) (9) of Title 26 of the United States Code.

At the December June 19, 2025, SCERA Board of Retirement meeting, the Board of Retirement adopted amendments to the Internal Revenue Code section 401(a)(9) Minimum Distribution Regulation, as attached, pursuant to California Government Code section 31525, et seq, which amendment becomes effective when approved by the Board of Supervisors.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

Approval of amended IRC section 401(a)(9) Minimum Distribution Regulation September 9, 2014 and April 6, 2021.

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

This Regulation impacts SCERA retirement plan operations and does not have a fiscal impact different than the impact that already exists.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

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Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Resolution

Resolution Exhibit A - SCERA Regulation for IRC section 401(a)(9) - Required Minimum Distribution Rules (Redline)

SCERA Board of Retirement meeting minutes June 19, 2025

Related Items "On File" with the Clerk of the Board:

Board of Supervisors meeting minutes of September 9, 2014

Board of Supervisors Resolution No. 21-0136 (April 6, 2021)