CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: Board of Administration for the Federated City Employees' Retirement System

FROM: John Flynn

SUBJECT: Discussion and action on number of trustees necessary to carry a motion on an agendized item where only a quorum is present

DATE: September 17, 2026

RECOMMENDATION

Discussion and action on number of trustees necessary to carry a motion on an agendized item where only a quorum is present.

BACKGROUND

The Board currently has one vacant seat, leaving six of the Board's seven seats filled. Paragraph 17 of the Federated Board Operations Policy provides:

> 17) The presence of a majority of voting member seats on the Board, filled or vacant, shall be necessary to constitute a quorum for the Board to take action, although a lesser number may adjourn from time to time. (SJMC § 2.08.090)

This means a quorum requires four of the Board's seven trustees to be present to hold the meeting so the Board can take action.

While the Board Operations Policy addresses quorum requirements, it does not separately specify the vote threshold required for the Board to pass an ordinary motion. Paragraph 21 of the Policy directs that, for issues not addressed elsewhere in the Charter, Municipal Code, or Board policy, the Board shall operate under the *general spirit* of Rosenberg's Rules of Order. Rosenberg's Rules of Order provide that an ordinary motion requires a simple majority to pass, with more than half of the votes cast (instead of calculating based on voters present). There are various scenarios where the voting threshold applied under the general spirit of Rosenberg's Rules of Order results in a motion carrying based on a small margin of votes cast. For example, with reduced trustee attendance, the number of votes cast will be a smaller number of trustees who then in turn may end up deciding a motion. The same practical concern arises if the full Board is present, but several trustees abstain, leaving only a handful to decide the outcome.

Additionally for consideration: where only a quorum of the Board is present, it has been the Board's current and past practice to require a unanimous vote of those present as necessary for a motion to carry irrespective of the Rosenberg's Rules of Order, which otherwise require a simple majority of votes cast. This past practice on

voting thresholds where only a quorum of the Board is present has not been clearly memorialized in the Board's governance documents.

ANALYSIS

Two standards are relevant to the number of affirmative votes necessary for a motion to carry when a quorum or fewer trustees decide its outcome, but they are not on equal footing today.

- Under the Board Operations Policy as currently written, the default standard is already the Rosenberg's Rules majority of votes cast standard, since the Policy does not otherwise define a vote threshold and Paragraph 21 directs the Board to Rosenberg's Rules for anything the Policy does not address.
- However, the Board has consistently followed its past practice of requiring a unanimous vote of those present when the Board is operating at only a quorum, which is inconsistent with Rosenberg's Rules.

If the Board takes no action on this item, the Board Operations Policy will continue to point to Rosenberg's Rules default, while the Board will continue to follow past practice, creating a discrepancy.

The choice before the Board now is between affirming the past practice (or something similar) and documenting it in the Board Operations Policy, or adopting the Rosenberg's Rules default already called for under Paragraph 21 for instances where only a quorum of the Board is present. Either path resolves the discrepancy between written policy and actual practice, particularly given the possibility that the Board will again meet at reduced attendance before the current vacancy is filled.

Items for the Board's Consideration

- Affirm the Board's past practice (or something similar) and have it documented in the Board Operations Policy: at a meeting where only a quorum of trustees are present, a motion carries only if all votes are unanimous in favor.
- Affirm Rosenberg's Rules default: a motion carries with a majority of the votes cast, not counting abstentions, regardless of how many trustees are present.
- Revising the voting threshold for a motion to carry based on a fixed minimum usually tied to the quorum requirement.

CONCLUSION

Staff recommends that the Board discuss and determine how it wants the Board to operate when only the minimum number of board members are present to allow quorum. The Board's determination will take effect immediately once action is taken. Staff further recommends that the Board Operations Policy be subsequently reviewed through the Governance Review Framework to reflect today's determination and any other concerns.

Staff also recommends that the Board consider referring the voting threshold question beyond the minimum of quorum of trustees present to the Governance Committee for further consideration and input to be brought back to the Board at a later date with a recommendation on how to proceed.

John Flynn
Chief Executive Officer