Chairman Brown called a special meeting of the Board of Regents at 2 o’clock, April 8, 1933. Judge Brown, Mr. Wingfield and Dr. Olmsted were present.

Comptroller Gorman presented the following report:

April 8, 1933

Dr. Walter E. Clark, President and
The Honorable Board of Regents
University of Nevada

The 1933 Legislature passed the following legislation concerning the University of Nevada:

Assembly Bill 234

Authorizing and directing the Board of Regents to deed a certain portion of the University Farm situated north of the South Virginia Road and comprising approximately 1.16 acres to William Kestells upon payment of $250.00.

There are two rights of way across the University Farm in the vicinity of the land to be transferred to Mr. Kestells. One for a roadway to the Peckham Ranch and one for the Cochran Drain Ditch. The map furnished this office by the Highway Department does not show the location of these easements, neither does the map carry the description of the land as defined in Assembly Bill 234. It is recommended that the Chairman of the Board of Regents be authorized to sign the necessary deed to Mr. Kestells upon payment of $250 after proper check has been made concerning description of land to the transferred and location of above-mentioned rights of way, so that proper reservations may be made in deed if necessary.
Authorizing and directing the Board of Regents to deed approximately 3.48 acres of the University Farm to the State of Nevada for addition to right of way for highway purposes.

Several drain ditches cross the highway in this vicinity and their location should be checked to see that all provisions of prior rights of way that may exist may be included in the deed. It is suggested that Professor F. W. Wilson be appointed to any committee the Regents refer these matters to.

$75,000 Bond Issue

The State Board of Examiners is authorized to issue bonds to the amount of $75,000 to replace the Federal Funds on deposit to the closed Banks of Reno.

Before this bill was introduced arrangements were made with the State Board of Finance for the sale of at least $50,000 of these bonds to the Permanent School Fund, the balance of $25,000 to be taken as follows: $10,000 by the University 90,000 Acre Grant Fund through the sale of a like amount of Liberty bonds from that Fund, and $15,000 to be covered by reinvestment of the proceeds from that Fund, and $15,000 to be covered by reinvestment of the proceeds of certain bond redemptions on June 1st.

On October 31, 1932, approximately 2/3 of the State's cash was in the closed banks. Furthermore some of the Banks remaining open took advantage of the President's moratorium and have limited withdrawals to 10%. These and other factors have made it extremely difficult for the State to remain on a cash basis and as a result the original program for the sale of the $75,000 bond issue had to be changed.

In conference with the State Board of Finance on April 6th, I was authorized to advise the Board of Regents that the State Board of Finance will handle $50,000 of the issue by April 20th, and possibly the balance of $25,000 by June 1st but it was suggested that the Board of Regents make arrangements, if possible, to handle the $25,000 in case the State Board of Finance found it impossible to do so.

The 90,000 Acre Grant Fund now owns $28,700 par value Liberty bonds. These bonds were purchased at a premium. On April 15th 1933 the book value of these bonds will be $28,835.11 and the last market quotation was 100 20/32, so that they can be sold now without loss. Normally these bonds need not be sold until
June 1st but the financial condition of the State may make it necessary to make the sale sooner (See $88,200 appropriation below).

I therefore recommend that authority be given for the sale of so much of these Liberty bonds as may be necessary to complete the financing of the $75,000 bond issue, the time of sale to be determined by the President and the Comptroller.

$88,200 Appropriation

The Legislature authorized the Regents to use $88,200 from the Permanent Construction Fund for the general support and maintenance of the University from April 1 to June 30, 1933.

Of this amount, $33,000 is to replace the money in the closed Banks represented by other than Federal Funds. Normally this $33,000 should be available to the University by June 30, 1933, but owing to the financial condition of the State, it was necessary before the bill could be recommended for passage to agree with the Ways and Means Committee of the Senate and the State Controller to draw on his $33,000 in installments, the final installment not to be paid until September 1, 1935.

It would appear from the above that the State will have difficulty in remaining on a cash basis during April, May and June or until the taxes come in in June, and as a result the University should be prepared to expect late payments of its payrolls and bills until July.

The Federal Funds balances aggregate $74,000 on March 31, 1933. These balances must be fully expended by June 30, 1933 and will be covered as follows:

- $50,000 proceeds of bond issue promised April 20th
- $22,500 quarterly remittance from Federal Experiment Station Funds to be received about April 20th

The payment of all State Claims until June 30, 1933 will therefore depend upon what funds the State will be able to advance on the $88,200 Permanent Construction Fund.

PROTECTION OF BANK DEPOSITS

The Legislature failed to pass any legislation concerning protection of deposits of State Funds in Banks.

In July 1933 the University will receive approximately $85,000
in Federal Funds for deposit. It is recommended that the Regents instruct the Comptroller regarding the security that should be required from the depository bank or banks to cover these deposits.

UNIVERSITY FARM

I am enclosing herewith request of C. P. Ramelli to remove a flume now on the University Farm; also a purported deed, transferring title in the Cochran Drain Ditch.

I recommend that Professor F. W. Wilson, who had charge of the University Farm for a number of years be asked to explain these matters to the Regents.

The term of the lease of the University Farm held by C. Whitbeck expired April 1, 1933. The matter of the lease of the Farm was delegated to the Chairman of the Board of Regents and the Comptroller.

Several offers were received which are attached hereto and made a part of this report. After due consideration the offer of Ted Baker of $1200 per year for 2 years ending March 31, 1935 was accepted and a lease covering this term is sent you herewith.

Mr. Whitbeck who purchased a number of head of cattle and horses gave his note for $2850 secure by chattel mortgage. To date he has paid $1000, leaving a balance of $1850 still due. Mr. Whitbeck was to pay $2500 rent for the term of his lease. He had paid $500 on the rent account, leaving a balance due on rent of $2000. I have asked Mr. Whitbeck to appear before the Board of Regents at this meeting.

Respectfully submitted,

C. H. Gorman
Controller

In taking up the matter of Assembly Bill #234, Professor F. W. Wilson of the College of Agriculture, formerly in charge of the University Farm, was called into conference as knowing the ditch situation at the Farm. Judge Brown read a document concerning the Cochran Drain Ditch and purporting to be a deed, which a Mr. Weldon had asked him to sign. Professor Wilson stated the ditch situation. After a brief conference, Dr. Olmsted moved that the responsibility of making a decision as to the signing of the Weldon document, properly drawn, which would effect the relinquishing of the University’s right to use this drain ditch,
should be left with Chairman Brown, who would check with Professor Wilson before making a decision. Vote:

Judge Brown          Aye
Mr. Wingfield        Aye
Dr. Olmsted          Aye

The request of Mr. C. P. Ramelli to remove a flume at the University Farm and substitute therefor a ditch was not favored by Professor Wilson. On motion of Dr. Olmsted, Chairman Brown was authorized to instruct Mr. Ramelli that at this time it does not seem to the Regents feasible to grant his request, since the change might be a possible source of trouble. Vote:

Judge Brown          Aye
Mr. Wingfield        Aye
Dr. Olmsted          Aye

Professor Wilson withdrew.

Mr. Wingfield moved that Chairman Brown be authorized to sign the deeds required by land transfers covered in Assembly Bills Nos. 234 and 235, after due check of ditch rights has been made with Professor Wilson, and that the Regents authorize the sale of land to Mr. Kestells for the $250 granted by the 1933 Legislature. Vote:

Judge Brown          Aye
Mr. Wingfield        Aye
Dr. Olmsted          Aye

On motion of Mr. Wingfield, the Regents authorized the sale of the required amount of Liberty bonds, now in possession of the University and the purchase in place of these bonds sold bonds of the new $75,000 issue to complete the financing of the $75,000 bond issue, as detailed in the Comptroller's report, the time of the sale to be determined by the President and the Comptroller. Vote:

Judge Brown          Aye
Mr. Wingfield        Aye
Dr. Olmsted          Aye

There being no further special business, the meeting adjourned.

George S. Brown
Chairman