

TELLURIDE NEWS LETTER

Monthly Publication of Telluride Association

VOL. XVII. No. 9

ITHACA, N. Y.

JUNE, 1932

Report of Recent Convention Proceedings

Biography

The Convention for the third successive year appointed a Committee to nurse the L. L. Nunn Biography, but it may be reasonably expected that it will be weaned during the year, for a more specific regimen was prescribed:

"A large number of the members of the Association have indicated their desire to have the biography of L. L. Nunn published at an early date. The financial status of the Association prohibits publication out of Association funds. It seems feasible, however, to publish the biography by subscriptions from members, alumni, and the friends of the Association.

"According to estimates received from two printers, it will cost about five hundred dollars to print and bind seven hundred copies of the biography. Your committee believes that it will be possible to raise this amount by obtaining individual CONTRIBUTIONS from members, alumni, and friends, such contributions to be three dollars and a half (\$3.50) from each individual and to entitle the contributor to one copy of the biography. Any additional balance necessary might be obtained by getting some of the older members and alumni to underwrite the initial cost of publication.

"Your committee recommends, therefore, that a Permanent Biography Committee be appointed by the President with power to complete arrangements for publication and with power to publish the biography in accordance with the recommendations of this committee."

A Permanent Biography Committee was duly appointed:

Morgan Sibbett, Chairman
The Chancellor of Telluride Ass'n
Parker Bailey
W. B. Kuder
J. G. Laylin
H. G. Hayes
W. B. Putnam

Walti Now in East

Walter Walti, assistant professor of music at the Utah State Agricultural College, will have sabbatic leave during 1932-33. During this summer, he is studying in New York City, but throughout the coming year he will continue his studies in music at Cornell University. Mrs. Walti and their four children have accompanied him East.

News Letter Subscriptions

By action of the Convention, the appropriation for the News Letter was cut to \$150.00; and it was fervently hoped that there would be no call even upon this reduced sum, for it was expected that the News Letter would be printed from private subscription, as was suggested in the May issue. Will each person on the mailing list who possibly can remember to do so, please send in a small sum to help the good work. These tokens of good will may be sent to

E. M. JOHNSON
7 Renwick Heights Road
Ithaca, New York

Report of the Judiciary Committee

"In order to make the By-Laws of this Association conform to the recent amendments to Article III, Section 1, of the Constitution of the Association, the Judiciary Committee recommends the following changes:

"1. That Sections 1 and 2 of Article I be deleted from the By-Laws.

"2. That Section 3, of Article I of the By-Laws be renumbered Section 1, and be amended so as to read: 'The thesis of applicants on the purpose and plan of the Association and on the general principles of democracy and government shall all be considered by the Association in convention, but correspondence with applicants relative thereto shall be conducted by the Chancellor.'

3. That the following section be added to the By-Laws, to be numbered Section 2: 'The Chancellor may, in his discretion, prescribe further requirements to be fulfilled by applicants for membership in this Association.'

"4. That Section 4, of Article I of the By-Laws be renumbered Section 3."

These four recommendations of the Committee were adopted by the Convention.

Ex President John Laylin announces the birth of John Gallup Laylin, on June 27, 1932. Oh yes—weight 7 pounds 10 ounces.

Finance

The report of the Manager and Treasurer, The Custodians' Report, and the Final Report of the Finance Committee, are herewith quoted in part.

1.—Manager and Treasurer's Report

The economic distress of the world, in which our country is so thoroughly embraced, has undoubtedly caused and is causing everybody anxiety. It has left its blighting mark on the investments and the income of Telluride Association to a degree we did not anticipate. To dwell, at this time, on what might have been our position now, if, during the past five years we had invested our money differently, would avail us nothing. The experience has been very disturbing and very costly, but I trust it will serve a good purpose in the future, however heavily it weighs upon us at present. Safety of our trust funds with due regard for a reasonable and sure income should be our paramount consideration always. After we have managed to work out of our present dilemma, if ever we do, I urge that we should not again invest for possible quick profits but only for intrinsic value, for stability, and for a dependable income even if it be but a modest one. Our endeavor should be to carry on with fortitude and courage, with caution and economy to fulfil as best we may the trusteeship accepted at the time of becoming a member of the Association.

Owing to the cessation of mining operations and a general decrease in the use of electric current in its territory, Telluride Power Company was forced to discontinue the payment of dividends on common stock and to retrench in every possible way. The employees wholeheartedly indicated loyal support, and notwithstanding the fact that they were never paid excessive salaries, they voluntarily took a reduction of 10 per cent. The average reduction taken by the men who are paid through W. L. Biersach, Agent, account exceeded 10 per cent. During the past fiscal year we received from the Company \$8,337.50 as dividends, but of that amount 57.63 per cent, or \$4,804.91, was later reported as having been paid out of Reserves; consequently our income from that source touched the lowest figure in ten years. It is doubtful that dividend

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TELLURIDE NEWS LETTER

Published Monthly By
TELLURIDE ASSOCIATION
ITHACA, N. Y.

Editor.....WILLIAM B. KUDER
Business Manager.....MORDAN SIBBERT
Assistant Editors

ALBERT E. ARENT PARKER BAILEY
Asst. Business Manager
CHARLES M. GILBERT

JUNE, 1932

A Poem to the Dean

This poem, written by Professor Burr for the June banquet at the Branch, is herewith published for the benefit of the many (including Dean Kimball) who asked for copies, and for the rest of you, who would have asked for them if you had had the good fortune to hear the poem read.

DEAN KIMBALL

A Dean I sing, a clever Dean,
Too clever from his birth;
For he's so versatile, I ween,
He'll never rest on earth.

So versatile, this canny Scot,
Who way down East was found,
That in New Brunswick he was born
And raised on Puget Sound.

And, when they taught him English,
To Scotch instead he took,
But, when they questioned him in
Scotch,
He answered in Chinook *hotair!*

Though Scotch he talked, instead of
drank,
And else was unco queer,
He still might make a Calvinist,
Perhaps an engineer.

So they sent him down to Stanford U.,
Along with Herbert Hoover,
And he might have become a con-
ventional bum
Or at least a political mover.

But the Pacific Coast, you see,
Was too small for his versall-tee,
So when he'd tried everything there
for a spell,
We called him over to try Cornell.

He taught us Dobbyology and
All else beneath the sun
Till something turned up somewhere
else
That needed to be done:
When a duty called for "Kimball!"
Kimball had, of course, to run.

So he filled in turn each office:
Teacher, President, Trustee,
Director, Dean, Receiver—
On his second round, you see.

We have learned to keep him busy
(For each office wants the best),
And when at last, tired out, he dies,
And hopes in Heaven to rest.

They'll give him charge of all the
saints,

And he'll no respite know
Through all eternity—unless
They need him down below.

GEORGE L. BURR

Officers Elected by 1932
Convention

H. C. Mansfield.....President
S. R. Levering...Vice-President
J. A. Boshard.....Secretary
S. R. Levering.....Custodian
W. B. Putnam.....Custodian
S. N. Whitney.....Custodian
F. W. Spooner.....Custodian
C. M. Gilbert..Suspension Com.
W. F. Sullivan.Suspension Com.
A. E. Arent..Editor News Letter

Resolutions

(9) BE IT RESOLVED, that the Treasurer be and hereby is authorized to sell the furniture now contained in the office of the Association at Provo, Utah. (Adopted).

(10) BE IT RESOLVED, that the Treasurer be and hereby is authorized to make the necessary adjusting book entries which will bring the books of Telluride Association into agreement with the report of the special audit of the Trust Fund Account prepared by the firm of Vincent and Casella, Certified Public Accountants. (Adopted)

(11) BE IT RESOLVED, that the Custodians be, and hereby are, empowered to invest the cash now in the Trust Fund (approximately \$29,000) and any funds which may become available for investment during the year in the Trust Fund Account in U. S. Government Securities, Federal Land Bank Bonds, New York City Bonds, or other securities of similar rating. (Adopted).

(12) BE IT RESOLVED, that the Custodians be and hereby are authorized to sell the present holdings of common stock of the New York Central Railroad and the Pennsylvania Railroad and reinvest the proceeds in the common stocks of the General Electric Company, and

BE IT FURTHER RESOLVED, that the Custodians be and hereby are authorized to reinvest, in common stocks authorized by the 1931 Convention, the proceeds from the sale of common stocks now held by the Association, with the exception of common stocks given to the Association in the original endowment. (Adopted).

(13) BE IT RESOLVED, that the Custodians be and hereby are authorized to sell the bonds of the Lawyers Mortgage Company now held by the Association, and to reinvest the proceeds as provided above for other trust funds, or in bonds of the Canadian National Railway, or in the preferred stock of the E. I. Du Pont de Nemours Company or General Motors. (Adopted).

(14) BE IT RESOLVED, that this Convention ratify the action of the Treasurer in purchasing \$35,000 par

(Continued on page four)

Amendments to the
Constitution

Article III, section 1, reading in part,
"To be eligible to membership in the Association, the candidate shall have had his application on file at least one year prior to the consideration thereof by the Association in annual convention"

was amended to read:

"To be eligible to membership in the Association, the candidate shall have had his application on file for one year prior to the consideration thereof in annual convention, or from the date of final adjournment of the last preceding convention, whichever period is the shorter."

Article III, section 1, reading in another part,

"shall have read during the year following his application, one or more works selected by him from a list furnished by the Association; shall have passed an examination prescribed by the Association on the general principles of Democracy and on the Constitution and polity of the United States; and shall have written and submitted a thesis on the purpose and plan of this Association, particularly as set forth in the constitution, stating therein his reasons for wishing to become a member." was amended to read,

"shall have written and submitted an essay on the general principles of democracy and government; shall have written and submitted a thesis on the purpose and plan of the Association, particularly as set forth in this constitution, stating therein his reasons for wishing to become a member; and shall have complied with such further requirements as may be prescribed in the by-laws of the Association."

Deep Springs

Deep Springs will be handicapped much as the Association is by a greatly reduced income. Their income available for appropriation amounted to approximately \$10,000, which was too small a sum to operate the undertaking. The Association's gift of an additional \$10,000.00 makes it possible for Deep Springs to carry on, along lines of strict economy. A resolution was passed concerning this grant from the Association:

"WHEREAS, Telluride Association has been handicapped in the past by want of adequate information on the financial status of Deep Springs.

"BE IT RESOLVED, that Telluride Association earnestly request that the Trustees of Deep Springs prepare, for the use of the 1933 Convention, a detailed statement showing the income and disbursements at Deep Springs for the year 1932-33.

Finance

(Continued from page one)

payments will be resumed during the current year.

Further reduction in our income was occasioned by the passing of dividends by Utah Fire Clay Company. The distribution we received as dividends from the company the past year was paid out of Depletion Reserve. The company has no indebtedness and has a substantial cash reserve in bank. Its properties are in good condition, and as many of its working force as possible are being given part-time employment in order to hold them together pending the resumption of business.

As the result of political changes in that office, on the eleventh or last January the Building & Loan Commissioner of California placed a custodian in charge of Pacific Coast Building-Loan Association, giving as his reason that he believed the Association was being conducted in an unsafe way in several particulars and that an impairment of capital existed in the amount of over \$400,000.00. The Board of Directors of the Association denied these claims and instructed the attorneys for the Association to bring and they did bring a suit in the Superior Court praying that the Commissioner be restrained from proceeding to liquidate the Association and that it be returned to the Board. After several delays the case was tried in April, and in May the judge handed down a preliminary decision upholding the Board in all its contentions, excepting in one particular, he found an impairment of capital amounting to about \$6,500.00, which he considered to be technically sufficient to sustain the Commissioner's action. The attorneys for the Association have applied for a new trial on account of manifest errors in the court's computations which, if corrected, will eliminate any impairment; and there the matter rests at this time. Meanwhile the custodian has been and is in charge of the affairs of the Association. Since January eleventh no interest has been paid on investment certificates, and the present Commissioner claims that no interest can be paid so long as the property remains in his hands. This would be a manifest imposition on the certificate holders in favor of the shareholders, and there is a well grounded belief on the part of the Board of Directors and its advisers that the payment of interest on investment certificates is obligatory so long as the principal remains unpaid. It will be necessary, however, to litigate the question if the possession of the present Commissioner for purposes of liquidation is sustained, and an effort will be made to organize a protective committee of the certificate holders to act for all on this point as well as on any reorganization plan that may be presented. It is desirable, therefore, that proper authorization

be given for the deposit of our holdings with such a committee, or for appropriate action otherwise to the same end, should the plan for action through a protective committee prove impracticable. It is still my opinion that eventually Telluride Association will recover the \$90,000.00 in investment certificates it holds in Pacific Coast Building-Loan Association.

From the time of the organization of Telluride Association until the Natrona Power Company securities were sold in 1925 and a Trust Fund established with the cash proceeds thereof, we had only one cash account. In this account was deposited all payments to the Association, whether from sale of securities or from income on securities, etc. Since the Trust Fund was established, it has received all cash from sale of trust securities, and all trust securities purchased have been paid for through this fund. For some time I have had a growing conviction that the general cash account was larger than it should be and contained money that rightfully belonged in the Trust Fund. As this conviction was shared by Secretary Boshard, I authorized Vincent and Casella to make a special audit, which was done, and their report on it is submitted herewith. Inasmuch as this report shows what I believe to be a correct division of the cash between the Trust Fund and the general cash account, I recommend that the changes indicated in the report be authorized by this Convention.

In addition to these changes it will be necessary to transfer from general cash to Trust Fund the amount received as dividends from Telluride Power Company and Utah Fire Clay Company in 1931 later reported by them as distribution from Reserves, and also the amount representing 10 per cent of our 1931-32 income, particulars of all of which will doubtless be reviewed by your Finance and Investment Committee and reported on with its recommendations.

Last March I purchased with operating funds \$35,000.00 par value First 4 1/4 per cent Liberty Bonds at a cost of \$34,967.19 and deposited them with The Union Trust Company, Cleveland, Ohio, for safekeeping. In doing this I felt confident of your approval, which I now request.

The Custodians will report to the Convention the sale of Japanese bonds and the purchase of securities during the year. The Lincoln Building defaulted in the payment of interest, and the Custodians took the necessary action to protect as far as possible our investment. This is the only instance of defaultation experienced by us, and how great a loss will be sustained remains to be determined.

Our 1931-32 income fell short of the 1930-31 income in the amount of \$24,205.95. Most of the decrease represents expected dividends which failed to materialize.

A copy of the report of the audit of
(Continued on page five)

Resolutions

We feel that these resolutions are of immediate interest to the readers of the News Letter:

BE IT RESOLVED, that Telluride Association express to Mr. Don A. Johnson of the Empire State School of Printing, its appreciation of his cooperation and assistance to the Editors of the News Letter during the past year.

BE IT RESOLVED, that a permanent committee consisting of H. R. Lamb, Chairman, Sherlock Davis, Ralston Irvine, Windsor Putnam, and H. R. Waldo, be, and hereby is, designated to continue negotiations with the Trustees of Cornell University for the purpose of obtaining an understanding with the Trustees of the University concerning the rights of Telluride Association in the real property on the campus of Cornell University, occupied by the Telluride house and grounds, and upon the conclusion of such arrangement, the proper officers of the Association are hereby authorized to execute and deliver the same on behalf of Telluride Association.

WHEREAS, the Committee on Graduate Fellowships has, by its conscientious and thorough investigation, been the means of procuring for Cornell Branch graduate guests of merit,

BE IT RESOLVED, that a Committee on Graduate Fellowships, to be composed of Professor George L. Burr, Dean D. S. Kimball, Dean-Emeritus E. A. Thornhill, Chancellor E. M. Johnson, and the President of the Cornell Branch for the year 1932-33, be, and hereby is, authorized not only to select and recommend, but also to invite at its discretion, two graduate scholars to reside at Cornell Branch during the year 1933-34. (adopted)

BE IT RESOLVED, that Mr. W. L. Biersach and Mr. J. A. Boshard be, and hereby are, authorized to send to Cornell Branch such part of Telluride Association inactive files at Provo, Utah, as they shall deem of interest and value to Telluride Association, and,

BE IT FURTHER RESOLVED, that they are hereby authorized and empowered to dispose of the remainder of the files of Telluride Association at Provo, Utah, as they shall see fit. (adopted)

BE IT RESOLVED, that the 1933 Convention of Telluride be set to convene at Telluride House, Ithaca, New York, at 10:00 A. M., of Wednesday, June 14, 1933. (Adopted)

Files Enriched

The Association's historical files have been enriched by Frank Monaghan's "A New Document on the Identity of 'Junius'," reprinted from the Journal of Modern History, Vol. IV, No. 1, March, 1932. Frank Monaghan is a member of the historical staff of New York University.

Resolutions

(Continued from page two)

value 4½% Liberty Loan Bonds. (Adopted).

(15) BE IT RESOLVED, that this Convention ratify the action of the Custodians in selling the Japanese Bonds held by the Association; in depositing the bonds of the Lincoln Building with a protective committee; and the purchasing of securities as reported by them to this Convention. (Adopted).

	1932-33	1931-32
Operation and Maintenance of the Telluride House..	\$12,000.00	\$15,000.00
Steward's Salary	1,800.00	1,000.00
Manager's Contingent Fund	1,450.00	1,000.00
Manager and Treasurer's Salary	900.00	1,200.00
Convention Expenses	2,200.00	3,089.13
News Letter	150.00	275.00
W. L. Biersach, agent	2,500.00	3,000.00
Chancellor's Salary	3,400.00	4,000.00
Chancellor's Expenses	500.00	1,500.00
Scholarships	2,100.00	5,200.00
	<hr/>	<hr/>
	\$27,000.00	\$35,264.13
Special Appropriation to Deep Springs from New Branch Fund	\$10,000.00	12,000.00 (from income)
Committee on Telluride House Lease		\$300.00
Tuition and Fees, Cornell Branch		7,000.00
L. L. Nunn Biography		2,000.00
Custodians' Contingent Fund		1,000.00
	<hr/>	<hr/>
Total	\$37,000.00	\$57,564.13

Income June 1, 1931 to May 31, 1932

	Int. on Bonds and Certif.	Int. on Notes & Dep.	Divds.	Total
Baltimore & Ohio Railroad.....	\$2,880.00			
Bangor & Aroostook Railroad....	1,100.00			
Canadian National Railway.....	184.33			
Commonwealth Edison Co.	161.07			
B. F. Goodrich Rubber Co.....	1,625.00			
Great Northern Railroad	2,695.00			
International Commerce Bldg....	1,625.00			
Japanese Government	1,164.60			
Lawyers Mortgage Co.	1,375.00			
Northern Pacific Railroad	2,820.00			
Pacific Gas & Electric Co.....	1,250.00			
Pac. Coast Bldg.-Loan Ass'n....	3,441.65			
U. S. Liberty Bonds 1st 4½%	363.61			
	<hr/>			
	\$20,685.26			\$20,685.26
American Can Co.....		\$75.00	75.00	
American Tel. & Tel. Co.....	1,250.00	450.00	1,700.00	
American Tobacco Co.		237.50	237.50	
Cons. Gas of New York.....	183.65	200.00	383.65	
Drug, Inc.		300.00	300.00	
E. I. Dupont de Nemours Co.....		200.00	200.00	
Eastman Kodak Co.		145.00	145.00	
Manhattan Company		550.00	550.00	
New York Central Railroad Co....		62.50	62.50	
Pennsylvania Railroad	183.65	175.00	358.65	
Public Service Co. of N. J.....		170.00	170.00	
Raymond Concrete Plie Co.....		300.00	300.00	
Stone & Webster		162.50	162.50	
Telluride Power Co.....	11,700.00	70.15	3,532.59	15,302.74
United States Steel Corp.....		106.25	106.25	
The Union Trust Co.		985.70	985.70	
	<hr/>			
	\$34,002.56	\$1,055.85	\$6,666.34	\$41,724.75

Preferment

The privileges of Cornell Branch were granted to these men for the year 1932-33; names of men not members of the Association are starred.

Professor G. L. Burr
A. E. Arent
Parker Bailey
J. H. Burchard
C. M. Gilbert
W. B. Kuder
W. C. Layton
S. R. Levering
D. B. Read
R. M. Roberts
G. B. Sabine
H. C. Scarlett
R. R. Sheridan
Morgan Sibbett
F. W. Spooner
W. F. Sullivan
J. R. Withrow
G. F. Reinhardt, second term only.
H. E. Atkinson
H. W. Davy
P. H. Reinhardt
C. J. Hinman*
Freiherr von Puttkammer*
C. G. Allen
E. W. Ohlinger*
E. C. Rust
O. J. Sweeting*
W. C. Edmister*

\$2,100.00 was granted on the basis of need to the following:

H. B. Suhr	\$200.00
(to study at the California Institute of Technology)	
C. H. Yarrow	200.00
(to study at Yale Divinity School)	
Parker Bailey	400.00
(Cornell Law School)	
W. F. Sullivan.....	400.00
(Cornell Law School)	
D. B. Read (Cornell).....	300.00
J. H. Burchard (Cornell)...	200.00
R. M. Roberts (Cornell)...	200.00
R. R. Sheridan (Cornell)...	200.00
Summer privileges at Cornell Branch. This resumes a practice which had been abandoned for a few years.	
R. M. Roberts	
W. F. Sullivan	
S. R. Levering	

Addresses

Following are changes of address which have come to our notice since the last issue of the News Letter:

R. W. Fruit, Room 1630-A, 176 W. Jackson Blvd., Chicago, Ill.
W. L. Cone, Dixie Power Company, Cedar City, Utah.
Leo Brandenburger, 1523 E. Ninth South Street, Salt Lake City.
P. F. Cadman, 3015 Garber Road, Berkeley, California.
J. H. Ebaugh, 1971 Eden Avenue, Glendale, California.

The News Letter would appreciate receiving the addresses of the following men:

C. P. Goody; J. J. Nunn; F. A. Sweeney; A. E. Park; Casey Robinson; Percy Clark; R. H. Townsend.
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Finance

(Continued from page three)

our accounts and records by Vincent and Casella, public accountants, covering the fiscal year ended May 31, 1931, is herewith submitted, together with financial statements as of May 31, 1932.

The amount of funds available for appropriation by this Convention is indicated below:

75 per cent of 1931-32 Income (\$41,724.75)	\$31,293.56
Add amount in Reserve Account	7,562.53

Amount subject to appropriation \$38,856.09

2.—Custodians' Report

"Under the provisions of resolution 7 of the Finance and Investment Committee's Report, the Custodians were authorized to invest certain trust funds in Class A Bonds and specific stocks in limited amounts. July 22, 1931, the necessary authorization was given Sidney S. Walcott & Co. to buy these securities from a selected list, and in August and September the following purchases were made:

100 Shares Manhattan Company Stock	\$6,700.00
\$5,000.00 par value Commonwealth Edison Co. 4's 1961	4,743.75
\$5,000.00 par value Canadian National Ry. 4 1/2's 1957	5,037.50
\$5,000.00 par value Pennsylvania R. R. 4 1/2's 1965	5,081.25
\$5,000.00 par value Cons. Gas Co. of New York 4 1/2's 1951	5,175.00
50 shares Manhattan Company stock	2,925.00
Total	\$29,662.50

"In February, 1932, on account of the military activities of Japan in China and the consequent reaction on Japanese government bonds, the Custodians in the East recommended and authorized the sale of our Imperial Japanese Government Bonds. They were disposed of in February and March for a total of \$18,512.50, and as the original cost was \$23,275.00, we sustained a loss of \$4,762.50.

From the proceeds of the sale of Japanese bonds and the balance already in the trust fund, the following stocks were purchased in April and May:

200 shares North American Com.	\$5,130.23
100 shares Drug, Inc. Com.	3,716.73
100 shares R. J. Reynolds Tobacco Co. "B"	3,166.58
Total	\$12,016.54

This left an unexpected balance of \$7,304.15 in the trust fund May 31, 1932.

"Following default of interest payment on the Lincoln Building first mortgage loan, it seemed advisable to protect our interest by assigning our bonds to a Protective Committee, and such authorization was signed by the Custodians. Notice of delivery of the certificates of interest to the depository bank for our protective committee has been received from the Union

Trust Company of Cleveland, under date of June 4, 1932. Copy of the trust agreement and other literature from the protective committee are available for your inspection."

3.—Final Report of the Finance Committee

"We think that the ideal position for Telluride Trust Funds would be the investment of around 80 per cent in U. S. Government bonds, or other bonds of high safety and stability. The other 20 per cent might well be alternated between the best common stocks and bonds of the same type as above, by this means giving the possibility of recouping the occasional losses of principal which inevitably occur in bond investments."

At present "we have enough of our funds in common stock of good companies, but we have practically no securities which can be classed as equivalent to U. S. Government bonds. The bulk of our funds is in a great middle group where less should be, but in most cases we cannot shift from these to more conservative investments at this time without taking an unjustified loss. Your Committee, in the following resolutions, takes what it considers a step" in the working out of this ideal.

It was the sense of the Convention

Cost	
\$6,700.00	
4,743.75	
5,037.50	
5,081.25	
5,175.00	
2,925.00	
Total	\$29,662.50

that hereafter a budget of disbursements be drawn to fall within the income of the year succeeding convention, instead of basing such expenditures upon the income of the year already passed. During the year 1931-32 expenses exceeded income by \$12,000.00, because the probable income was not estimated at the 1931 Convention, when the 1931-32 budget was authorized.

There follow the usual recommendations empowering the Custodians to manage the fund of the Association as directed by the Convention, and some other recommendations per-

Cost	
\$5,130.23	
3,716.73	
3,166.58	
Total	\$12,016.54

aining directly to the needs and transactions of this year.

Promotions

These members have been elevated to the Alumni Association:

1. Bradford Yaggy
2. E. S. Jarrett
3. R. R. Irvine
4. C. T. Nunn
5. C. H. Schaaff

Report of the Committee on Graduate Fellowships

"Your Committee, empowered to select the graduate scholars to reside as guests of Telluride Association during the academic year 1932-33, has first to report that because of the serious impairment of the Association's income, it has found it unwise to name both of these scholars until it can be assured by the Convention that it is still its wish, in spite of the reduced income, to fill both fellowships for the year to come. The Committee has, however, pursued its inquiries as usual and has found among the candidates whose names were submitted to it by the Institute of International Education—whose list was this year one of very striking quality—one so exceptionally attractive that to a majority of the Committee it seemed unwise to risk his loss by delaying his nomination. This candidate is a young German of eminent family and baronial rank—Hasso, Freihart von Puttkamer—whose credentials we are happy to lay before you.

"He is as yet barely twenty years of age, but has completed a year of study at the German University of Tubingen, a half-year at the University of Montpellier in France, and twice has spent some weeks of study in England. Left an orphan by the death of his father, a German officer, in the first year of the great war, and by his mother's death last year, he has grown up under the care largely of an uncle, at whose home (Stolp, in Pomerania) he had his Gymnasial education. His credentials, which include his photograph, show him a youth of great personal charm; and that in the competition for the two Rhodes Scholarships awarded to Germany this year he stood third, thus barely missing appointment, should show adequately his scholarship. At Cornell he has already been admitted to full standing in the Graduate School, and has, on the nomination of the Department of Government and Economics (in which he wishes to pursue his studies,) been awarded a University Fellowship of \$150.00, which will cover his costs for tuition.

"Our nomination of Hasso von Puttkamer to our own resident fellowship was telegraphed him by the Institute of International Education and was met by his prompt acceptance. A more formal written invitation is now on its way to him.

"As regards the second residence fellowship, we have no recommendations to make before learning the wish of the Convention as to whether such a fellowship shall this year be awarded."

Acceptance Notifications

It is desirable that men awarded preferment by the 1932 Convention notify Chancellor Johnson of their acceptance, in accordance with custom, not later than the first of September.

Convention Attendance

The following members attended all or part of the sessions:

Aird, R. B.
 Allen, C. G.
 Arent, A. E.
 Atkinson, H. E.
 Bailey, Parker
 Biersach, W. L.
 Boshard, J. A.
 Brauner, J. F.
 Burchard, J. H.
 Carnes, D. J.
 Cavanaugh, R. LaT.
 Davls, Sherlock
 Davy, H. W.
 Davy, L. G.
 Fairchild, T. E.
 Hayes, H. G.
 Hoyt, H. V.
 Hudson, B. M.
 Jarrett, W. A.
 Kuder, W. B.
 Layton, W. C.
 Levering, S. R.
 Lyon, G. C.
 McKelvey, R. G.
 Mansfield, H. C.
 Mansfield, J. S.
 Mansfield, R. H.
 Meehan, J. E.
 Newell, J. M.
 Plijoan, Michel
 Read, D. B.
 Reich, H. J.
 Reinhardt, G. F.
 Richtmyer, R. D.
 Roberts, R. M.
 Rust, E. C.
 Sabine, G. B.
 Scarlett, H. C.
 Sheriden, R. R.
 Sibbett, Morgan
 Spooner, F. W.
 Sullivan, W. F.
 Walcott, S. S.
 Williams, R. C.
 Withrow, J. R.
 Yarrow, C. H.

The following Alumni were the guests of the Convention:

G. L. Burr
 W. L. Biersach, Sr.
 E. A. Thornhill
 H. R. Waldo
 F. G. Anderson
 E. M. Johnson
 H. R. Lamb
 J. A. Boshard
 P. L. Clark
 W. Well

Between the close of Convention and the time of going to press, Paul and Mrs. Reyneau and Thomas Fairchild have made short visits in Ithaca.

Bernt Olsson and Olof Swenson have made 442 glasses of currant jelly with which to help keep the wolf off the 1932-33 front porch.

Original Trust Securities With Accretions at May 31, 1932

333,500 Shares Telluride Power Co. Common stock \$1 p. v.....	\$268,306.85
951 " Utah Fire Clay Co. stock \$100 p. v.....	76,042.23
500 Units Kidder Participation No. 2 Inc. (500 shares Pref. \$100 p. v. and 375 shares no par value common).....	51,750.00
25 Shares American Can Co. common stock.....	3,048.00
50 " American Tel. & Tel. Co. Common stock.....	10,483.75
50 " American Tobacco Co. B stock.....	6,968.75
50 " Cons. Gas of New York Common stock.....	5,325.00
200 " Drug Inc. Common stock.....	11,307.48
50 " E. I. Dupont de Nemours & Co. Common stock...	5,431.25
20 " Eastman Kodak Co. Common stock.....	4,063.23
200 " Manhattan Co. Common stock.....	15,000.00
25 " New York Central R. R. Co. Common stock.....	3,963.00
200 " North American Co. Common stock.....	5,130.23
100 " Pennsylvania R. R. Co. Common stock.....	7,431.25
50 " Public Service Co. of N. J. Common stock.....	4,572.50
100 " Raymond Concrete Pile Co. \$3 Conv. Pref. stock	6,300.00
100 " R. J. Reynolds Tobacco Co. B stock.....	3,166.58
100 " Stone & Webster Common stock.....	8,007.50
25 " United States Steel Corp. Common stock.....	4,078.00
\$170,000 p. v. Telluride Power Co. 6% 1st Mtge. bonds 1938.....	161,606.00
25,000 " Am. Tel. & Tel. Co. 5% bonds 1960.....	24,158.00
5,000 " B. & A. Ry. Piscataquis Div. 5% 1943.....	4,631.25
5,000 " B. & A. Ry. Washburn Ext. 5% 1939.....	4,643.75
15,000 " B. & A. Ry. Cons. Ref. 4% 1951.....	10,893.75
48,000 " B. & O. Ry. 6% 1st Mtge. Bonds 1935.....	49,032.00
5,000 " Canadian Nat'l Ry. 4 1/2% Bonds 1957.....	5,037.50
5,000 " Commonwealth Edison Co. 4% Bonds 1981.....	4,743.75
5,000 " Consolidated Gas of N. Y. 4 1/2% Bonds 1951.....	5,175.00
25,000 " The B. F. G. Rubber Co. 6 1/2% Bonds 1947.....	26,281.25
49,000 " Gr. Nor. Ry. 5 1/2% 1st Mtge. Bonds 1952.....	49,686.00
25,000 " International Commerce Bldg. 6 1/2% Bonds 1943..	25,375.00
25,000 " Lawyers' Mtge. Co. 5 1/2% Bonds 1936.....	25,000.00
47,000 " No. Pac. Ry. 6% 1st Mtge. Bonds 2047.....	49,776.75
25,000 " Pac. Gas & Elec. Co. 5% Bonds 1955.....	23,437.50
25,000 " Lincoln Bldg. (New York) 5 1/2% Bonds 1953.....	25,000.00
5,000 " Pennsylvania R. R. Co. 4 1/2% Bonds 1956.....	5,081.25
500 Full paid 7% Investment Certificates of Pacific Coast Building-Loan Association	50,000.00
	\$1,047,933.25
Telluride House, Ithaca, N. Y.....	121,805.16
	\$1,169,738.41

Membership

Twenty applicants had fulfilled constitutional requirements for membership in Telluride Association, and were considered by the Committee on Membership.

1. Allen
2. Atkinson
3. Camp
4. H. Davy
5. Daynes
6. Dimmler
7. Durand
8. Hasler
9. Hinman
10. Kelly
11. Marr
12. Matson
13. Morgan
14. Ohlinger
15. Peterson
16. Reed
17. P. Reinhardt
18. Ross
19. Rust
20. Voris

Of these twenty, five were elected to membership:

1. Allen
2. Atkinson

3. Reinhardt
4. Rust
5. Davy

"The consideration of two applicants who are returning to Deep Springs (Kelly and Matson) for a third year was postponed on the general principle that we would then be better qualified to judge and that, furthermore, the advantages of having a member of the student body also a member of Telluride Association were outweighed by the disadvantages.

"One applicant, Hinman, was considered a likely candidate for next year, pending our better acquaintance with him and his closer contact with the Association.

"We would like to note, in conclusion, that the work of the Membership Committee has been greatly aided by the complete, accurate, and well-arranged files which the Chancellor has submitted. In accordance with the general business-like orderliness, instituted by the Chancellor, the committee is leaving in the files a brief statement of the committee's decision on applicants rejected, which can be used in writing to them."