

Good Crop Forecast With Harvest Nearing

If weather continues to cooperate, a good crop of wheat will be harvested in Morrow county this year, Al Lamb, manager of the Morrow County Grain Growers, said Wednesday.

There has been some rust damage but the cooler days of late June seem to have enabled most of the county's grain to overcome much of the expected rust loss in production, the warehouseman said.

Harvest is expected to begin shortly after July 4 in most areas with the North Lexington area starting first and probably having the best crop.

Lamb said that he expects no difficulty in handling this year's production, with one exception. Because of planting changes, the makeup of Western White wheat will likely run heavy to non-club varieties this season in the Pacific Northwest.

Therefore, in order to keep present markets, he feels all wheat should be stored by varieties so that as near satisfactory blends as possible may be maintained.

This need is also shared by officials of the Oregon Wheat Growers League and others interested in expanding markets as a result of the no vote in the recent wheat referendum, Lamb said.

There is a possibility that club varieties may be at a premium this year if the protein content is satisfactory and if they are not shipped too early in the season, the Grain Growers' manager said.

At present there is no premium offered on the Portland market but Seattle, which shows as "coast" on the list, is now offering at 4c premium. The additional freight to Seattle more than offsets the Seattle premium, Lamb pointed out.

"These conditions may change during the coming marketing year and because of this possibility, the local cooperative will try to separate white wheat varieties as they are returned," he said.

"Cooperation of the area's farmers is asked," he concluded. "It may be to their financial advantage."

Leonard Wise, 28, Dies in Accident; Services Thursday

Leonard E. Wise, 28, of Heppner died in an automobile accident east of Echo about 2:30 a.m. Saturday when the car he was driving missed a curve. A passenger, Lucille Judy Privett, 25, also of Heppner, was injured in the accident and is now recovering in Pioneer Memorial hospital with two broken ribs and contusions.

Wise, who came to Heppner about 15 months ago, was employed by L. E. Dick as television and appliance service man. He was born March 15, 1935, in Tillamook and came here from Redmond.

Funeral services will be held today (Thursday) at 11 a.m. at Prickett Funeral Home, Forest Grove. His mother, who died about seven years ago, is buried in a cemetery at Forest Grove.

Surviving are the widow, Mrs. Vivian Wise and three small daughters, all now of Springfield; a brother, Don Wise of Heppner; and the father who has been employed at the George Griffith place at Morgan.

State police reported that the car failed to negotiate a sharp curve to the left just outside of Echo on the cutoff to highway 30. It was theorized that the driver had fallen asleep at the wheel.

Mrs. Privett was first taken to Good Shepherd hospital, Hermiston, but was removed to the hospital here Monday. Her doctor said her condition is good and that she may be released in three or four days.

Among those from here going to the funeral were the father, the Don Wise family and Mr. and Mrs. Carl Spaulding.

Sheriff Earns Tie In Chess Tourney

Sheriff C. J. D. Bauman participated in The Dalles open chess tournament in that city Saturday and Sunday and tied for first in class C—for players rated under 1200 points. He won four and lost one game to gain the tie with a boy from The Dalles with a similar record.

Attending with Sheriff Bauman was Joe Winslow of Pendleton, his good friend but arch chess opponent. Winslow won three and lost two in the meet.

Players from Washington, Oregon, Idaho and British Columbia were in the competition with seven participating in class C. Class A brought out the highest ranking players from the northwest with 20 competing and 16 took part in class B.

Mothers Death Calls Shermans to Idaho

Mrs. Ella Rose Stevens, mother of Mrs. Wes Sherman, died in Buhl, Idaho, Sunday. She fell on the steps while leaving a church service and died shortly after in a hospital. Mrs. Stevens was 86 years of age and had lived in Buhl for more than 50 years.

Mr. and Mrs. Sherman and Cathy Jo left Wednesday evening for Buhl to attend services there Thursday afternoon. They expect to be back in Heppner Friday afternoon.

Mr. Stevens preceded his wife in death in 1943. Besides Mrs. Sherman, survivors include several sons and daughters in California, Oregon and Idaho, together with many grandchildren and other relatives.

Girl's Arm Broken

Sonia Goodrow, 5, daughter of Mr. and Mrs. Roy Goodrow, Ione, suffered a broken left arm when she was bucked off a horse last Wednesday. She was treated at Pioneer Memorial hospital and remained overnight before being discharged. Both bones in the arm near the wrist were broken. Her father works for Delbert Emert.

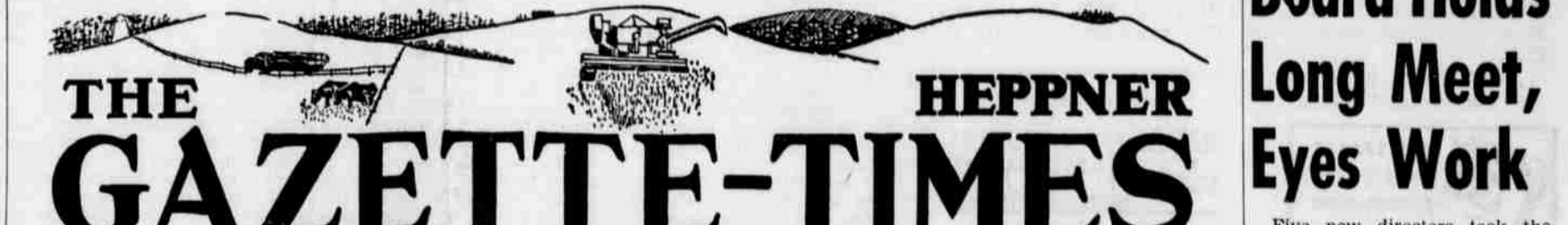
Farewell Hour

A farewell coffee hour will be held Sunday, June 7, following morning services at the Ione Community church honoring Mr. and Mrs. Glen Biehl.

The Biehls will be leaving soon for La Grande where he will teach in the fall. All friends are invited to attend.

Five New School Directors Seated

80th Year Number 17 Board Holds Long Meet, Eyes Work



Heppner, Oregon, Thursday, June 27, 1963 10 Cents

Budget Passes by 2 1/2 to 1 Margin



FIRST PRIZE winners in the Rose Festival parade in Portland recently were the queen and princesses of Morrow county's 1963 Fair and Rodeo. The photo shows them as they were in the process of assembling for the parade. From left are Princess Sham Mahoney, Princess Louise Pointer, Queen Sondra Eubanks, Princess Sharon Donovan, and Princess Nancy Cleveland.

Vote Reverses First Election; Board Named

Morrow county school district's revised budget for 1963-64 Saturday won approval by about the same resounding margin as the original budget was defeated on April 22. But the total vote was 200 less throughout the county than it was in the previous election.

The vote Saturday was 540 yes to 216 no, about 2 1/2 to 1 margin in favor. On April 22, the vote was 274 yes to 697 no, about a 2 1/2 to 1 margin against the budget.

Every area of the county voted in favor of the revised budget which calls for general fund expenditures of \$991,662, of which \$484,431 is in excess of the 6 per cent limitation.

The latter figure is \$69,979 less than the amount in excess of the 6% limitation in the original budget.

Only one area of the county—Boardman—had voted in favor of the budget that was submitted on April 22.

By areas, the vote Saturday was as follows: Heppner, 266 to 58; Lexington, 35 to 25; Ione, 71 to 60; Irrigan, 74 to 25; Boardman, 48 to 21; Rugg, 33 to 21; Pine City, 13 to 3.

Four won positions on the board of directors at the special election held for directors concurrently with the budget election Saturday. Roy Partlow of Boardman defeated Ralph Skoubo, 395 to 285, for the position from that zone; Howard Cleveland defeated Elmer Heath, 515 to 200, for the rural Heppner position; Ken Batty was unopposed for the Heppner City position; and Irvin Rauch was unopposed for the Lexington position.

All the new members were sworn in at a special directors' meeting Tuesday night.

Swim Classes Start July 2

New two weeks swimming classes will begin at the Heppner pool July 2, Tom Hughes, Red Cross swimming instructor, states.

All youngsters interested in the beginner, intermediate, or swimmers class are asked to sign up at the pool at 9:00 a.m. on July 2. The fee is \$1.00 which is used for pool maintenance.

Those wishing to take intermediate instruction must have passed a deep water test before they can enter the class.

Hughes says the swimming is down so far this year from last year by 2,000 swimmers. For the month of June he tallied 2,950 swimmers compared to 5,000 last year. Weather conditions the latter part of June has held the swimmers out of the pool.

Hours are 1 p.m. to 4 p.m. Tuesday through Saturday; 6-8 p.m. evenings and 1-5 p.m. Sundays, closed Mondays.

Christian Churches Combine for Picnic

The annual combined picnic of First Christian churches in Heppner and Lexington is planned for Thursday, July 4, at Cutsforth Park. Members of each church are asked to bring food and table service for a picnic dinner at noon, with games and hiking to follow in the afternoon. Friends are also invited to attend.

'ZIP Code' Due For Postal Use Starting July 1

A five-digit "ZIP Code" is due to be inaugurated throughout the postal system of the United States as of July 1. Postmaster James H. Driscoll announces, in Heppner and Lexington the ZIP Code will be 97836.

"Everyone in Heppner and Lexington will use this ZIP Code on all their correspondence to speed mail deliveries and reduce the chance of mis-sent mail," Driscoll said.

He stressed the importance of all citizens learning this city's ZIP Code and using it in their return address on all correspondence. In answering mail, ZIP Codes taken from return addresses on incoming mail should be used.

In the revolutionary new system that is expected to improve mail dispatch and delivery, the ZIP Code number should follow the city and state on addresses.

Postmaster Driscoll cited this example:

John Jones
P. O. Box 926
Heppner, Oregon 97836.

The new plan for the first time will permit the Post Office department to short-cut repeated address reading. The address on mail must often be read as many as eight or ten times by postal employees, to get it to the proper destination. Each handling slows the process of mail dispatch and adds to the opportunity for human error.

With ZIP Code the clerk will need only to glance at the code to know immediately to what national area, state and post office the letter is addressed and to speed it on its way, cutting up to 24 hours off the time between deposit and delivery.

Gary Van Blokland Hurt in Accident

Gary Van Blokland, 18, is recovering from a freak accident that occurred on the Frank Anderson place Monday while he was working with hay.

Gary slipped and fell in front of a moving truck as he was attempting to go around to pick up a bale of hay. The driver, Steve Anderson, did not realize that Gary had fallen, and one of the wheels of the truck rolled on to Van Blokland's leg.

The direction of the truck was parallel to the position of Van Blokland's leg as he fell, and the tire missed the bone, so no bones were broken. He emerged with a very sore leg and possible pinched muscle that will require him to be on and off crutches for a few days.

Van Blokland was taken to a doctor in Heppner for treatment and was released.

WEATHER

| | Hi | Low | Prec. |
|-----------|----|-----|-------|
| Tuesday | 92 | 64 | — |
| Wednesday | 82 | 60 | — |
| Thursday | 72 | 56 | — |
| Friday | 65 | 56 | .03 |
| Saturday | 70 | 53 | .01 |
| Sunday | 67 | 60 | — |
| Monday | 77 | 57 | .07 |
| Tuesday | 74 | 60 | — |

Rainfall for the week was .11 of an inch.

Condon To Hold Fourth of July Celebration

An old-fashioned Fourth of July with modern touches will be observed in Condon on Thursday next week as the Commercial Club attraction gets underway at 7:00 a.m. with a buckaroo breakfast.

A patriotic program will take place at 10 a.m. at the athletic field with a speech by State Representative Jack L. Smith. A flyover of four F-102 jets will precede the parade which begins at 11 a.m. Some 12 floats have entered the parade and special guests will be the Morrow County Fair and Rodeo Queen Sandra Eubanks and her court, Shannon Mahoney, Nancy Cleveland, Louise Pointer and Sharon Donovan.

Afternoon fun and festivities will include a Pee-Wee baseball game between Condon and Arlington at 2 p.m.; tennis, archery and horseshoe contests; skydivers performing; and free swimming all afternoon compliments of the Condon Elks.

The evening will be highlighted by a giant fireworks display after dark and a variety show and street dance on the tennis court early in the evening.

Elks Picnic Draws Optimistic Families

Despite inclement weather last Sunday morning, some 150 persons, Elks and their families, gathered at Cutsforth Park for the annual Elks picnic.

A potluck dinner was held at noon with the Elks furnishing the winners and buns, ice cream, dill pickles, and beverages.

This was followed by racing games for the youngsters and the adults got into the act in the egg throwing contest with their son or daughter. And through it all, the weather-man cooperated by holding off the rain with some sunshine in the afternoon.

July 4 Next Week; Early Paper Slated

Much to the dismay of weekly newspapers, this year's holidays are tending to fall on Thursdays—publication day—and July 4, coming next week, is no exception.

This means that the Gazette-Times staff has the job again of getting the paper out early, and it is expected that it will be in the mail late Wednesday afternoon, July 3.

All advertisers are asked to bear this in mind, and their cooperation is sought in getting material ready early. Correspondents and others submitting news items are also asked to get their items in as soon as possible. In any case that the material can be in the hands of the paper Monday it will be appreciated if this consideration is given.

Van Houte Takes Post With OEA

Robert Van Houte, who recently resigned his position as superintendent of Morrow County School District R-1, has accepted a post as placement director of the Oregon Education association. It was announced this week. He will also be in charge of the OEA office in Portland.

With his family, Van Houte moved to Portland Tuesday, and their address will be 17923 S. E. Lincoln, Portland 23.

Van Houte served as superintendent of the Morrow county district for the past four years, during which time construction of several new schools marked educational progress in the district, including the new high school at Ione, an addition to the A. C. Houghton school in Irrigan, Unit-A in Heppner, and now in progress, the new Heppner High school, which encompasses Unit-A.

Mr. and Mrs. Albert Clement, Portland, were week-end visitors at the home of Mr. and Mrs. Joe Hartle.

Mrs. John Hartman and daughter, Cheryl, Toledo, arrived here Monday and are house guests of her mother, Mrs. Tillie Rauch.

Morrow Grain Growers Show Earnings over \$114,000

Completion of the audit of Morrow County Grain Growers shows earnings for the crop year 1962 as exceeding \$114,000, Al Lamb, manager, announces.

Ten per cent of these earnings will be paid the patrons in cash during 1963 with the remaining 90 per cent going to the patrons in the form of capital reserve certificates. In addition, Series 10 and 11 of the capital reserve certificates are being called in for cashing during the month of July. These series cover the 1951 and 1952 crop years.

Earnings on crops delivered during 1963 and later years will be distributed on a basis of 25% cash and 75% capital reserve certificates with total earnings allocated being taxable to the individual patron receiving the same, Lamb said.

This change in payments comes into being as a result of the Revenue Act of 1962 pertaining to tax treatment of cooperatives and their patrons, he said. The 1962 act imposes a single current tax liability on income from farmer cooperative operations—taking those returns once currently, either in the hands of the cooperative or its patrons.

The major effect of the new law provision is to make cooperative tax liability on all net earnings which are not distributed to patrons in cash or under other required conditions to impose the tax liability on patrons in their individual tax returns. This is exactly the same treatment accorded all corporations doing business on a cooperative basis.

All income which belongs to the corporation is subject to federal income tax, but funds which are distributed to patrons on patronage basis are taxable to the patrons.

law may impair slightly the ability of cooperatives to accumulate capital, their right under the law to expand remains unimpaired, Lamb pointed out. The mandatory payment of cash up to 20 per cent of earnings may cause financial hardship on some cooperatives but the new tax treatment should not affect the ability of a cooperative to borrow from banks for seasonal operating funds.

In preparing for this eventuality, the Morrow County Grain Growers have reduced their outside obligations to banks and others over the past few years to the point where all banks and

in full, the manager said. The other obligations are now paid present balance sheet shows only minor current business bills as being owed with no other obligations applying against its facilities and assets. The ownership of the cooperative is therefore in the hands of holders of capital reserve certificates, which were accumulated from profits, and the preferred stock owners.

Preferred stockholders have first claim on the unobligated assets of more than \$1,450,000 in case of sale, with the remaining going to capital reserve certificate holders. The preferred stock amounts to \$109,770.

Considerable discussion centered on the teaching personnel at Ione. It was agreed to hire Eugene Doekter of Rupert, Idaho, to teach and coach one sport, subject to receiving his proper credentials. Dick Strait who taught at Heppner during the past year will handle other coaching duties there and teach. However, it was pointed out that with only one English position yet to fill, there are no woman teachers on the staff, and this brought some questions from Director Milton Morgan, Richard Correa, formerly of Echo, was hired to teach in the Houghton school.

Pratt told of the pressing need to fill other teaching positions in the district. Yet to be filled (Continued on page 8)