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Hospital will continue to operate

A story in the July 30 Gazette-Times entitled "Health District will need tax levy or run out of money" was erroneous.

Morrow County Health District CEO Victor Vander Does told the G-T that even in the event of a "worst-case scenario", the district does not plan to close Pioneer Memorial Hospital in Heppner, as stated in the July 30 article. Vander Does said that if the district cannot pass a tax levy to increase district revenues, they may be forced to close the two district health clinics in Heppner and Irrigon, discontinue support payments to the Boardman Clinic operated by private physician, Dr. Robert Boss, and close Pioneer Memorial Nursing Home. In that event, the district would still retain emergency services at the hospital in Heppner (with an urgent care facility), ambulance services for all communities (Heppner, Lexington, Ione, Boardman and Irrigon) and Pioneer Memorial Home Health and Hospice, which also serve all communities in the district.

"There's no question that we're going to need more money for the district to operate at break even and maintain existing services," said Vander Does.

Closing the nursing home would currently displace 13 elderly residents and could put an estimated 25 jobs at risk, Vander Does said. The nursing home is licensed for 19 residents. Closing the clinics would leave the Heppner area with no district-operated clinic. However, one physician, Dr. Kenneth Wenberg, operates a private clinic in Heppner and Dr. Boss operates his clinic in Boardman. Irrigon would have no doctor's office at all.

Vander Does anticipates that the district will probably need an additional \$400,000-\$500,000 in revenue to retain services at their current level, but the exact

amount probably won't be determined until the end of the year. Vander Does says that he believes the shortfall exists because the district is not able to generate enough business and also because the state of Oregon does not reimburse for costs sufficiently. "It costs us more to pay for Medicaid patients than Oregon pays. They don't pay their fair share," said Vander Does. He says that it costs the district \$180 per day to care for Medicaid patients, while the state reimburses the district at a rate of only \$111 per day.

Vander Does says that leaves the district with two options-to increase revenue by at least 10 percent or come up with an equivalent amount by increasing taxes. The revenue the district can expect to generate is limited by the population, he added.

Vander Does said previously that the district has a bare bones budget and there is little or nothing left to cut. The board earlier decided that it could no longer afford to have a 24-hour physician on call and has since learned that the state will still allow PMH to retain its Trauma Level IV designation.

Morrow County Health District has around a \$4 million budget, not including taxes, which bring in an additional \$600,000, approximately. Vander Does says that an additional \$400,000 in taxes would cost the MCHD taxpayer around 52 cents per \$1,000 assessed valuation. Vander Does said that of all the entities that pay property taxes, only around 15 percent of the tax monies would come from homeowners, with the majority of the tax burden paid by utilities. To retain a 24-hour physician on call would require another 16 cents per \$1,000 assessed valuation.

Vander Does said that the five-year levy would require a 50 percent voter turnout (estimated around

2,400 voters) with a majority of yes votes if they put the levy up before voters in May, because of the double majority requirements. If the levy were to be put before the voters in November it would require only a single majority, but by then it would be too late and the district would run out of money.

Vander Does added that MCHD's situation is not unusual for rural hospitals. He says that the rural John Day hospital is presently subsidized by \$1,187,310 in taxes and does not even operate clinics or ambulance services, as does MCHD.

Ione Preschool registration begins

Creative Care Preschool in Ione will be registering students on Monday, Aug. 11 from 3-4 p.m. or 7-8 p.m. Creative Care offers classes for three year olds on Mondays and Wednesdays from 8:30-11 a.m. and for four year olds on Tuesdays and Thursdays from 8:30-11:30 a.m. The cut-off date for the ages is August 31.

Classes will begin on Tuesday, Sept. 2. Creative Care follows the Ione School District schedule, so classes that would have met on

Missing boater identified

The missing individual, now presumed drowned, has been identified as 50-year-old Frank Eugene Randle, of Pendleton, stated Morrow County Sheriff Verlin Denton. Randle went missing after a boating accident near Boardman, Sunday afternoon, Aug. 3.

The search continued Tuesday, Aug. 5, with Randle's body still not having been found by Tuesday morning. Search and rescue will continue

Ione School Board selects Dick Allen as Ione interim principal

The Ione School Board has selected veteran principal Dick Allen as the district's interim principal, effective immediately. Allen will serve as the newly-formed school district's first principal.

The board, at a Monday night meeting, cited Allen's experience and proven track record as a previous Ione administrator and his extensive involvement in the Ione community in selecting him over two other candidates. The interim position is until June 30, 2004. The Ione School Board expects to begin selection of a permanent administrator late this year.

Allen, 53, Ione, is originally from the town of Kinzua and graduated from Wheeler High School in 1968. He attended Eastern Oregon College, now Eastern Oregon University, for two years before transferring to the Oregon College of Education,

now Western Oregon University, a Monmouth. He graduated from OCE with a degree in elementary education in 1972 and married his wife, Jannie, that year.

Allen worked for two years at Faye Wright Elementary School in Salem before moving to Fossil, where he taught five years. He was then hired as superintendent-principal at Spray, where he worked for six years. He was hired as principal of Ione Schools in 1985, where he remained until accepting a position as Heppner High School principal in the fall of 2000. After his official retirement in 2002, he came

back to serve as assistant principal at Heppner schools during the 2002-03 school year.

Allen was selected the Heppner Chamber of Commerce citizen-educator of the year in 1993. He has previously been involved in the Ione Fourth of July celebration, and, along with his wife, reigned over the celebration in 2000. He is a member of the Ione United Church of Christ. He has been active in the Ione Community Agri-Business Organization and has served as its president. He served two years on the Ione City Council and for many years coached Little League. He enjoys hunting, camping and working on classic cars.

Allen and his wife have two children, Steve, who recently graduated from the University of Oregon with a degree in international studies, and Elizabeth, who is currently a student.



Dick Allen

Bailey and Lindsay named VPs for BEO

Jeff Bailey and Melissa Lindsay have been named vice presidents for the Bank of Eastern Oregon by the Board of Directors at its organizational meeting this spring.

Bailey was named vice president and chief credit officer for the bank. Bailey has been with the bank since December 1996 and has been a loan officer in Gilliam County. Bailey will be relocating to Heppner where the bank has its main offices, and will oversee the loan portfolio and have other lending duties.

Lindsay has been the mortgage manager in Heppner for the last seven years. Her mortgage department is a top-producing division of the Bank of Eastern Oregon and it specializes in home purchases,

refinances and construction lending over a wide area.

Due to Bailey's relocation, Kathy Burres has been named branch manager of the Condon branch. Burres has been with the bank since 1995 when they opened the Condon branch. She recently served as operations supervisor there.

John Qualls will move to

Gilliam County to assume duties as a lending officer. Qualls has been at the bank for 15 months as a loan officer in the Heppner branch. Previously, Qualls worked for the O S U Extension Service and is a graduate of Eastern Oregon University with a degree in Ag business.

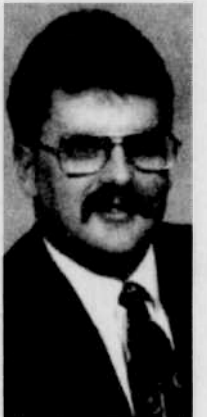
The Bank of Eastern Oregon is an \$80 million full service commercial bank. It has branch locations in Heppner, Ione, Condon, Irrigon and Boardman and serves the residents of Morrow, Gilliam and Wheeler counties.



Melissa Lindsay



Kathy Burres



Jeff Bailey



John Qualls

MCSB Board deadlocked over selection of seventh board member

The Morrow County School Board, currently a six-member board because of a vacancy, became deadlocked over selection of a seventh member at its meeting Monday night.

The board tied three to three over two candidates who expressed a desire to fill the seventh board position that was vacated when the Ione School District was formed. Debbie Radie was elected to the MCSB Board, but resides in the newly-formed Ione School District and had to step down from her position on the MCSB. She was subsequently selected as a member on the Ione School Board.

MCSB Board members Craig Miles, Heppner, Barney Lindsay, north Lexington area, and Ken Matlack, Irrigon, voted for Bill Kuhn, a Heppner attorney who ran unsuccessfully for the position in the recent election, to fill the seventh board position. Board members John Renfro, Lexington, Julie Weikel, Boardman, and Pat McNamee, Irrigon, voted for Angela Gutierrez, Boardman. A third candidate, Debbie

Stratton of Irrigon, received no votes.

Morrow County School Superintendent Dr. Jack Crippen said that he is not sure now how the board will proceed in selecting the seventh board member. He says that he expects that the district will consult its attorney and the Oregon School Boards Association for assistance in resolving the matter.

Pre-fair edition inside

A special pre-fair edition has been included in this week's edition of the Heppner Gazette-Times. The pre-fair edition includes articles about the fair events and 4-H, as well as, feature articles on the various entertainers and the Morrow County Fair and Rodeo court.

The Morrow County Fair and Oregon Trail Pro Rodeo will be held Aug. 13-17, at the Morrow County Fair Grounds.



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