

Portland School Board Seeks Hike In Revenue

PORTLAND (AP) — Either the Portland school program will have to be reduced drastically, or either property taxes or income from the state will have to be increased next year, the Portland School Board said Monday.

The board said, in a four-page statement on pending school legislation, it faces a "critical school finance situation."

The statement recommended the 1959 Legislature increase the state basic school fund 17 per cent, but said the new money should go to schools on a per-

child basis rather than under an equalization formula.

A thorough interim committee study on Oregon finance also was urged "to the end that a new formula for distribution of state aid be developed and presented to the 1961 Legislature."

The statement, a two-year study on school costs and tax structure in most state school districts by the heads of the Portland system school research and business office heads, proposed these six points for the study:

1. It be developed as part of

a coordinated, over-all, long-range financing program for state and local government rather than for schools alone.

2. Assign the state a substantial share of financial responsibility to make the broader statewide tax base available to the schools to supplement local tax resources.
3. Guarantee a reasonable minimum percentage of operating costs in all districts.
4. Maintain a stable relationship between state support and local property taxes so the state's share will rise when local property taxes rise.
5. Assist districts needing to maintain an adequate school program with a reasonable property tax effort.
6. Create financial conditions conducive to the equal educational opportunity for all children in the state, recognizing that adequate finance without proper organization cannot achieve this goal.

The report said the present school finance law falls far short of these goals. It said under the present law state support fluctuates, equalization money goes to districts that could and should be reorganized and many districts with low total tax loads get large equalization payments while other districts with high tax loads get less.

HAPPY HUNTING GROUND
WARSAW, Poland (UPI) — Poland is a happy hunting ground for bachelors. The statistics of marriage reported today that the country has one million more women than men.

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The man with the ax is from Dugan & Mest . . . His name, Jim Douglas, his occupation, price cutter . . . See him.

Ike Begins Seventh Year; To Keep Demos On Defense

WASHINGTON (AP)—President Eisenhower, 68, starts his seventh year in office today reportedly determined to keep the Republican controlled Congress on the defensive if it balks at his program.

With half of his second four-year term behind him, the President scheduled no formal observance of this anniversary of his inauguration.

The budget for the fiscal year starting July 1 already has been criticized by Democrats — and some Republicans—as inadequate and unrealistic. Aides said the President is ready to hit back at the critics.

As an indication of his mood, an aide pointed to Eisenhower's appeal to the American public — within minutes after the budget went to the legislators—for help in winning support for it in Congress, and in fighting off what he called spending pressure groups.

Topping his business calendar is a meeting with Republican congressional leaders for discussion of the administration's legislative proposals and the 77-billion-dollar spending program Eisenhower sent to the Capitol Monday.

In a statement for television and radio use, Eisenhower said failure of the government to live within its means would encourage inflation and diminish the value of every pay envelope.

It was a foregone conclusion Eisenhower would stress the same theme in his annual economic report to Congress today.

Court Hears Of Beck Loan

TACOMA, Wash. (AP) — Self-described millionaire Dave Beck applied for a "hardship loan" in 1953 from the Teamsters Union he then headed, a Federal Court jury was told Monday.

In advance of dispatching that report, the President arranged to take part in the awarding of gold medals to missile expert Werner von Braun and four other government employees being honored for distinguished public service.

Another ceremonial activity takes Eisenhower to the airport at midday to welcome Argentina's President Arturo Frondizi, arriving for a state visit.

Union Comptroller William Mullenholz testified that Beck sought the loan so he could buy a house near Bethesda, Md. He said the union had a rule which permitted loans to officers stationed in Washington, D.C. if they wanted to buy homes in the suburbs to beat the capital's high prices.

Last night Eisenhower and the first lady were hosts at a family dinner party marking the 70th birthday of the President's eldest brother, Edgar, a Tacoma, Wash., attorney.

Two other brothers, Earl and Milton, were on hand. So were the wives of Edgar and Earl, and the son and daughter-in-law of the President, Army Maj. and Mrs. John Eisenhower.

Mullenholz said that Beck planned to spend considerable time in Washington, D.C., as head of the international union and applied to the Executive Board for the loan. But then Mrs. Beck took a look at the house and the deal was off, he said.

Beck is on trial on charges he evaded \$240,000 in income taxes for the years 1952 through 1953. The government is seeking to prove that he obtained money from the union which added to his net worth but on which he did not pay income tax.

Other testimony Monday showed that Beck often collected twice for hotel and travel expenses. Records showed that the union paid the bill for Beck, and often for members of his family who accompanied him, on trips. But Beck also drew a \$15-a-day hotel allowance and \$5 a day for miscellaneous expenses while on trips Mullenholz testified.

Red Ambassador Plans Vacation

WASHINGTON (AP)—Now it's the turn of Soviet Ambassador Mikhail Menshikov to take a vacation, hard on the heels of Deputy Premier Anastas I. Mikoyan's holiday in the United States.

Menshikov was host to Mikoyan during his fast-moving 17-day stay. He traveled coast-to-coast with him as escort, part-time interpreter and troubleshooter.

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FORREST BREITHAUPT, right, owner of Mac's Store in the Henley District for 10 years has completed this modern building to replace the old frame store built in 1912. Breithaupt is shown here with Verne McClellan, whose father built the first Mac's Store. McClellan operates the Cozy Hotel in Klamath Falls. A brother Hugh Wallace McClellan, who also lived in the store many years ago, is assistant chief geologist and petroleum engineer for Continental Oil Company, Los Angeles. The new pumice tile building has double the floor space of the original with a 40 by 40 area. Mr. and Mrs. Breithaupt will continue to operate the store, stocked with groceries, and some meats. Breithaupt also sells gasoline and oil and operates a commercial scale.



A LANDMARK in the Henley District is bowing to progress and is being torn down. This building was put up in 1912 by J. S. McClellan and was a meeting place for many years for neighbors. Mr. and Mrs. McClellan and their two sons, Verne, and Hugh lived in an apartment in the rear. Three sleeping rooms upstairs were rented to teachers who boarded with the family. The land on which the store was built was leased from John Koontz who homesteaded 88 acres about 1890. High school students in the Henley District then went to school until Christmas in Merrill, finished the rest of the year at the old Klamath County High School in Klamath Falls. Grade school students went to the Mt. Laki School, now the Henley Grange Hall.

Chairman Warns NW Businessmen
PORTLAND (AP) — Shake off the mossbacks and quit living in the past, the chairman of the Multnomah County Centennial Assn., Inc., urged Portland businessmen Monday.

George Freck told the meeting of businessmen what he termed centennial defeatism—especially from sources that stand to profit most—makes him mad.

Freck assumed the chairman-

ship of the Multnomah County centennial effort recently.

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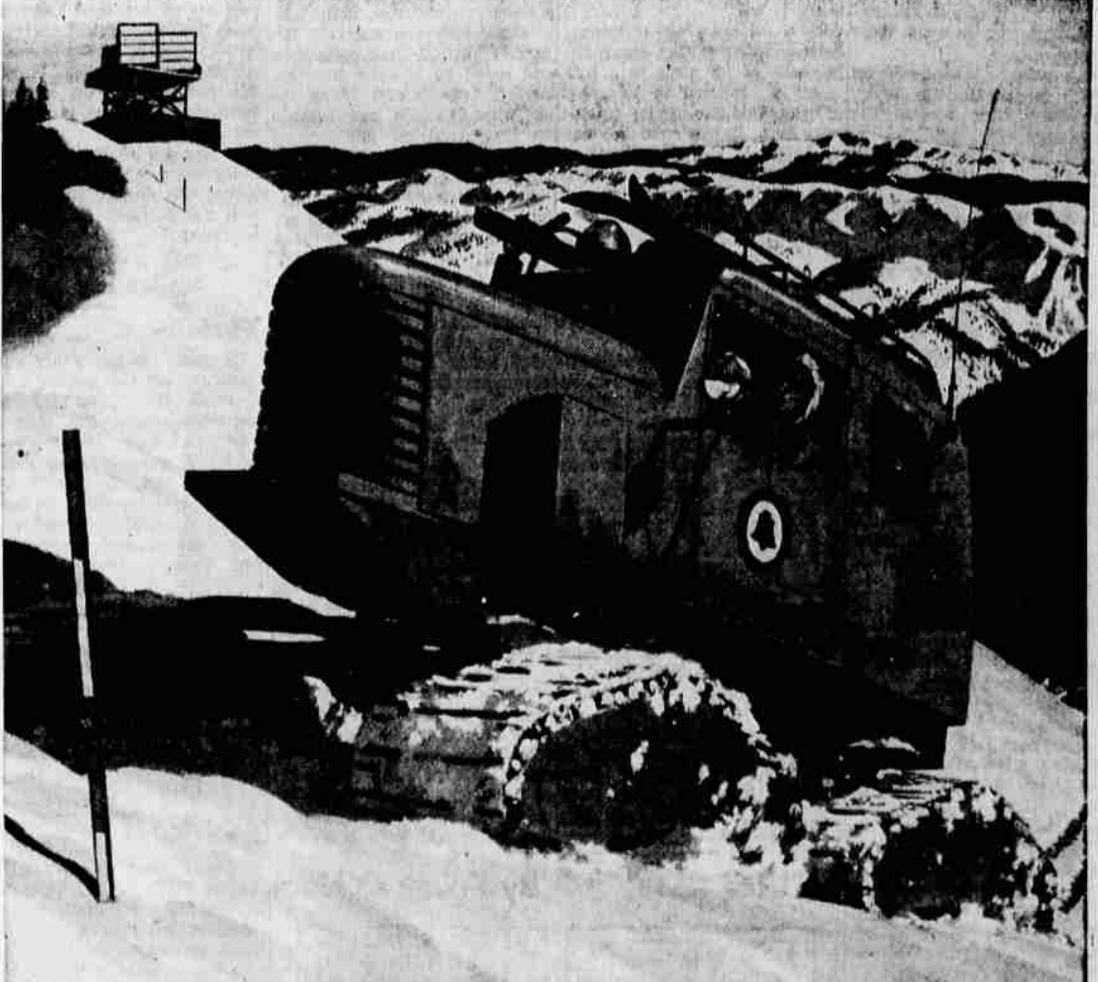
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