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Hills minister missing in Alaskan plane crash

By Mary Rodrigue
staff writer

A Farmington Hills minister and a Northville man are among five persons on board a privately owned plane missing in Alaska.

The Rev. Phillip Armstrong, minister of missions for the Farmington-Hills-based Far Eastern Gospel Crusade, and Paul Mortenson, a volunteer, were with three Alaskans on mission business when their twin-engine Beech Bonanza lost ground communication at 1:38 a.m. (6:30 a.m. Detroit time) Sunday.

The others on board were Paul Backlund, the pilot, Bill Ballou, mission business manager, and Wanda Ediger, secretary for a Christian radio station. All three lived in Glennallen, northeast of Anchorage.

The flight originated at 9 p.m. (Alaska time) Saturday in Petersburg, south of Juneau, near the Canadian border. More than halfway through the six-hour flight, the pilot radioed Anchorage reporting they were short of fuel.

He was directed to an unlit airstrip at Cape Yakataga on the Alaskan Gulf Coast. Contact was lost over a mountainous glacial coastal region where the northern tip of the Rockies surges to 1,800-foot-high peaks.

"IF THEY DID survive coming down, they could survive exposure because they had extra blankets and food," said Robert Richard Oestreich, spokesman for the mission, with offices at 36200 Freedom Road. Armstrong founded the Protestant

interdenominational mission in 1945. Today its 330 missionaries serve in Alaska, Japan, Taiwan and the Philippines.

The missing five were returning to Glennallen after touring the mission's new radio studio under construction in Petersburg. The studio just was granted FCC approval recently.

Glennallen is the center of the mission's Alaskan operations, with a hospital, Bible college and radio station. Military and civilian search parties have been scouting the region by air since daylight Sunday. The weather is generally overcast in the region and a new storm front moved in Tuesday.

Four other small planes are down in the area. The U.S. Air Force added a reconnaissance plane to the search Tuesday.

'If they did survive coming down, they could survive exposure because they had extra blankets and food.'

— Richard Oestreich, mission spokesman

The type of plane being used identifies unusual objects in aerial photographs via computer are paying 20 cents for a half pint carton of milk.

A commercial pilot Sunday reported hearing the plane's automatic broadcast beacon go off for 10 minutes. The audio beeper identifies planes in distress.

"It's a big puzzle why it stopped," said David Givens, mission media spokesman. "It could have malfunctioned or the

plane could have gone down in water." Prayer groups across the nation are keeping vigils for the missing five, according to Mrs. Karon Berklund, Armstrong's daughter.

"The family hasn't given up hope," she said.

Armstrong served as director of the mission until last year. Mortenson is a retired vice president of the Sperry Rand Corp. based in Troy.



Phillip Armstrong



A Diggers delicacy

This little creature will soon be served with baked potato and salad at Diggers Restaurant in Farmington Hills. The lobster was part of a recent shipment that arrived by helicopter in the eatery's parking lot on Grand River.

R.S. WILSON/staff photographer

Federal cutbacks hurt school lunch program

By Craig Plechura
staff writer

Cutbacks in the federal hot-lunch program are doubling the cost of milk, boosting the price of meals and causing smaller portions to be served in Farmington school lunchrooms.

Reimbursement by the federal government has been reduced, causing school officials to raise prices to make up for the shortfall.

Last school year milk cost students 10 cents in Farmington Public Schools. Students now are paying 20 cents for a half pint carton of milk.

Lunches were 80 cents in the elementary schools in Farmington and 90 cents in secondary grades last year. Elementary school lunches now cost students 95 cents, and lunches in the middle schools and high schools now cost \$1.15.

Students who need financial assistance to eat lunch can still apply for free meals or meals at a reduced rate. But federal reimbursement payments to school districts in the free, reduced-rate and full-pay lunch programs have been reduced under regulations set down in President Ronald Reagan's tax-cutting manifesto, the Omnibus Reconciliation Act of 1981.

Last year 532 students out of the total of almost 12,000 students received free or reduced-price meals in Farmington schools, said Mike Howard, food-service supervisor for the district.

STUDENTS WHO apply for free-lunch benefits receive slightly more than \$1.08 from the federal government, through the school district's appropriation. The allocation for deserving students is one of the few allocations that has not been cut under the new guidelines.

Students who qualify for reduced-price lunches, however, now receive slightly more than 69 cents per meal — a 20-cent drop in the appropriation from the federal government.

The vast majority of students who pay for their lunches receive 10 1/2 cents per meal in federal reimbursement funds.

Students in every category, free, reduced-price and full-pay, also receive

11 cents worth of a food commodity, such as surplus chicken, from the USDA. The former commodity payment amounted to almost 15 cents per student.

The reason milk prices jumped so dramatically in Farmington and other neighboring communities is that the new guidelines force schools to choose between a subsidy for milk or a subsidy for meals. Since more money is involved in the hot-lunch reimbursement most schools have opted to drop the milk subsidy.

The milk that costs students 20 cents costs the district about 12 cents per carton, supervisors of the program said. The 8-cent difference goes toward labor and refrigeration expenses, directors of the program said.

Critics of the federal cutbacks accuse the president of penalizing the poor and lowering nutritional standards. Supporters say school districts should fund their own food programs and say the new guidelines should eliminate waste caused by students who throw away food the federal government required to be served.

LOCAL REACTION to the change is one of guarded support.

"It all depends on what you want a school lunch program to be," Howard said. "If the meal still gives a child at least one-third of the daily requirements, I feel it's sufficient. As long as it merits that, I feel it's performing an adequate service."

Meals served in Farmington schools currently contain one-third of a child's essential nutrients, Howard said. But, he said, the latest proposed federal guidelines don't require schools to offer one-third of the minimum daily requirement in all food components.

Howard said it is becoming increasingly difficult to keep costs down while still maintaining high nutritional standards. Attempts to offer protein substitutes such as soybean patties, he said, have been unsuccessful "because kids really don't like them."

If applied sensibly, Howard said, the new rules should still result in students receiving a good, hot meal.

At times the rules can be frustrating, Howard said.

Please turn to Page 13A

Facing federal probe

Pair charged in kidnaping

By Mary Rodrigue
staff writer

A married couple was arraigned on kidnaping charges Monday following a successful escape by their prisoner in a Farmington Hills shopping center Sunday.

Marvin Percival Johnson, 32, and his wife, Kathleen, 29, were charged with holding a Royal Oak woman captive for four days in first a Southfield and then a Farmington Hills motel.

The woman, Sarah Kissel, 28, is a friend of another Royal Oak woman, Kathy Hargan, who was arrested by the FBI in Atlanta last June in the cargo hold of a jet bound for New York.

Hargan was charged in a plot to steal diamonds and other valuables stored there. She is expected to testify against

several others, including Marvin Johnson.

Authorities believe Kissel was kidnaped in an attempt to find the whereabouts of Hargan.

The Johnsons stood mute at their arraignment before 47th District Court Judge Michael J. Hand.

Plans are under way to extradite Johnson, who is in the Oakland County Jail on \$100,000 bond, to Georgia for trial on the federal charges.

His wife, who posted \$5,000 bond, is being held on \$150,000 bond on two federal charges, harboring a fugitive and obstructing justice.

KISSEL WAS ABDUCTED while in her car at an intersection in Royal Oak about 6 p.m. Thursday. She was taken to the Easy Rest Motel in Southfield where she stayed until

Sunday, when she checked into the Red Roof Inn in Farmington Hills with the Johnsons.

Kathleen Johnson and Kissel went to the Kroger store in the Kmart Plaza at Halsted and Grand River about 4:30 p.m. where Kissel made her break.

She ran into the backroom of the Kinney Shoe Store and told the manager that she was kidnaped and asked that the FBI be called.

Store personnel locked the doors and called the FBI. Farmington police took Kissel into protective custody shortly thereafter.

They arrested Kathleen Johnson in the plaza parking lot.

Marvin Johnson was arrested by Farmington Hills police at the Holiday Inn, across the street from the Red Roof Inn.

Gunman shot after robbery

The owner of a Farmington Hills bar fatally shot a holdup man Saturday after being robbed of \$50.

Frank Danver, 59, owner of the Village Pump, 32350 Eight Mile, told police he was doing janitorial work prior to opening when a lone gunman entered through a rear door at 7:15 a.m. and demanded money.

Danver, of Livonia, gave the man \$50 and his pants, which the gunman also demanded.

As he walked out the door, the gunman said he would kill him, Danver said. Danver got a gun he keeps for protection and ducked behind some fil-

ing cabinets.

When the gunman returned, Danver shot him. The wounded robber escaped to a waiting getaway car.

Farmington Hills police were called to a private residence on Rockwell Street south of Grand River 40 minutes later on a report that a man had been shot.

They took the victim to Botsford General Hospital where he died at 10:51 a.m. of a single gunshot wound to the chest.

Police are withholding the dead man's name until he is linked to the crime via ballistics investigation.

Please turn to Page 12A

Tax exempt certificates offer savers a mixed bag

By Craig Plechura
staff writer

They're known as "All Savers" Certificates. But the one-year, tax-exempt certificates which become available Oct. 1 may not be the best investment for everyone.

It all depends on how much money you make, what tax bracket you are in and how much risk you wish to take on alternative forms of investment.

The new savings certificate, established by the Economic Recovery Act of 1981, can be bought at commercial banks, savings and loan associations and credit unions for as little as \$500. Certificates mature after one year and pay holders an amount equal to 70 percent of the rate of return on United States Treasury bills.

The most attractive feature of the certificates for consumers is that you can earn \$1,000 in interest on them all couples filing jointly) without declaring the amount as income at tax time. As long as the program is in effect at least until Dec. 31, 1982) taxpayers holding All Savers' Certificates can ac-

cumulate interest up to the maximum allowable amount.

This means a couple could earn \$500 in tax-free interest this year and \$1,500 next year without ever declaring the interest as income, said Sarah Wreford, acting public affairs officer of the IRS Detroit office.

Bankers such as James Wibby, president of the National Bank of Farmington, endorse the All Savers' Certificate program. But Wibby questions whether the tax-free program is the wisest investment for persons in tax brackets below 30 percent.

"THE WAY these things (All Savers' Certificates) are calculated, you need to be in the 30 percent or better tax bracket before they're a real benefit," Wibby said.

Ms. Wreford of the IRS released 1978 tax statistics, the most recent figures compiled, which show that 29 percent of all couples filing joint returns were in a tax bracket above 30 percent. That same year 16 percent of the nation's single taxpayers were in a tax bracket higher than 30 percent.

Overall, Ms. Wreford said, just under 24 percent of the nation's taxpayers — almost one-fourth of those filing — earned almost a third of their income to the federal government.

Furthermore, because wages are increasing at a time of high inflation, Ms. Wreford said in 1981 more persons are probably in a higher tax bracket with less savings than in 1978.

While acknowledging that other forms of investment are open to taxpayers, Ms. Wreford said it is a fallacy to assume that All Savers will help only persons in a high tax bracket or the wealthy.

"No matter what tax bracket you're in it'll benefit you," she said. "The higher the tax bracket, the greater the benefit."

WIBBY, of Metro Bank, said there's no question the All Savers are a benefit to consumers as well as lending institutions. The question potential customers should be asking, Wibby said, is whether their investment would earn more in fully taxed money-market certificates or fluctuating broker's certi-

rates of deposit.

Persons in a tax bracket below 30 percent, Wibby said, are probably better off with a money-market certificate even after paying taxes on their interest income.

To illustrate his point, Wibby said a couple in a 10-percent tax bracket could earn \$200 more in a year by investing \$10,000 in a money-market certificate earning 15 percent at maturity than they would if that same amount was placed in an All Savers' Certificate paying 10.5 percent tax-free interest.

All Savers' Certificates will pay holders 70 percent of the current yield on Treasury bills, a rate which changes every month. The rate through Oct. 3 on Treasury bills is 15.81 percent, meaning that for the first two days the All Savers are offered consumers who buy them are guaranteed 12.61 percent return on their tax-free investment at the end of 12 months.

If Treasury bills are set at 15 percent, All Savers will yield 10.5 percent, the figure used in Wibby's theoretical example.

In Wibby's example the same invest-

tor would receive \$1,150 in tax-free interest on a \$10,000 All Savers' Certificate.

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