

**Obituaries**

**Clarence "Jake" Haynes**

Clarence "Jake" Haynes, 82, of Lexington, died Jan. 26, 2006, of a heart attack.

A celebration of life will be held Saturday, Feb. 4, at 2 p.m., at the Molalla Senior Center.

He was born in Hillsboro on Sept. 23, 1923 to Thomas and Laura Etta Haynes.

He owned and operated the general store in Lone Rock in the 1940's before moving to the Oregon coast to work in the timber industry.

Moving to Molalla in 1947, he worked at A. F. Lowe's Lumber Co. as a saw filer before becoming a maintenance man at the Molalla Grade School.

Molalla City Administrator was the job he held starting in 1966, along with Municipal Judge and city councilman before retiring in 1986.

Haynes was mayor of Molalla before moving to Lexington in 1992.

He was a lifelong firearms competitor, shooting on the Oregon State team at the National Finals in Camp Perry, Ohio and also enjoyed teaching hunter's safety and hunting game animals for years. His shooting continued on in later years as a tough competitor in black powder Rendezvous for more than 25 years right up to his final days.

He was an active Boy Scout leader and Youth Rifle Club instructor, touching the lives of many young people.

As a skilled woodworker, he was known for his creation of personalized "plunder boxes" and other treasures.

He was preceded in death by his wife, Laura "Twoie" Murray Haynes in 1981 and son David in 2002. Also a sister, Esther, of Forest Grove, brothers Don, Pete and Ben of Baker City and Chad of Scholls, Oregon.

Survivors include his wife Phyllis, of Lexington; daughters, Sandra Haynes of Heppner and Kathryn Gustavson of Molalla; son, John; stepdaughter, Marcia Koch and stepson, Gary Hobbs, both of Missouri; brother, John "Rusty" Haynes of Inchelium, WA; and four grandchildren, four step-grandchildren and 11 great-grandchildren.

Remembrances may be made to Pioneer Memorial Hospital in Heppner.

Sweeney Mortuary of Heppner is in charge of arrangements.

**Death Notice**

**Lester S. Grasser**

Lester S. Grasser, 91, of Heppner, died Tuesday, Jan. 24, 2006, at Good Samaritan Center in Hermiston. A memorial service will be held 2 p.m., Saturday, Feb. 18, at the Seventh Day Adventist Church in Heppner.

A complete obituary will appear in next week's paper.

Sweeney Mortuary of Heppner is in charge of arrangements.

**Nola Johnson Gallagher**

Nola Johnson Gallagher, 34, of Irrigon, died Monday, Jan. 23, 2006, at Legacy Emanuel Hospital in Portland.

A graveside funeral service was held Jan. 30 at Desert Lawn Memorial Cemetery in Irrigon.

She was born Jan. 29, 1971, in Peru, IN, to Gerhad and Linda Lewis Johnson. She was raised in Salt Lake City. She was a resident of Oregon the past 14 years, living in the Hermiston, Umatilla and Irrigon areas.

On Sept. 25, 1999, she married James Gallagher in Irrigon.

She was a member of the Solid Rock Church in Hermiston. She was an avid animal lover.

Survivors include her husband, James Gallagher of Irrigon; parents, Gerhad and Linda Johnson; son, Byron Johnson of Irrigon; sister, Julyenne Allred of Salt Lake City; and brothers Eric Johnson of Irrigon and Byron Johnson of Mesquite, NV.

Burns Mortuary of Hermiston is in charge of arrangements.

**Heppner Little League to hold meeting and sign-ups**

Heppner Little League will meet on Thursday, Feb. 16 at 7 p.m. in the Pettyjohn Building conference room. Anyone interested is encouraged to attend.

Registration for the 2006 season for Heppner Little League will be held Wednesday through Friday, Feb. 8-10, from 5-7 p.m., each night.

Boys ages 5-12 and girls ages 5-15 are eligible to enroll to play T-Ball, minors and majors baseball/softball and also girls' junior/senior softball. Registration is required even if the child played previously.

Cost is \$30 per child, \$60 per family.

Registration will be held at the Heppner Neighborhood Center. At least one parent or legal guardian must be present.

If this is your first time or HLL doesn't have your information from last year, please bring three proofs of residency (must have physical address on them) and a copy of the child's original or state-certified birth certificate. A driver's license or utility bill (only one utility bill) is acceptable documentation. If you cannot make it to try-outs please let HLL know.

The deadline for signups is Tuesday, Feb. 28.

At this time, HLL is also accepting applications for coaches and volunteers. Little League requires a copy of your photo ID/driver's license to go along with the application.

For more information, call Renee Yocom at 676-9474 (mornings) or 676-9821.

Little League is the world's largest youth sports program with more than 2.8 million children and 1 million volunteers in more than 100 countries.

For more information on Little League, visit the Little League website at [www.littleleague.org](http://www.littleleague.org).

**Fairgrounds building project still seeking donations**



Ken Bailey, representing the local East of Ditch Social Club, presented a \$200 check to Heather Yocom, Queen of the 2006 Morrow County Fair and Oregon Trail Pro Rodeo, for the 4-H dormitory/football stadium concession project. Photo by Kay Proctor.

By Kay Proctor

The long planned dormitory/concession stand building at the Morrow County Fairgrounds in Heppner is still seeking donations.

Bids received last year were higher than monies available, so original plans have been altered. The Fair Board decided to proceed with the project in phases with the first phase construction being to erect

the building shell with minimum inside finishing.

Any donations would be appreciated by the county 4-Hers and may be sent to the Morrow County Fair, Dormitory/Concession Project, PO Box 464, Heppner, OR 97836 or by contacting Renee Yocom, fair secretary, at 676-9474. There is also an account for "Fair Dorm" at any branch of the Bank of Eastern Oregon.

**BEO Bancorp has record year, profits up 18.3 percent**

BEO Bancorp earned net income of \$1,095,000 for the year. This is the largest net income figure ever achieved by the company and an 18.3 percent increase over 2004 earnings.

"Despite flat earnings in the fourth quarter of 2005, the organization had superior results for the year, our best results ever," said President and CEO E. George Koffler. "We continue to grow the bank at a moderate, sustainable pace with both loans and deposits and total assets reaching new highs."

Earnings per share increased from \$2.11 per share in 2004 to \$2.49 per share in 2005. Return on assets and return on equity both increased by at least 13 percent.

"We are pleased that ROE was 13.83 percent and ROA was .64 percent, but we can and will do better in the years to come," said Koffler. "We are still only two years into our acquisition in December 2003 of the Klamath First branches. We are busy deploying those assets to improve the bank's performance."

Loan growth was a highlight of the year with loans growing from \$88,528,000 to \$108,622,000, an increase of 22.7 percent.

"These increases come at a time when the farm and ranch economy is stable because of good prices in the livestock area, rain was plentiful, and a new government program was implemented for many agricultural producers," said Chief Credit Officer Jeff Bailey. "Most of the growth continues to come from newer market areas in Moro, John Day, Burns, and Ontario," said Bailey.

Past due loans at year-end were minimal at \$143,000, or .13 percent of total loans, and non-accrual loans totaled \$76,000, or .07 percent of total loans, both very low by industry standards.

Deposit growth was a very bright spot for the bank with total deposits up from \$141,616,000 to \$156,036,000, a 10.2 percent improvement year over year.

"We are particularly pleased that non interest bearing deposits increased more than \$5,000,000, a 23.3 percent increase," said Executive Vice President and Chief Operating Officer Linda K. LaRue. "The highlight of the year operationally was a small increase of only 2.6 percent in non interest expense as we improved the efficiency of the operation," said LaRue. "We also improved non-interest income 6.9 percent at the same time, as both our financial services division and mortgage division had strong years," she added.

"Net Interest Margin (NIM) declined from 4.48 percent to 4.41 percent during the fourth quarter but year over year we saw an improvement from 4.27 percent to 4.41 percent," said Koffler.

"We are concerned about the continued tightening by the Fed. We expect several more increases before rates start down at midyear. We are slightly liability sensitive so rate increases will erode our net interest margin modestly. Liability costs did hurt earnings as deposit pricing rose at a faster clip than loan pricing. We hope to mitigate that some with investment earnings improving as 25 percent of our portfolio will reprice in 2006 from historically low levels," added Koffler.

BEO Bancorp is the holding company for Bank of Eastern Oregon, which operates 11 branches in six eastern Oregon counties. Branches are located in Arlington, Ione, Heppner, Condon, Irrigon, Boardman, Burns, John Day, Prairie City, Fossil and Moro. Bank of Eastern Oregon also operates a mortgage division, loan production offices in Hermiston and Ontario, and offers brokerage services through BEO Financial Services. The bank's website is [www.beobank.com](http://www.beobank.com).

**Wedding Schneider-Halvorsen**



Mollie Schneider and Ryan Halvorsen

Mollie Beth Schneider, of Henderson, NV, and Ryan Dee Halvorsen, formerly of Ione, and currently of Henderson, NV, were married in a double ring ceremony on Oct. 8, 2005, at St. Peter the Apostle Catholic Church in Henderson. Father Gregory Gordon performed the ceremony. The reception was held at the Anthem Center in Henderson.

The bride is the daughter of Steve and Joyce Schneider of Henderson. The groom is the son of Frank and Cathy Halvorsen of Ione.

The maid of honor was Roxanne Davis of Las Vegas, NV. Bridesmaids were Danielle Jaques Swenson of Honolulu, HI, Kristen Haynes of Las Vegas, NV, Allison Halvorsen of Ione, Kim Mooney of Portland, Karen Beasley Hoff of Reno, NV and Heather Gussick of Las Vegas, NV. The flower girl was Leila Omidyar of Las Vegas, NV.

The best man was Eric Orem of Ione. Grooms-men were Justin Miller of Ione, Aaron Heideman of Hermiston, Andrew Pridgen of Lake Tahoe, NV, Sam Bessey of Nashville, TN, Mike Kinane of Navato, CA and Marc Schneider of Henderson, NV. Andrew Schneider and Scott Schneider, both of Las Vegas, NV and Matthew and Tyler Zimmerman, both of Nebraska, all cousins of the bride, served as ushers. The ring bearer was Luc Omidyar of Las Vegas, NV.

The candle lighters were Stacey Halvorsen of Ione, cousin of the groom and Alexander Schneider of Henderson, NV, cousin of the bride. Music was provided by Lisa Lofthouse, a

friend of the bride. Readers were Ashlea Goddard, friend of the bride and Alex Haultau, friend of the groom.

The bride wore a gown from Casablanca Bridal of blush colored Shantung and netting with beaded lace. The dress featured a strapless neckline and A-line skirt. A delicately beaded waistline defined the gold paisley motifs that decorated the bodice. Matching gold decoration repeated around the hemline and up the chapel train. The bride was adorned with a cathedral length veil with a finished edge secured with a veil comb, of mocha and clear crystals, was made by a friend of the bride. The bride carried a cascading bouquet of orchids, accented with yellow billy balls, leaves and copper and chocolate colored feathers.

The bride graduated from Green Valley High School in Henderson and received her bachelor of science degree in journalism, with an emphasis in public relations and a minor in dance, from the University of Oregon in 1998. She was a member of Gamma Phi Beta Sorority. She is currently employed as a realtor at Prudential Americana Group in Las Vegas, NV.

The groom graduated from Ione High School and received his bachelor of arts degree in journalism from the University of Oregon in 1998. He was a member of Chi Psi Fraternity. He served as a lieutenant in the Navy, serving from 1998-2004. He is currently employed as a realtor and appraiser in Las Vegas, NV.

Following a wedding trip to Ireland, the couple now resides in Henderson, NV.

**Tickets still available for steak and salmon dinner**

Tickets for the Ione and Heppner Booster Clubs' barbecue steak and salmon dinner are still available.

The dinner will be held on Saturday, Feb. 4 at 6 p.m., at the MCGG shop in Lexington. Dinner entertainment will be provided and there will also be a raffle.

Ticket prices are \$20 for 13 years and older and \$10 for 12 years and under.

Tickets are available at Bank of Eastern Oregon-Ione and Heppner branches, and Morrow County Grain

Growers in Lexington. The dinner is sponsored by Morrow County Grain Growers and the Ione and Heppner booster clubs.

Ione will be playing Dufur and Heppner will be playing Irrigon at home on Saturday, Feb. 4. Games have been moved up to start at 11 a.m.

**We Print Letterhead Heppner Gazette-Times**