

BEO Bancorp reports first-quarter earnings

Heppner—BEO Bancorp and its subsidiary, Bank of Eastern Oregon, announced consolidated year-end 2014 earnings of \$2,419,000, a decrease of 9.5 percent when compared to \$2,673,000 in 2013.



Jeff Bailey, CEO

Basic earnings per share were down 17.7 percent from \$2.54 in 2013 to \$2.09 in 2014.

Total assets increased 9.0 percent from \$299.0 million to \$325.9 million. Net loans ended 2014 at \$250.4 million, up 4.4 percent year-over-year.

Deposits increased 10.1 percent from \$265.0 million to \$291.8 million.

“While 2014 net income was down from 2013, it was still our third best year on record. Expenses associated with the acquisition of Bank Reale in Pasco, WA, as well as prudent allocations to the loan loss reserve during fourth quarter were the primary factors affecting profitability. Our loan loss provision for 2014 was up 7.4 percent year-over-year, as we ensure the reserve is adequately funded in accordance with anticipated loan growth and a few problem loan relationships. While our local economies have been relatively steady, we continue to watch national and global activity. The drop in energy costs bode well for our natural resource-based industries, as so many of our producers’ input costs are energy related. We will have to wait and see if the trends continue,” said president and CEO Jeff Bailey.

“Total shareholders’ equity increased 8.8 percent year-over-year to \$24.95

million, an all-time high for the bank,” said Chief Financial Officer Mark Lemmon. “2014 Return on Average Assets is 0.77 percent, compared to 0.92 percent in 2013. While the levels are down from last year, the primary driver is a dramatic growth in total assets. We have experienced a strong increase in deposits and a rate environment that dictates excess liquidity remain within the bank. Return on Average Equity is at 10.10 percent, compared to 12.55 percent in 2013. We see similar trends across the banking industry, which is a function of the stagnant rate environment.”

Chief Operations Officer Gary Prophet said, “We remain in a low interest rate environment and don’t expect it to change any time soon. Even with this dynamic, we see strong growth in deposits. We keep looking for innovative ways and tools to make sure our customers have the products and services to fulfill their banking needs. We recently rolled out mobile

check capture, and our new smart phone apps have been well received. During 2014, we expanded our smart ATM network in Ontario and Lakeview. In 2015, we expect to add a few more locations to our network of deposit taking ATM’s.”

“As we begin 2015, we realize that agriculture is a cyclical business, we see the continued dry weather conditions as a risk, and we are taking prudent steps to make sure that our loan loss provision is funded at appropriate levels,” continued Bailey. “We expect to close on the acquisition of Bank Reale during the first quarter of 2015. We are very excited to bring our brand of banking to the mid-Columbia region. Bank Reale has a great staff of experienced bankers that share the same philosophy as the rest of our employees. We all realize that our bank’s success is attributable to the support of our loyal shareholders and customers,” concluded Bailey.

For further information on the company or to access internet banking, visit the website at <http://www.beobank.com>.

Irrigon Watermelon Festival in planning stages

Meetings to begin planning for the upcoming 2015 Irrigon Watermelon Festival will begin on Feb. 24 at 7 p.m. at Stokes Landing Senior Center on Columbia and Opal St., Irrigon.

The annual event will be held on July 25, 2015 at the Irrigon Marina Park. The committee is looking for volunteers. Anyone who is interested in helping is welcome to attend the meetings, which are held on the fourth Tuesday of each month. For more information, call 541-922-1560.

U.S. Navy music groups coming to SAGE Center in March

Navy brass quintet and rock group set for free Boardman performance March 9

BOARDMAN—The U.S. Navy Band Northwest’s Five-Star Brass quintet and its rock music group Passage are visiting the SAGE Center for a free, one-night performance in March.

The groups will perform March 9 at 7 p.m. in the SAGE Center Theater, 101 Olson Road, Boardman.

“We are privileged to have the talented Navy Band Northwest perform at the SAGE Center,” said Kalie Davis, SAGE Center manager. “This free concert is a great opportunity for the community to take advantage of both their brass quintet and Passage rock band. We have a beautiful theater and we are excited to use it for talented groups coming through our area.”

The brass quintet per-

forms in U.S. Navy ceremonies, patriotic opening events, community outreach missions, and educational enrichment events in schools and universities, said Musician Third Class Peter Mattice. The quintet is composed of two trumpets, a French horn, a trombone and a tuba. The ensemble performs classical, Dixieland, jazz, and contemporary pieces, Mattice said.

Members of the brass quintet are Unit Leader Musician First Class Joseph Schoonmaker, trombone, Musician First Class Roger Starcher, tuba, Musician Second Class Chris McGann, trumpet, Musician Second Class Blake Yarbrough, French horn, and Musician Third Class Patrick Pedlar, trumpet.

Passage is ideal for all

audiences and age groups demanding high-energy, popular music and audience interaction, Mattice said. Josh Kerns of Seattle’s KIRO Radio describes the group as “a contemporary face of the fighting force.” The group performs hits by the Red Hot Chili Peppers, AC/DC, Bonnie Raitt, Bruno Mars, Journey, Stevie Wonder, Brian Setzer and more.

Members of Passage are Unit Leader Musician First Class Robby Taylor on guitar and lead vocals, Musician Second Class Mike Oliver, sound engineer, Musician Second Class Matt Jones, keyboards, Musician Third Class Daniel Weber, guitar and vocals, Musician Third Class Micah Lewis, drums, Musician Third Class Peter Mattice, bass.

Veterans highway dedication bill passes house unanimously

Salem, OR—Legislation seeking to dedicate several of Oregon’s border-to-border highways in honor of veterans groups passed the Oregon House of Representatives on a unanimous vote Monday.

Sponsored by Representative John Huffman (R-The Dalles), HB 2036 seeks to designate Highway 395 as the World War I Veterans Memorial Highway, Interstate 5 as the Korean War Veterans Memorial Highway and the Purple Heart Trail, and U.S. Highway 101 as the Persian Gulf, Afghanistan and Iraq Veterans

Memorial Highway.

“Thousands of Oregonians have bravely served our nation in foreign wars,” said Rep. Huffman. “I’m thankful for their immense sacrifices and I hope the dedication of these highways serves as a permanent

reminder of their honor and service to our country. I’m humbled to have been a part of this process.”

The bill now moves to the Oregon Senate for consideration, where it is expected to receive broad support.

Community lunch menu

Willow Creek Baptist Church members will serve lunch on Wednesday, Feb. 25, at St. Patrick’s Senior Center. The meal will include open-faced hot turkey sandwiches, mashed potatoes and gravy, green beans, cranberry sauce and pumpkin squares. Milk is served at each meal. Suggested donation is \$3.50 per meal. Menu is subject to change.

CARDINAL PRIDE!

February 17, Boys District Play-In game @ Dufur -6 PM
February 18, Girls District Play-In game @ Arlington -6 PM

BIG SKY DISTRICT TOURNAMENT @ HERMISTON HIGH SCHOOL FEBRUARY 20-21



SIMPLY THE BEST



BR-Coach Heideman, Oskar Peterson, Daniel Holtz, Austin Carter, TJ Patton, David Smidmayer, Austin Morter, Coach Rust FR-Danny Doherty, Joe Doherty, Jason Juarez, Donald McElligott, Henry Padberg, Colton Hollis

SIMPLY THE BEST



BR-Coach Carter, Morgan Orem, Hannah Padberg, Rachel Holland, Kaitlin Garrett, Jessie Flynn, Coach Garrett FR-Maggie Flynn, Lauren Garrett, Ivy Sandford, Katelyn Bass, Sydney Qualls, Nupur Gorain, Katie Gilbert. Not Pictured-Coach Holland

- Allstott Construction, LLC
- BPOE #358 Elks Lodge
- Bank of Eastern Oregon
- Boardman Foods, Inc.
- Columbia Basin Electric Cooperative, Inc.
- Community Bank
- Dances With Mules
- Dave's Photography
- Dean's Pendleton Athletic Company
- Devin Oil Company, Inc.
- Family Dentistry
- Gar Aviation, Inc.
- Heppner Family Foods
- Ione Market and Deli
- IRT, LLC
- J Keithley Construction
- Les Schwab Tire Center
- Lexington Pump

- Mid Columbia Producers, Inc.
- Morrow County Fair & Rodeo
- Morrow County Grain Growers
- Morrow County Recreation District
- Murray's Drug and Country Rose
- Pea Ridge Embroidery & Signs Inc.
- Peterson's Jewelers
- Pettyjohn's Builder and Supply
- Sand Hollow Ag Supply
- Sherrell Chevrolet
- Silver Creek Contracting, LLC
- Tacos Hometown
- Wheatland Insurance Center, Inc.
- Wright Chevrolet

- Bob and Bonni Ball
- Gary and Lani Bass Family
- John and Linda Bristow
- Loyal and Betty Burns
- Mike and Keisha Covey Family
- June M. Crowell
- Chris Devens
- Brian and Peggy Doherty Family
- Arthur and Stacie Ekstrom Family
- John and Helen Ekstrom
- Tom and Arynda Gates
- Rosie Graham
- Betty Gray
- Ron and Karen Haguewood
- Joe and Linda Halvorsen Family
- Wayne and Diana Hams
- Deacon and Erin Heideman Family
- Helen M. Heideman

- Dale and Karen Holland Family
- Bob Hubbard
- Holly Rebekah Lodge #139
- Bill and Nancy Jepsen Family
- Gina Jepsen
- J.L. Kincaid Ranch
- Skye and Penny Krebs
- Del and Linda LaRue
- Buzz and Jeanette Logan
- Kathy Martin
- Joe and Jeri McElligott
- Virgil and Debbie Morgan
- Perry and Kathy Morter
- Ralph and Anne Morter Family
- Howard and Dianne Mullins
- Duane and Linda Neiffer
- Jarrod and Alison Ogden Family
- Eric and Brandi Orem Family

- Joe and Anita Orem
- Marvin and Tanna Padberg
- Darrin and Camie Padberg Family
- Joel and Lea Mathieu
- Peterson Family
- Jason and Tara Proudfoot Family
- Bink and Lynn Dee Ramos Family
- Keith and Judy Rea
- Betty Rietmann
- Bill Rietmann
- Gregg and Shelly Rietmann Family
- Joe and Donna Rietmann Family
- John and Kerry Rietmann
- Bruce and Linda Rigby
- Dean and Florene Robinson
- Ryan Rudolf Family
- Brian and Lorie Sullivan
- Jim and Monica Swanson
- Sherron Woodside