

Lexington parks get a face lift

Lexington town council members and their spouses, Sheila (Reid) Miller and Bobbi (Wayne) Gordon, along with city recorder Janette Eldrige and city maintenance manager Ed Dickenson spent a few hours doing some landscaping and planting flower bulbs at the FEMA park on Main St. in Lexington on Sunday afternoon. The landscaping being done in Lexington's FEMA park and Freedom park is part of a beautification project grant that the city received.



Lexington city maintenance manager Ed Dickenson and town council members' spouses Reid Miller and Wayne Gordon help build a retaining wall in the FEMA park on Main St. in Lexington. -Photo by Bobbi Gordon



Lexington town council member Sheila Miller and city recorder Janette Eldrige make progress cleaning up the FEMA park on Main St in Lexington. -Photo by Bobbi Gordon

Rep. Smith reviews legislative 'wins'

Checks in with conference call to Chamber of Commerce

By David Sykes

Local State Representative Greg Smith gave a conference call to the Heppner Chamber of Commerce last week, and reviewed the list of 'wins' for the district, coming out of the last legislative session.

Locally Smith was able to procure \$3 million in funding for Heppner pedestrian safety and road improvements. How that money will be spent will be guided by a newly revised Transportation System Plan currently being developed with citizen input (see last week's Gazette-Times) by the city.

Also benefitting Morrow County was \$3 million for pedestrian safety and road improvements in Irrigon, and \$6.5 million for the East Beach industrial park rail expansion at the Port of Morrow in Boardman. In total, Smith helped bring \$32 million in

transportation investments to the district.

During the chamber conference call, Smith also brought up how he was able to help pass legislation preserving the Columbia River Enterprise Zone at Boardman. The zone has been successful in attracting business and jobs to Morrow County (see related story this issue) to the point it was about to lose its ability to continue offering tax benefits. Morrow County is now ranked third in the state in average income.

Smith also reviewed how he was able to help Lost Valley Farms obtain permitting for the new dairy near Boardman. The permit was mired in red tape and with Smith's help they were able to get the necessary permits within 35 days. The new dairy added 120-150 new jobs to the county.

In addition to the good news of the last session, Smith

BEO Bancorp reports third quarter earnings

BEO Bancorp and its subsidiary, Bank of Eastern Oregon, announced 3rd quarter 2017 consolidated net income of \$816,000 or \$0.69 per share compared to \$735,000 or \$0.60 per share for third quarter 2017. Year to date earnings were \$2,359,000 up 1.2 percent year over year. Total assets were \$403.8 million, up 7.3 percent year over year. Net loans of \$327.0 million were up 12.3 percent from the same period in 2016, while deposits were at \$359.5 million, up 7.6 percent year over year.

"Third quarter net income is up 11 percent from last year and year to date profits are in line with 2016; even with a reasonable provision for possible loan losses of \$500,000 for the year, brought on by strong growth in the portfolio as well as dealing with a few legacy problem credits," said President and CEO Jeff Bailey.

Chief Financial Officer Mark Lemmon said, "Our shareholder equity is up 7.6 percent year over year, while our book value per share is up 10.3 percent.

Return on Average Assets for the quarter was 0.82 percent and Return on Average Equity was 10.33 percent compared to 0.81 percent and 10.04 percent respectively year over year."

Chief Operations Officer Gary Prophet said, "The Federal Reserve continues to talk increased interest rates, but the effect on deposit rates has been minimal. We continue to see strong growth in deposits across our system."

"We are an agricultural based bank, improved yields in dryland crops

along with steady to increasing commodity prices across the board make us cautiously optimistic about a better renewal season for our agricultural producers. On a national and even global level, it will be interesting to see what the rest of the year brings in terms of the economy with potential tax and regulatory reform," concluded Bailey.

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

County moves up in average wages

Climbs from fifth to third in Oregon

By David Sykes

Morrow County residents received good news recently when just released figures show the average yearly wage in the county has climbed to \$51,342, placing it third overall in the state. The new figures were for the year 2016 and Morrow moved up from the number five spot in 2015. Washington County came in number one at \$65,908 and Multnomah took second with \$55,439. Neighboring Umatilla County came in at \$37,454.

The newly released wage figures were announced at a meeting of the Columbia River Enterprise Zone (CREZ) last Friday, and was met with approval, as the main purpose of the CREZ is to structure property tax abatement programs that attract businesses and provide good jobs in the county. The Port of Morrow which encompasses the CREZ has seen quite a few new businesses

locating and expanding in the area, creating new jobs and upping the wages.

As a comparison, Morrow County's average wage in 2008 was \$35,602, and it has climbed steadily every year since, to hit the \$51,342 mark in 2016. The zone has been so successful that it was in danger of losing its designation until Representative Greg Smith stepped in at the last legislative session and was able to pass a bill preserving its tax abatement status.

In other business at the CREZ meeting, the board awarded Boardman Community Development Association (BCDA) \$55,000 to continue with its homebuyer incentive program. According to BCDA, since its inception, the program has provided cash gifts to 139 homebuyers purchasing a residence in Boardman, with 31 of the homes being new construction.

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G-T Trophy Corner

SEND US YOUR PICS!

The Heppner Gazette-Times wants to see pictures of your trophy animals from this hunting season. Stop by to have your picture taken, drop off photos, mail them to PO Box 337 in Heppner, email them to editor@rapidsolve.net or text cell phone photos to 541-980-6674.



Rien Maret, 14, with his first buck taken from the Columbia Basin Unit -Contributed photo

Rep. Greg Smith working on the floor of the State Legislature

also went over some of the problems coming up. One of the biggest issues is the Public Employee Retirement System, or PERS, which Smith says has a huge \$22 to \$25 billion future liability. He said in response to people who have told him to just figure out a way for the state to modify the retirement agreements and make them more manageable, Smith said "That contract has been looked at many times and it cannot be broken. I will not vote in favor of breaking a contract (with former employees in the system)," he said. Smith has said on several occasions he feels the state should bite the bullet and refinance the PERS debt. Then if the legislature wants to reduce the PERS load, reduce the size of state government.

County Commission gets update on Columbia River irrigation project

If completed could add thousands of jobs to the area

By David Sykes

A pipeline to draw additional mitigated irrigation water from the Columbia River for Umatilla and Morrow Counties, could if completed, add thousands of jobs and up to \$600 million in business activity to the area, the Morrow County Commission was told last week.

J.R. Cook, founder and director of the Northeast Oregon Water Association (NOWA) based in Boardman, told the commission that the project greatly benefits irrigators in the Umatilla and North Morrow County area by providing irrigation water that will ease groundwater and tributary water usage and provide more water for irrigated crops.

The planned irrigation project is broken into three sections, central, east and

west stretching from Boardman to east of Hermiston. However, two of those projects are having completion problems. The Central Project was cancelled when Westland Irrigation District pulled out following the filing of a lawsuit against them over another matter by some of its patrons. The West Project is also in doubt over lack of funding, Cook said.

In 2015 the state granted \$11 million in funding, which is now held by the Port of Morrow. Total project costs for the remaining East Project are estimated to be \$46 million with landowners committing \$39 million and the state investment at 15 percent. Cook said there currently are not enough funds earmarked for the West Project so its status is "unknown" at this time. The state legislature denied a request for an additional \$10 million in the last legislative session.

Cook asked the county to continue its membership in NOWA, and the commission agreed, approving

\$5,000 for its annual dues.

In other business at the Oct. 18 meeting, the commission reviewed an OLCC liquor license request from Chris and Katherine Rauch of Lexington. The county planning commission had earlier granted a request from the Rauches to establish an in-home beer and wine distributing business. The business is called Irv & Millie's Spirits and Mead and will be located on Strawberry Lane.

In addition the commission saw the opening of applications for the annual youth elk hunt on the county's off highway vehicle park. Half of the park is closed down for the hunt. There were six entries and all were awarded to: Preslie Bowles, Jonathan Brannon, Kaden Combe, Tiffany Hollis and ZaBrena Masterson, all of Morrow County, and Logan Namitz of Grant County. "All those that submitted applications for the Morrow/Grant County OHV Park Special Youth

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J.R. Cook, founder and director of NOWA



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