



The Buckeye Beacon

Today & Tomorrow, Buckeye Community Bank is Your Partner for Growth

Vol 3 • Issue 1

Family-owned since 1987, Levit Jewelers is a full-service custom jewelry design and repair center in Lorain.

Levit Jewelers' staff of Certified Gemologists, Estate Appraisals & Insurance Replacement Specialists pride themselves on quality and extensive knowledge of jewelry and gemstones.

Rob Levit, who serves as Levit Jewelers' President, Bench Jeweler, Goldsmith, and Designer, says offerings range from custom jewelry design to repair services for customers from Lorain County, as well as many from around the world. One of Levit's proudest designs was a U.S. flag lapel pin that former President George W. Bush wore during his eight years in office

"We're so proud to be able to be a part of that positive experience of people giving unique jewelry that cannot be found anywhere else," said Levit. "Doing something good and unique that people can remember for the rest of their lives is powerful."

Unique design mixed with engaging service has Levit witnessing a new generation of clients. "The children of our original customers are now returning from college and are coming back for unique pieces for the next generation."

A Buckeye Community Bank customer since 2000, Levit remembers, "in the early days, when we were getting started, Buckeye was very supportive and helped us build our business. Buckeye has always been a cheerleader for us, always encouraging us to move forward. We actually talk to people who encourage us



to do well. When we have an idea and need the resources, we have found that Buckeye is there to help us – first, last, and always. That's why we bank with Buckeye."

"Buckeye prides itself as a partner in the growth of locally owned businesses that build and sustain our communities," said Ben Norton, Buckeye Senior Vice President and Chief Operating Officer. "Levit's is a distinct, one-of-a-kind jewel that provides beauty to our community and economy."

After working with another bank for nearly three decades, Levit found that relationships did not matter when he approached the institution for business expansion capital. Despite the length of their relationship, Levit said he perceived a run-around for more than six months only to be asked for more information.

"I went to Buckeye Community Bank, told them what I needed, and within seven days, Buckeye had me approved. Buckeye looks at facts beyond just the numbers – they invest in their customers' futures – and that's why we went with Buckeye. Buckeye knows that in my business, I'm there for the customer and I deliver. They do the same thing."

"When people come to us with an idea for a custom jewelry piece, then they say they want to look around a bit – it's the best thing for our business. I always say – please do, and when you don't find what you want, please come back here. Buckeye is the same way – there are other banks you can go investigate. When you don't find what you want there, go ask Buckeye."



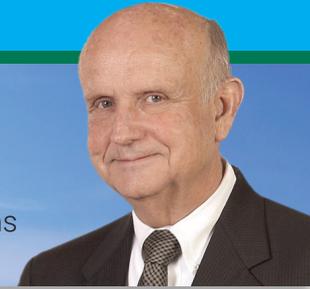
Share the Spirit

This December, Buckeye Community Bank employees volunteered to ring bells for the annual Salvation Army Red Kettle Campaign. Staff members took shifts ringing at various local sites to help the Salvation Army gain funding for its important services to Lorain County and Northeast Ohio residents. The charitable organization helps people with a range of services including housing, youth services, rehabilitation, disaster relief and counseling. The familiar Red Kettle fundraiser is held every year by Salvation Army officers and an army of volunteers from November to Christmas Eve.



More Food. Less Hunger.

Buckeye staff also spent time volunteering at Second Harvest Food Bank of North Central Ohio helping sort and pack food for distribution during the holiday season. The time spent provides a rewarding and meaningful way to help local families in need. Additionally, the experience provides those at Buckeye with another meaningful experience to bond as they help Lorain County grow and thrive.



A Letter from the President

Bruce E Stevens
President

As we conclude Fiscal Year 2016, it is an opportunity to reflect on the recent year's activity and more importantly, the direction for the bank in 2017. In last year's *Buckeye Beacon*, we indicated the desire and ability of our banking professionals to hear and respond to the stories of our clients. The responsiveness and financial support to our clients truly separate Buckeye Community Bank from our competition. In this edition, local business leader Rob Levit, of Levit Jewelers, indicated the importance of our value proposition. The success of the bank is directly linked to the success of our clients. We remain committed to serving our clients' financial needs in a customized and responsive manner.

The value proposition of providing appropriate and responsive customer-centered solutions is more important now than ever. In 2015, we observed the exit of the Lorain National Bank, the second largest bank in our market. Last year, we witnessed the departure of FirstMerit when it merged with Huntington National Bank, the largest local bank in our market. This dislocation offers increased opportunities for Buckeye Community Bank. To assure and strengthen our commitment to serve our clients' needs, we are pleased to add Susan Grachanin, Sue Horan and Patricia Pubal to our staff. These individuals have long, positive track records of banking knowledge and commitment to customer service. The bank's success starts with a commitment

to our clients and a team serving those financial needs. The financial performance is a direct reflection of our focus and follow-through on customer service. The addition of Susan, Patricia and Sue to our team is reflective and enhances our commitment to serving our clients' financial needs. Our passion to our value proposition is reflected in our operating performance.

The bank is pleased to report that the financial performance of 2016 continued to be positive. Compared to 2015, key highlights are:

- (1) 10.0% increase in topline income with interest income increasing to \$6,538M from \$5,943M;
- (2) 11.7% increase in net income to \$1,500M from \$1,343M at the bank and 11.6% increase in consolidated net income to \$1,371M from \$1,229M;
- (3) 8.4% increase in capital to \$14,453M from \$13,330M; and
- (4) 12% increase in earnings per share to \$1.40 from \$1.25, and a 9.3% increase in the book value to \$14.94 from \$13.68 for the comparable year ends.

Our culture and financial follow through are a testament to: "Today and tomorrow, Buckeye is your partner for growth." Our business model of excellent customer service and a mutual trust relationship will ensure that we will remain the local bank of choice for the 21st century.

Financial Position



Buckeye Bancshares, Inc. stock may be available for sale in the near future. If you are interested, please contact Bruce Stevens at 440-233-8806 or bestevens@buckeyebank.com.

This is the increase in book value of Buckeye Bancshares, Inc. Due to the limited availability and inactive market of any community bank stocks, market values may differ. This is a reflection of past performance of Buckeye Bancshares, Inc. and should not be considered a projection of future performance. Funds held in corporate stock are not insured by the FDIC or any other government agency. Investments involve varying degrees of risk, including loss of principal.

New Service - Quicker Payment through Pay It Now

Want to improve cash flow by allowing customers to pay you faster? Buckeye Community Bank now offers Pay It Now, an online payment service that can be added to your existing website.

The new service allows your customers the option to pay you faster by selecting a "Pay Now" button. Using Pay It Now, your clients can pay their bills using an ACH debit transaction. Additionally, you have the option to offer credit card or

PayPal payments. Your client can create a Pay it Now account for future visits.

Best of all, the Buckeye team makes it easy to add the Pay It Now service to your existing website by building a Pay It Now site that matches your current site's colors, creating a seamless appearance for your customers. You just need to add the "Pay Now" button on your website.

Buckeye also can help you set up administration login to access and

manage reports and customer passwords, as well as update messages on your Pay It Now site.

To learn more, please contact Diana Fredriksen at 440-233-3939 or Sarah Smith at 440-233-3925.





First Mates at Buckeye Community Bank: A First Rate Crew



L. to R.: Susan Grachanin, Patricia Pubal, Sue Horan

SUSAN M. GRACHANIN *Vice President & Commercial Lending Officer*

DESCRIBE YOUR JOB: As a commercial loan officer, I am the direct connection between several of our clients and Buckeye. The focus is on a relationship that provides customers with a partner for everything they need, from the loan application process to gaining information to providing innovative financial solutions and ensuring that everything is handled seamlessly.

JOINED BUCKEYE: October 2016 after a 30-year commercial lending career at FirstMerit

LIKES MOST ABOUT BUCKEYE: The culture is fantastic here. Buckeye puts clients first and demonstrates it daily with incredible customer service. I truly

enjoy working directly with the clients and with a group that is driven to serve its clients and make an impact in the community.

RESIDES IN: Avon, Ohio

HOBBIES: I love to travel and am a certified scuba diver.

PATRICIA J. PUBAL *Commercial Services Specialist*

DESCRIBE YOUR JOB: In my position, I work with the commercial loan group, assisting the team to ensure that everything works smoothly to provide exceptional service to Buckeye's clients. I work hard assisting loan officers with everything from credit to title work. My responsibility is to make sure that a client has interactions that are responsive, competent and dependable.

JOINED BUCKEYE: September 2016 after 22 years with FirstMerit

LIKES MOST ABOUT BUCKEYE: I love being part of an organization that does its best for the customer. With everyone located in one space, it is easy to provide excellent service and provide incredibly quick responses and resolutions that clients appreciate tremendously.

RESIDES IN: Elyria, Ohio

HOBBIES: Our family loves to travel. We have visited 40 states.



SUE HORAN *Retail Branch Officer*

DESCRIBE YOUR JOB: The position is a "people-focused" one that helps customers with a range of services, from opening an account to processing deposits and withdrawals to helping them with any issues. You must be knowledgeable about the bank, fast paced, and have a very strong attention to detail.

JOINED BUCKEYE: October 2016 after a 38 year career at Lorain County Bank and FirstMerit.

LIKES MOST ABOUT BUCKEYE: Buckeye is old-school banking, where you deliver personalized service. The employees know a customer's name when they walk into the bank and give them the type of service level that we ourselves would expect. This is a great banking team that is empowered to quickly provide great service and fix any issues.

RESIDES IN: Lorain, Ohio

HOBBIES: I absolutely love doing crafts.

Easy Ways to Protect Your Devices from Cybercrime



Your smartphone, your tablet, your computer – they are some of your most important and most used possessions.

They are the daily tools you use for

everything from connecting to family and friends to making purchases. You take them everywhere and fill them with your important, personal information.

And all of that makes them the perfect targets for a cyberattack.

The number of cybercrime incidents in the United States grows each year, and as Americans move into an increasingly digital society – thanks to smart phones, smart cars and smart homes – cybercrime is expected to grow in

frequency again in 2017. Protecting yourself, your family and the vital information on your devices means increasing your focus on your own cybersecurity. That starts with these tips.

Recognize you're not immune.

Cyberattacks increase in frequency and severity every year, so don't make the mistake of believing it can't happen to you. It's important to protect yourself by taking personal responsibility for your data. Today, every institution is ripe for attack, so take additional precautions with your personal security and information.

Don't store your user or credit card information.

The convenience makes it tempting, but websites are a popular target for cybercriminals because a successful

hack gives them access to hundreds or thousands of files, including yours. Keep this information off your devices and create complex passwords and write down all of your user names and passwords on a piece of paper that you keep in a safe place, such as a deposit box.

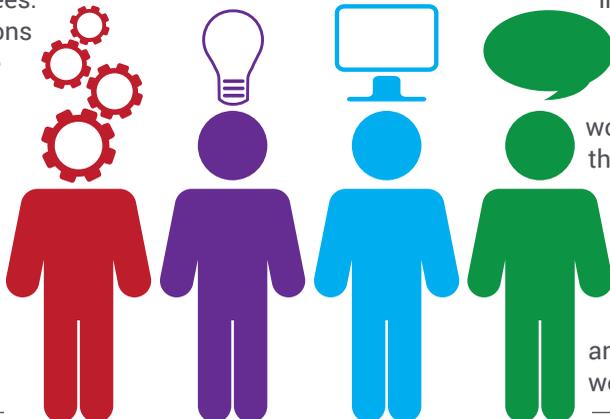
Trust your gut – If it feels like a trick, it probably is.

Cybercriminals often engage in deception to manipulate people to turn over their data. If you get a phone call about a banking or credit card issue or if your computer tells you to call a number because it just caught a virus, be cautious. Find phone numbers on your own and contact your bank and other providers if you have questions. Of course, many of us have no intention of abandoning our devices, so protecting them is your smartest option.

Help Attract and Keep Talent

Many companies recognize that attracting and retaining top employee talent can result in a significant cost savings because employee turnover can result in productivity loss and the additional cost of hiring and training new employees. While there are various ways of addressing staffing challenges, there are steps companies can take to help with employee retention.

Identify your top performers – Your company's future growth is very dependent on attracting and keeping great employees. Job descriptions and employee evaluation forms can be useful to identify new and existing top talent, but assessing all aspects of employee



performance can help employers identify their true all-stars. Remember to be looking for successors for key positions and provide a top employee with career development opportunities that align with company needs and foster a more engaged workforce.

Return to the basics – A recent talent management student found that key drivers of attraction and retention continue to point to base pay, career advancement and job security. Top performing companies always look to

improve their employee value proposition and provide a work environment that provides compelling experiences. Some trends include open space plans and collaborative work spaces.

Don't be afraid to look for help – Talent development initiatives might be out of your comfort zone, so look to work with outside partners who can help employers understand critical business issues and workforce needs. While not every employee concern can be addressed, expertise in the field can help most companies with attracting and retaining talent – the most valuable asset for competing in today's economy.

No problem
can be solved from
the same level of
consciousness that
created it.

Albert Einstein