

# Ohio's Settlers Bank tops 2023 best-performing Midwest community banks list

FINANCIALS RESEARCH

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Marietta, Ohio-based [Settlers Bank](#) topped S&P Global Market Intelligence's 2023 ranking of best-performing banks in the Midwest with under \$10 billion in assets.

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## About this analysis

*To compile this ranking, S&P Global Market Intelligence calculated scores for each company based on seven metrics: pretax return on average assets, cost of funds, year-over-year change in operating revenue, net charge-offs to average loans and leases ratio, nonperforming assets and loans 90 days or more past due as a percentage of total assets, gross loans and leases and held to maturity securities to total deposits, and adjusted tangible common equity to tangible assets ratio weighted at 25%, 20%, 10%, 10%, 10%, 10% and 15%, respectively. Each company's standard deviation from the industry mean was calculated for every ranking metric, weighted, then combined to derive a performance score. To help normalize the data and mitigate the impact of outliers, caps and floors were applied for each metric.*

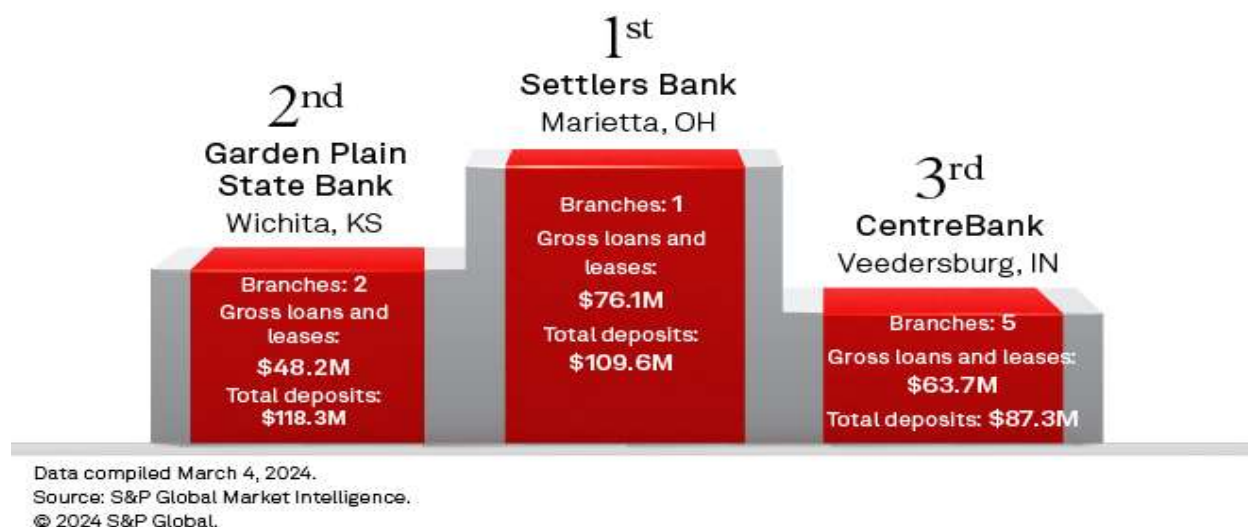
*Criteria for the ranking included a gross loans and leases-to-total assets ratio of at least 33% with no more than half of those loans in credit cards; a leverage ratio of at least 5%; no active severe enforcement action; a result other than "substantial noncompliance" or "needs to improve" in the bank's most recent Community Reinvestment Act exam; a yield on loans and leases of no more than three times the industry median of 5.74%; and no more than half of the entity's revenue coming from nontraditional banking activities. Additionally, industrial banks, nondepository trusts, companies with a bankers' bank certification, and banks with parent companies that have total assets of \$10 billion or more were omitted.*

*Based on the above criteria, 1,818 banks and thrifts were eligible for ranking.*

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## 3 best-performing US community banks of 2023

In the Midwest under \$10B in assets



Settlers Bank got the highest overall performance score when evaluated against seven performance metrics, partly aided by its negative 0.21% net charge-off ratio, the fourth lowest among the 50 best-performing community banks in the Midwest. The bank performed better in six metrics when compared to the median of the top 50 community banks in the Midwest and all metrics versus the median of all banks eligible for ranking.

With only one branch, the [Third Street Bancshares Inc.](#) subsidiary had \$76.1 million in gross loans and leases and \$109.6 million in total deposits at the end of 2023, up 3.8% and down 8.5%, respectively, from 2022.

[Garden Plain State Bank](#) took the second spot as it outperformed the median for the top 50 banks in six metrics and the median for all qualified banks in seven metrics. Among the top 50, the [Garden Plain Bancshares Inc.](#) unit's gross loans and leases and held-to-maturity securities to total deposits ratio was the second lowest at 40.7%.

The Wichita, Kan.-based bank has two branches in Kansas. As of 2023-end, it had \$48.2 million in gross loans and leases, up 8.5% year over year, and \$118.3 million in total deposits, down 6.3%.

[CentreBank](#) ranked third, helped by its 42.9% year-over-year operating revenue growth, the seventh-largest growth among the top 50. The bank performed better in four metrics when compared to the top 50 median and all metrics versus the median of all banks.

At Dec. 31, 2023, the Veedersburg, Ind.-based bank's gross loans and leases increased 7.6% to \$63.7 million, while its total deposits dropped 4.2% to \$87.3 million. CentreBank has five branches in Indiana.

## Best-performing US community banks of 2023 in the Midwest under \$10B in assets

Based on financials for the year ended Dec. 31, 2023

Rank	Company (top-level ticker)	City, state	Ranking metrics (%)							Adj. tangible common equity/tangible assets <sup>2</sup>
			Total assets (\$M)	ROAA before tax and extra <sup>1</sup>	Cost of funds	YOY change in operating revenue	NCOs/avg. loans and leases	NPAs and loans 90+ PD/total assets	Gross loans and leases + HTM securities/total deposits	
1	Settlers Bank	Marietta, OH	129.5	2.31	0.44	36.3	-0.21	0.22	69.4	16.13
2	Garden Plain State Bank	Wichita, KS	138.7	2.45	0.83	36.4	-0.04	0.00	40.7	14.56
3	CentreBank	Veedersburg, IN	103.3	2.74	0.54	42.9	0.00	0.14	72.9	16.15
4	Wayland State Bank	Mount Pleasant, IA	129.6	2.28	0.61	19.5	0.00	0.01	54.9	17.18
5	Community Bank of Missouri	Richmond, MO	75.4	2.47	0.40	36.2	0.00	0.35	74.1	14.72
6	American Interstate Bank	Elkhorn, NE	113.7	4.00	0.46	37.9	-0.01	0.00	100.8	24.79
7	Community Bank of Easton	Easton, IL	39.4	3.88	0.71	17.0	0.00	0.00	67.4	26.08
8	State Bank of Canton	Canton, KS	33.4	1.63	0.55	33.9	0.00	0.00	47.4	21.35
9	First National Bank of Gordon	Gordon, NE	322.3	3.00	0.89	46.1	-0.02	0.27	42.5	12.10
10	Hill-Dodge Banking Co.	Warsaw, IL	55.7	1.85	0.79	36.0	-0.04	0.06	47.9	14.20
11	First National Bank and Trust Co. of Bottineau	Bottineau, ND	164.6	2.36	0.95	45.8	0.04	0.02	59.0	13.27
12	First Security Bank - Canby	Canby, MN	83.0	1.77	0.41	7.8	-0.63	0.00	52.8	11.54
13	Citizens Bank of Charleston	Charleston, MO	173.7	2.81	1.05	34.1	0.01	0.30	81.2	18.50
14	Grant County State Bank	Carson, ND	43.6	3.33	1.32	52.8	0.00	0.00	73.4	14.77
15	Capitol National Bank	Lansing, MI	184.1	2.49	0.92	19.5	-0.07	0.26	82.9	15.15
16	Minden Exchange Bank & Trust Co.	Minden, NE	191.3	1.91	0.84	23.7	0.00	0.03	66.7	17.77
17	Security State Bank of Kenyon	Kenyon, MN	72.3	4.09	0.47	58.5	-0.46	2.10	81.1	11.15
18	Community State Bank	Coffeyville, KS	180.3	2.11	0.83	20.5	-0.10	0.01	54.9	11.01
19	Scribner Bank	Scribner, NE	83.0	2.87	1.18	31.2	-0.03	0.19	70.4	13.57
20	Citizens State Bank and Trust Co.	Hiawatha, KS	99.5	1.53	0.40	25.3	0.00	0.00	76.0	15.87
21	Richland State Bank	Bruce, SD	47.6	4.21	0.88	13.7	0.00	0.00	48.1	10.88
22	Citizens Bank of Edina	Edina, MO	97.5	3.07	0.88	38.2	0.08	0.12	75.5	12.33
23	Legends Bank	Linn, MO	514.0	2.35	0.83	18.8	0.03	0.32	89.4	16.79
24	First Trust and Savings Bank of Watseka	Watsela, IL	313.0	1.93	0.86	26.4	0.00	0.27	60.4	14.36
25	Century Bank and Trust (CYFL)	Coldwater, MI	474.3	2.13	0.53	21.5	0.00	0.36	56.1	10.70
26	Bank of Grain Valley	Kansas City, MO	111.6	2.02	0.67	8.0	0.00	0.00	80.9	20.35
27	Senath State Bank	Senath, MO	108.6	1.99	0.87	21.7	0.00	0.12	58.7	13.47
28	Bank of Elgin	Elgin, NE	86.3	1.99	0.79	29.9	0.00	0.00	70.3	12.06
29	LimeBank	Bolivar, MO	107.5	2.54	1.25	93.2	0.00	0.05	107.6	18.15
30	Montrose Savings Bank	Montrose, MO	54.0	1.64	0.75	18.5	0.01	0.01	60.5	14.95
31	Marshall County State Bank	Newfolden, MN	39.2	1.74	1.55	32.1	0.01	0.00	40.4	17.07
32	Produce State Bank	Hollandale, MN	115.1	2.41	0.45	32.8	-0.04	0.60	84.7	8.90
33	Table Grove State Bank	Table Grove, IL	47.7	1.94	0.39	13.8	-0.01	0.18	83.1	12.72
34	Greenville National Bank	Greenville, OH	569.9	2.11	0.59	21.0	-0.01	0.23	77.0	10.97
35	Vermilion Valley Bank	Piper City, IL	180.6	1.91	0.76	21.0	0.04	0.27	73.3	14.20
36	Grundy Bank	Morris, IL	347.5	2.78	0.76	36.0	0.03	0.67	77.3	10.69
37	Frederick Community Bank	Paxton, IL	189.3	1.60	0.63	36.8	0.00	0.00	49.6	9.56
38	Covington Savings and Loan Association	Covington, OH	88.2	1.26	0.34	30.3	0.00	0.00	85.9	15.09
39	First Missouri Bank of SEMO	Kennett, MO	217.2	4.31	0.95	67.6	-0.03	0.62	87.3	11.82
40	Citizens First National Bank	Storm Lake, IA	250.7	2.24	0.98	12.8	0.03	0.04	69.2	12.25
41	Citizens State Bank	Moundridge, KS	440.1	1.86	0.51	15.1	0.01	0.06	56.6	10.17
42	Municipal Trust and Savings Bank	Bourbonnais, IL	350.4	2.62	0.66	12.7	0.00	0.00	119.8	14.14
43	Farmers & Merchants Union Bank	Columbus, WI	34.4	1.79	1.53	32.3	0.00	0.02	61.0	23.30
44	First National Bank of McIntosh	McIntosh, MN	483.5	2.59	1.47	11.3	-0.07	0.00	90.7	16.20
45	Chelsea State Bank	Chelsea, MI	403.6	2.03	0.62	18.5	0.02	0.20	67.7	10.63
46	Bank of Rantoul	Rantoul, IL	239.1	1.88	1.28	13.0	-0.38	0.00	50.3	10.60
47	Nekoosa Port Edwards State Bank	Nekoosa, WI	255.1	2.36	1.52	25.2	-0.06	0.24	85.8	14.71
48	St. Henry Bank	Saint Henry, OH	422.6	2.27	0.59	11.7	0.00	0.56	62.7	9.70
49	First Federal Savings Bank of Champaign-Urbana (GTPS)	Champaign, IL	191.1	1.71	0.03	26.2	0.00	0.07	86.5	11.02
50	Liberty Bank	Liberty, IL	126.3	1.99	0.58	20.4	0.00	0.00	82.3	10.63
Top 50 median				2.25	0.76	25.8	0.00	0.05	70.3	14.17
Median for all 1,818 banks				1.07	1.41	2.8	0.01	0.25	82.7	9.02

Data compiled March 4, 2024.

ROAA = return on average assets; NCO = net charge-off; NPA = nonperforming asset; PD = past due; HTM = held to maturity.

S&P Global Market Intelligence used seven diversely weighted metrics to identify top-performing US community banks in the Midwest region with under \$10 billion in total assets. The mean for each metric was identified across the dataset, and standard deviations from these means were calculated for each metric for each institution and aggregated to determine a relative performance score. Scores for each metric were also capped to help normalize the data. Criteria for the ranking included a gross loans and leases-to-total assets ratio of at least 33% with no more than half of those loans in credit cards; a leverage ratio of at least 5%; no active severe enforcement action for the institution; a result other than "substantial noncompliance" or "needs to improve" in the bank's most recent CRA exam; a yield on loans and leases of no more than three times the industry median of 5.74%; and no more than half of the entity's revenue coming from nontraditional banking activities. Additionally, industrial banks, nondepository trusts, companies with a bankers' bank certification, and banks with parent companies that have total assets of \$10 billion or more were omitted.

<sup>1</sup> Return on average assets before taxes and extraordinary item adjustments is net of dividends on preferred stock.

<sup>2</sup> Adjusted tangible common equity to tangible assets ratio is calculated as tangible common equity + unrealized gain or loss from held to maturity securities + loss reserves - nonperforming assets - loans 90 or more days delinquent but still accruing interest divided by tangible assets.

Rankings are based on regulatory filings. All ranking metrics must have been reported for company to be included.

Source: S&P Global Market Intelligence.

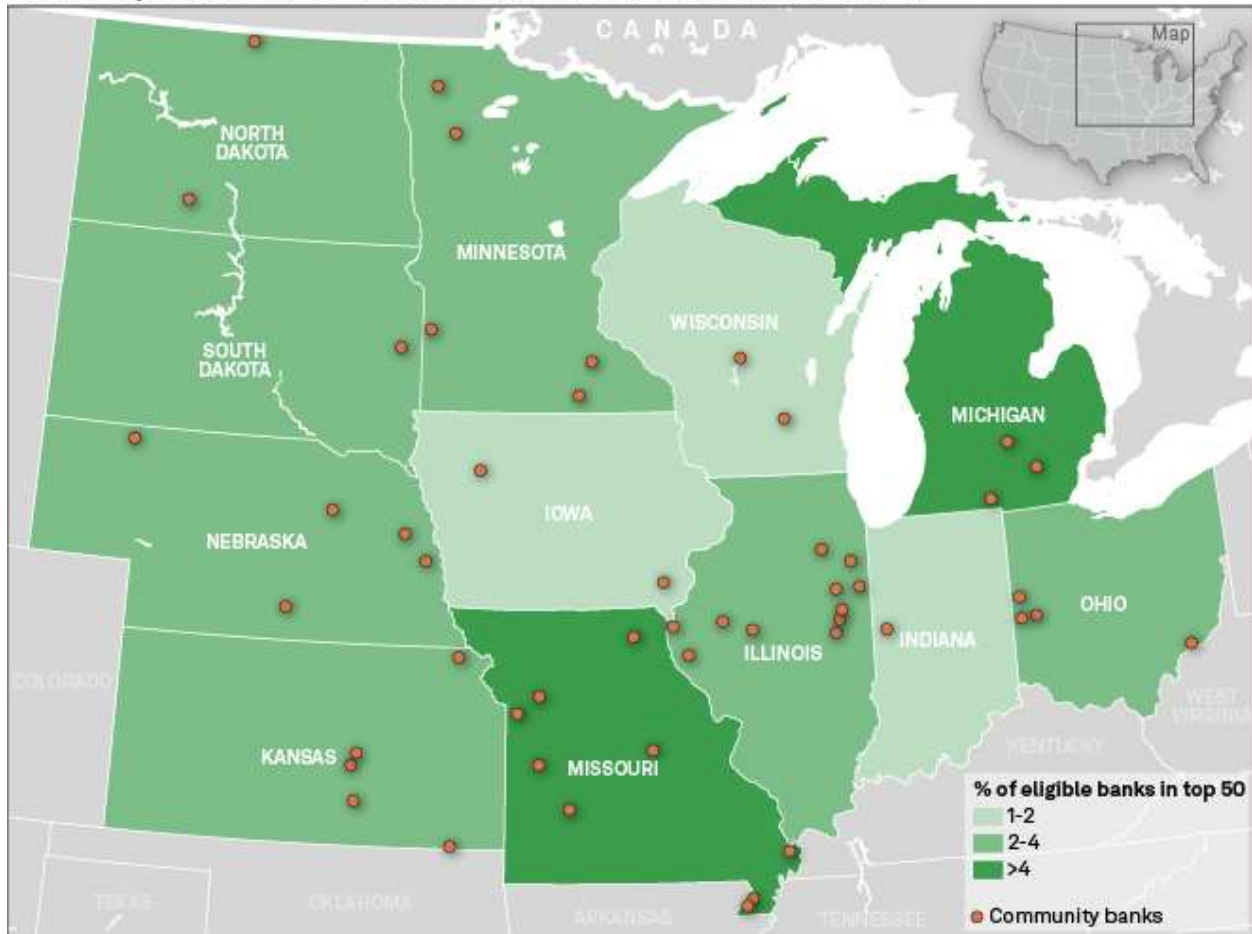
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*Download a refreshable template containing the underlying data used in the rankings and the list of the top 50.*

By percentage of total banks in the state, Missouri had the highest representation in the top 50 Midwest community banks. Nine out of 188 Missouri-based banks were part of the list.

Michigan and Nebraska had the second- and third-highest representations, respectively, in the top 50. Three out of 70 Michigan-based banks and five out of 136 Nebraska-based banks made it to the top 50.

### 50 best-performing US community banks of 2023 in the Midwest



Data compiled March 4, 2024.

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Map credit: Joe Felizadio.

Source: S&P Global Market Intelligence.

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