

North Carolina's Fidelity BancShares tops 2023 large community bank rankings

FINANCIALS RESEARCH

Tuesday, March 12, 2024 5:50 AM HAT

By **Zain Tariq and Zuhair Gull**
Market Intelligence

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[Fidelity BancShares \(N.C.\) Inc.](#) took the crown in S&P Global Market Intelligence's 2023 large US community bank ranking.

The Fuquay-Varina, NC-based bank, established in 1909, operates with 52 branches spread across three states: North Carolina, South Carolina, and Virginia. Its subsidiary, [Fidelity Bank](#), was ranked seventh in the [prior year's rankings](#).

About this analysis

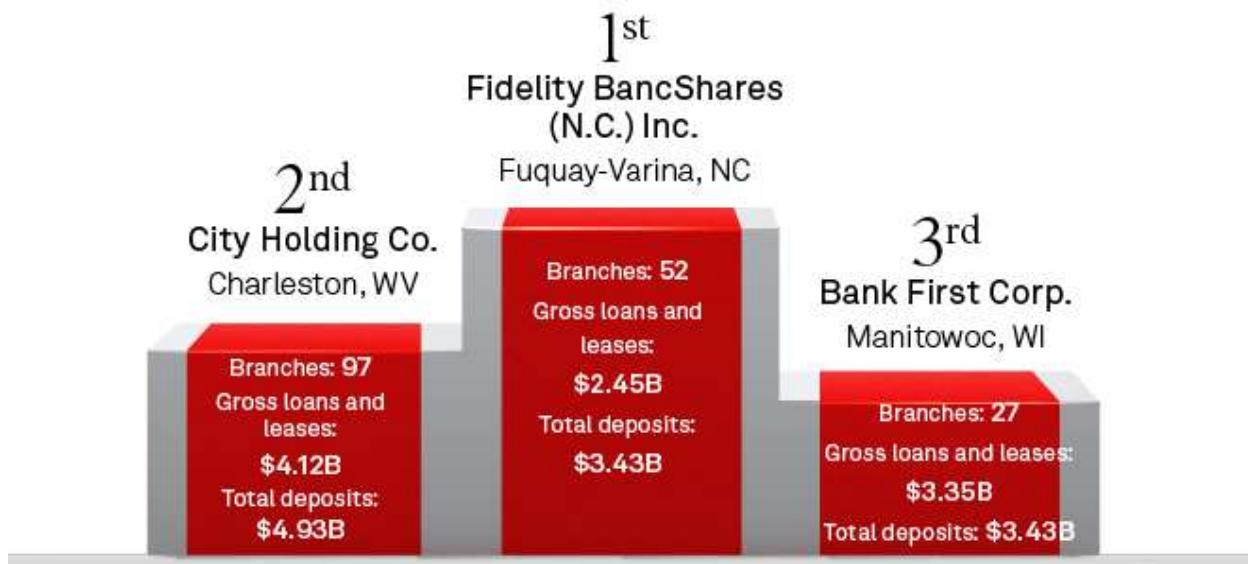
To compile this ranking, S&P Global Market Intelligence calculated scores for each company based on seven metrics: pretax return on average assets, cost of funds, operating revenue growth, net charge-offs to average loans and leases ratio, nonperforming assets and loans 90 days or more past due as a percentage of total assets, gross loans & 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% 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 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.

Based on the above criteria, 200 banks and thrifts were eligible for ranking.

3 best-performing US community banks of 2023

Between \$3B and \$10B in assets



Data compiled March 5, 2024.

Source: S&P Global Market Intelligence.

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Fidelity outperformed the median for all eligible banks in the analysis in five of the seven metrics analyzed. The company's return on average assets before tax and extraordinary items for the year, at 3.58%, was three times higher than the median for all banks in the analysis. Further, while much of the industry faced pressures on funding costs as a result of the liquidity crisis following the bank failures in the spring of 2023, the company's cost of funds, at 0.44%, was only one-fourth of the 1.89% median for all banks in the analysis.

Ranked second was Charleston, W.Va.-based [City Holding Co.](#), moving up from 27th spot in the 2022 rankings. The organization outperformed the median for all banks in the analysis in all seven metrics analyzed.

City Holding [completed](#) the acquisition of Versailles, Ky.-based [Citizens Commerce Bancshares Inc.](#) on March 10, 2023. With \$6.17 billion in total assets as of Dec. 31, 2023, it has 97 branches across West Virginia, Virginia, Kentucky and Ohio.

[Bank First Corp.](#) also had a podium finish, taking the third spot in the 2023 rankings. The organization has grown from \$1.32 billion in total assets at the end of 2016 to \$4.22 billion at the end of 2023, thanks in part to its acquisitions during the period. Most recently, it [completed](#) the acquisition of Fond du Lac, Wis.-based [Hometown Bancorp Ltd.](#) on Feb. 10, 2023.

The company outperformed the median for all other banks in six of the seven metrics analyzed. Its gross loans and leases plus held-to-maturity securities to total deposits ratio, which essentially measures how much of the deposits are tied to less liquid assets, was higher than its peers.

Best-performing US community banks of 2023 between \$3B and \$10B in assets

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

Rank	Company (top-level ticker)	City, state	Total assets (\$M)	Ranking metrics (%)							
				ROAA before tax and extra ¹	Cost of funds	YOY change in operating revenue	NCOs/ avg. loans and leases	NPAs 90+ PD/ total assets	Gross loans and leases + HTM securities/ total deposits	tangible common equity/ tangible assets ²	Adj.
1	Fidelity BancShares (N.C.) Inc.	Fuquay-Varina, NC	3.96	3.58	0.44	14.1	0.07	0.51	72.7	9.56	
2	City Holding Co. (CHCO)	Charleston, WV	6.17	2.35	0.86	15.9	0.01	0.14	83.6	8.81	
3	Bank First Corp. (BFC)	Manitowoc, WI	4.22	2.43	1.42	52.8	0.00	0.22	100.5	11.26	
4	Farmers & Merchants Bancorp (FMCB)	Lodi, CA	5.31	2.20	0.64	13.3	-0.01	0.02	96.0	8.76	
5	Southern BancShares (N.C.) Inc.	Mount Olive, NC	5.00	3.66	1.16	-7.3	-0.01	0.15	75.2	9.20	
6	First Security Bancorp	Searcy, AR	7.86	1.60	1.33	-6.4	0.00	0.07	66.7	19.19	
7	River City Bank (RCBC)	Sacramento, CA	4.93	1.91	1.35	10.6	0.00	0.00	83.3	10.42	
8	First Community Bankshares Inc. (FCBC)	Bluefield, VA	3.27	1.91	0.31	10.4	0.19	0.82	94.5	11.37	
9	Pathward Financial Inc. (CASH)	Sioux Falls, SD	7.93	2.42	0.24	20.2	1.34	0.50	65.3	5.40	
10	HBT Financial Inc. (HBT)	Bloomington, IL	5.07	1.77	0.86	26.4	0.01	0.17	89.2	7.72	
11	1867 Western Financial Corp. (WFCL)	Stockton, CA	4.56	1.22	0.90	-2.3	0.20	0.17	61.0	16.23	
12	Villages Bancorp Inc.	The Villages, FL	3.73	1.37	1.19	2.1	0.00	0.04	39.4	10.62	
13	Johnson Financial Group Inc.	Racine, WI	6.33	2.00	1.94	13.8	-0.05	0.25	109.4	12.70	
14	Valley View Bancshares Inc.	Overland Park, KS	3.72	1.66	1.43	11.5	0.00	0.04	69.7	8.05	
15	Red River Bank (RRBI)	Alexandria, LA	3.13	1.41	0.89	1.9	0.02	0.09	76.1	9.36	
16	Liberty Bank	Middletown, CT	7.67	1.71	1.04	19.1	0.43	0.64	96.8	12.85	
17	Olney Bancshares of Texas Inc.	Olney, TX	4.55	4.18	2.05	39.7	-0.12	0.81	94.4	8.25	
18	First National Bank Alaska (FBAK)	Anchorage, AK	5.73	1.47	1.19	6.1	-0.01	0.17	60.3	8.25	
19	First Bancshares Inc.	Merrillville, IN	8.73	2.35	2.22	22.0	0.02	0.16	97.4	8.76	
20	Five Star Bank (FSBC)	Roseville, CA	3.59	2.22	1.99	8.1	0.11	0.05	102.0	10.51	
21	Mercantile Bank Corp. (MBWM)	Grand Rapids, MI	5.35	2.00	1.72	18.3	0.00	0.07	110.8	9.78	
22	1st Source Corp. (SRCE)	South Bend, IN	8.73	1.88	1.90	4.7	-0.04	0.45	92.6	11.75	
23	First State Bancshares Inc.	Farmington, MO	3.99	1.63	1.21	2.2	0.03	0.20	86.3	9.49	
24	Capital City Bank Group Inc.	Tallahassee, FL	4.30	1.48	0.46	6.3	0.17	0.15	91.3	8.03	
25	Heritage Commerce Corp (HTBK)	San Jose, CA	5.19	1.70	1.13	1.2	0.01	0.15	91.4	8.97	
26	TriCo Bancshares (TCBK)	Chico, CA	9.91	1.59	0.95	1.8	0.10	0.37	88.4	9.61	
27	German American Bancorp Inc. (GABC)	Jasper, IN	6.15	1.63	1.22	-3.3	0.08	0.15	75.7	8.57	
28	South Plains Financial Inc. (SPFI)	Lubbock, TX	4.20	1.90	1.62	1.9	0.07	0.47	83.5	9.75	
29	Republic Bancorp Inc. (RBCA.A)	Louisville, KY	6.59	1.80	1.29	9.7	0.73	0.33	105.7	14.19	
30	National Bank Holdings Corp.	Greenwood Village, CO	9.95	1.80	1.56	27.2	0.02	0.48	101.0	8.53	
31	Northern Bank & Trust Co.	Woburn, MA	3.11	2.92	1.95	-1.2	0.04	1.47	107.2	14.15	
32	Central Bancshares Inc.	Lexington, KY	3.44	1.08	1.01	14.5	0.15	0.20	98.9	11.48	
33	TrustCo Corp NY (TRST)	Glenville, NY	6.17	1.28	1.02	-4.6	0.00	0.29	93.6	10.95	
34	S&T Bancorp Inc. (STBA)	Indiana, PA	9.55	1.91	1.61	9.6	0.18	0.56	101.8	10.47	
35	HomeTrust Bancshares Inc. (HTBI)	Asheville, NC	4.67	1.48	1.44	26.5	0.18	0.42	104.9	10.49	
36	VeraBank Inc.	Henderson, TX	4.07	1.54	1.23	11.9	0.06	0.34	84.0	7.24	
37	First Bancorp Inc.	Lebanon, VA	3.32	1.94	1.90	3.1	0.06	0.46	97.9	10.30	
38	RCB Holding Co.	Claremore, OK	3.95	1.17	1.02	3.4	0.02	0.42	69.9	7.85	
39	Stock Yards Bancorp Inc. (SYBT)	Louisville, KY	8.19	1.75	1.46	4.2	0.12	0.23	93.2	8.43	
40	Lone Star National Bancshares-Texas Inc.	McAllen, TX	3.04	1.54	1.04	8.6	0.07	0.75	54.9	5.85	
41	WestStar Bank	El Paso, TX	3.05	1.62	1.56	1.2	0.00	0.04	93.4	8.43	
42	Preferred Bank (PFBC)	Los Angeles, CA	6.66	3.17	3.23	17.5	0.00	0.68	92.9	10.90	
43	Old Second Bancorp Inc. (OSBC)	Aurora, IL	5.72	2.14	0.75	15.6	0.58	1.56	88.5	7.73	
44	Park National Corp. (PRK)	Newark, OH	9.84	1.52	1.13	-1.5	0.07	0.77	93.0	10.22	
45	Community Trust Bancorp Inc. (CTBI)	Pikeville, KY	5.77	1.72	1.96	11	0.08	0.73	85.7	11.29	
46	Peoples Bancorp Inc. (PEBO)	Marietta, OH	9.16	1.72	1.39	29.6	0.15	0.53	95.7	6.68	
47	D.L. Evans Bank	Burley, ID	3.18	1.38	0.94	-4.0	0.01	0.13	77.3	6.20	
48	United Community Bancorp Inc.	Chatham, IL	3.50	1.35	1.36	10.0	0.04	0.26	79.6	7.48	
49	Stockman Financial Corp.	Miles City, MT	6.36	1.20	1.56	0.8	0.00	0.19	80.2	9.93	
50	First American Bank Corp.	Elk Grove Village, IL	6.62	1.29	2.00	62.6	0.06	0.24	56.7	7.06	
Top 50 median				1.72	1.26	9.1	0.04	0.25	90.3	9.52	
Median for all 200 banks				1.19	1.89	0.7	0.05	0.39	94.6	8.46	

Data compiled March 5, 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 with total assets between \$3 billion and \$10 billion. 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; 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.

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

² 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.

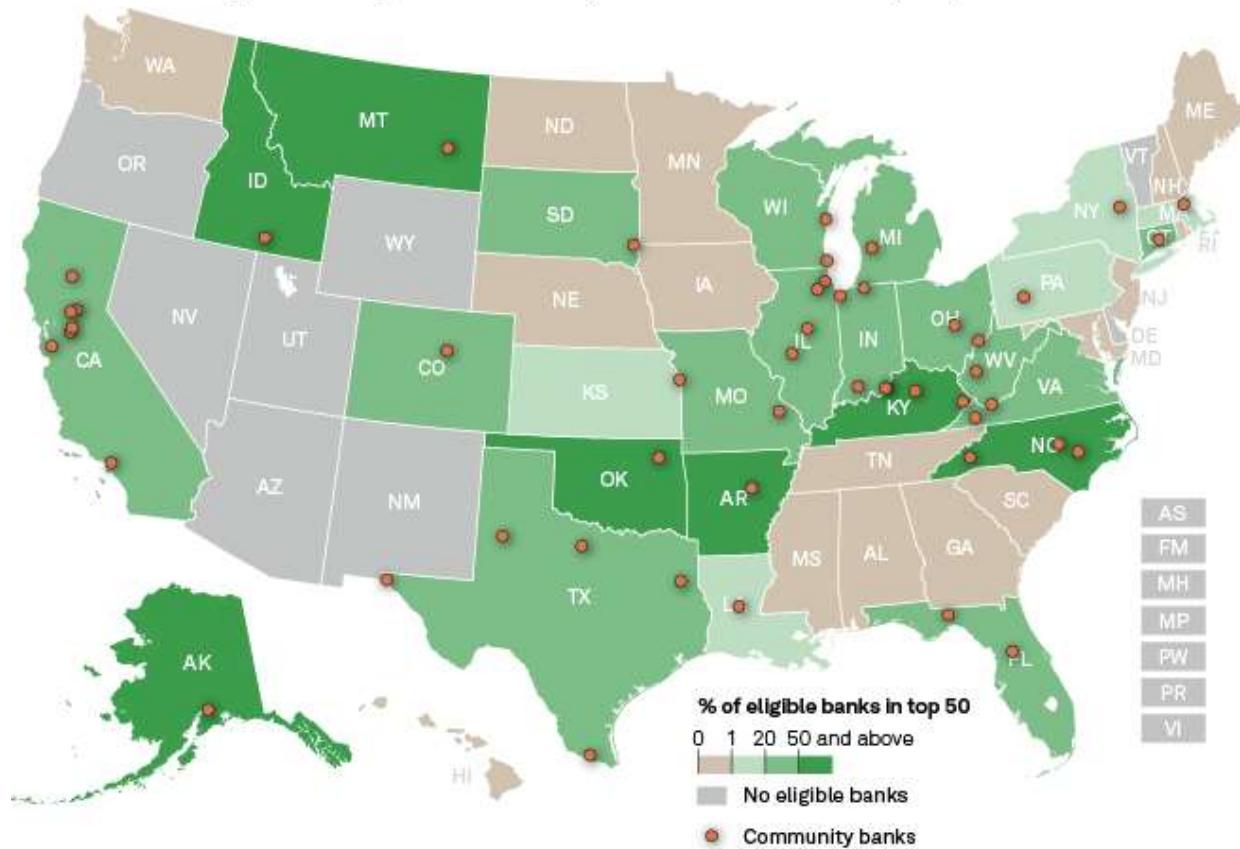
Rankings are based on regulatory filings. All ranking metrics must have been reported for company to be included.

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.

50 best-performing US community banks of 2023 with \$3B-\$10B in assets



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Map credit: Jonathan Paul Lalge.

Source: S&P Global Market Intelligence.

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California had seven banks in the top 50 of S&P Global Market Intelligence's 2023 large US community bank ranking, more than any other state. Texas had five, and Kentucky and Illinois had four each.

Explore the top-performing community banks with [less than \\$3 billion](#) in assets for 2022 and the top-performing banks with between [\\$3 billion and \\$10 billion](#) in assets.

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