

Approved: June 17, 2022



**Trustees of Trust Funds  
Meeting Minutes  
Friday May 20, 2022  
Matthew Thornton Room, Merrimack Town Hall**



The meeting was called to order at 9:00 a.m. Trustees present were Wilkes, Heinrich and Christensen. Also present: Tom Boland Merrimack Town Finance Director and Alternate Nominee, Liz Petrides. Present from Cambridge Trust were Judith Noel, Eric Jussaume and Lindsey Donovan.

Two items that required votes were taken out of order: Heinrich moved the minutes of April 22, 2022 as presented. Second by Wilkes. Motion carried 3-0-0.

Wilkes moved authorization to pay an anticipated invoice for flowers at Last Rest Cemetery, not to exceed \$150.00, second by Heinrich. There are three funds for this purpose; Merrimack Flower Shop provides and delivers the flowers. The intent is to pay them before the end of the fiscal year. Carried 3-0-0.

Eric Jussaume led the presentation by the Cambridge Trust team (attached). He noted that there has been significant volatility in financial markets this year, with standard indices falling at record levels. Much of this has been led by high tech firms. Rising interest rates, led by the Federal Reserve increasing rates has contributed to turmoil, as they attempt to reduce inflation. These actions are expected to continue through 2022. Our portfolios have fared well, with better performance than larger markets due to underweight exposure to high tech equities, overweight in energy and a reliance on an equity income/dividend strategy. Cambridge Trust has moved more funds into fixed income to act as a stabilizing force and to take advantage of higher interest rates. Our yields have increased over time surpassing our goal of 3% in both the Common Principal fund and the Common Income fund.

A discussion of the new monthly report format followed, noting that sorting by sectors was beneficial. It was agreed that we could reduce the paper reports to quarterly with an annual report as of June 30, if we could get online reports made available. Judith Noel will work on this with a likely start in July as we start the new fiscal year.

Liquidity was discussed with an expected \$1,800,000-\$2,000,000 needed in June to reimburse Town CRF expenditures. MVD and School CRF needs remain in line, as they are made through the year. In the permanent funds, the work has been completed in the school gymnasias, except for sound systems in the JMUES APR and we should expect an invoice of approximately \$150,000. We expect work in the high school library to be performed over the summer and that will entail approximately \$159,500. The Common Income fund has \$159,000 in cash on hand, and the government bonds are very liquid to cover these amounts.

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Our Alternate Nominee, Liz Petrides, is on the Town Council agenda for May 26 and we look forward to her appointment.

Regarding records retention and disposal, Heinrich explained that under the law, each town should have a records retention committee. She will investigate this with the Town Manager.

Future meetings are scheduled for June 15 and August 19.

There being no further business the meeting adjourned at 9:55 a.m.

Respectfully submitted,

Chris Christensen  
Trustee Secretary/Treasurer



PRIVATE BANKING WEALTH MANAGEMENT

# Investment Presentation for Town of Merrimack

Eric Jussaume  
Sr. Portfolio Manager & Director of Fixed Income  
617.441.1494  
[Eric.Jussaume@cambridgetrust.com](mailto:Eric.Jussaume@cambridgetrust.com)

Lindsey Donovan  
Senior Investment Analyst & Trader  
617.503.5243  
[Lindsey.Donovan@cambridgetrust.com](mailto:Lindsey.Donovan@cambridgetrust.com)

Judith K. Noel, SVP  
Relationship Manager  
603.369.5107  
[Judith.Noel@cambridgetrust.com](mailto:Judith.Noel@cambridgetrust.com)

# Executive Summary

- Markets have been volatile. As of May 12, the S&P 500 is down over 18% and down 14% in the quarter. There have been 39 days of more than 2% intra-day moves in the S&P 500. More than half of the stocks in the NASDAQ index are down over 50%.
- Interest rates have increased reflecting highest inflation in over 40 years. Yield curve as measured by yield difference between 2- year US Treasury and 10-year US Treasury ended Q1 inverted. Post April Fed comments it has steepened to 27 basis points.
- Historically an inverted yield curve has coincided with an economic slowdown.
- Supply chain disruptions likely to continue with China lockdowns.
- Fed will continue with their interest normalization policy. Market expecting additional 50 basis points move this year. 10 of the past 13 tightening cycles have resulted in a recession.
- More global central banks entering monetary tightening.
- Q1 GDP was weaker with growth of -1.4%.
- Jobs growth has been strong with year-to date average jobs growth of 532,000 per month. Wage pressure remains high.

# Portfolio Summary

Overall portfolio yields continue to increase.

Scholarship		1/1/2020	11/1/2020	3/15/2021	5/12/2021	10/31/2021	12/31/2021	4/30/2022
	Bond Yield	3.49%	2.97%	2.40%	2.30%	1.91%	1.85%	2.57%
	Equity Yield	2.25%	2.23%	2.96%	2.93%	3.01%	2.93%	3.12%
	Overall Yield	2.48%	2.21%	2.69%	2.77%	2.72%	2.53%	2.81%
Common-Principal								
	Bond Yield	2.53%	2.49%	2.62%	2.51%	2.69%	2.82%	3.26%
	Equity Yield	2.36%	2.24%	2.96%	2.96%	3.01%	2.92%	3.11%
	Overall Yield	2.37%	2.20%	2.82%	2.76%	2.86%	2.86%	3.07%
Common-Income								
	Bond Yield	3.20%	2.43%	2.53%	2.55%	2.66%	2.83%	3.21%
	Equity Yield	2.34%	2.20%	2.95%	2.95%	3.02%	2.94%	3.13%
	Overall Yield	2.63%	2.07%	2.77%	2.77%	2.80%	2.83%	3.02%

# Portfolio Performance

- Year-to date equity returns have outperformed (less negative) than the global equity benchmark. Common Income -3.42%, Principal -3.44% and Scholarship -3.24%. Global equity benchmark return of -7.76%
- Bond returns ahead of benchmarks due to overweight corporate bonds and underweight duration.
- Lower turnover. Recent trades have trimmed equities and used proceeds to increase fixed income allocation
- Water, Municipal, and School portfolios returns outperformed benchmark. Portfolios are positioned for liquidity needs and the safety of principal. Portfolios have been laddered using 1-3 year maturities. Portfolio durations are approximately 1 year with yields between .05% and 1.08%

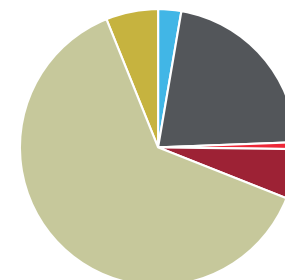
## Town of Merrimack Common Trust Funds Principal IMA

## Asset Class Allocation

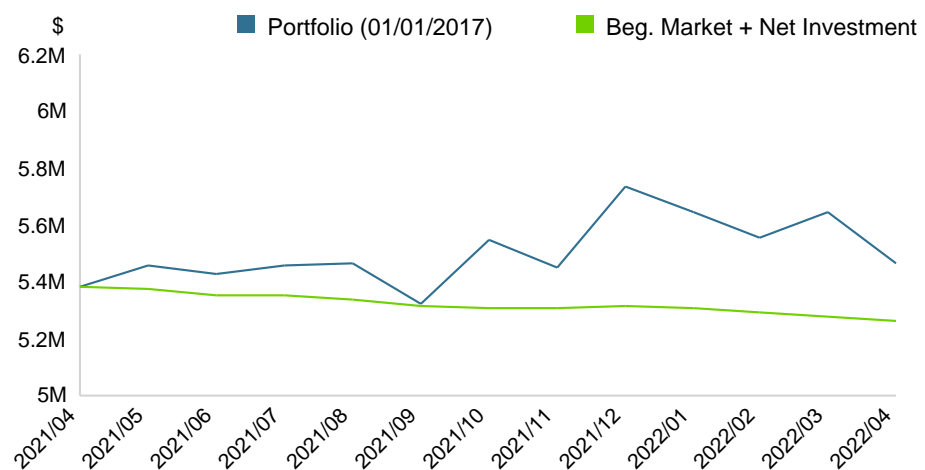
	Market Value	% of Mkt Val
Cash & Enhanced Cash	\$ 148,336	2.7 %
Fixed Income	\$ 1,544,712	28.3 %
Equity	\$ 3,771,067	69.0 %
<b>Total</b>	<b>\$ 5,464,114</b>	<b>100.0 %</b>

## Category Allocation

	% of Mkt Val
Cash Equivalents	2.7 %
Core US Bonds	21.7 %
International Bonds	.8 %
Tactical US Bonds	5.8 %
Domestic Equity	62.9 %
Dev Int'l Equity	6.1 %
<b>Total</b>	<b>100.0 %</b>



## Asset Growth - One Year



## Account Flows - One Year

<b>Beginning Market Value</b>	<b>5,382,035.72</b>
<b>Beginning Accrued Income</b>	<b>15,169.88</b>
<b>Beginning Portfolio Value</b>	<b>5,397,205.60</b>
Net Contributions and Withdrawals	-123,587.00
Income Earned	169,307.79
Market Appreciation	21,187.82
<b>Ending Market Value</b>	<b>5,448,936.28</b>
<b>Ending Accrued Income</b>	<b>15,177.93</b>
<b>Ending Portfolio Value</b>	<b>5,464,114.21</b>
<b>Total Return</b>	<b>3.55</b>

## Town of Merrimack Common Trust Funds Principal IMA

## Performance Details

	Market Value	Month to Date	Year to Date	1 Year	3 Years	5 Years	Inception to Date	Sector Inception
<b>Total Return Gross of Fees</b>	<b>5,464,114</b>	<b>-2.97</b>	<b>-3.83</b>	<b>3.55</b>	<b>8.24</b>	<b>9.26</b>	<b>9.17</b>	<b>01/01/2017</b>
Growth Taxable Equity Income		-3.65	-7.16	1.43	10.43	9.80	10.28	01/01/2017
<b>Cash &amp; Enhanced Cash</b>	<b>148,336</b>	<b>.01</b>	<b>.01</b>	<b>.01</b>	<b>.46</b>	<b>.88</b>	<b>.85</b>	<b>01/01/2017</b>
Lipper Money Market Funds Index		.02	.03	.03	.55	.91	.88	01/01/2017
<b>Fixed Income</b>	<b>1,544,712</b>	<b>-2.01</b>	<b>-5.51</b>	<b>-5.45</b>	<b>-.33</b>	<b>.39</b>	<b>.49</b>	<b>03/01/2017</b>
BB Intermediate US Govt/Credit		-2.00	-6.42	-6.48	.75	1.27	1.36	03/01/2017
<b>Equity</b>	<b>3,771,067</b>	<b>-3.51</b>	<b>-3.44</b>	<b>6.96</b>	<b>12.38</b>	<b>12.98</b>	<b>12.72</b>	<b>01/01/2017</b>
Global Equity Income Benchmark		-4.42	-7.76	4.52	14.32	13.34	14.05	01/01/2017
NASDAQ US Broad Dividend Achievers Index TR (USD)		-4.28	-6.91	4.94	11.68	11.82	12.03	01/01/2017
S&P Global ex-US Dividend Growers Index (TR) (USD)		-5.02	-11.16					01/01/2017
S&P 500 Index (Gross) (USD)		-8.72	-12.92	.21	13.85	13.66	14.22	01/01/2017
MSCI ACWI ex-USA (Net) (USD)		-6.28	-11.38	-10.31	4.31	4.95	6.55	01/01/2017

Portfolio Inception: 01/01/2017

Market values include accruals. All figures are total return. Horizons over one year are annualized.



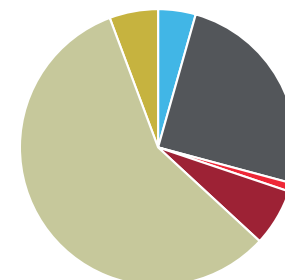
## Town of Merrimack Common Trust Funds Income IMA

## Asset Class Allocation

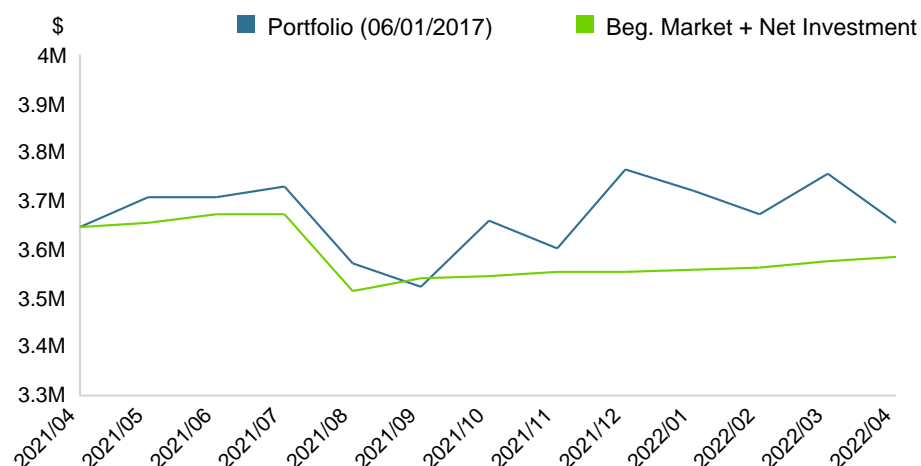
	Market Value	% of Mkt Val
Cash & Enhanced Cash	\$ 159,143	4.4 %
Fixed Income	\$ 1,184,777	32.4 %
Equity	\$ 2,310,108	63.2 %
<b>Total</b>	<b>\$ 3,654,029</b>	<b>100.0 %</b>

## Category Allocation

	% of Mkt Val
Cash Equivalents	4.4 %
Core US Bonds	24.8 %
International Bonds	1.0 %
Tactical US Bonds	6.7 %
Domestic Equity	57.5 %
Dev Int'l Equity	5.7 %
<b>Total</b>	<b>100.0 %</b>



## Asset Growth - One Year



## Account Flows - One Year

Beginning Market Value	3,646,282.95
Beginning Accrued Income	11,559.80
Beginning Portfolio Value	3,657,842.75
Net Contributions and Withdrawals	-60,475.13
Income Earned	111,290.49
Market Appreciation	-54,629.23
Ending Market Value	3,641,797.51
Ending Accrued Income	12,231.37
Ending Portfolio Value	3,654,028.88
<b>Total Return</b>	<b>2.45</b>

## Town of Merrimack Common Trust Funds Income IMA

## Performance Details

	Market Value	Month to Date	Year to Date	1 Year	3 Years	Inception to Date	Sector Inception
<b>Total Return Gross of Fees</b>	<b>3,654,029</b>	<b>-2.95</b>	<b>-3.83</b>	<b>2.45</b>	<b>8.45</b>	<b>9.15</b>	<b>06/01/2017</b>
Moderate Growth Taxable Equity Income		-3.40	-7.02	.33	9.09	8.49	06/01/2017
<b>Cash &amp; Enhanced Cash</b>	<b>159,143</b>	<b>.01</b>	<b>.01</b>	<b>.01</b>	<b>.52</b>	<b>.83</b>	<b>06/01/2017</b>
Lipper Money Market Funds Index		.02	.03	.03	.55	.91	06/01/2017
<b>Fixed Income</b>	<b>1,184,777</b>	<b>-1.86</b>	<b>-5.50</b>	<b>-5.58</b>	<b>.34</b>	<b>.94</b>	<b>06/01/2017</b>
BB Intermediate US Govt/Credit		-2.00	-6.42	-6.48	.75	1.19	06/01/2017
<b>Equity</b>	<b>2,310,108</b>	<b>-3.74</b>	<b>-3.42</b>	<b>6.16</b>	<b>13.21</b>	<b>13.85</b>	<b>06/01/2017</b>
Global Equity Income Benchmark		-4.42	-7.76	4.52	14.32	13.18	06/01/2017
NASDAQ US Broad Dividend Achievers Index TR (USD)		-4.28	-6.91	4.94	11.68	11.68	06/01/2017
S&P Global ex-US Dividend Growers Index (TR) (USD)		-5.02	-11.16				06/01/2017
S&P 500 Index (Gross) (USD)		-8.72	-12.92	.21	13.85	13.58	06/01/2017
MSCI ACWI ex-USA (Net) (USD)		-6.28	-11.38	-10.31	4.31	4.35	06/01/2017

Portfolio Inception: 06/01/2017

Market values include accruals. All figures are total return. Horizons over one year are annualized.

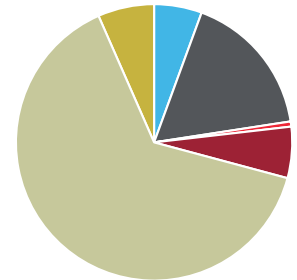
## Town of Merrimack Expendable Trust Fd Agency- Scholarships

## Asset Class Allocation

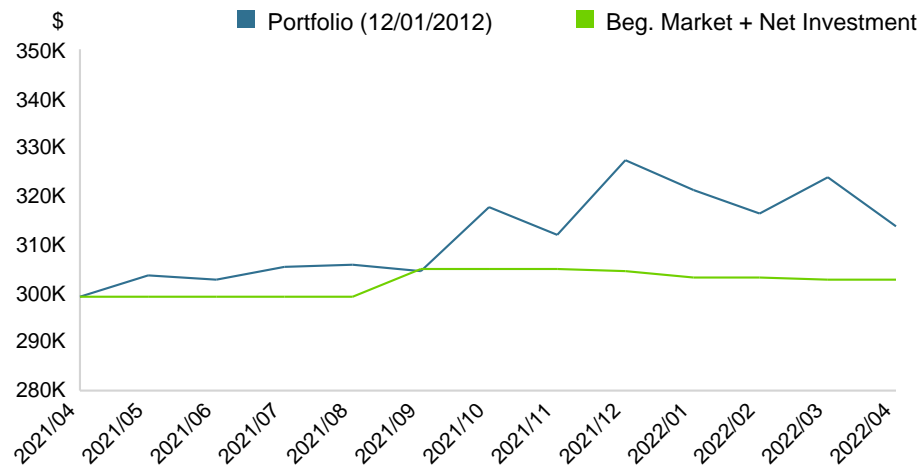
	Market Value	% of Mkt Val
Cash & Enhanced Cash	\$ 17,540	5.6 %
Fixed Income	\$ 73,880	23.6 %
Equity	\$ 222,289	70.9 %
<b>Total</b>	<b>\$ 313,709</b>	<b>100.0 %</b>

## Category Allocation

	% of Mkt Val
Cash Equivalents	5.6 %
Core US Bonds	17.0 %
International Bonds	.6 %
Tactical US Bonds	6.0 %
Domestic Equity	64.3 %
Dev Int'l Equity	6.6 %
<b>Total</b>	<b>100.0 %</b>



## Asset Growth - One Year



## Account Flows - One Year

<b>Beginning Market Value</b>	<b>299,304.31</b>
<b>Beginning Accrued Income</b>	<b>512.51</b>
<b>Beginning Portfolio Value</b>	<b>299,816.82</b>
Net Contributions and Withdrawals	3,518.31
Income Earned	8,974.22
Market Appreciation	1,399.59
<b>Ending Market Value</b>	<b>313,202.57</b>
<b>Ending Accrued Income</b>	<b>506.37</b>
<b>Ending Portfolio Value</b>	<b>313,708.94</b>
<b>Total Return</b>	<b>3.57</b>

## Town of Merrimack Expendable Trust Fd Agency- Scholarships

## Performance Details

	Market Value	Month to Date	Year to Date	1 Year	3 Years	5 Years	Inception to Date	Sector Inception
<b>Total Return Gross of Fees</b>	<b>313,709</b>	<b>-3.06</b>	<b>-3.66</b>	<b>3.57</b>	<b>9.50</b>	<b>9.77</b>	<b>8.09</b>	<b>12/01/2012</b>
Growth Taxable Equity Income		-3.65	-7.16	1.43	10.43	9.80	9.73	12/01/2012
<b>Cash &amp; Enhanced Cash</b>	<b>17,540</b>	<b>-.06</b>	<b>-.07</b>	<b>-.07</b>	<b>.48</b>	<b>.84</b>	<b>.48</b>	<b>12/01/2012</b>
Lipper Money Market Funds Index		.02	.03	.03	.55	.91	.51	12/01/2012
<b>Fixed Income</b>	<b>73,880</b>	<b>-2.07</b>	<b>-6.33</b>	<b>-6.05</b>	<b>1.12</b>	<b>1.97</b>	<b>2.26</b>	<b>12/01/2012</b>
BB Intermediate US Govt/Credit		-2.00	-6.42	-6.48	.75	1.27	1.39	12/01/2012
<b>Equity</b>	<b>222,289</b>	<b>-3.66</b>	<b>-3.28</b>	<b>6.47</b>	<b>13.24</b>	<b>13.65</b>	<b>12.50</b>	<b>12/01/2012</b>
Global Equity Income Benchmark		-4.42	-7.76	4.52	14.32	13.34	13.15	12/01/2012
NASDAQ US Broad Dividend Achievers Index TR (USD)		-4.28	-6.91	4.94	11.68	11.82	11.97	12/01/2012
S&P Global ex-US Dividend Growers Index (TR) (USD)		-5.02	-11.16					12/01/2012
S&P 500 Index (Gross) (USD)		-8.72	-12.92	.21	13.85	13.66	14.24	12/01/2012
MSCI ACWI ex-USA (Net) (USD)		-6.28	-11.38	-10.31	4.31	4.95	5.01	12/01/2012

Portfolio Inception: 12/01/2012

Market values include accruals. All figures are total return. Horizons over one year are annualized.

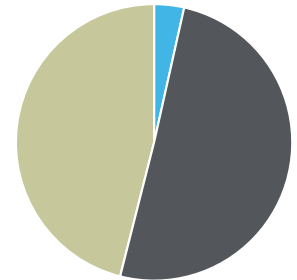
## Town of Merrimack Barry Quimby Memorial Common Fund

## Asset Class Allocation

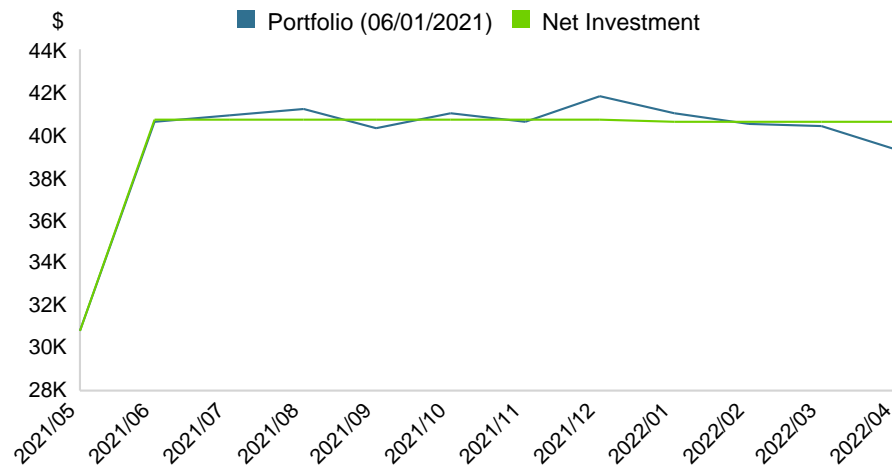
	Market Value	% of Mkt Val
Cash & Enhanced Cash	\$ 1,386	3.5 %
Fixed Income	\$ 19,804	50.4 %
Equity	\$ 18,078	46.0 %
<b>Total</b>	<b>\$ 39,268</b>	<b>100.0 %</b>

## Category Allocation

	% of Mkt Val
● Cash Equivalents	3.5 %
● Core US Bonds	50.4 %
● Domestic Equity	46.0 %
<b>Total</b>	<b>100.0 %</b>



## Asset Growth - Inception



## Account Flows - Inception

Beginning Market Value	30,736.13
Beginning Accrued Income	26.62
Beginning Portfolio Value	30,762.75
Net Contributions and Withdrawals	9,858.38
Income Earned	860.33
Market Appreciation	-2,213.90
Ending Market Value	39,241.58
Ending Accrued Income	25.98
Ending Portfolio Value	39,267.56
<b>Total Return</b>	<b>-2.95</b>

## Town of Merrimack Barry Quimby Memorial Common Fund

## Performance Details

	Market Value	Month to Date	3 Months	Year to Date	Inception to Date	Sector Inception
<b>Total Return Gross of Fees</b>	<b>39,268</b>	<b>-2.91</b>	<b>-4.13</b>	<b>-5.99</b>	<b>-2.95</b>	<b>06/01/2021</b>
Growth Taxable Equity Income		-3.65	-3.90	-7.16	.49	06/01/2021
<b>Cash &amp; Enhanced Cash</b>	<b>1,386</b>	<b>.01</b>	<b>.01</b>	<b>.01</b>	<b>.02</b>	<b>06/01/2021</b>
Lipper Money Market Funds Index		.02	.03	.03	.03	06/01/2021
<b>Fixed Income</b>	<b>19,804</b>	<b>-1.97</b>	<b>-5.27</b>	<b>-6.54</b>	<b>-6.88</b>	<b>06/01/2021</b>
BB Intermediate US Govt/Credit		-2.00	-5.02	-6.42	-6.85	06/01/2021
<b>Equity</b>	<b>18,078</b>	<b>-4.12</b>	<b>-3.16</b>	<b>-5.81</b>	<b>1.33</b>	<b>06/01/2021</b>
Global Equity Income Benchmark		-4.42	-3.64	-7.76	3.30	06/01/2021
NASDAQ US Broad Dividend Achievers Index TR (USD)		-4.28	-3.43	-6.91	3.26	06/01/2021
S&P Global ex-US Dividend Growers Index (TR) (USD)		-5.02	-4.51	-11.16		06/01/2021
S&P 500 Index (Gross) (USD)		-8.72	-8.17	-12.92	-.48	06/01/2021
MSCI ACWI ex-USA (Net) (USD)		-6.28	-7.99	-11.38	-13.03	06/01/2021

Portfolio Inception: 06/01/2021

Market values include accruals. All figures are total return. Horizons over one year are annualized.

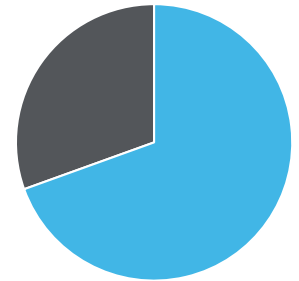
## Town of Merrimack Capital Reserve Fund Agency - School District

## Asset Class Allocation

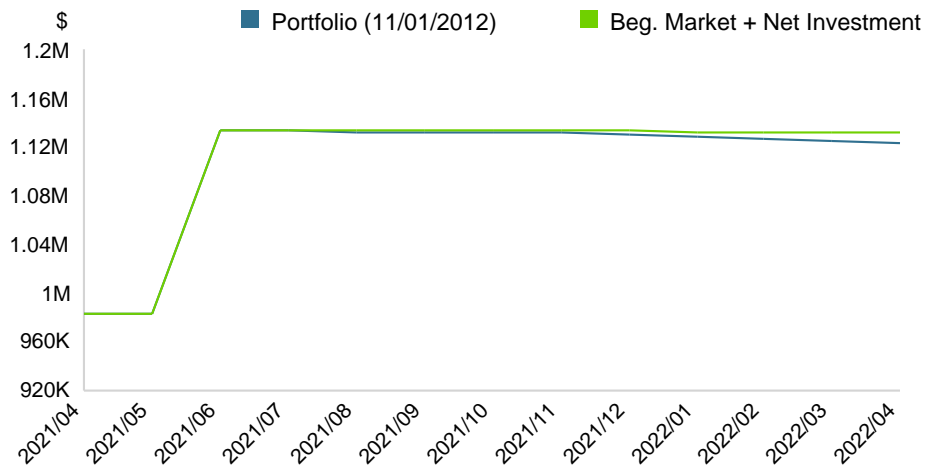
	Market Value	% of Mkt Val
Cash & Enhanced Cash	\$ 781,121	69.5 %
Fixed Income	\$ 342,462	30.5 %
<b>Total</b>	<b>\$ 1,123,583</b>	<b>100.0 %</b>

## Category Allocation

	% of Mkt Val
● Cash Equivalents	69.5 %
● Core US Bonds	30.5 %
<b>Total</b>	<b>100.0 %</b>



## Asset Growth - One Year



## Account Flows - One Year

<b>Beginning Market Value</b>	<b>983,467.42</b>
<b>Beginning Accrued Income</b>	<b>83.21</b>
<b>Beginning Portfolio Value</b>	<b>983,550.63</b>
Net Contributions and Withdrawals	148,610.18
Income Earned	724.20
Market Appreciation	-9,302.08
<b>Ending Market Value</b>	<b>1,123,457.57</b>
<b>Ending Accrued Income</b>	<b>125.36</b>
<b>Ending Portfolio Value</b>	<b>1,123,582.93</b>
<b>Total Return</b>	<b>-.63</b>

## Town of Merrimack Capital Reserve Fund Agency - School District

## Performance Details

	Market Value	Month to Date	Year to Date	1 Year	3 Years	5 Years	Inception to Date	Sector Inception
<b>Total Return Gross of Fees</b>	<b>1,123,583</b>	<b>-.06</b>	<b>-.51</b>	<b>-.63</b>	<b>.74</b>	<b>1.05</b>	<b>.77</b>	<b>12/01/2012</b>
<b>Cash &amp; Enhanced Cash</b>	<b>781,121</b>	<b>.01</b>	<b>-.06</b>	<b>-.08</b>	<b>.57</b>	<b>.91</b>	<b>.61</b>	<b>12/01/2012</b>
Lipper Money Market Funds Index		.02	.03	.03	.55	.91	.51	12/01/2012
<b>Fixed Income</b>	<b>342,462</b>	<b>-.18</b>	<b>-1.20</b>	<b>-1.48</b>	<b>.80</b>	<b>1.15</b>	<b>.97</b>	<b>06/01/2015</b>
BB 1-3 Year US Government Bond		-.47	-2.96	-3.53	.61	.92	.84	06/01/2015
BB Intermediate US Govt/Credit		-2.00	-6.42	-6.48	.75	1.27	1.37	06/01/2015

Portfolio Inception: 11/01/2012

Market values include accruals. All figures are total return. Horizons over one year are annualized.



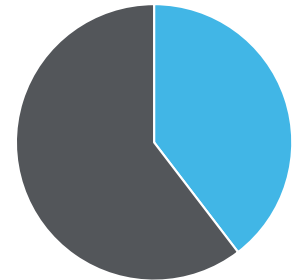
## Town of Merrimack Capital Reserve Fund Agency - Municipal

## Asset Class Allocation

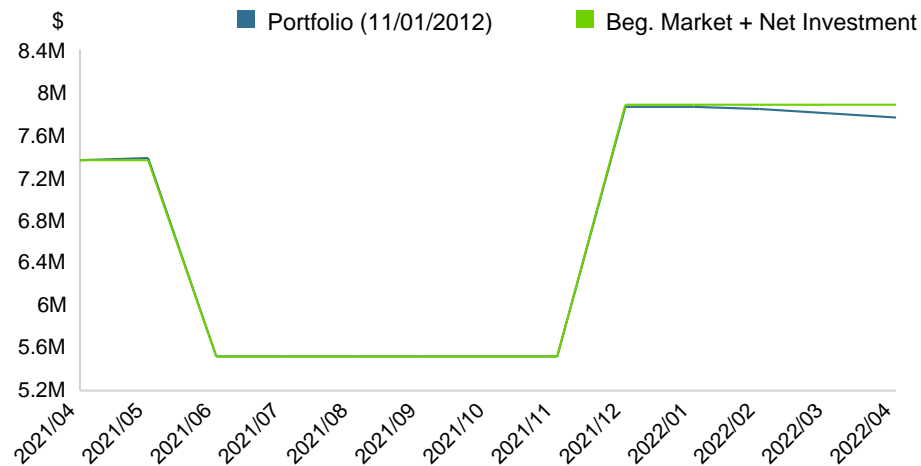
	Market Value	% of Mkt Val
Cash & Enhanced Cash	\$ 3,076,270	39.6 %
Fixed Income	\$ 4,693,852	60.4 %
<b>Total</b>	<b>\$ 7,770,122</b>	<b>100.0 %</b>

## Category Allocation

	% of Mkt Val
Cash	.0 %
Cash Equivalents	39.6 %
Core US Bonds	60.4 %
<b>Total</b>	<b>100.0 %</b>



## Asset Growth - One Year



## Account Flows - One Year

<b>Beginning Market Value</b>	<b>7,365,237.44</b>
<b>Beginning Accrued Income</b>	<b>8,743.26</b>
<b>Beginning Portfolio Value</b>	<b>7,373,980.70</b>
Net Contributions and Withdrawals	515,946.04
Income Earned	57,967.82
Market Appreciation	-177,772.16
<b>Ending Market Value</b>	<b>7,762,828.76</b>
<b>Ending Accrued Income</b>	<b>7,293.64</b>
<b>Ending Portfolio Value</b>	<b>7,770,122.40</b>
<b>Total Return</b>	<b>-1.53</b>

## Town of Merrimack Capital Reserve Fund Agency - Municipal

## Performance Details

	Market Value	Month to Date	Year to Date	1 Year	3 Years	5 Years	Inception to Date	Sector Inception
<b>Total Return Gross of Fees</b>	<b>7,770,122</b>	<b>-.31</b>	<b>-1.24</b>	<b>-1.53</b>	<b>.90</b>	<b>1.17</b>	<b>.87</b>	<b>12/01/2012</b>
<b>Cash &amp; Enhanced Cash</b>	<b>3,076,270</b>	<b>.01</b>	<b>.00</b>	<b>-.02</b>	<b>.66</b>	<b>.98</b>	<b>.65</b>	<b>12/01/2012</b>
Lipper Money Market Funds Index		.02	.03	.03	.55	.91	.51	12/01/2012
<b>Fixed Income</b>	<b>4,693,852</b>	<b>-.53</b>	<b>-2.09</b>	<b>-2.42</b>	<b>1.04</b>	<b>1.28</b>	<b>1.17</b>	<b>06/01/2015</b>
BB 1-3 Year US Government Bond		-.47	-2.96	-3.53	.61	.92	.84	06/01/2015
BB Intermediate US Govt/Credit		-2.00	-6.42	-6.48	.75	1.27	1.37	06/01/2015

Portfolio Inception: 11/01/2012

Market values include accruals. All figures are total return. Horizons over one year are annualized.

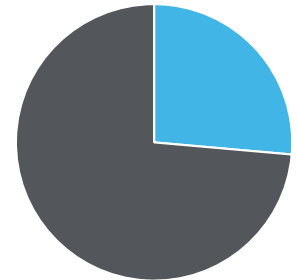
## Town of Merrimack Capital Reserve Fund Agency - Mvd Village District - Water

## Asset Class Allocation

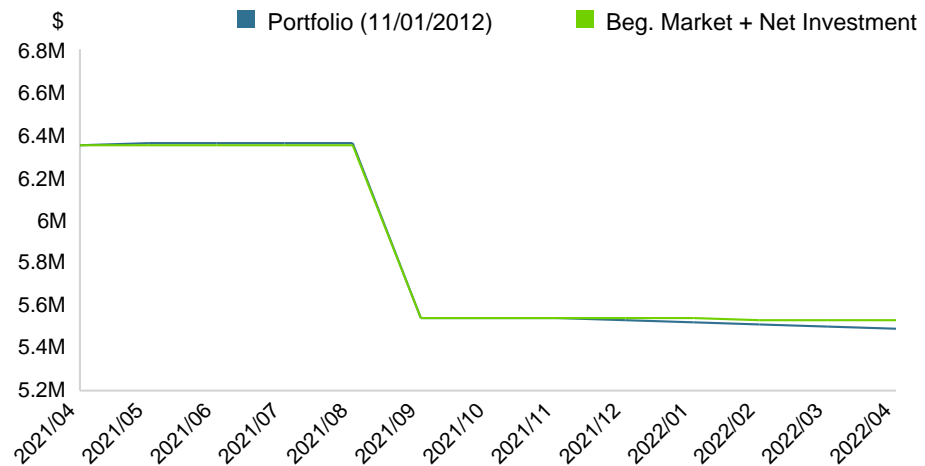
	Market Value	% of Mkt Val
Cash & Enhanced Cash	\$ 1,447,433	26.4 %
Fixed Income	\$ 4,035,981	73.6 %
<b>Total</b>	<b>\$ 5,483,414</b>	<b>100.0 %</b>

## Category Allocation

	% of Mkt Val
● Cash Equivalents	26.4 %
● Core US Bonds	73.6 %
<b>Total</b>	<b>100.0 %</b>



## Asset Growth - One Year



## Account Flows - One Year

<b>Beginning Market Value</b>	<b>6,353,496.98</b>
<b>Beginning Accrued Income</b>	<b>10,296.49</b>
<b>Beginning Portfolio Value</b>	<b>6,363,793.47</b>
Net Contributions and Withdrawals	-823,072.09
Income Earned	43,805.57
Market Appreciation	-101,112.58
<b>Ending Market Value</b>	<b>5,477,662.34</b>
<b>Ending Accrued Income</b>	<b>5,752.03</b>
<b>Ending Portfolio Value</b>	<b>5,483,414.37</b>
<b>Total Return</b>	<b>-.90</b>

## Town of Merrimack Capital Reserve Fund Agency - Mvd Village District - Water

## Performance Details

	Market Value	Month to Date	Year to Date	1 Year	3 Years	5 Years	Inception to Date	Sector Inception
<b>Total Return Gross of Fees</b>	<b>5,483,414</b>	<b>-.22</b>	<b>-.77</b>	<b>-.90</b>	<b>1.14</b>	<b>1.36</b>	<b>1.05</b>	<b>12/01/2012</b>
<b>Cash &amp; Enhanced Cash</b>	<b>1,447,433</b>	<b>-.01</b>	<b>-.03</b>	<b>-.04</b>	<b>.55</b>	<b>.91</b>	<b>.66</b>	<b>12/01/2012</b>
Lipper Money Market Funds Index		.02	.03	.03	.55	.91	.51	12/01/2012
<b>Fixed Income</b>	<b>4,035,981</b>	<b>-.31</b>	<b>-1.27</b>	<b>-1.49</b>	<b>1.22</b>	<b>1.45</b>	<b>1.32</b>	<b>06/01/2015</b>
BB 1-3 Year US Government Bond		-.47	-2.96	-3.53	.61	.92	.84	06/01/2015
BB Intermediate US Govt/Credit		-2.00	-6.42	-6.48	.75	1.27	1.37	06/01/2015

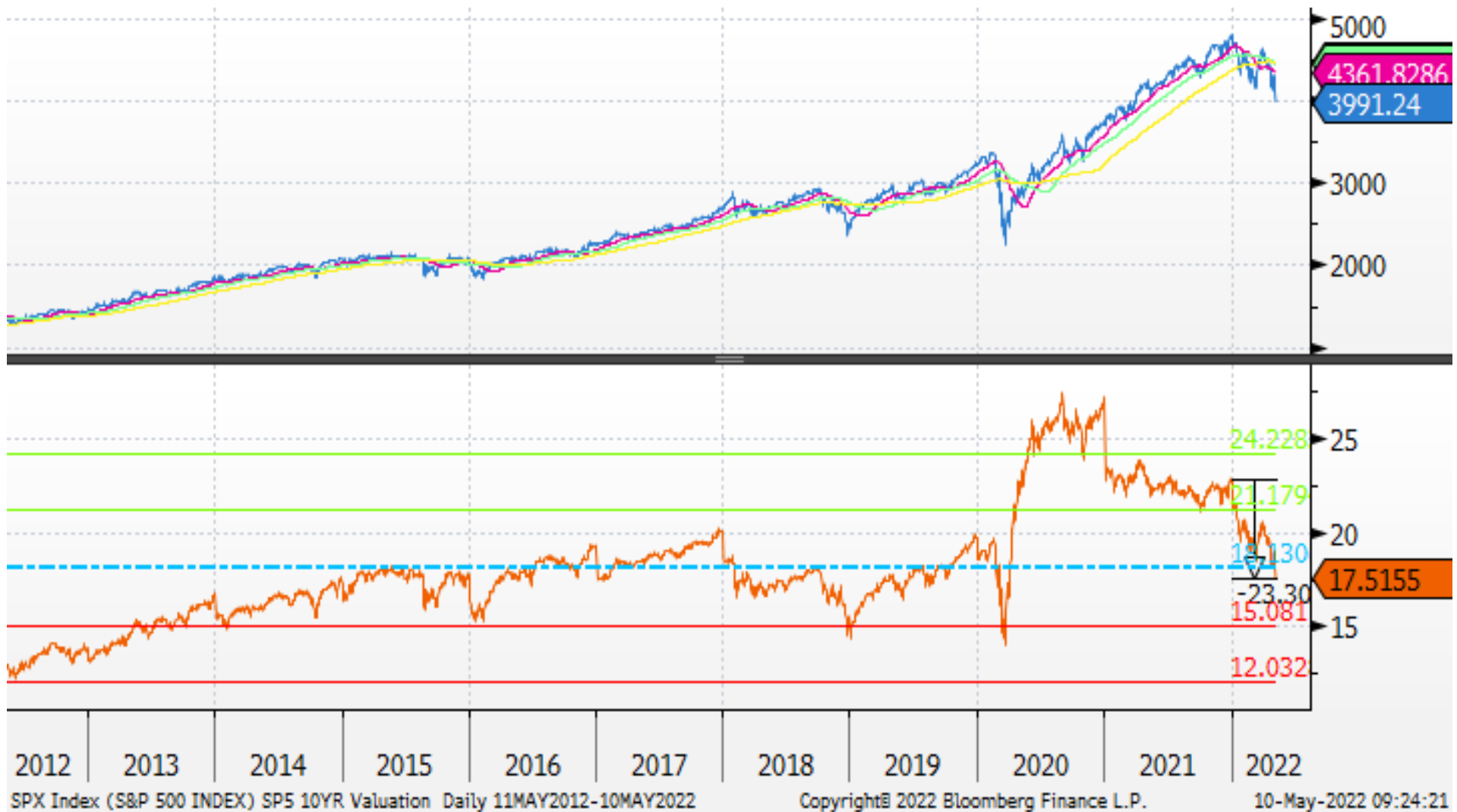
Portfolio Inception: 11/01/2012

Market values include accruals. All figures are total return. Horizons over one year are annualized.

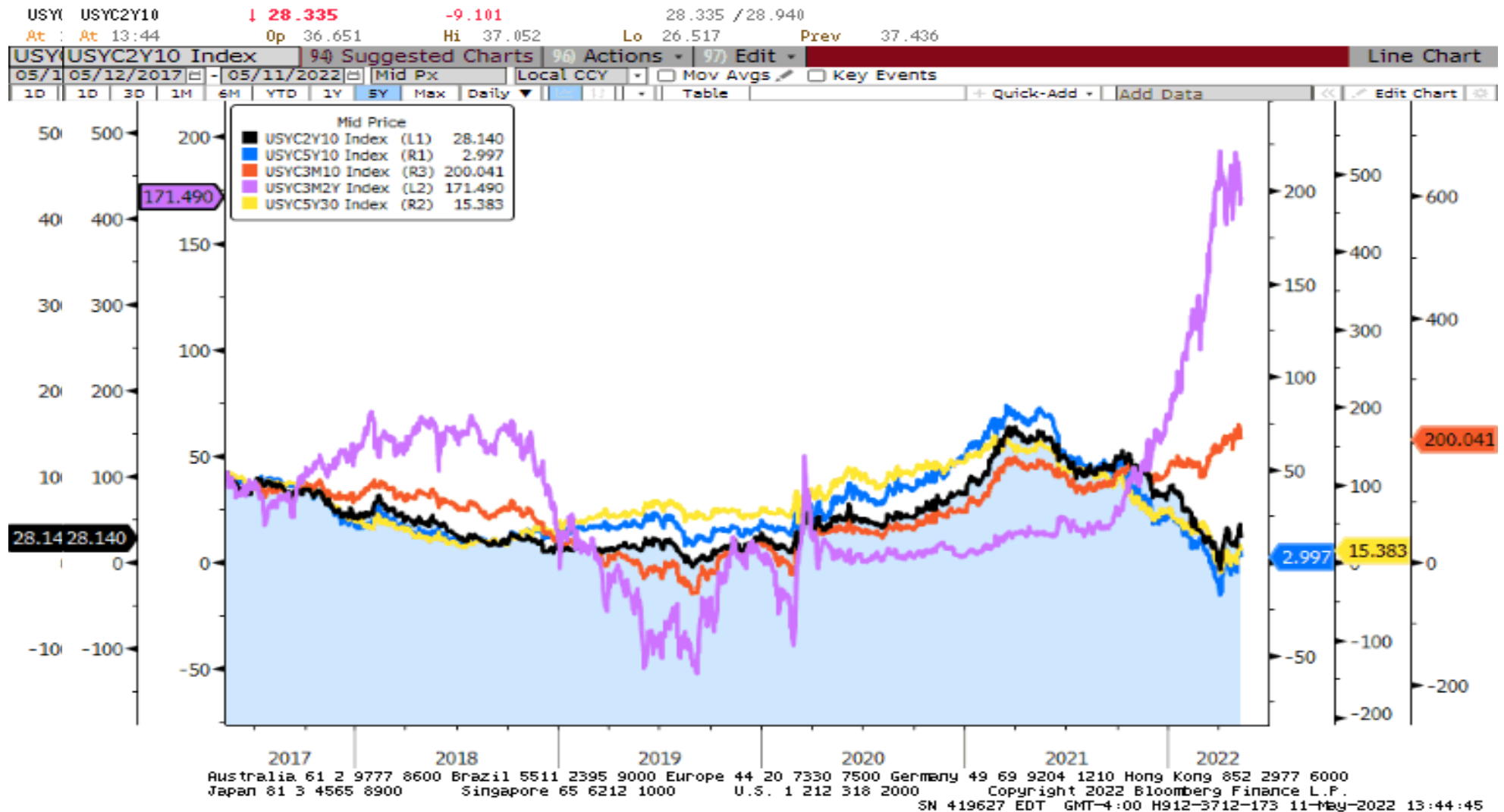


# Appendix

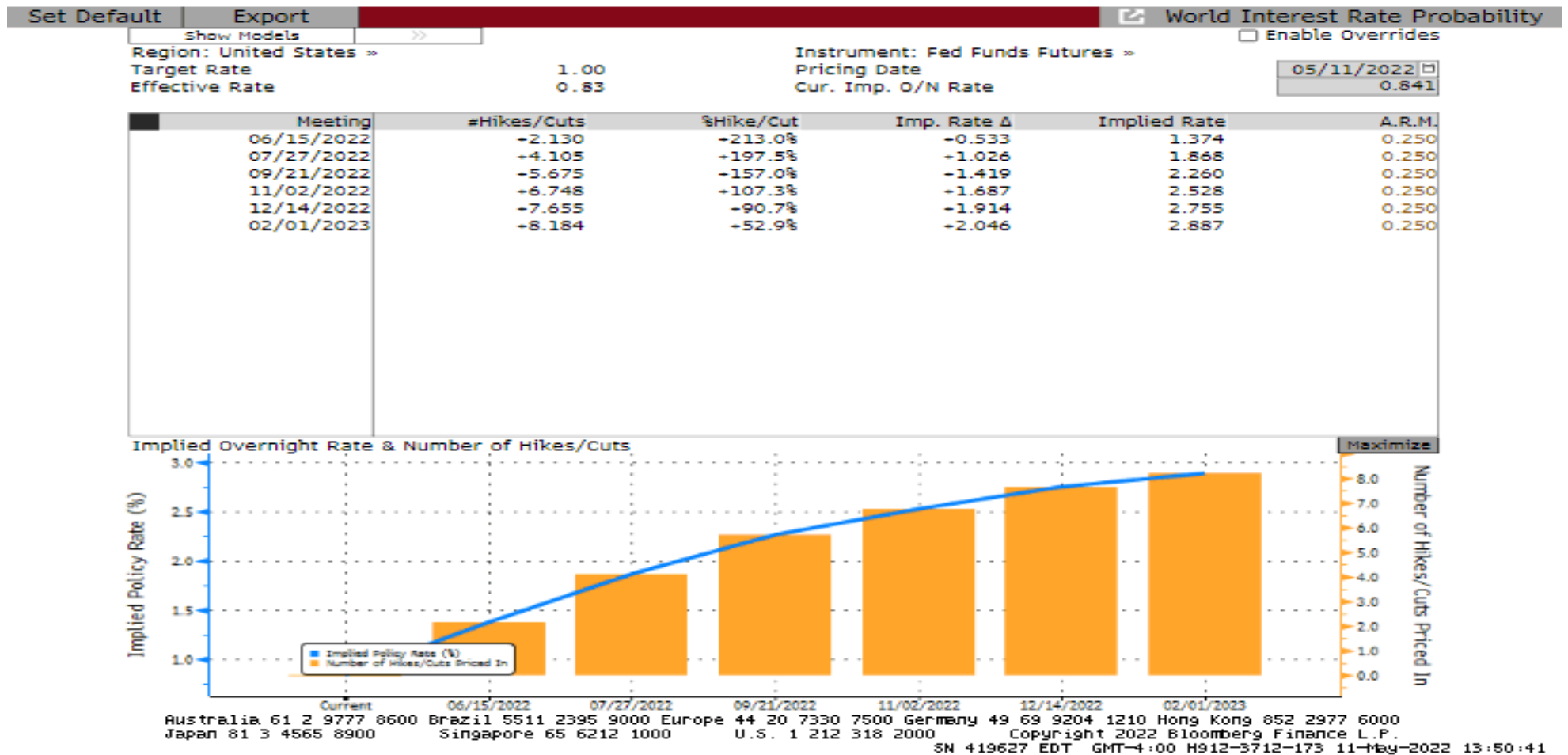
# S&P 500 Price and Forward Valuation (10-year)



# What does yield curve shape mean?



# Market expecting more rate hikes



Source: Bloomberg



# Fixed Income Comparison Analysis

Maturity	Treasury Rate	CD Level	Gov't Agency Rate
3-Months	1.02%	0.80%	-
6-Months	1.42%	1.20%	-
1 - Year	1.89%	2.05%	2.12%
2 - Years	2.56%	2.85%	2.87%
3 - Years	2.73%	3.10%	3.12%
4 - Years	2.80%	3.15%	3.12%
5 - Years	2.81%	3.20%	3.47%

1 The bond issues listed are based on availability. Rates as of 05/16/22

2 Agencies use estimated blended rate

## Town of Merrimack Common Trust Funds Principal IMA

	Benchmark ID	Weight	Return
<b>Policy Name: Diversified Commodity Benchmark (P146)</b>			
<b>04/2022</b>			
Bloomberg Commodity Total Return	820	100.00	4.14
<b>Policy-Weighted Return:</b>			<b>4.14</b>
<b>Policy Name: Global Equity Income Benchmark (P147)</b>			
<b>04/2022</b>			
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	80.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	20.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-4.42</b>
<b>Policy Name: Growth Taxable Equity Income (P169)</b>			
<b>04/2022</b>			
Lipper Money Market Funds Index	10	2.50	.02
BB Intermediate US Govt/Credit	152	27.50	-2.00
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	56.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	14.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-3.65</b>

## Town of Merrimack Common Trust Funds Income IMA

	Benchmark ID	Weight	Return
<b>Policy Name: Diversified Commodity Benchmark (P146)</b>			
<b>04/2022</b>			
Bloomberg Commodity Total Return	820	100.00	4.14
<b>Policy-Weighted Return:</b>			<b>4.14</b>
<b>Policy Name: Global Equity Income Benchmark (P147)</b>			
<b>04/2022</b>			
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	80.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	20.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-4.42</b>
<b>Policy Name: Moderate Growth Taxable Equity Income (!)</b>			
<b>04/2022</b>			
Lipper Money Market Funds Index	10	2.50	.02
BB Intermediate US Govt/Credit	152	37.50	-2.00
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	48.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	12.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-3.40</b>

## Town of Merrimack Expendable Trust Fd Agency- Scholarships

	Benchmark ID	Weight	Return
<b>Policy Name: Diversified Commodity Benchmark (P146)</b>			
<b>04/2022</b>			
Bloomberg Commodity Total Return	820	100.00	4.14
<b>Policy-Weighted Return:</b>			<b>4.14</b>
<b>Policy Name: Global Equity Income Benchmark (P147)</b>			
<b>04/2022</b>			
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	80.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	20.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-4.42</b>
<b>Policy Name: Growth Taxable Equity Income (P169)</b>			
<b>04/2022</b>			
Lipper Money Market Funds Index	10	2.50	.02
BB Intermediate US Govt/Credit	152	27.50	-2.00
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	56.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	14.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-3.65</b>

## Town of Merrimack Barry Quimby Memorial Common Fund

	Benchmark ID	Weight	Return
<b>Policy Name: Diversified Commodity Benchmark (P146)</b>			
<b>04/2022</b>			
Bloomberg Commodity Total Return	820	100.00	4.14
<b>Policy-Weighted Return:</b>			<b>4.14</b>
<b>Policy Name: Global Equity Income Benchmark (P147)</b>			
<b>04/2022</b>			
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	80.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	20.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-4.42</b>
<b>Policy Name: Growth Taxable Equity Income (P169)</b>			
<b>04/2022</b>			
Lipper Money Market Funds Index	10	2.50	.02
BB Intermediate US Govt/Credit	152	27.50	-2.00
NASDAQ US Broad Dividend Achievers Index TR (USD)	4054	56.00	-4.28
S&P Global ex-US Dividend Growers Index (TR) (USD)	4630	14.00	-5.02
<b>Policy-Weighted Return:</b>			<b>-3.65</b>

## Town of Merrimack Capital Reserve Fund Agency - School District

	Benchmark ID	Weight	Return
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**Policy Name: Global Equity Benchmark (P062)****04/2022**

S&P 500 Index (Gross) (USD)	194	80.00	-8.72
MSCI ACWI ex-USA (Net) (USD)	322	20.00	-6.28

**Policy Name: Diversified Commodity Benchmark (P146)****04/2022**

Bloomberg Commodity Total Return	820	100.00	4.14
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## Town of Merrimack Capital Reserve Fund Agency - Municipal

	Benchmark ID	Weight	Return
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**Policy Name: Global Equity Benchmark (P062)****04/2022**

S&P 500 Index (Gross) (USD)	194	80.00	-8.72
MSCI ACWI ex-USA (Net) (USD)	322	20.00	-6.28

**Policy Name: Diversified Commodity Benchmark (P146)****04/2022**

Bloomberg Commodity Total Return	820	100.00	4.14
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## Town of Merrimack Capital Reserve Fund Agency - Mvd Village District - Water

	Benchmark ID	Weight	Return
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**Policy Name: Global Equity Benchmark (P062)****04/2022**

S&P 500 Index (Gross) (USD)	194	80.00	-8.72
MSCI ACWI ex-USA (Net) (USD)	322	20.00	-6.28

**Policy Name: Diversified Commodity Benchmark (P146)****04/2022**

Bloomberg Commodity Total Return	820	100.00	4.14
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# Performance Disclosure

CT's static benchmarks have the following composition\*:

## Risk Averse mandates

- For taxable strategies: 97.5% Barclays Intermediate Government/Credit Index, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 97.5% Bank of America Merrill Lynch 1-10 Year Muni Index, and 2.5% Lipper Tax-Exempt Money Market Index

## Conservative mandates

- For taxable strategies: 24% S&P 500, 6% MSCI AC World ex-US, 67.5% Barclays Intermediate Government/Credit Index, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 24% S&P 500, 6% MSCI AC World ex-US, 67.5% BofA Merrill 1-10 Year Muni Index, and 2.5% Lipper Tax-Exempt Money Market Index.

## Moderately Conservative mandates

- For taxable strategies: 32% S&P 500, 8% MSCI AC World ex-US, 57.5% Barclays Intermediate Government/Credit Index, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 32% S&P 500, 8% MSCI AC World ex-US, 57.5% BofA Merrill 1-10 Year Muni Index, and 2.5% Lipper Tax-Exempt Money Market Index.

## Balanced mandates

- For taxable strategies: 40% S&P 500, 10% MSCI AC World ex-US, 47.5% Barclays Intermediate Government/Credit Index, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 40% S&P 500, 10% MSCI AC World ex-US, 47.5% BofA Merrill 1-10 Year Muni Index, and 2.5% Lipper Tax-Exempt Money Market Index.

## Moderate Growth mandates

- For taxable strategies: 48% S&P 500, 12% MSCI AC World ex-US, 37.5% Barclays Intermediate Government/Credit Index, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 48% S&P 500, 12% MSCI AC World ex-US, 37.5% BofA Merrill 1-10 Year Muni Index, and 2.5% Lipper Tax-Exempt Money Market Index.

## Growth mandates

- For taxable strategies: 56% S&P 500, 14% MSCI AC World ex-US, 27.5% Barclays Intermediate Government/Credit Index, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 56% S&P 500, 14% MSCI AC World ex-US, 27.5% BofA Merrill 1-10 Year Muni Index, and 2.5% Lipper Tax-Exempt Money Market Index.

## Growth Plus mandates

- For taxable strategies: 64% S&P 500, 16% MSCI AC World ex-US, 17.5% Barclays Intermediate Government/Credit Index, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 64% S&P 500, 16% MSCI AC World ex-US, 17.5% BofA Merrill 1-10 Year Muni Index, and 2.5% Lipper Tax-Exempt Money Market Index.

## All Equity mandates

- For taxable strategies: 78% S&P 500, 19.5% MSCI AC World ex-US, and 2.5% Lipper Money Market Index.
- For non-taxable strategies: 78% S&P 500, 19.5% MSCI AC World ex-US, and 2.5% Lipper Tax-Exempt Money Market Index.

\*In cases where Equity Income is the strategy, the Nasdaq US Broad Dividend Achievers Index, is used for US Equities and S&P Global Ex US Dividend Growers Index is used to benchmark international equities.

**Global Equity Income Benchmark:** 80% Nasdaq US Broad Dividend Achievers Index, 20% S&P Global Ex US Dividend Growers Index 11/1/2021 forward

**Global Equity Benchmark:** 80% S&P 500 and 20% MSCI ACWI Ex US prior to 11/1/2021

Prior to 2015, the taxable fixed income index used in the benchmarks was the Barclays Gov't/Credit Index. Prior to 2015, the municipal fixed income index used in the benchmarks was the Barclays 5 Year Muni Index

# Cambridge Trust

## About Us

Cambridge Trust is wholly-owned by Cambridge Bancorp (NASDAQ: CATC)

\$5 Billion in Wealth Management Assets

Highly Experienced Wealth Management Staff of More Than 70 Professionals

Recognized by the *Boston Business Journal* as one of the largest independent advisors in Massachusetts

## Company News

### COVID-19 Relief for Clients, Communities and Employees

In addition to the 269 organizations the Bank supports through its annual charitable giving, Cambridge Trust is donating an additional \$250,000 to organizations supporting those most impacted by COVID-19. Please visit [www.cambridgetrust.com/covid19](http://www.cambridgetrust.com/covid19) for current information and to sign up to receive updates via email.

### Cambridge Trust Commits \$110 million to Affordable Housing Construction

Cambridge Trust will work with the Massachusetts Housing Partnership to finance the construction of rental apartments which will provide access to housing for low and moderate income families. The \$110 million contribution represents the largest voluntary commitment of any bank to the Massachusetts Housing Partnership.

### Merger with Wellesley Bank is Complete

The merger with Wellesley Bank and its subsidiary, Wellesley Investment Partners LLC, is now complete. This merger provides additional services and banking locations to the clients of both firms.

### Visit Our Website at [www.cambridgetrust.com](http://www.cambridgetrust.com) and Follow Us on LinkedIn and Twitter

Our website, LinkedIn, and Twitter pages provide access to timely insights about investing and the economy published by our experienced team. Please ask your Relationship Manager how you can sign up to receive our investment related publications.

# Full Suite of Integrated Banking Services

## Private Banking

- Integrated suite of services tailored to meet your needs
  - Deposit Services
  - Commercial Loans
  - Lines of Credit
- Seamless integration with investment portfolio, including outside business interests
- Online and mobile banking
- Worldwide access to ATMs

## Residential Lending

- Jumbo mortgages
- Portfolio lending
- Interest only loans
- Home equity lines of credit
- First time homebuyer loans

## Commercial Banking

- Deposit accounts and treasury management
- Online and mobile banking
- Commercial & industrial lending
- Commercial real estate lending
- Innovation banking

# Wealth Management – Summary of Strategies

## Internal Equity Strategies

### Core Equity

Growth and preservation of capital by investing in global equity securities

### Equity Income

Prioritizes dividend sustainability, growth potential, and yield among global equities

### Sustainable & Responsible Investing (SRI)

Long-term growth of capital by investing in high quality businesses with sustainable and responsible practices

## Internal ETF-Based Strategies

### Global Asset Allocation

Diversified global exposure across 10-15 ETFs covering all major asset classes and sectors

### Other Mutual Fund/ETF Strategies

Standard portfolios often appropriate for smaller portfolios or other special circumstances

## Internal Fixed Income Strategies

### Core Fixed Income

Preservation and gradual growth of capital focusing on intermediate-term bonds

### Core Plus Fixed Income

Moderate growth of capital and greater income generation by adding higher yielding securities to complement core holdings

### Sustainable & Responsible Investing (SRI) Fixed Income

Preservation and gradual growth of capital by investing in stable, high quality taxable and/or tax-exempt bonds that also meet ESG criteria