



**MERRIMACK**  
COUNTY SAVINGS BANK



# 2019 REPORT TO OUR COMMUNITY



“A great place to bank is also a bank that’s there for its community.”

*Supported by President Linda Lorden (upper left corner), several Merry MacWalker team-mates handed out giveaways at the Merrimack booth during the Merrimack County Savings Bank Rock N Race for the Payson Center for Cancer Care at Concord Hospital.*

## TO OUR CUSTOMERS, COMMUNITY AND EMPLOYEES:

At the Merrimack, our commitment to those we serve runs deep—and has for over 150 years. As a mutual bank, it’s our responsibility—our obligation to give back and we’re incredibly grateful for the privilege of supporting and being supported by—our amazing customers and our vibrant community.

# A BETTER WAY TO BANK.



Our customers bank at the Merrimack because they can count on us to provide convenient products and services, exceptional service and attention to detail, as well as an undying support to our local communities.

We are driven by one objective: to meet the needs of customers, organizations, and the towns and cities surrounding Bow, Concord, Contoocook, Hooksett and Nashua. That's why we only offer products and services that are in the best interest of our customers.

It means as a customer of the Merrimack, you are served by people who have the authority to make quick, local decisions on your behalf.

And it means your dollars are reinvested into helping local families, businesses and organizations.

“Fishing on Lake Massebesic” — Rob Chronister

# FROM A FISCAL STANDPOINT, 2019 WAS A RECORD-SETTING YEAR.

**We experienced our highest levels of assets, deposits, loans and capital** while earning a net profit of \$6 million. The Merrimack ended the year with \$936 million in total assets, up an impressive \$41 million from 2018.

**Our affiliation with New Hampshire Mutual Bancorp (NHMB)** and our like-minded sister banks, Meredith Village Savings Bank (MVSb) and Savings Bank of Walpole (SBW), provided real benefits in 2019. These included commercial loan participations that allowed us to make larger loans; investments in best-of-breed technology for the benefit of our customers; and access to additional human capital resources to advance the Merrimack experience for our customers, our community and our staff.



**MERRIMACK**  
COUNTY SAVINGS BANK



**Savings Bank**  
*of Walpole*  
since 1875



**MEREDITH**  
VILLAGE SAVINGS BANK

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**NEW HAMPSHIRE**  
MUTUAL BANCORP

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# THE MERRIMACK SHOWED ITS SUPPORT FOR OUR LOCAL ECONOMY IN MANY DIFFERENT WAYS.



**We funded more than \$157 million in consumer and commercial loans.** \$59 million in commercial loans went toward funding a diverse range of businesses—from small, local shops to a large housing development.

Supporting and engaging with local organizations that enhance the vibrancy of our community is something the Merrimack takes great pride in doing. In 2019, our Bank donated over **\$195,000 to area nonprofits**. What's more, our staff showed additional support, **donating 4,581 hours of community service time**. In 2019, over two dozen of our employees served on the boards of local organizations.

In terms of community initiatives, the Bank and its employees supported activities and events that showcased our commitment to giving back. We contributed \$80,000 to help fund the renovation of the **White Park Skate House**. The new facility, The Merrimack Lodge, not only serves recreational skaters, it's a community center that doubles as a space for special events and meetings.

*Shannon Ketcham raised awareness and money throughout the year by participating in a number of local 5K runs.*



*Tracy McHugh volunteered as one of several Merrimack teams assisting The Friendly Kitchen.*

Our employees, along with employees from MVSB, NHTrust and NHMB, pledged \$56,685.82 to **Granite United Way and Greater Nashua United Way**—funds matched by The Merrimack, NHTrust, MVSB and NHMB for a total donation of \$113,371.82.

Each month, up to 35 of our employees volunteered at **The Friendly Kitchen**. They planned, shopped, cooked and served meals to an average of 85 individuals.

The Merrimack and NHTrust partnered to support the **Concord Community Players'** capital campaign for the next three years.

Employees teamed up to participate in **Hoops on Wheels, Granite State Independent Living's** annual event that helps create awareness about the challenges of living with disabilities.

The Merrimack, NHMB, MVSB and NHTrust ran, walked and also worked the Merrimack tent at the **Merrimack County Savings Bank Rock N Race for the Payson Center for Cancer Care**.

The Bank co-sponsored the **Hooksett Kiwanis 9th Annual 5K Trail Race** with our employees participating both as runners and volunteers.

# IMPACTFUL GIVING

A lot of our customers and employees who live and work in this area benefit from many of the organizations we support—and the services they provide—so they're as invested in outcomes as we are. At the Merrimack, we're incredibly proud to support so many wonderful organizations that, in turn, provide much-needed services for our community:

Like the **Concord Coalition to End Homelessness**—an amazing non-profit that is working toward an admirable vision of significantly reducing homelessness in the Concord area. [Watch and learn more.](#)

Like the **Concord Regional Visiting Nurse Association** which provides essential services, from birth to end of life, to residents of 42 towns in the greater Concord area. [Watch, and learn more.](#)

Like the **Concord Family YMCA** which, as was the 6th YMCA that was ever created and today serves thousands of people in our community, regardless of ability to pay. [Watch and learn more.](#)



CONCORD FAMILY YMCA

# PRODUCT INNOVATION FOR THE BENEFIT OF OUR CUSTOMERS AND OUR COMMUNITY



While having a physical presence right here in our community is just one of the ways we provide a great banking experience for our customers, we're always looking for ways to innovate and offer new products that will make banking even better for our customers. Enhanced online banking and simplified account structures are some of the things we're working on during 2020.



# THE MERRIMACK 2019 FINANCIAL HIGHLIGHTS

Loans grew by \$62 million, or 8.5%

Deposits increased \$44.3 million, or 6.7%

We achieved net income of \$6 million

Net interest income increased by \$855,000 or 2.9%

Merrimack County Savings Bank ended 2019 with another year of solid earnings, which will allow us to continue to reinvest in our community. Loans grew by \$62 million, or 8.5%, enhanced in part by our ability to participate in commercial loans with our affiliate banks. Deposits increased \$44.3 million, or 6.7%. We are pleased that both of these growth metrics demonstrate the strength and relevance of the Bank in the eyes of our community. We achieved net income of \$6 million. Net interest income, which is the excess of interest earned less interest paid and is the foundation of the Bank's business model, increased by \$855,000 or 2.9%.

While the Merrimack continues to grow and increase its earnings, our Board and Management are committed to maintaining a sound balance sheet capable of continuing the Bank's long-term mission.

# THE MERRIMACK 2019 FINANCIAL HIGHLIGHTS

\$ THOUSANDS

	DECEMBER 31, 2019	DECEMBER 31, 2018
<b>ASSETS</b>		
Cash and cash equivalents	\$15,971	\$27,324
Securities available for sale	79,678	87,826
Net loans	793,909	731,948
Other assets	46,718	47,739
<b>Total Assets</b>	<b>\$936,276</b>	<b>\$894,837</b>
<b>LIABILITIES AND CAPITAL</b>		
Deposits	\$703,419	\$659,146
Other liabilities	138,071	147,977
<b>Total Liabilities</b>	<b>\$841,490</b>	<b>\$807,123</b>
<b>CAPITAL</b>		
Undivided profits	\$94,652	\$89,952
Accumulated other comprehensive gain/(loss)	134	(2,238)
<b>Total Capital</b>	<b>\$94,786</b>	<b>\$87,714</b>
<b>Total Liabilities and Capital</b>	<b>\$936,276</b>	<b>\$894,837</b>

# FINANCIAL HIGHLIGHTS - INCOME STATEMENTS

\$ THOUSANDS

	DECEMBER 31, 2019	DECEMBER 31, 2018
Interest and dividend income	\$37,235	\$34,222
Interest expense	7,158	5,000
<b>Net interest income</b>	<b>\$30,077</b>	<b>\$29,222</b>
<b>Provision for loan loss</b>	<b>\$1,339</b>	<b>\$1,021</b>
Non-interest income	\$4,250	\$4,105
Non-interest expenses	25,069	24,197
<b>Income before income taxes</b>	<b>\$7,919</b>	<b>\$8,109</b>
<b>Provision for income taxes</b>	<b>\$1,892</b>	<b>\$1,861</b>
<b>Net income</b>	<b>\$6,027</b>	<b>\$6,248</b>

## KEY STATISTICS

Return on average assets	0.67%	0.72%
Net interest margin	3.52%	3.59%
Tier 1 leverage ratio	9.77%	9.63%
<b>Total risk based capital</b>	<b>13.98%</b>	<b>13.77%</b>

# DIRECTORS AND CORPORATORS

## DIRECTORS

Chair: William Dunlap, *Bedford*  
Vice Chair: Michael Green, *Contoocook*  
Peter Bloomfield, *Hollis*  
Christopher Brown, *Concord*  
James Corrigan, *Contoocook*  
Jane Difley, *Webster*  
Jeffrey Kipperman, *Enfield*  
Linda Lorden, *Concord*  
(President, Merrimack County  
Savings Bank)  
Gregg Tewksbury, *Keene*  
(President & CEO, New Hampshire  
Mutual Bancorp)  
Christiana Thornton, *Pembroke*

## LOCAL NHMB CORPORATORS

Elyssa Alfieri, *Londonderry*  
Jane Berwick, *Epsom*  
Jamie Burnett III, *Concord*  
Michael Coughlin, *Canterbury*  
John Cross, *Concord*  
Glenn Currie, *Concord*  
Kelli D'Amore, *Deerfield*  
Claudia Damon, *Concord*  
Philip Emma, *Henniker*  
David Gazaway, Jr., *Bow*  
John Gilbert, *Greenland*  
James Landry, *Concord*  
Sylvia Larsen, *Concord*  
Brenda Litchfield, *Concord*  
Sarah Mattson Dustin, *Contoocook*  
Jessica Prieto, *Henniker*  
Tara Reardon, *Concord*

Jonathan Ruggles, *Concord*  
Peggy Senter, *Concord*  
Bradford Smith, *Jaffrey*  
Jay Stewart, *Hollis*  
Sally Tanner, *Concord*  
Daniel Weeks, *Nashua*  
Jeffrey Zellers, *Concord*

# OFFICERS

## *Executive*

Linda Lorden, President

## *Commercial Lending*

James Gallagher, SVP Senior Commercial  
Lending Officer

Terrie McQuillen, SVP Senior Portfolio Manager

Thomas Dustin, VP Commercial Loan Officer

Ryan Frazier, VP Commercial Loan Officer

Lawrence Guay, VP Commercial Loan Officer

Beth Hurd, VP Credit Administration

Randy Sivigny, VP Commercial Loan Officer

Sean Skabo, VP Commercial Loan Officer

Michael Vlahos, VP Commercial Loan Officer

Lynda Paquette, AVP Commercial Loan Administration

## *Residential Lending*

Stephanie Burnor, Mortgage Sales Support Manager

## *Retail Banking*

Mary Lynne Rahlson, SVP Senior Retail Banking Officer

Stephanie Andruss, RVP Branch and Business  
Development Manager

Brad Kulacz, RVP Branch and Business  
Development Manager

Julie Bushaw, VP Retail Sales & Service Staff  
Development Officer & CRA Officer

Kristin Clark, VP Business Banking Development Officer

Brooklyn McBee, Branch & Business  
Development Manager

Kimberly Perri, Branch & Business Development Manager

Michelle Olivier, Branch & Business Development  
Manager

Donna Baron, Branch & Business Development Manager

Brittany Saucier, Branch & Business Development  
Manager

Deborah Stoodley, Branch & Business Development  
Manager

# OUR EMPLOYEES ARE AN ESSENTIAL PART OF OUR SUCCESS.



Finally, I'd like to recognize our employees. We are incredibly fortunate to have a staff made up of exceptional individuals who have a true passion for their work and their community. We're focused on providing our people with a supportive work environment—one that encourages professional and personal growth—and makes people want to come to work.

I'm truly proud of what the Bank does and how serving with Merrimack Style, makes such a difference for our communities, our customers and our people.

We thank you for your support.

Sincerely,

A handwritten signature in black ink, appearing to read 'Linda J. Lorden'. The signature is fluid and cursive, with a large initial 'L'.

Linda J. Lorden, President



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