



NEWS

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Second Quarter 2022

PROACTIVE PLANNING PROVIDES PEACE

We've all been hanging on during the wild ride of turbulence and volatility both with recent market fluctuations and current events. At The Trust Company of Tennessee, our team welcomes the responsibility of being a source of stable advice for our valued clients.



Daniel K. Carter
President

The fact remains, that – especially in times of turbulence – having a plan in place is the best place to be.

We work behind the scenes every day to improve and strengthen our systems to provide services that enhance client experience as we strive to forge a path to financial confidence for each valued client.

Part of it is explained in more detail in this month's staff spotlight article about Suzanne Rondinone and her work with new technology that will provide better reporting. To borrow a tongue-in-cheek line from CEO and Founder Sharon J. Pryse, "The new technology will allow

you to see your accounts more frequently and in greater depth, but we're cautioning you not to look if it will make your stomach flip."

Stomach flipping or no, the current state of the market doesn't mean you should upturn your investment strategy. Take reassurance from the fact that you have a plan in place that allows for fluctuations and changes. Of course, we can revisit your financial plan at any point to make sure the plan is congruent with your current life circumstances.

Proactive planning is always a better position than being reactive, and we hope that you can find peace as we move through this quarter and look ahead.

We'll keep striving to improve our technology to better serve you with the understanding that our personal way of connecting and supporting clients is what sets us apart. In these tough times, we recommit to providing trusted, personal guidance. More than ever, thank you for allowing us to serve you. Reach out to me with questions or comments at dcarter@thetrust.com.





In our communities

EVENTS

Evergreen Ball

Evergreen Ball, the Friends of the Smokies' largest annual fundraising event, has raised more than \$8 million to help fund priority needs in the Great Smoky Mountains National Park. On April 2, guests convened at the Marriot Knoxville Downtown for an evening of cocktails, dinner, auctions and live music. Our Sharon Pryse is chair of the organization's board, and The Trust Company of Tennessee was an event sponsor.



Spirit Award Dinner

The Spirit Award Dinner recognizes individuals who have supported the efforts of the McNabb Center, the region's leading non-profit provider of mental health, substance use, social and victim services. On April 5, the 2022 Spirit Award was presented to Mitch and Debby Steenrod, ardent advocates for the center who paved the way for the McNabb Center's Military Services program, which launched in 2016.



An Evening with Jon Meacham

On April 21, members of The Trust Company of Tennessee team attended a community lecture by presidential historian and Pulitzer Prize-winning author Jon Meacham at the Bijou Theatre. The lecture, "Destiny and Power: The American Odyssey of George Herbert Walker Bush," provided insight about the author's presidential biography of the same name.



Keys of Hope Luncheon

YWCA Knoxville & the Tennessee Valley hosted the 12th Annual Keys of Hope Luncheon on April 28 in support of the Jenny Boyd Keys of Hope Women's Program. The program empowers women to become self-sufficient by providing safe, affordable housing.



Zoofari

Zoo Knoxville held its 35th annual Zoofari fundraiser on April 30 and raised more than \$1 million to support animal care, conservation and education programs. The event included cocktails, dinner, an auction and a fun after-party. The Trust Company of Tennessee was a sponsor of the event, and our own Sharon Pryse serves on the board of directors for Zoo Knoxville.



Art House

On May 4, Sharon Pryse welcomed community members to her home for an Art House event by the Knoxville Museum of Art. The events are an eclectic mix of fun, social experiences all focused on art.



A home turns 100

Sharon Pryse's home may be a centenarian, but it's never been more beautiful. Guests enjoyed the home, gardens, company and food on May 7 to celebrate its 100th birthday.



Chattanooga cooking class

The Sweet & Savory Classroom in Chattanooga provides a variety of cooking classes in which the entire class prepares and enjoys meals while learning skills and techniques. On May 9, staff of our Chattanooga office attended a Night in Havana-themed class with clients and friends for a fun and delicious evening.



Chattanooga Lookouts

Play ball! On May 11, members of the Chattanooga team along with clients and potential new clients attended a Chattanooga Lookouts game. The Minor League Baseball team is a Double-A affiliate of the Cincinnati Reds.



Fly Fishing 101

On May 12, our own Grant Boyd led clients and friends in Knoxville through an informative free class on the basics of fly fishing, including fly tying and casting. Grant also led a similar class in Johnson City for Tri-Cities clients and friends on April 28.



Wise Women

As part of our ongoing Wise Women speaker series, attendees gathered May 18 in Knoxville for an interactive evening called "Women, Wealth and Well-being." With women acquiring more wealth than ever before, members of The Trust Company of Tennessee team shared tools and knowledge to help participants explore options and plan their financial future.



Leadership Knoxville Mayors' Leadership Luncheon

Community members gathered May 19 for the annual Mayors' Leadership Luncheon featuring Mayor Knox White of Greenville, South Carolina. The event also celebrated Sharon Pryse, recipient of the Distinguished Alumnus Award, and the Leadership Knoxville class of 2022, which included our COO, Denise Ledden.



Foothills Land Conservancy Summer Celebration

On May 19, The Trust Company of Tennessee helped support the Foothills Land Conservancy Summer Celebration. Participants celebrated the organization's 37 years of service as a regional land trust.



BRIEF



Embrace Aging Forum

The Trust Company of Tennessee was a title sponsor for the 2022 Embrace Aging Forum presented by Chambliss Law on June 28 in Chattanooga, which featured our own Andy Muldoon, vice president and managing director for the Chattanooga office, as a guest panelist.

The forum was created to connect attendees to resources and perspectives on all areas of senior life, including housing and care, relationships, health and wellness, finances and legal planning.

Information impacting seniors is increasingly important considering projections from the U.S. Census Bureau that in 2030, older people will outnumber children for the first time in history. Financial planning is a crucial piece to ensure peace for you and your loved ones.

Congratulations!

We celebrate the team for again being named among the National Association of Plan Advisors (NAPA) Top Defined Contribution (DC) Advisor Multi-Office Firms. Kudos to Sharon J. Pryse for being named a Leadership Knoxville Distinguished Alumnus and to Denise Ledden for inclusion in the Leadership Knoxville class of 2022.



Entire Team



Sharon J. Pryse
CEO and Founder



Denise Ledden
COO

Service Milestones

We appreciate the dedication of our employees and want to recognize the following team members who are achieving milestone anniversaries this quarter.

5 YEARS



Matt Prince, AIF®
Vice President,
Wealth Management

5 YEARS



Zach Hurst, CFP®
Vice President,
Managing Director -
Chattanooga

10 YEARS



Jack Davidson
CFP®, CPA
Chief Strategy Officer

10 YEARS



Michael Garaza
Customer Service
Representative

15 YEARS



STACY ROETTGER
JD, LL.M.
Chief Legal Officer

20 YEARS



Christy Gray
Administrative
Assistant

UNDERSTANDING INTEREST RATE HIKES

The Federal Reserve recently raised its benchmark interest rate in an effort to curb inflation. It is important to have a general understanding of the reasoning behind this strategy so you can consider any tweaks you may need to make for your saving and investing plan.

The recent Federal Reserve activity specifically focused on increasing the fed funds rate, which is the rate that banks pay to borrow money from each other. In June, the Fed increased this rate by 0.75% – the largest single increase since 1994 – which brings the fed funds target rate to a range of 1.5-1.75%.

Other interest rates are based on the fed funds rate. For example, mortgages, auto loans and other business and personal loans are typically set at a rate higher than the fed funds rate, which impacts interest rates for borrowers. It also impacts interest rates for savers.

The rate that banks pay on deposits for saving accounts or CDs also tends to go up with increases in the fed funds rate.

Although it seems unfortunate to inflict more financial pain on borrowers when we all are feeling the impact of the highest inflation rate in 40 years, interest rate policy is one of the main tools the Fed has to steer the economy and manage inflation.

Simply put: When interest rates go up, it makes the cost of borrowing more expensive, so over time, the demand for things goes down. When demand goes down, prices stabilize, and inflation falls.

The inflation we're currently experiencing is due to an imbalance between supply and demand. The economy and

labor markets are both strong, leading to a lot of demand for things like cars, new clothes and housing. At the same time, we have supply disruptions from the war in Ukraine and continuing supply chain issues around the world due to COVID. The Fed is trying to bring down the demand for these things by raising the cost of borrowing.

The Fed can't control the supply of oil or other commodities, but it can try to reduce demand through these tactics. When it starts working, demand should fall in line with or below the supply, thus making prices fall. We'll then see inflation start to come down.

Things to consider for your saving and investing:

- Keep six months of cash in the bank for living expenses. Invest any additional funds.
- Prices continue to rise, but the Fed anticipates our record high inflation to move downward closer to 2% by the end of 2024.
- What do you need now to fulfill short-term cash needs to meet your regular spending as prices are rising?
- What do you need to save to fulfill long-term cash needs such as funding college or retirement?
- Given the environment of high inflation, consider investments such as stocks since savings rates unfortunately are not keeping up.

If you'd like to talk about how the change in interest rates may impact your personal financial plan, please reach out to your financial advisor, and if you don't have one, we hope you'll consider The Trust Company of Tennessee. We're here to help you navigate the current economic client as we work toward strategies to reach your financial goals.



Miranda Carr
Chief Investment Officer

OUR GROWING TEAM



Michelle Battino
Staff Accountant

Michelle's experience and analytic skills help her provide accurate information for informed decisions.



Daniel Hormandl
Customer Service Representative

Daniel assists retirement plan participants across a wide range of needs, from education and options to updates and disbursements.



Michael Humphrey
Trust Officer

As a point of contact among trust clients, beneficiaries and advisors, Mike serves a crucial role as he delivers on the high standards of client experience.

Staff Spotlight

SUZANNE RONDINONE INVESTMENT SYSTEMS AND OPERATIONS ANALYST

This October will mark 21 years since Suzanne Rondinone first started with The Trust Company of Tennessee. After 19 years working in retirement plan services in operations management, she started a new adventure in the fall of 2020 to get a new performance reporting system ready to launch.

Suzanne is working on implementation of the Black Diamond Wealth Platform, and she is tasked with ensuring that data from a previous system is correct when it moves to the new platform. She researches and reviews exceptions and issues that the system cannot reconcile. Black Diamond has been rolling out and will allow the company to accurately report performance to clients as well as streamline other reports internally and for client use.

“A system is only as good as the data going into it,” said Miranda Carr, chief investment officer and Suzanne’s supervisor. “Suzanne has tracked down every detail to ensure the system is reporting reliably and accurately. She has implemented many processes to manage data coming in from multiple systems. She has been the key player in ensuring the integrity of the data.”

“I’m an operational person and more than happy to be in the data up to my eyeballs,” Suzanne shared. “My success is when I research an issue, find a solution, then work with the necessary players to get it resolved.”

She has enjoyed the challenge of digging into the new system and the satisfaction of getting it running



correctly. “That’s fun for me. That’s why I took this position.”

Suzanne’s role will help clients who use Black Diamond by providing clear, current data and reports with no discrepancies. Clients will be able to easily see their overall financial picture in one place.

In her two decades with the firm, she’s worked in Knoxville, remotely in Washington, D.C., for two years – she holds the distinction of being the company’s first remote employee in 2008 – and today is again 100% remote in Los Alamos, New Mexico, where her husband works at the Los Alamos National Lab.

She appreciates the effort by the company to engage with her even as she works so far away. “The company does a lot of nice things for employees, and they include me when they can,” Suzanne shared. “The other day, for example, they were tie-dying shirts and Lara Fleming (chief people officer) chatted with me and offered to make one for me. Also, the video calls and weekly meetings we have really make such a difference when you work remotely.”

When she’s not analyzing data, Suzanne, her husband, Adam, and their two kids love to explore the region around Los Alamos and go hiking, camping and mountain biking. They’ve crossed Arches, Canyonlands and Grand Canyon national parks off their bucket lists so far!

Join our team

We are looking for great people to join our team of wealth management, trust, estate administration and corporate retirement plan professionals who help our clients live confidently and achieve their goals. Visit [thetrust.com/careers](https://www.thetrust.com/careers) to learn more.

CONTINUING EDUCATION

For more information and to register, visit [thetrust.com/events](https://www.thetrust.com/events).



Aug. 25: The Suitability of Cryptocurrency in 401(k) Plans



Aug. 23: Compounding Complications in Charitable Giving
Sept. 20: Mechanics and Strategies for Resolving Trust Disputes in Charitable Giving



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Tastes of the season:

POTS DE CRÈME

Wow your loved ones with this decadent chocolate, no bake dessert. We won't tell them how easy it was to pull together.



Ingredients

12 oz. semi-sweet
chocolate chips

4 eggs

Dash of salt

1 cup strong hot coffee

Whipped cream (1
cup heavy cream) or
whipped topping

Optional: 1-2 tablespoons
Grand Marnier

Instructions

Add chocolate chips, eggs, salt and Grand Marnier, if using, in a blender and mix until the chocolate chips are broken down.

With the blender running, open the pour spout in the lid and carefully add the coffee in a slow stream. Keep blending for up to one minute for all the ingredients to combine.

Pour evenly into about 8 ramekins, glass jars, dessert cups, sundae bowls or small clear plastic cups. Leave enough room on top for whipped cream. Refrigerate for at least 2 hours.

Before serving, whip 1 cup of heavy cream (feel free to add a touch of Grand Marnier to the whipped cream, too!) or top each serving with a dollop of whipped topping and enjoy!

Adapted from thepioneerwoman.com