

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Tennessee Realtors Political Action Committee
Nashville, Tennessee

Opinion

We have audited the accompanying financial statements of Tennessee Realtors Political Action Committee (a nonprofit organization), which comprise the statement of assets and net assets arising from cash transactions as of December 31, 2024 and the statement of revenue collected and expenses paid for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Tennessee Realtors Political Action Committee as of December 31, 2024, and the changes in its net assets for the year then ended in accordance with the cash basis of accounting as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Tennessee Realtors Political Action Committee and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting described in Note 1, and for determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management for the Financial Statements (Continued)

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Tennessee Realtors Political Action Committee's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Tennessee Realtors Political Action Committee's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Tennessee Realtors Political Action Committee's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Sincerely,
Bellenfant, PLLC

Nashville, Tennessee
February 3, 2025

TENNESSEE REALTORS POLITICAL ACTION COMMITTEE
Financial Report
Year to Date – December 31, 2024

	YEAR TO DATE ACTUAL
INCOME	
RPAC Contributions	1,204,424.08
Interest	<u>27,224.05</u>
TOTAL INCOME	1,231,648.13
DISBURSEMENTS	
NAR RPAC (30%)	350,501.38
Political Party Contributions	383,250.00
Local Disbursements	285,857.68
Credit Card Fees	11,093.08
Bank Fees	655.00
Audit & Accounting Fees	8,135.10
Trustee Conf. Calls/Meetings	824.95
Taxes	4,173.00
Postage/UPS, etc.	350.81
Office Supplies	458.87
RPAC Awards/Pins	769.73
PAC Fees	17,059.08
Administrative Events	68,294.28
Political Expenditures	45,000.00
Lobbying Expenditures	<u>39,600.00</u>
TOTAL DISBURSEMENTS	<u>1,216,022.96</u>
Income Over Disbursements	15,625.17

Tennessee Realtors Political Action Committee
Statement of Financial Position/Balance Sheet - December 31, 2024

CASH IN ACCOUNTS - JANUARY 1, 2024

Checking Account - Pinnacle	\$217,686.14	
Reserve Account - Pinnacle	\$376,700.33	
Reserve Account - Insbank	\$437,053.26	
Total Operating and Reserves		\$1,031,439.73

Income for 2024 **\$1,231,648.13**

Disbursements for 2024 **\$1,216,022.96**

Total – December 31, 2024 **\$1,047,064.90**

CASH IN ACCOUNTS - December 31, 2024

Checking Account- Pinnacle	\$106,365.72	
Reserve Account - Pinnacle	\$484,256.94	
Reserve Account - Insbank	\$456,442.24	
Total Operating and Reserves		\$1,047,064.90

Local Allocations	\$878,176.06	
State Allocation	\$168,888.84	
Total Local and State Allocations		\$1,047,064.90