

**SOUTH BALTIMORE GATEWAY COMMUNITY  
IMPACT DISTRICT MANAGEMENT AUTHORITY**

**Single Audit Together with  
Reports of Independent Public Accountants**

**For the Year Ended June 30, 2025**

**SOUTH BALTIMORE GATEWAY COMMUNITY  
IMPACT DISTRICT MANAGEMENT AUTHORITY**

**Single Audit Together with  
Reports of Independent Public Accountants**

**JUNE 30, 2025**

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## **REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS**

To the Board of Directors of the  
South Baltimore Gateway Community  
Impact District Management Authority

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the balance sheet of the South Baltimore Gateway Community Impact District Management Authority (the Partnership), as of June 30, 2025, and the related statement of revenue, expenditures, and change in fund balance for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the balance sheet of the Partnership as of June 30, 2025 and the respective change in fund balance for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

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 the Partnership's ability to continue as a going concern for one year after the date that the financial statements are available for issuance.

### ***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 GAAS and *Government 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 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 GAAS and *Government 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 controls 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 the Partnership'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 the Partnership'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.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary



information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Partnership's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance) is presented for purposes of additional analysis and are not a required part of the financial statements. The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2025, on our consideration of the Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Partnership's internal control over financial reporting and compliance.

Owings Mills, Maryland  
September 26, 2025

*SB + Company, LLC*



**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON INTERNAL CONTROLS  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of the  
South Baltimore Gateway Community  
Impact District Management Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the South Baltimore Gateway Community Impact District Management Authority (the Partnership) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Partnership's financial statements, and have issued our report thereon dated September 26, 2025.

***Report on Internal Controls over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Partnership's internal controls over financial reporting (internal controls) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal controls. Accordingly, we do not express an opinion on the effectiveness of the Partnership's internal controls.

*A deficiency in internal controls* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal controls, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal controls that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal controls over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal controls over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal controls over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal controls and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Partnership's internal controls or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Partnership's internal controls and compliance. Accordingly, this communication is not suitable for any other purpose.

Owings Mills, Maryland  
September 26, 2025

*SB + Company, LLC*



**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROLS OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

To the Board of Directors of the  
South Baltimore Gateway Community  
Impact District Management Authority

***Opinion on Each Major Federal Program***

We have audited the South Baltimore Gateway Community Impact District Management Authority (the Partnership) compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the Partnership's major federal program for the year ended June 30, 2025. The Partnership's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Partnership complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Partnership's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Partnership's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Partnership's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Partnership's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Partnership's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Partnership's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## Report on Internal Control Over Compliance

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Owings Mills, Maryland  
December 19, 2025



**SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT  
MANAGEMENT AUTHORITY**

**Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025**

<b>Federal Grantor/Pass-Through Grantor Program</b>	<b>Federal Assistance Listing Number</b>	<b>Grantor or Pass-Through Entity Identifying Number</b>	<b>Expenditures</b>	<b>Passed Through to Sub-recipients</b>
<b>U.S. DEPARTMENT OF COMMERCE</b>				
<b>Passed through:</b>				
National Fish and Wildlife Foundation Office for Coastal Management	11.473	Unknown	\$ 4,718,111	\$ -
National Oceanic and Atmospheric Administration Habitat Conservation	11.463	Unknown	4,296,409	-
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<b>Passed through:</b>				
Maryland Department of Emergency Management Building Resilient Infrastructure and Communities	97.047	Unknown	2,318,320	-
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 11,332,840</b>	<b>\$ -</b>

The accompanying notes are an integral part of this Schedule.

**SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT  
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**Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

All federal grant operations of the South Baltimore Gateway Community Impact District Management Authority (the Partnership) are included in the scope of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Single Audit). The Single Audit was performed in accordance with the provisions of the OMB Compliance Supplement (the Compliance Supplement). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for the major grant program noted below. The programs on the Schedule of Expenditures of Federal Awards (the Schedule) represent all federal award programs with fiscal year 2025 cash or non-cash expenditure activities. For our Single Audit testing, we tested the federal award programs below with fiscal year 2025 cash and non-cash expenditures to ensure coverage of at least 20% of federally granted funds. Our actual coverage was 79%.

Expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Partnership has elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

<b>Major Program</b>	<b>Federal Assistance Listing Number</b>	<b>Federal Expenditures</b>
<b>U.S. DEPARTMENT OF COMMERCE</b>		
<b>Passed through:</b>		
National Oceanic and Atmospheric Administration Habitat Conservation	11.463	<u><u>\$ 4,296,409</u></u>
National Fish and Wildlife Foundation Office for Coastal Management	11.473	<u><u>\$ 4,718,111</u></u>

**2. BASIS OF PRESENTATION**

The accompanying Schedule includes the federal award activity of the Partnership under programs of the federal government for the year ended June 30, 2025 and is reported on the accrual basis of accounting.

**SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT  
MANAGEMENT AUTHORITY**

**Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025**

**2. BASIS OF PRESENTATION** (continued)

The information in the Schedule is presented in accordance with Uniform Guidance. Because the Schedule presents only a selected portion of the operations of the Partnership, it is not intended to and does not present the financial position or changes in net assets of the Partnership.

**3. RECONCILIATION TO AUDITED FINANCIAL STATEMENTS**

	<u>Amount</u>
Total expenditures per the Schedule	\$ 11,332,840
Plus: State and local grant expenditures excluded from the Schedule	<u>1,145,335</u>
	12,478,175
Less: Supplemental grant revenue per the FY2025 audited Statement of Revenue, Expenses, and Change in Fund Balance - Governmental Funds	<u>12,478,175</u>
<b>Difference</b>	<u>\$ -</u>

**SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT  
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**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025**

**Section I - Summary of Independent Public Accountants' Results**

**Financial Statements**

Type of Independent Public Accountants' report issued on whether the financial statements were prepared in accordance with GAAP	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Noncompliance material to the financial statements noted?	No

**Federal Awards**

Type of Independent Public Accountants' report issued on compliance for major federal program:	Unmodified
Internal control over major federal program:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None Reported
Audit findings disclosed that are required to be reported in accordance with 2CFR 200.516(a)?	No

**Identification of Major Programs:**

Major Program	Federal Assistance Listing Number	Federal Expenditures
<b>U.S. DEPARTMENT OF COMMERCE</b>		
<b>Passed through:</b>		
National Oceanic and Atmospheric Administration Habitat Conservation	11.463	\$ 4,296,409
National Fish and Wildlife Foundation Office for Coastal Management	11.473	\$ 4,718,111
Threshold for distinguishing between Type A and B programs		\$ 750,000
Did the Partnership qualify as a low risk auditee?		Yes

**SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT  
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**Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2025**

**Section II – Financial Statement Findings**

None noted.

**Section III – Federal Award Findings**

None noted.

**SOUTH BALTIMORE GATEWAY COMMUNITY IMPACT DISTRICT  
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**Schedule of Prior Year Audit Findings and Questioned Costs  
For the Year Ended June 30, 2025**

There were no audit findings for the year ended June 30, 2024.