

APPLICATION FOR EXEMPTION FROM AUDIT

LONG FORM

NAME OF GOVERNMENT
ADDRESS

CONTACT PERSON
PHONE
EMAIL
FAX

Morgan Hill Metropolitan District No. 1
2500 Arapahoe Avenue
Suite 220
Boulder, CO 80302
Steve Rane
303-442-2299
steve@cdgcolorado.com

For the Year Ended
12/31/2017
or fiscal year ended:

CERTIFICATION OF PREPARER

I certify that I am an independent accountant with knowledge of governmental accounting and that the information in the Application is complete and accurate to the best of my knowledge. I am aware that the Audit Law requires that a person independent of the entity complete the application if revenues or expenditure are at least \$100,000 but not more than \$750,000, and that independent means someone who is separate from the entity.

NAME: Kevin Collins

TITLE: Independent Accountant

FIRM NAME (if applicable): CliftonLarsonAllen LLP

ADDRESS: 8390 E Crescent Parkway, Suite 500, Greenwood Village, CO 80111

PHONE: 303-779-5710

DATE PREPARED: February 27, 2018
(Must be Completed prior to Board approval)

RELATIONSHIP TO ENTITY: Independent CPA Firm

PREPARER (SIGNATURE REQUIRED)

SEE ATTACHED ACCOUNTANT'S COMPILATION REPORT

Has the entity filed for, or has the district filed, a Title 32, Article 1 Special District Notice of Inactive Status during the year? [Applicable to Title 32 special districts only, pursuant to Sections 32-1-103 (9.3) and 32-1-104 (3), C.R.S.]

YES	NO
<input type="checkbox"/>	<input checked="" type="checkbox"/>

If Yes, date filed:

PART 1 - FINANCIAL STATEMENTS - BALANCE SHEET

* Indicate Name of Fund

NOTE: Attach additional sheets as necessary.

Line #	Description	Governmental Funds		Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Fund*	Fund*	Fund*	
Assets						
1-1	Cash & Cash Equivalents	\$ 49,584	\$ -	\$ -	\$ -	
1-2	Investments	\$ 488	\$ -	\$ -	\$ -	
1-3	Receivables	\$ 6,510	\$ -	\$ -	\$ -	
1-4	Due from Other Entities or Funds	\$ -	\$ -	\$ -	\$ -	
	All Other Assets (specify)					
1-5	Prepaid expenses	\$ 2,933	\$ -	\$ -	\$ -	
1-6		\$ -	\$ -	\$ -	\$ -	
1-7		\$ -	\$ -	\$ -	\$ -	
1-8		\$ -	\$ -	\$ -	\$ -	
1-9		\$ -	\$ -	\$ -	\$ -	
1-10		\$ -	\$ -	\$ -	\$ -	
1-11	TOTAL ASSETS	\$ 59,515	\$ -	\$ -	\$ -	
1-12	TOTAL DEFERRED OUTFLOWS OF RESOURCES	\$ -	\$ -	\$ -	\$ -	
1-13	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 59,515	\$ -	\$ -	\$ -	
Liabilities						
1-14	Accounts Payable	\$ 20,056	\$ -	\$ -	\$ -	
1-15	Accrued Payroll and Related Liabilities	\$ -	\$ -	\$ -	\$ -	
1-16	Accrued Interest Payable	\$ -	\$ -	\$ -	\$ -	
1-17	Due to Other Entities or Funds	\$ -	\$ -	\$ -	\$ -	
1-18	All Other Current Liabilities	\$ -	\$ -	\$ -	\$ -	
1-19	TOTAL CURRENT LIABILITIES	\$ 20,056	\$ -	\$ -	\$ -	
1-20	All Other Liabilities (specify)	\$ -	\$ -	\$ -	\$ -	
1-21		\$ -	\$ -	\$ -	\$ -	
1-22		\$ -	\$ -	\$ -	\$ -	
1-23		\$ -	\$ -	\$ -	\$ -	
1-24		\$ -	\$ -	\$ -	\$ -	
1-25		\$ -	\$ -	\$ -	\$ -	
1-26		\$ -	\$ -	\$ -	\$ -	
1-27		\$ -	\$ -	\$ -	\$ -	
1-28	TOTAL LIABILITIES	\$ 20,056	\$ -	\$ -	\$ -	
1-29	TOTAL DEFERRED INFLOWS OF RESOURCES	\$ 6,484	\$ -	\$ -	\$ -	
Fund Balance						
1-30	Nonspendable Prepaid	\$ 2,933	\$ -	\$ -	\$ -	
1-31	Nonspendable Inventory	\$ -	\$ -	\$ -	\$ -	
1-32	Restricted (specify): Emergency Reserve	\$ 200	\$ -	\$ -	\$ -	
1-33	Committed: (specify)	\$ -	\$ -	\$ -	\$ -	
1-34	Assigned: Subsequent year's expenditures	\$ 16,849	\$ -	\$ -	\$ -	
1-35	Unassigned:	\$ 12,993	\$ -	\$ -	\$ -	
1-36	TOTAL FUND BALANCE	\$ 32,975	\$ -	\$ -	\$ -	
1-37	TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 59,515	\$ -	\$ -	\$ -	

PART 2 - FINANCIAL STATEMENTS - OPERATING STATEMENT - REVENUES

Line #	Description	Governmental Funds		Description	Proprietary/Fiduciary Funds		Please use this space to provide explanation of any items on this page
		General Fund	Fund*		Fund*	Fund*	
Tax Revenue							
2-1	Property	\$ 4,870	\$ -	Property	\$ -	\$ -	
2-2	Specific Ownership	\$ 378	\$ -	Specific Ownership	\$ -	\$ -	
2-3	Sales and Use Tax	\$ -	\$ -	Sales and Use Tax	\$ -	\$ -	
2-4	Other Tax Revenue (specify):	\$ -	\$ -	Other Tax Revenue (specify):	\$ -	\$ -	
2-5		\$ -	\$ -		\$ -	\$ -	
2-6		\$ -	\$ -		\$ -	\$ -	
2-7		\$ -	\$ -		\$ -	\$ -	
2-8	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ 5,248	\$ -	Add lines 2-1 through 2-7 TOTAL TAX REVENUE	\$ -	\$ -	
2-9	Licenses and Permits	\$ -	\$ -	Licenses and Permits	\$ -	\$ -	
2-10	Highway Users Tax Funds (HUTF)	\$ -	\$ -	Highway Users Tax Funds (HUTF)	\$ -	\$ -	
2-11	Conservation Trust Funds (Lottery)	\$ -	\$ -	Conservation Trust Funds (Lottery)	\$ -	\$ -	
2-12	Community Development Block Grant	\$ -	\$ -	Community Development Block Grant	\$ -	\$ -	
2-13	Fire & Police Pension	\$ -	\$ -	Fire & Police Pension	\$ -	\$ -	
2-14	Grants	\$ -	\$ -	Grants	\$ -	\$ -	
2-15	Donations	\$ -	\$ -	Donations	\$ -	\$ -	
2-16	Charges for Sales and Services	\$ -	\$ -	Charges for Sales and Services	\$ -	\$ -	
2-17	Rental Income	\$ -	\$ -	Rental Income	\$ -	\$ -	
2-18	Fines and Forfeits	\$ -	\$ -	Fines and Forfeits	\$ -	\$ -	
2-19	Interest/Investment Income	\$ 21	\$ -	Interest/Investment Income	\$ -	\$ -	
2-20	Tap Fees	\$ -	\$ -	Tap Fees	\$ -	\$ -	
2-21	Developer Advances	\$ 155,000	\$ -	Developer Advances	\$ -	\$ -	
2-22	All Other (specify): Transfer from Morgan Hill Metro No. 2	\$ 18,165	\$ -	All Other (specify):	\$ -	\$ -	
2-23	Transfer from Morgan Hill Metro No. 3	\$ 86,161	\$ -		\$ -	\$ -	
2-24	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ 264,595	\$ -	Add lines 2-8 through 2-23 TOTAL REVENUES	\$ -	\$ -	
Other Financing Sources							
2-25	Debt Proceeds	\$ -	\$ -	Debt Proceeds	\$ -	\$ -	
2-26	Proceeds from Sale of Capital Assets	\$ -	\$ -	Proceeds from Sale of Capital Assets	\$ -	\$ -	
2-27	Other (specify):	\$ -	\$ -	Other (specify):	\$ -	\$ -	
2-28	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	Add lines 2-25 through 2-27 TOTAL OTHER FINANCING SOURCES	\$ -	\$ -	
2-29	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 264,595	\$ -	Add lines 2-24 and 2-28 TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ -	\$ -	
IF GRAND TOTAL REVENUES AND OTHER FINANCING SOURCES for all funds (Line 2-29) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.					GRAND TOTALS		
					\$ -	\$ -	\$ 264,595

PART 3 - FINANCIAL STATEMENTS - OPERATING STATEMENT - EXPENDITURES

Line #	Description	Governmental Funds		Fund*	Description	Proprietary/Fiduciary Funds		Fund*	Fund*
		General Fund	Fund*			Fund*	Fund*		
Expenditures									
3-1	General Government	\$ 50,562	\$ -	-	General Operating & Administrative	\$ -	\$ -	-	-
3-2	Judicial	\$ -	\$ -	-	Salaries	\$ -	\$ -	-	-
3-3	Law Enforcement	\$ -	\$ -	-	Payroll Taxes	\$ -	\$ -	-	-
3-4	Fire	\$ -	\$ -	-	Contract Services	\$ -	\$ -	-	-
3-5	Highways & Streets	\$ -	\$ -	-	Employee Benefits	\$ -	\$ -	-	-
3-6	Solid Waste	\$ -	\$ -	-	Insurance	\$ -	\$ -	-	-
3-7	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	-	Accounting and Legal Fees	\$ -	\$ -	-	-
3-8	Health	\$ -	\$ -	-	Repair and Maintenance	\$ -	\$ -	-	-
3-9	Culture and Recreation	\$ -	\$ -	-	Supplies	\$ -	\$ -	-	-
3-10	Other (specify):	\$ -	\$ -	-	Utilities	\$ -	\$ -	-	-
3-11		\$ -	\$ -	-	Contributions to Fire & Police Pension Assoc.	\$ -	\$ -	-	-
3-12		\$ -	\$ -	-	Other (specify)	\$ -	\$ -	-	-
3-13		\$ -	\$ -	-		\$ -	\$ -	-	-
3-14	Capital Outlay	\$ 180,973	\$ -	-	Capital Outlay	\$ -	\$ -	-	-
	Debt Service				Debt Service				
3-15	Principal	\$ -	\$ -	-	Principal	\$ -	\$ -	-	-
3-16	Interest	\$ -	\$ -	-	Interest	\$ -	\$ -	-	-
3-17	Bond Issuance Costs	\$ -	\$ -	-	Bond Issuance Costs	\$ -	\$ -	-	-
3-18	Developer Principal Repayments	\$ -	\$ -	-	Developer Principal Repayments	\$ -	\$ -	-	-
3-19	Developer Interest Repayments	\$ -	\$ -	-	Developer Interest Repayments	\$ -	\$ -	-	-
3-20	All Other (specify):	\$ -	\$ -	-	All Other (specify):	\$ -	\$ -	-	-
3-21	Treasurer's Fees	\$ 73	\$ -	-		\$ -	\$ -	-	-
3-22	Add lines 3-1 through 3-21	\$ 231,608	\$ -	-	Add lines 3-1 through 3-21	\$ -	\$ -	-	\$ 231,608
	TOTAL EXPENDITURES				TOTAL EXPENDITURES				
3-23	Interfund Transfers (In)	\$ -	\$ -	-	Net Interfund Transfers (In)	\$ -	\$ -	-	-
3-24	Interfund Transfers Out	\$ -	\$ -	-	Net Interfund Transfers out	\$ -	\$ -	-	-
3-25	Other Expenditures (Revenues):	\$ -	\$ -	-	Depreciation	\$ -	\$ -	-	-
3-26		\$ -	\$ -	-	Other Financing Sources (Uses) (from line 2-28)	\$ -	\$ -	-	-
3-27		\$ -	\$ -	-	Capital Outlay (from line 3-14)	\$ -	\$ -	-	-
3-28		\$ -	\$ -	-	Debt Principal (from line 3-15)	\$ -	\$ -	-	-
3-29	(Add lines 3-23 through 3-28)	\$ -	\$ -	-	(Line 3-26, plus line 3-27, less line 3-24, less line 3-25)	\$ -	\$ -	-	\$ -
	TOTAL TRANSFERS AND OTHER EXPENDITURES				TOTAL GAAP RECONCILING ITEMS				
3-30	Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	\$ 32,987	\$ -	-	Net Increase (Decrease) in Net Position	\$ -	\$ -	-	-
	Line 2-29, less line 3-22, plus line 3-29				Line 2-29, less line 3-22, plus line 3-29, plus line 3-23, less line 3-24	\$ 32,987	\$ -	-	\$ -
3-31	Fund Balance, January 1 from December 31 prior year report	\$ -	\$ (12)	-	Net Position, January 1 from December 31 prior year report	\$ -	\$ -	-	\$ -
3-32	Prior Period Adjustment (MUST explain)	\$ -	\$ -	-	Prior Period Adjustment (MUST explain)	\$ -	\$ -	-	\$ -
3-33	Fund Balance, December 31	\$ 32,975	\$ -	-	Net Position, December 31	\$ -	\$ -	-	\$ -
	Sum of Line 3-30, 3-31, and 3-32	\$ 32,975	\$ -	-	Net Position, December 31	\$ -	\$ -	-	\$ -
	This total should be the same as line 1-36.				Line 3-30 plus line 3-31	\$ -	\$ -	-	\$ -
	This total should be the same as line 1-36.				This total should be the same as line 1-36.	\$ 32,975	\$ -	-	\$ -

IF GRAND TOTAL EXPENDITURES for all funds (Line 3-22) are GREATER than \$750,000 - STOP. You may not use this form. An audit may be required. See Section 29-1-604, C.R.S., or contact the OSA Local Government Division at (303) 869-3000 for assistance.

PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

Please use this space to provide any explanations or comments:

	Outstanding at beginning of year*	Issued during year	Retired during year	Outstanding at year-end	YES	NO
4-1	Does the entity have outstanding debt?				<input checked="" type="checkbox"/>	<input type="checkbox"/>
4-2	Is the debt repayment schedule attached? If no, MUST explain: Developer Advances are not general obligation debt and payments are made upon availability of funds.				<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-3	Is the entity current in its debt service payments? If no, MUST explain: Developer Advances are not general obligation debt and payments are made upon availability of funds.				<input type="checkbox"/>	<input checked="" type="checkbox"/>
4-4	Please complete the following debt schedule, if applicable: (please only include principal amounts)					
	General obligation bonds	\$ -	\$ -	\$ -		
	Revenue bonds	\$ -	\$ -	\$ -		
	Notes/Loans	\$ -	\$ -	\$ -		
	Leases	\$ -	\$ -	\$ -		
	Developer Advances	\$ -	\$ 155,000	\$ -		\$ 155,000
	Other (specify):	\$ -	\$ -	\$ -		\$ -
	TOTAL	\$ -	\$ 155,000	\$ -		\$ 155,000

*must agree to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

	How much?	Date the debt was authorized:	Does the entity intend to issue debt within the next calendar year?	YES	NO
4-5	Does the entity have any authorized, but unissued, debt?	\$ 119,000,000		<input checked="" type="checkbox"/>	<input type="checkbox"/>
	If yes:	11/4/2008			
4-6	Does the debt was authorized:	\$ -		<input type="checkbox"/>	<input checked="" type="checkbox"/>
	If yes:				
4-7	Does the entity have debt that has been refinanced that it is still responsible for?	\$ -		<input type="checkbox"/>	<input checked="" type="checkbox"/>
	If yes:				
4-8	Does the entity have any lease agreements?	\$ -		<input type="checkbox"/>	<input checked="" type="checkbox"/>
	If yes:				
4-9	What is being leased?				
	If yes:				
	What is the original date of the lease?				
	Number of years of lease?				
	Is the lease subject to annual appropriation?				
	What are the annual lease payments?				
	Does the entity have a certified mill levy?				
	Please provide the following mills levied for the year reported (do not enter \$ amounts):				
	Bond Redemption	\$ 0.00			
	General/Other	\$ 50,000			
	TOTAL	\$ 50,000			

PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

Please use this space to provide any explanations or comments:

	YEAR-END Total of ALL Checking and Savings accounts	AMOUNT	TOTAL	
5-1	Certificates of deposit	\$ 49,584		
5-2	Investments (if investment is a mutual fund, please list underlying investments):	\$ -	\$ 49,584	
	CSAFE	\$ 488		
		\$ -		
		\$ -		
		\$ -		
	TOTAL CASH DEPOSITS		\$ 49,584	
	TOTAL INVESTMENTS		\$ 488	
	TOTAL CASH AND INVESTMENTS		\$ 50,072	

Please answer the following question by marking in the appropriate box

	Are the entity's investments legal in accordance with Section 24-75-601, et. seq., C.R.S.?	YES	NO
5-4	Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)? If no, MUST explain:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5-5		<input checked="" type="checkbox"/>	<input type="checkbox"/>

PART 6 - CAPITAL ASSETS

Please answer the following question by marking in the appropriate box

Please use this space to provide any explanations or comments:

- 6-1 Does the entity have capitalized assets? YES NO
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.? If no, MUST explain: YES NO

Complete the following Capital Assets table for GOVERNMENTAL FUNDS:		Balance - beginning of the year**	Additions	Deletions	Year-End Balance
Land		\$ -	\$ -	\$ -	\$ -
Buildings		\$ -	\$ -	\$ -	\$ -
Machinery and equipment		\$ -	\$ -	\$ -	\$ -
Furniture and fixtures		\$ -	\$ -	\$ -	\$ -
Infrastructure		\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)		\$ 73,357	\$ 180,973	\$ -	\$ 254,330
Other (explain):		\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 73,357	\$ 180,973	\$ -	\$ 254,330
Complete the following Capital Assets table for PROPRIETARY FUNDS:		Balance - beginning of the year**	Additions	Deletions	Year-End Balance
Land		\$ -	\$ -	\$ -	\$ -
Buildings		\$ -	\$ -	\$ -	\$ -
Machinery and equipment		\$ -	\$ -	\$ -	\$ -
Furniture and fixtures		\$ -	\$ -	\$ -	\$ -
Infrastructure		\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)		\$ -	\$ -	\$ -	\$ -
Other (explain):		\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation (Enter a negative, or credit, balance)		\$ -	\$ -	\$ -	\$ -
TOTAL		\$ -	\$ -	\$ -	\$ -

**must agree to prior year ending balance

PART 7 - PENSION INFORMATION

Please answer the following question by marking in the appropriate box

Please use this space to provide any explanations or comments:

- 7-1 Does the entity have an "old hire" firemen's pension plan? YES NO
- 7-2 Does the entity have a volunteer firemen's pension plan? YES NO

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):

State contribution amount:

Other (gifts, donations, etc.):

TOTAL

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?

PART 8 - BUDGET INFORMATION

Please answer the following question by marking in the appropriate box

YES NO N/A

Please use this space to provide any explanations or comments:

- 8-1 Did the entity file a current year budget with the Department of Local Affairs, in accordance with Section 29-1-113 C.R.S.? If no, MUST explain: YES NO N/A
- 8-2 Did the entity pass an appropriations resolution in accordance with Section 29-1-108 C.R.S.? If no, MUST explain: YES NO N/A

If yes: Please indicate the amount appropriated for each fund for the year reported

Fund Name	Budgeted Expenditures
General Fund	\$ 5,130,773
	\$ -
	\$ -
	\$ -

PART 9 - TAX PAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

YES NO

Please use this space to provide any explanations or comments:

- 9-1 Is the entity in compliance with all the provisions of TABOR (State Constitution, Article X, Section 20(5))?
Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR. YES NO

PART 10 - GENERAL INFORMATION

Please answer the following question by marking in the appropriate box

YES NO

Please use this space to provide any explanations or comments:

- 10-1 Is this application for a newly formed governmental entity? YES NO
- 10-2 Has the entity changed its name in the past or current year?
If Yes:
NEW name _____
PRIOR name _____
- 10-3 Is the entity a metropolitan district? YES NO
- 10-4 Please indicate what services the entity provides:
- 10-5 Does the entity have an agreement with another government to provide services?
If yes: List the name of the other governmental entity and the services provided:

Please use this space to provide any explanations or comments:

10-4: Sanitary and storm sewer, water, streets, traffic and safety controls, parks and recreation, mosquito control, fire protection, security, television relay and transmission, and public transportation.

10-5: Morgan Hill Metropolitan District Nos. 2 and 3. The Districts will collectively finance the construction and specific public improvements for Morgan Hill development.

Please use this space to provide any additional explanations or comments not previously included:

OSA USE ONLY

Entity Wide:	General Fund	Governmental Funds	Notes
Unrestricted Cash & Investments	\$ 50,072	\$ 29,842	\$ 5,248
Current Liabilities	\$ 20,056	\$ 32,975	\$ -
Deferred Inflow	\$ 6,484	\$ (12)	\$ 264,595
	Total Fund Balance	Total Revenue	Total Debt Service Principal
	Total Expenditures	Total Debt Service Interest	Total Debt Service Interest
	Interfund In	Enterprise Funds	Enterprise Funds
	Interfund Out	Net Position	Net Position
	- Proprietary	- PY Net Position	- PY Net Position
	- Current Assets	- Government-Wide	- Government-Wide
	4,870	- Total Outstanding Debt	- Total Outstanding Debt
	Total Cash & Investments	- Authorized but Unissued	- Authorized but Unissued
	Total Developer Repayments	- Year Authorized	- Year Authorized
	Total Developer Repayments	-	-
	Total Expenditures	-	-
	Total Cash & Investments	-	-
	Total Developer Repayments	-	-
	Total Developer Repayments	-	-

PART 12 - GOVERNING BODY APPROVAL

Please answer the following question by marking in the appropriate box

12-1 Have you read the new Electronic Signature Policy and do you plan on submitting signatures in accordance with this policy? YES NO

Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedures

Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
 - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
 - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.

Below is the certification and approval of the governing board. By signing the board member is certifying they are a duly elected or appointed officer of the local government. Governing board members may be verified. Also by signing, the board member certifies that this Application for Exemption from Audit has been prepared consistent with Section 29-1-604, C.R.S., which states that a governmental agency with revenue and expenditures of \$750,000 or less must have an application prepared by an independent accountant with knowledge of governmental accounting; completed to the best of their knowledge and is accurate and true. Use additional pages if needed.

Print the names of all current governing board members below.

Print Board Member's Name	
Board Member 1	Jon R. Lee <small>Print Board Member's Name</small>
Board Member 2	Jessica Brothers <small>Print Board Member's Name</small>
Board Member 3	Steve Rane <small>Print Board Member's Name</small>
Board Member 4	<small>Print Board Member's Name</small>
Board Member 5	<small>Print Board Member's Name</small>
Board Member 6	<small>Print Board Member's Name</small>
Board Member 7	<small>Print Board Member's Name</small>

A MAJORITY of the governing board members must complete and sign in the column below.	
	I, Jon R. Lee, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: May 2018
	I, Jessica Brothers, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: May 2020
	I, Steve Rane, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: May 2018
	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
	I, _____, attest that I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

Accountant's Compilation Report

Board of Directors
Morgan Hill Metropolitan District No. 1
Weld County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of Morgan Hill Metropolitan District No. 1 as of and for the year ended December 31, 2017, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
February 27, 2018



CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

February 27, 2018

Office of the State Auditor
Local Government Audit Division
1525 Sherman St., 7th Floor
Denver, CO 80203

Enclosed are copies of the Application for Exemption from Audit for Morgan Hill Metropolitan District No. 1 for the year ended December 31, 2017. Please mail the Acceptance of Exemption from Audit directly to our offices at:

8390 E. Crescent Pkwy, Suite 500
Greenwood Village, CO 80111

If you have any questions concerning this report, please contact us at (303) 779-5710.

Very truly yours,

A handwritten signature in black ink that reads 'CliftonLarsonAllen LLP' in a cursive script.

CliftonLarsonAllen LLP
Certified Public Accountants & Consultants

Enclosures



CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

February 27, 2018

**Board of Directors
Morgan Hill Metropolitan District No. 1
Weld County, Colorado**

Dear Board Members:

Enclosed are two (2) copies each of the Application for Exemption from Audit for 2017 for the Morgan Hill Metropolitan District No. 1.

These forms must be signed by the majority of members of the Board of Directors. Please return both signed copies to our office so that we may submit them to the State Auditor no later than **March 31, 2018**. We will send a copy to the District's attorney.

If you have any questions regarding this, please contact us at 303-779-5710.

Very truly yours,

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP
Certified Public Accountants & Consultants

Enclosures