

Jackson-Canton Joint Economic Development District SM
Stark County, Ohio

Notes to the Basic Financial Statements
For the Year Ended December 31, 2019

As part of a Job Creation Agreement entered into by all parties on December 27, 2017, for the first 10 years of the JEDD SM agreement, the distribution of the employee withholdings income tax will be 25% to the Township, 75% to the City through June 30, 2018. As part of the agreement, the City will then refund 50% back to Stolle Machinery. Effective with the new .5% tax levy, the split will be 20% Township and 80% City.

After 10 years, the income tax will not be subject to a refund to Stolle Machinery; the Township and the City will each receive 50% of the income tax revenue collected. The JEDD SM shall set aside 1% of the income tax collected for long-term maintenance of the JEDD SM, provided the amount does not exceed \$500 annually without consent of the contracting parties.

Note 4– Contributions

As part of the contract forming the JEDD SM, the City provides certain services to the JEDD SM. The Treasurer of the City is the Administrator of the income tax of JEDD SM. The Administrator is responsible for the receipt, safekeeping and investment of the income tax receipts collected within the JEDD SM. The Administrator may utilize the personnel of the City's Division of Taxation and others to assist in carrying out the duties of the Administrator. The fair value of the services provided are not determined and not recorded in the financial statements.

Note 5– Contractual Commitments

The JEDD SM has no contractual commitments at December 31, 2019.

Note 6– Subsequent Events

The JEDD SM has evaluated subsequent events through the date of the "Independent Compilation Report," the date on which the financial statements were available to be issued. There were no events requiring disclosure.