



Dave Yost • Auditor of State



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Village of Zanesfield
Logan County
PO Box 62
Zanesfield, Ohio 43360

We have completed certain procedures in accordance with Ohio Rev. Code Section 117.01(G) to the accounting records and related documents of the Village of Zanesfield, Logan County, (the Village) for the years ended December 31, 2015 and 2014.

Our procedures were designed solely to satisfy the audit requirements of Ohio Rev. Code Section 117.11(A). Because our procedures were not designed to opine on the Village's financial statements, we did not follow *generally accepted auditing standards*. We do not provide any assurance on the Village's financial statements, transactions or balances for the years ended December 31, 2015 and 2014.

The Village's management is responsible for preparing and maintaining its accounting records and related documents. Our responsibility under Ohio Rev. Code Section 117.11(A) is to examine, analyze and inspect these records and documents.

Current Year Observations

1. We noted the Village did not file its 2015 annual financial report with the Auditor of State until March 21, 2016. **Ohio Rev. Code §117.38** states each public office, other than a state agency, shall file a financial report for each fiscal year. The report shall be certified by the proper officer or board and filed with the Auditor of State within sixty days after the close of the fiscal year.

The Fiscal Officer should implement procedures to ensure the proper deadline is met for filing to help avoid penalties and fees.

2. We noted the Village did not withhold federal income taxes from any employee payroll checks in 2014 or 2015. In addition, the Village only withheld state income taxes from two employees in 2014 and 2015. Additionally, the Village did not withhold social security taxes from Council member paychecks in 2014 or 2015. The Village notified employees at the beginning it would not withhold federal or state taxes; however calculations were not performed to determine if withholding were required.

Current Year Observations (Continued)

26 USC §3402 requires employers to deduct and withhold federal income taxes. **Ohio Rev. §5747.06(A)** requires employers to deduct and withhold state income taxes. Additionally, **26 USC §3102** requires the deduction of Social Security Tax from wages of employees.

The Village should calculate applicable withholdings for federal and state income taxes each pay period to determine if withholdings are required and should be remitted to the applicable agencies. The Village should contact the appropriate agencies to determine if prior amounts should be remitted. Our prior audit also reported this noncompliance.

A handwritten signature in black ink that reads "Dave Yost". The signature is written in a cursive style with a large, looping initial "D".

Dave Yost
Auditor of State

May 9, 2016



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VILLAGE OF ZANESFIELD

LOGAN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
MAY 24, 2016