

BEFORE THE DELAWARE STATE FIRE COMMISSION

In re: Citizens hose Fire Company

ORDER

At its meeting on July 16, 2019, the Delaware State Fire Prevention Commission received a report indicating that Citizens Hose Fire Company requested an extension of time to file annual financial audit, due July 15, 2019. *See* 16 *Del. C.* § 6608; 1 DE ADMIN. CODE 708.4.1. Because the Commission may grant an extension only “upon a showing of hardship,” the Commission scheduled a hearing for Citizens to justify its request. On August 19, 2019, the Commission held a hearing on Citizen’s request for an extension.

Summary of the Evidence

Jonathan Rutledge, Treasurer for Citizens testified on behalf of Citizens. Mr. Rutledge explained that Citizens experienced a corrupted file issue in preparing documents for the audit for Citizens’ investment and accounting firms and that a number of people from these firms had scheduled vacations during this time and when the request for additional time was made. Citizens has worked with these firms for a number of years, but has not changed investment firms. In the future, Citizens will consider penalties against firms where they are the cause for needing additional time. Mr. Rutledge also testified that Citizens is working on a standard

operating procedure to ensure that future audits are timely submitted. He further testified that this is the first time that Citizens has had this issue.

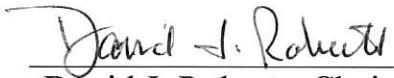
Findings of Fact and Conclusions of Law

Each Delaware fire company is required to submit an annual financial audit for review to the Commission pursuant to 16 *Del. C.* § 6608. The Commission is empowered to promulgate regulations governing the audit process, including “specifying the required types of audits, the reporting periods, procedures for reviewing the audits and the processes to be followed in the event a company fails to submit or submits an inadequate audit.” 16 *Del. C.* § 6608(a). The statute further provides that the Commission has the authority, after a hearing, to impose a civil penalty of up to \$100 for each day a fire company fails to comply with any regulation promulgated under Section 6608. The Commission’s regulations require that audits be submitted by July 15 of each year. 1 DE ADMIN. CODE 708.4.1. Extensions may be granted only where there is a showing of “hardship,” which is defined as something “beyond the company’s control.” 1 DE ADMIN. CODE 708.4.2. “The Commission’s decision on the extension request shall be final.” *Id.*


Here, Citizens submitted its request for an extension on July 10, 2019. Based upon the credible testimony of Mr. Rutledge, a majority of the Commissions concluded at the August 19, 2019 hearing that Citizens’ inability to submit a timely audit was due to a hardship as defined by the Commission’s regulation.

Accordingly, the request for a 45-day extension under the circumstances described by Citizen's is granted.

IT IS SO ORDERED, this 17th day of September, 2019 by the Commission:



David J. Roberts, Chairman



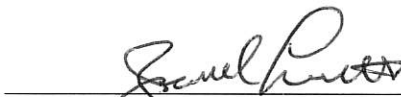
Alan Robinson, Jr. Vice Chairman



Lynn Truitt



Ron Marvel



Joe Leonetti, Sr.



Richard T. Perillo



William Kelly