



Payments by Members

Governance Section: Finance

Revision Date: 6/26/2026

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Purpose

To establish a policy setting due dates and exceptions for payment of contributions, assessments, and fees by Members to the Pool.

Authority

1. RCW 19.52.010
2. Interlocal Agreement, Section 13c (All Members shall pay contributions, assessments, and fees promptly when due.)
3. Member Corrective Action and Termination Policy.

Policy Statement

The Pool receives most Member payments at the beginning of each calendar year. However, other payments are due to the Pool periodically throughout the year. Terms for such payments are as follows:

1. Payment of Annual Assessment – Members will pay their annual assessment and Prior Period Assessment Audit (PPAA) by the last business day of January of the year in which they are due.
2. Payment of Other Assessments, Deductibles or Services – Payment for other services, such as bonds or stand-alone insurance products specific to the Member, deductibles for claims, or training or loss prevention services or projects shall be payable within 30 days of the receipt of the Pool's invoice.
3. Payment of Special Assessments – Should the Pool experience financial hardship resulting in a special assessment to the Members, payment terms will be determined by Board direction.

Financial Hardship

Should a Member anticipate it cannot pay its annual assessment/PPAA by its due date because of financial hardship, the Member may ask for special consideration prior to the due date. Such requests will be made to the Executive Director in writing. Payment of the annual assessment/PPAA amount plus interest on the balance owed as noted below:

1. The Pool may allow up to five payments depending on the needs of the Member as determined by the Executive Director at the time of the request by the Member.
2. The Member shall have their annual assessment/PPAA (including the interest) as defined by the alternative payment plan, paid in full by the last business day of May.
3. The interest rate shall be set using an average of the prior six months interest earned in the Thurston County Investment Pool, **plus** 3 percent (3/100). Once set, the interest rate will remain constant for the duration of the approved payment plan.
4. The alternative payment plan shall be documented in writing and signed by the Member and the Executive Director.
5. The Executive Director will notify the Executive Committee of any alternative payment plans.
6. Failure to follow the alternative payment plan will result in termination of the payment plan and the remaining balance will become immediately due (see Member Corrective Action and Termination Policy).



Late Payments

1. Members Annual Assessment and PPAA are due by the last business day of January. If payment is not received by WSTIP within 10 business days of the due date the Pool shall assess an annual interest rate upon the Member. The interest rate shall be set using an average of the prior six months interest earned in the Thurston County Investment Pool (TCIP). If the payment is not received by WSTIP within 30 calendar days of the due date the Pool shall assess an additional 3 percent (3/100) interest (above the average of the prior six months interest earned in TCIP) on the Member with this additional interest starting to accrue after the 30-day mark (it is not retroactive to original due date). The total interest rate assessed shall not exceed the statutory maximum which is currently twelve percent.
2. The Pool shall then issue a notice of non-payment to the Chief Executive Officer and the Member Representatives of the Member.
3. If payments of the Annual Assessment/PPAA or Special Assessment is not received by February 28, the Pool or Executive Director shall take Corrective Action as established by the Member Corrective Action and Termination Policy.
4. Interest on the assessment will be due 45 days after invoiced. If payment is not received the Pool or Executive Director shall take Corrective Action as established by the Member Corrective Action and Termination Policy.
5. For late payment of all other assessments, deductibles or services, the Pool shall leverage interest, as already stated (the average of the prior six months interest earned in TCIP), if payment is not received within 10 business days of the due date.
6. Received by WSTIP means when the payment is received at the lockbox (does not apply to postmark date) or it has been electronically deposited in the WSTIP account.
7. If not received within ten (10) business days interest on Members Annual Assessment and PPAA will be assessed starting the first business day of February as outlined in #1 above.
8. A notice of intent to appeal must be made in writing received by the Executive Director within one (1) business day before the February EC Meeting or it will not be considered. Any appeal of the interest assessment shall be made to the Executive Committee (EC) and will be heard during the February EC meeting. Notification of an appeal does not stop interest from accruing.

Amendment

This policy may be amended by the Board of Directors.

Repealer and Policy History

This policy repeals any prior policy or practice by the Pool on this topic. New Policy in 2020. Policy amended to reference Member Corrective Action and Termination Policy April 2023. Policy amended March 2024 adding late payments section and the RCW. Policy was amended in March 2025 to add clarity to Late Payments. Policy was amended following the March 2026 Board meeting to clarify due dates of both the annual assessment and PPAA and to incorporate changes to the Late Payments section. At the June 2026 meeting the policy changed from an Executive Committee policy to a Board of Directors policy.

Passed by the Board of Directors on June 26, 2026.

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Scott Deutsch

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Scott Deutsch, President

Attest:

Signed by:

Shawn Larson

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Shawn Larson, Secretary

Approved as to form:

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Richard L. Hughes

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Richard L. Hughes, General Counsel