



Payments by Members

Governance Section: Finance

Revision Date: 3/28/2024

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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 by January 31 of the year in which Annual Assessments are due, or 30 days post receipt of the Pool's invoice, whichever is later.
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 by its due date because of financial hardship, the Member may ask for special consideration. Such requests will be made to the Executive Director. Payment of the annual assessment 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 (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** 5 percent (5/100). 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. Should WSTIP fail to receive a Members Annual Assessment by January 31 without declaring Financial Hardship, the Pool shall leverage upon the Member an annual interest rate of twelve percent as authorized by law. The Pool shall also issue a notice of non-payment to the Chief Executive Officer of the Member. If payment of the Annual Assessment or Special Assessment is not received by February 14, the Executive Director shall take corrective action as established by the Member Corrective Action and Termination Policy. For late payment of all other assessments, deductibles or services, the Pool shall leverage interest, as already stated, if payment is not received within 14 calendar days of the due date.


Amendment

The Executive Committee may amend this policy.


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.


Passed by the Executive Committee on March 28, 2024.

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 Shonda Shipman, President

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 Monique Liard, Secretary

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 Richard L. Hughes, General Counsel