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CLASS A
SOLID WASTE COLLECTION COMPANIES
ANNUAL AFFILIATED INTEREST AND SUBSIDIARY REPORT

Sanitary Service Company, Inc. 21 Bellwether Way, Ste 404 Bellingham, WA 98225
Full name and address of Company

Correct name and address, if different than shown

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
for the
YEAR ENDED DECEMBER 31, 2013

<i>For Commission Use Only</i>	
Reception Number: _____	001-111-02-68-227-11: _____ Ref. No. _____
001-111-02-68-227-01: _____	001-111-02-68-032-05: _____

Original form to be mailed to the Washington Utilities and Transportation Commission, PO Box 47250, Olympia, WA 98504-7250
Web Site: www.wutc.wa.gov

CERTIFICATION

I certify that I, Amber L. Jones, the responsible official for Sanitary Service Company, Inc. and Blaine-Bay Refuse, Inc., have examined the attached Annual Affiliated Interest and Subsidiary Report; that to the best of my knowledge, information, and belief all statements of fact contained in said report are true, and said report is a correct statement of the affiliated interest and subsidiary transactions of Sanitary Service Company, Inc. and Blaine-Bay Refuse, Inc. in respect to each and every matter set forth therein during the period from January 1 to December 31, 2013, inclusive.

Name (Printed): Amber L. Jones

Title: CFO

Signature: 

Date: 4-29-14

SOLID WASTE ANNUAL AFFILIATED INTEREST REPORT

Schedule 1 – Identification and Organization of Company, Affiliates, and Subsidiaries

1. Company Identification:

Full and Exact Name: Sanitary Service Company, Inc. Solid Waste Certificate No. 14

Doing Business As: N/A

2. Annual Report/Accounting Contact Person:

Name: Amber Jones Title: CFO

Mailing Address: P.O. Box 1702 City/State/Zip: Bellingham, WA 98227-1702

Physical Address: 21 Bellwether Way, Ste 404 City/State/Zip: Bellingham, WA 98225

Telephone

Number: (360) 734-3490 FAX Number: (360) 650 9545

E-mail Address: amber@ssc-inc.com Web Site Address: ssc-inc.com

3. Type of Business Structure (check that which applies):

Sole Proprietorship Partnership Corporation Other (LP, LLP, LLC, etc.) _____

4. Affiliated interests and subsidiaries:

a. Affiliated interest or subsidiary:

Blaine-Bay Refuse, Inc. (subsidiary of Sanitary Service Company, Inc.)
Patrick Dunn and Associates, Ltd.

b. Address:

Blaine-Bay Refuse, Inc. Patrick Dunn and Associates, Ltd.
21 Bellwether Way, Ste 404 13531 Northshire Road N. W.
Bellingham, WA 98225 Seattle, WA 98177

c. Corporate organization chart:

Attached

4. Verified copies of affiliated interest contracts and arrangements:

None

5. Summary of transactions:

Blaine-Bay Refuse, Inc.:
Equipment Rent (SSC pays BBR \$8,000.00/month or \$96,000.00/year.)

Patrick Dunn and Associates, Ltd.:
Management services (Payments exceed \$100,000, see below.)

Schedule 2 – Additional information required by WAC 480-70-079(3)

(a) Balance sheet and income statement:

Attached for Patrick Dunn and Associates, Ltd.

(b) Description of products or services and (f) description of activities:

Patrick Dunn, President of Patrick Dunn & Associates, Ltd., as an individual, is a director on SSC's board. He has no ownership interest in SSC. Mr. Dunn performs business and managerial services for SSC. He advises the President and participates in analysis and decision-making regarding management, operational, personnel, and financial matters on an ongoing basis. Mr. Dunn implements decisions and carries out tasks related to the company's operations and regulated activities. Mr. Dunn attends company management meetings, supplements SSC's managerial team, and performs functions similar to those commonly undertaken by in-house corporate executive personnel.

(c) Description of pricing basis:

In 2013, SSC paid Mr. Dunn's firm \$12,500 for lobbying services. Payments for lobbying services are entirely excluded from SSC's regulated accounts, and have no impact on rate payers. In 2013, SSC paid Mr. Dunn's firm \$226,000 for managerial consulting services. The compensation paid to Mr. Dunn by SSC for managerial consulting services is calculated based on the fair market rate for annual compensation for an executive level position performing comparable functions, and payment is prorated in equal monthly installments. A portion of that compensation is included in SSC's regulated accounts, and allocated to the extent Mr. Dunn's services are for the benefit of the company's regulated activities and its customers.

(d) Description of loans:

None

(e) Description of any obligations or liabilities assumed:

None

(g) List all common officers and directors:

Name	Company Title	Affiliated Interest Title
Patrick Dunn	Director, SSC	Owner, Patrick Dunn & Associates,

PATRICK DUNN & ASSOCIATES, LTD

Balance Sheet

As of December 31, 2013

Dec 31, 13

ASSETS

Current Assets

Checking/Savings

Shoreline Bank Checking 105,303.62

Total Checking/Savings 105,303.62

Total Current Assets 105,303.62

Fixed Assets

Equipment - Sec 179

Depreciation -16,452.24

Original Cost 16,452.24

Total Equipment - Sec 179 0.00

Furniture, Fixtures & Equipment

Depreciation -12,458.27

Original Cost 12,458.27

Total Furniture, Fixtures & Equipment 0.00

Leasehold Improvements

Depreciation -31,495.85

Original Cost 51,268.24

Total Leasehold Improvements 19,772.39

Transportation Equipment

Depreciation -70,354.15

Original Cost 40,391.93

Transportation Equipment - Other 29,962.22

Total Transportation Equipment 0.00

Total Fixed Assets 19,772.39

TOTAL ASSETS 125,076.01

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Credit Cards

VISA - Alaska Airlines 2562 750.37

Total Credit Cards 750.37

Other Current Liabilities

Other Current Liabilities

Payroll Liabilities -23.20

PATRICK DUNN & ASSOCIATES, LTD

Balance Sheet

As of December 31, 2013

Dec 31, 13

Total Other Current Liabilities	<u>-23.20</u>
Total Other Current Liabilities	<u>-23.20</u>
Total Current Liabilities	<u>727.17</u>
Total Liabilities	727.17
Equity	
Capital Stock	1,000.00
Distribution - S-Corp Dividends	-709,304.32
Opening Bal Equity	118,334.89
Retained Earnings	614,880.04
Net Income	<u>99,438.23</u>
Total Equity	<u>124,348.84</u>
TOTAL LIABILITIES & EQUITY	<u><u>125,076.01</u></u>

PATRICK DUNN & ASSOCIATES, LTD

Profit & Loss

January through December 2013

Jan - Dec 13

Ordinary Income/Expense

Income

CONSULTING INCOME

PWD	640,325.00
Schlatter	23,250.00
Ziegler	2,000.00

Total CONSULTING INCOME 665,575.00

LOBBYING Income

PWD	90,582.00
Schlatter	8,500.00

Total LOBBYING Income 99,082.00

Reimbursed Expenses 30,935.64

Total Income 795,592.64

Gross Profit 795,592.64

Expense

Automobile Expense

Vehicle Expenses - Other 3,931.44

Total Automobile Expense 3,931.44

Bank Charges 75.00

CLIENT EXPENSES-Reimbursable 15,376.49

Computer Software & Training 926.96

Customer Development 8,771.65

Donations - Charitable 113,825.98

Donations - Political 6,197.43

Dues 6,057.42

Education 902.79

Insurance

Insurance - Other 4,697.52

Total Insurance 4,697.52

Licenses and Permits 364.25

Maintenance 1,339.33

Non-Employee Compensation 38,550.00

Non-employee expenses 391.78

Office Moving Expense 40.00

Office Supplies 5,695.95

Payroll Expenses

Officer Salary 280,000.00

Payroll Expenses - Other 48,000.00

Total Payroll Expenses 328,000.00

PATRICK DUNN & ASSOCIATES, LTD

Profit & Loss

January through December 2013

Jan - Dec 13

Payroll Tax Expense	
FUTA	1,850.84
Social Security & Medicare	14,781.40
Total Payroll Tax Expense	<u>16,632.24</u>
Postage and Delivery	1,627.29
Printing and Reproduction	591.92
Professional Fees	
Accounting	3,015.00
Bookkeeping	636.00
Professional Fees - Other	982.00
Total Professional Fees	<u>4,633.00</u>
Rent - Condominium	3,200.00
Rent - Office	9,537.00
Repairs	
Condo	499.71
Total Repairs	<u>499.71</u>
Retirement Expenses	
Retirement - Pat	0.00
SEP -IRA	69,500.00
Total Retirement Expenses	<u>69,500.00</u>
Subscriptions	1,636.76
Taxes	
Federal	41.32
Local	2,331.25
State	
Toll Fees	100.00
State - Other	13,340.41
Total State	<u>13,440.41</u>
Total Taxes	15,812.98
Telephone/Cable/Broadband	10,039.78
Travel & Ent	
Entertainment	201.80
Meals	13,027.85
Travel	
Parking	864.69
Travel - Other	11,363.75
Total Travel	<u>12,228.44</u>

PATRICK DUNN & ASSOCIATES, LTD

Profit & Loss

January through December 2013

Jan - Dec 13

Total Travel & Ent	25,458.09
Utilities	
Gas and Electric	992.68
Lacey Water/Sewer	878.38
Total Utilities	<u>1,871.06</u>
Total Expense	<u>696,183.82</u>
Net Ordinary Income	99,408.82
Other Income/Expense	
Other Income	
Interest Income	29.41
Total Other Income	<u>29.41</u>
Net Other Income	<u>29.41</u>
Net Income	<u><u>99,438.23</u></u>

Sanitary Service Company, Inc.
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Blaine Bay Refuse
100% stock owned by SSC

Directors & Officers:
Paul Razore - Director/President/Treasurer/Secretary
Patrick Dunn - Director
Joan Razore - Director
Mike Torre - Director
Joseph M. Razore - Director
Amber Jones - Vice President