

2  
0  
1  
8

**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, 2018**

***For Commission Use Only***

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](http://www.wutc.wa.gov)

## CERTIFICATION

I certify that I, Paul Razore, 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, 2018, inclusive.

Name (Printed): Paul Razore

Title: President

Signature: Paul Razore

Date: 2.5.19

# 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:	<u>Paul Razore</u>	Title:	<u>President</u>
Mailing Address:	<u>P.O. Box 1702</u>	City/State/Zip:	<u>Bellingham, WA 98227-1702</u>
Physical Address:	<u>21 Bellwether Way, Ste 404</u>	City/State/Zip:	<u>Bellingham, WA 98225</u>
Telephone Number:	<u>(360) 734-3490</u>	FAX Number:	<u>(360) 650 9545</u>
E-mail Address:	<u>paulr@ssc-inc.com</u>	Web Site Address:	<u>ssc-inc.com</u>

### 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:

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

#### 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 2018, SSC paid Mr. Dunn's firm \$15,000 for lobbying services. Payments for lobbying services are entirely excluded from SSC's regulated accounts, and have no impact on rate payers. In 2018, SSC paid Mr. Dunn's firm \$273,500 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, 2018

Dec 31, 18

**ASSETS**

**Current Assets**

**Checking/Savings**

GBC International 89,887.58

**Total Checking/Savings** 89,887.58

**Total Current Assets** 89,887.58

**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 -47,161.85

Original Cost 51,268.24

**Total Leasehold Improvements** 4,106.39

**Transportation Equipment**

Depreciation -70,354.15

Original Cost 40,391.93

Transportation Equipment - Other 64,626.07

**Total Transportation Equipment** 34,663.85

**Total Fixed Assets** 38,770.24

**TOTAL ASSETS** 128,657.82

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Credit Cards**

VISA - Alaska Airlines 0614 767.26

**Total Credit Cards** 767.26

**Other Current Liabilities**

**Other Current Liabilities**

Payroll Liabilities -1,705.57

**Total Other Current Liabilities** -1,705.57

**Total Other Current Liabilities** -1,705.57

**Total Current Liabilities** -938.31

**Total Liabilities** -938.31

**Equity**

Capital Stock 1,000.00

Distribution - S-Corp Dividends -968,019.04

Opening Bal Equity 118,334.89

Retained Earnings 938,615.79

Net Income 39,664.49

10:17 AM  
02/03/19  
Cash Basis

**PATRICK DUNN & ASSOCIATES, LTD**

**Balance Sheet**

**As of December 31, 2018**

**Dec 31, 18**

129,596.13

128,657.82

**Total Equity**  
**TOTAL LIABILITIES & EQUITY**

**PATRICK DUNN & ASSOCIATES, LTD**

**Profit & Loss**

January through December 2018

Jan - Dec 18

Ordinary Income/Expense

Income

CONSULTING INCOME

PWD 643,400.00

Ziegler 35,750.00

**Total CONSULTING INCOME 679,150.00**

LOBBYING Income

PWD 95,000.00

Ziegler 9,250.00

**Total LOBBYING Income 104,250.00**

Reimbursed Expenses 45,789.52

**Total Income 829,189.52**

**Gross Profit 829,189.52**

Expense

Automobile Expense

Auto Insurance 1,901.00

Vehicle Expenses - Other 7,097.04

**Total Automobile Expense 8,998.04**

Bank Charges 77.00

Client Development 10,196.49

CLIENT EXPENSES-Reimbursable 15,455.96

Computer Software & Training 1,279.52

Condo - Olympia

Cable 980.05

Dues 3,965.00

Insurance 1,535.00

Maintenance 1,208.12

Repairs 11,232.61

Security 274.45

Utilities 2,575.73

**Total Condo - Olympia 21,770.96**

Donations-Political PAC 100.00

Donations - Charitable 239,689.74

Donations - Political 6,045.00

Donations; Charitable In-Kind 1,490.05

Dues/Memberships 6,124.60

Education 1,714.75

Insurance

Insurance - Other 2,983.44

**Total Insurance 2,983.44**

Licenses and Permits 92.26

Membership 1,608.00

Non-Employee Compensation 54,500.00

Office Equipment 329.18

Office Supplies

**PATRICK DUNN & ASSOCIATES, LTD**

**Profit & Loss**

January through December 2018

Jan - Dec 18

Books	49.92
Printing and Reproduction	471.35
Office Supplies - Other	<u>3,387.50</u>
<b>Total Office Supplies</b>	3,908.77
<b>Payroll Expenses</b>	
Officer Salary	220,000.00
Payroll Expenses - Other	<u>48,000.00</u>
<b>Total Payroll Expenses</b>	268,000.00
<b>Payroll Tax Expense</b>	
FUTA	840.00
Social Security & Medicare	<u>14,678.80</u>
<b>Total Payroll Tax Expense</b>	15,518.80
Postage and Delivery	1,201.51
<b>Professional Fees</b>	
Accounting	1,270.00
Bookkeeping	210.00
Computer Technician	1,140.00
Professional Fees - Other	<u>600.00</u>
<b>Total Professional Fees</b>	3,220.00
Rent - Office	11,049.00
<b>Repairs</b>	
Condo	<u>555.39</u>
<b>Total Repairs</b>	555.39
<b>Retirement Expenses</b>	
Retirement - Pat	55,000.00
SEP -IRA	
Sue	<u>12,000.00</u>
<b>Total SEP -IRA</b>	<u>12,000.00</u>
<b>Total Retirement Expenses</b>	67,000.00
Subscriptions	2,550.20
<b>Taxes</b>	
Auto License Plate	-207.00
Gov't Business Licenses	61.00
Local	1,973.56
State	<u>12,687.27</u>
<b>Total Taxes</b>	14,514.83
Telephone/Cable/Broadband	10,794.30
<b>Travel &amp; Ent</b>	
Entertainment	1,430.08
Meals	12,435.89
Travel	
Parking	600.54
Travel - Other	<u>4,836.49</u>
<b>Total Travel</b>	5,437.03
Travel & Ent - Other	400.00

**PATRICK DUNN & ASSOCIATES, LTD**

**Profit & Loss**

January through December 2018

Jan - Dec 18

Total Travel & Ent	<u>19,703.00</u>
Total Expense	<u>790,470.79</u>
Net Ordinary Income	38,718.73
Other Income/Expense	
Other Income	
Interest Income	945.76
Total Other Income	<u>945.76</u>
Net Other Income	945.76
Net Income	<u><u>39,664.49</u></u>

Sanitary Service Company, Inc.  
G-14

Blaine Bay Refuse  
100% stock owned by SSC

Directors & Officers:  
Paul Razore - Director/President/Treasurer/Secretary  
Patrick Dunn - Director  
Carmen Sepic - Director  
Mike Torre - Director  
  
Amber Jones - Vice President