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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, 2019

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

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, 2019, inclusive.

Name (Printed): Paul Razore Title: President

Signature:  Date: 5.18.20

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 \$3,600.00/month or \$43,200.00/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 2019, 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 2019, SSC paid Mr. Dunn's firm \$282,000 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,
_____	_____	_____
_____	_____	_____
_____	_____	_____

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Cash Basis

PATRICK DUNN & ASSOCIATES, LTD
Balance Sheet
As of December 31, 2019

	<u>Dec 31, 19</u>
ASSETS	
Current Assets	
Checking/Savings	
GBC International	103,987.97
Generations Credit Union - 08	3,144.94
Total Checking/Savings	<u>107,132.91</u>
Total Current Assets	107,132.91
Fixed Assets	
Building Depreciation	-146,434.00
Building Original Cost	355,081.00
Furniture, Fixtures & Equipment	
Depreciation	-6,477.00
Original Cost	6,477.00
Total Furniture, Fixtures & Equipment	<u>0.00</u>
Leasehold Improvements	
Depreciation	-49,789.00
Original Cost	70,094.24
Total Leasehold Improvements	<u>20,305.24</u>
Transportation-Other	-64,626.07
Transportation Equipment	
Depreciation	-24,622.00
Original Cost	38,694.75
Transportation Equipment - Other	64,626.07
Total Transportation Equipment	<u>78,698.82</u>
Total Fixed Assets	<u>243,024.99</u>
TOTAL ASSETS	<u><u>350,157.90</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
VISA - Alaska Airlines 0614	3,374.83
Total Credit Cards	<u>3,374.83</u>
Other Current Liabilities	
Other Current Liabilities	
Payroll Liabilities	-1,698.23
Total Other Current Liabilities	<u>-1,698.23</u>
Total Other Current Liabilities	<u>-1,698.23</u>
Total Current Liabilities	1,676.60
Long Term Liabilities	
Loan Payable - Auto	1,143.04
Total Long Term Liabilities	<u>1,143.04</u>
Total Liabilities	2,819.64

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Cash Basis

PATRICK DUNN & ASSOCIATES, LTD
Balance Sheet
As of December 31, 2019

	<u>Dec 31, 19</u>
Equity	
Capital Stock	1,000.00
Distribution - S-Corp Dividends	-998,019.04
Opening Bal Equity	344,260.64
Retained Earnings	982,382.18
Net Income	17,714.48
	<hr/>
Total Equity	347,338.26
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TOTAL LIABILITIES & EQUITY	<u><u>350,157.90</u></u>

PATRICK DUNN & ASSOCIATES, LTD
Profit & Loss
 January through December 2019

	Jan - Dec 19
Ordinary Income/Expense	
Income	
CONSULTING INCOME	
PWD	658,200.00
Ziegler	48,000.00
Total CONSULTING INCOME	706,200.00
LOBBYING Income	
PWD	93,000.00
Ziegler	9,000.00
Total LOBBYING Income	102,000.00
Reimbursed Expenses	38,863.98
Total Income	847,063.98
Gross Profit	847,063.98
Expense	
Automobile Expense	
Vehicle Expenses - Other	7,245.22
Total Automobile Expense	7,245.22
Bank Charges	320.48
Client Development	4,181.13
CLIENT EXPENSES-Reimbursable	21,483.38
Computer Software & Training	3,002.60
Condo - Olympia	
Dues	3,690.00
Insurance	753.00
Maintenance	2,782.05
Repairs	1,547.40
Security	299.97
Utilities	2,809.31
Total Condo - Olympia	11,881.73
Depreciation Expense	21,671.00
Donations-Political PAC	100.00
Donations - Charitable	253,143.14
Donations - Political	4,000.00
Donations; Charitable In-Kind	735.90
Dues/Memberships	7,928.94
Education	1,711.29
Insurance	
Insurance - Other	3,530.44
Liability Insurance	1,819.00
Total Insurance	5,349.44
Licenses and Permits	502.70
Maintenance	7.39
Non-Employee Compensation	63,000.00
Office Supplies	
Printing and Reproduction	504.51
Office Supplies - Other	2,121.41
Total Office Supplies	2,625.92
Payroll Expenses	
Officer Salary	224,000.00
Payroll Expenses - Other	48,120.38
Total Payroll Expenses	272,120.38

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PATRICK DUNN & ASSOCIATES, LTD
Profit & Loss
January through December 2019

	<u>Jan - Dec 19</u>
Payroll Tax Expense	
FUTA	840.00
Social Security & Medicare	15,159.80
Total Payroll Tax Expense	15,999.80
Postage and Delivery	1,807.78
Professional Fees	
Accounting	1,310.00
Bookkeeping	245.00
Computer Technician	261.13
Professional Fees - Other	1,575.00
Total Professional Fees	3,391.13
Purchase w/o WA State Sales Tax	2,400.12
Rent - Office	9,432.00
Repairs	
Building	31.14
Total Repairs	31.14
Retirement Expenses	
SEP -IRA	
Sue	12,000.00
SEP -IRA - Other	56,000.00
Total SEP -IRA	68,000.00
Total Retirement Expenses	68,000.00
Subscriptions	2,507.50
Taxes	
Auto License Plate	515.00
Gov't Business Licenses	101.00
Local	1,652.38
Local Use Tax	395.33
State	
Toll Fees	100.00
Total State	100.00
State B & O	12,822.84
State Use Tax	713.79
Total Taxes	16,300.34
Telephone/Cable/Broadband	10,981.05
Travel & Ent	
Entertainment	984.68
Meals	10,250.48
Travel	
Parking	986.22
Travel - Other	6,186.49
Total Travel	7,172.71
Total Travel & Ent	18,407.87
Uncategorized Expenses	0.00
Total Expense	830,269.37
Net Ordinary Income	16,794.61

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PATRICK DUNN & ASSOCIATES, LTD
Profit & Loss
January through December 2019

	<u>Jan - Dec 19</u>
Other Income/Expense	
Other Income	
Interest Income	919.87
Total Other Income	<u>919.87</u>
Net Other Income	<u>919.87</u>
Net Income	<u><u>17,714.48</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
Carmen Sepic - Director
Mike Torre - Director