

**Town of
OLD ORCHARD BEACH**



F.Y. 2004 Annual Report

Dedication To: Daniel E. Blaney



The Town of Old Orchard Beach is pleased to dedicate this Town Report to Daniel E. Blaney, a true native of Old Orchard Beach who has given us much of his time and commitment. Dan was born March 11, 1944 at 14 West Old Orchard Avenue and lives in that same house today. Aside from three years that he was in the Navy, from 1964 to 1967, Dan has been in Old Orchard Beach his entire life.

Dan worked as a meat cutter and manager for twenty two years before he became the owner of the Beach Glass and Window Company on Ocean Park Road. He has served on a variety of committees and in several different programs of importance to the Town. He was a member of the Centennial Committee, the "Citizen of the Year" Award Committee, the Police and Fire Commission, the Old Orchard Beach call Fire Department, and VFW Post #7997. Dan was also an officer of both the Old Orchard Parking Committee and the Ballpark Advisory Commission, and served as an instructor of local history in both the Old Orchard Adult Education program and the Elder Hostel Program. He continues his service to the Town today by serving on the License Review Board and as a Notary Public.

Dan Blaney also has been a member of the Old Orchard Beach Historical Society since 1970, and has served as both President and Trustee. He began his passionate study of the Town's history in 1967 and is always eager to learn new facts and answer citizens' questions. Dan has collected a wide array of Old Orchard Beach paraphernalia, including over 2,000 postcards of the community, thousands of photographs, and a rare 1888 watercolor lithograph. If there is a question about the Town's history, Dan can answer it.

Dan is married to his high school sweetheart, Gail Shorey. Their two married children, Audra Lynn and Erik Daniel, also graduated from Old Orchard Beach High School. Dan and Gail are also proud grandparents of Tristan Daniel, Kaleb Garret, and Gavin Blaine.

It is with great honor that we dedicate this Town Report to a member of our community who has been dedicated to the Town his entire life, and continues to serve the Town and its citizens.

Respectfully Submitted,

V. Louise Reid
Assistant Town Manager

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Report of the Town Council Chairman

Dear Citizens:

It is with great pleasure that I submit the 2003-2004 Annual Report in accordance with the provisions of the Charter of the Town of Old Orchard Beach.

I have served as a Town Councilor for several years now, and as an elected official am fully aware of the trust placed in me by the voters of this community. I commit to higher expectations and willingly dedicate my time and energy to their achievement, recognizing that a high degree of honesty, loyalty and integrity assures mutual success.

With gratitude and recognition of the exemplary service of the four other members of the Town Council, our Town Manager, and his competent staff, I express my thanks for their support and dedication to the efficient delivery of a full array of municipal services. Over the past year we have focused on goals set by the Council for the betterment of our community and with humility acknowledge the fulfillment of many of our commitments.

Highlights of the Year

- Acquired 10 Veterans Square by eminent domain;
- Approval of Union Negotiations for Fire, Police, Dispatch, Waste Water and Public Works;
- Implemented new Recycling Program including Commercial Tipping Fee;
- Acceptance of several new Roads by the Town.;
- Approved analysis of Sewer-Maintenance Improvements including a study of correction and repair of sanitary sewer, water and roads in the Homewood Park Subdivision;
- Approved funding for Design and Construction of Dirigo Drive;
- Building of Handicapped Access Ramp on Staple Street Extension;
- Instituted Credit on Line in the Registration of Vehicles;
- Memorial Park Progress with Purchase of Playground Equipment;
- Approval of Contract for Solid Waste and Bi-Weekly Recycling Pickup;
- Accepted Street Names including Cider Hill Drive, Granny Smith Court, Kavanaugh Road, Macintosh Drive, Macintosh Extension, and Orange Pippin Drive (located in Cider Hill Development);
- Approved Public Works Department Building Improvements;
- Settled Pending Litigation with Maine Energy Recovery Company (MERC).
- Reorganization of Several Town Departments;
- Approved Repairs to the Comfort Station;
- Passed Smoking in Public Places Ordinance;
- Completed Year 1 Requirements for MS4 Stormwater Program;
- Appointment of The Freedom of Access Liaison;
- Amended Electric Code;
- Approved Budget with No Rate Increase.
- Public Safety Building Heating, Ventilation and Air Conditioning Updates;
- Milliken Street Parking Project – Phase I Initiative;
- Provided for Contract Zoning Process;
- Approved Eastern Trail Agreement.

Respectfully Yours,

Shawn O'Neill, Chair

Report of the Town Manager



Dear Citizens:

Our accomplishments over the past year are a result of an excellent working relationship with the Town Council, an enormously professional and talented group of department heads, and the team work of our employees. Each of us are public servants, some elected, some appointed, and some hired employees; however, our goals and objectives are the same – to improve the quality of life for residents of Old Orchard Beach. This is achieved through teamwork and good communications and I commit to furthering the goals of this present Council.

One of the major priorities of the Council was the reorganization of the Town Administration to assure competent and efficient operation of each department. Accountability was a major priority. Over the past year we have reorganized and streamline many administrative functions, eliminating some positions and hiring to our staff an Assistant Town Manager, new Director of Community Development, Assessor, Finance Director, Building Inspector, Planning Assistant, Administrative Assistant at the Fire Department, Public Works Foreman and Waste Water Foreman. As a result:

- Provided more timely and user-friendly service to the public.
- Workshops held to enhance the professionalism of Boards.
- Neighborhood Meetings Held.
- Slogan Campaign resulting in a Town Slogan.
- 38 Old Orchard Street – formerly condemned building – now operational.
- Business licenses increased with 934 in 2003 and in 2004 another 1,071.
- Rewriting of Building Codes and Land Use Ordinances.
- Visible enforcement of blighted buildings, banners and illegal signs.
- Street lamps painted and benches re-stained.
- Public Works did an outstanding job in beach cleaning, sewer maintenance, built new parking lot for Police Department; dug trenches for the new Chamber of Commerce Building; built parking lot behind Town Hall;
- Took over responsibility for the Transfer Station and instituted a new Trash and Recycling Program, controlling illegal dumping.
- Major efforts started in Memorial Park and the Milliken Street Parking Lots.
- Police underwent a Peer Review outlining strengths and weaknesses and plans for training.
- Reverse 911 phone system approved and installed.
- Finance Department instituted GASB 34, a reporting of infrastructure as part of fixed assets and instituted a debit card program.
- Assessors Office measured and listed approximately 400 building permits; adjudicated approximately 140 abatements; conducted approximately 350 sales review; processed approximately 600 deed changes; and conducted approximately 45 new construction reviews.

- Town Clerks Office computerized the Inland Fisheries and Wildlife program; ongoing computerization of Marriage, Death, and Birth Certificates, Town Council and Planning Board Minutes; and completion of the Codification.
- The Fire Department has led in securing grants; redesigned their complex parking; purchased security fencing, cameras, a mass casualty trailer for the accompany service truck; added a full time rescue billing clerk which has increased ambulance billing revenues by approximately 70%
- Recreation Department received a Land and Water Conservation Matching grant of \$100,000 toward Memorial Park and they are working on a precise plan for the development of a new Recreation Department facility at Loranger School.
- Economic Development goals are proceeding. The passing of the Contract Zoning Policy will enhance opportunities to challenge and attract new developments. The Ballpark use is a major consideration in the days ahead. The announcement of the building of the Grand Victorian was greeted with great enthusiasm and support.

To the men and women who work each day to meet the high expectations of our citizens, I express my sincere appreciation for all your hard work and know without your service and commitment, Old Orchard Beach would not be what it is today.

Our best days are ahead of us. The administration and the Town Council are committed to higher standards and greater expectations. It has been a pleasure to work with Chairman Shawn O'Neill and all the members of the Town Council. We have approached our challenges over the past year as opportunities to improve. We will continue to promote "curb appeal" and Old Orchard Beach as a four season destination community as we work towards new goals and new challenges in the years ahead.

All the best,
Jim Thomas
Town Manager



It is a privilege to serve this community and its citizens. I trust that my enthusiasm and commitment to dedicated service will provide me the ability to capitalize on the opportunities afforded us in Old Orchard Beach. I believe that individual and corporate action can spring from the fertile soil of simplicity and hard work. It has been said that "simplicity is a very personal dimension of life" which affords the giver and receiver quality of performance. My personal thanks to the citizens of Old Orchard who have encouraged me with open arms and their receptive support.

V. Louise Reid
Assistant Town Manager

July 1, 2003 to June 2004
Town of Old Orchard Beach Town Council
Chair Shawn O'Neill

Roxanne Frenette
James Long

Cheryl Rague
Joseph Kline

Current Listing

Town of Old Orchard Beach Town Officials

Town Manager
Assistant Town Manager
Town Clerk
Deputy Town Clerk

Assessor
Assistant to the Assessor
Finance Director/Treasurer
Deputy Treasurer
Police Chief
Deputy Police Chief
Fire Chief
Director of Community Development/Town Planner
Licensing Administrator/Code Enforcement Officer
Assistant C.E.O.
Building Inspector
Animal Control Officer / Code Enforcement
 Licensing and Land Use Violations
Planning Coordinator, DRC Manager
Licensing Clerk
Code Clerk
Planning Assistant, ZBA Manager
Tax Collector
Tax Clerks

General Assistance Director
Town Counsel

Superintendent of Waste Water Treatment Plant
Director of Public Works
Secretary to the Town Council
Lifeguard Captain
Health Officer
Electrical Inspector
Assistant Electrical Inspector
Registrar
Assistant Registrar
Recreation Director
Maintenance Supervisor
Superintendent of Schools
School Board Members

Laura Bolduc
Patricia Clark

Dennis Robillard
Christina Murphy

James Thomas
V. Louise Reid
Kim McLaughlin
Jeff Thompson
Beth Gilman
George Greene
Kathy Fuente
Jill Eastman
Margaret C. Smith
Dana M. Kelley
Alfred Doane
John A. Glass
Sandra Lie
Kenneth Shupe
Alan Borg
Matt LeConte
William Watson

Jan Fisk
Carole Kingsbury
Kathy Smith
Caroline Roldan
Deborah M. Mulherin
Patricia Saunders
Sheila Lauzon
Patricia Saunders
Bernstein, Shur,
Sawyer & Nelson
Chris White
Mary Ann Conroy
V. Louise Reid
Keith Willet
William Watson
Kenneth Shupe
William Southwick
Beth Gilman
Geraldine Valliere
Jason Webber
Russell Kinney
Eric Matthews

L. Renee Chou

*Our sincere thanks to all those who willingly give of their time and efforts
for the betterment of our community.*

Planning Board

Robert Quinn Winthrop Winch Ivan Most Eric Begin
Dawn Buker Donald Cote, Alternate Tianna Higgins, Alternate

And to those who previously served: Mike Tousignant, Arthur MacDonald, Kim Schwickrath, Robert LoPresti

Design Review Committee

Kim Schwickrath
Donald Comoletti

Cynthia Nye, Alternate
Mark Koenigs

And to those who previously served: Gail Domin, Katy Gannon-Janelle, Randy Critchley

Zoning Board of Appeals

Tianna Higgins
William Murphy
Laurie Manchester

Marc Bureau, Chair
Howard Evans
Ray DeLeo, Associate
Philip Weyenberg, Associate

And to those who previously served: Patricia Kessler

Recreation Committee

Keith Babin
Mary Beth Robillard

Donna Stearns, Chair
Cady Koenigs, Student Member

And to those who previously served: Caroline Mezoian

Conservation Commission

Robert Hills
Jean Fujikawa
William Robertson

Peter Van Hoogenstyn, Chair
Michael Shannon
Jonathan Wells, Alternate
Adele Millette, Alternate

Memorial Park Advisory Committee

Andrea Berlin
George Hartley
Robert Pettengill
Steve Bergeron

Eileen Payette, Chair
Mike Dickinson
Wendy Crouch
Pat Holland, Alternate

And to those who previously served: Tina Englert, Jeffrey Thompson

Economic Development Committee

Michael Daigle
Mark McInnis

Judith Greenwood

And to those who previously served: Richard Payette, Carol Hudson, Janet Anderson, Arthur Brown III

Finance Committee

Arthur Brown
Daniel Patry
David Hodges

Nicholas Dambrie
William Farley, Alternate
James Allen, Alternate

And to those who previously served: Robert Quinn, Cheryl Rague

Community Development Block Grant Committee

Michael Shannon
James Allen
Judith Greenwood
Pat Brown
Kim Schwickrath

Mark McInnis
James Long
Dennis Robillard
Michael Dickinson
Cheryl Rague

And to those who previously served: Patricia Huot, Michael Tousignant

Recycling Committee

Daniel Patry
William Robertson

Suzanne Scalise, Chair
Bruce Brodeur
William Farley

And to those who previously served: Cathy Mondor

Board of Assessment Review

Howard Evans
Steve Bergeron
Kerri-Lynn Hodgkins

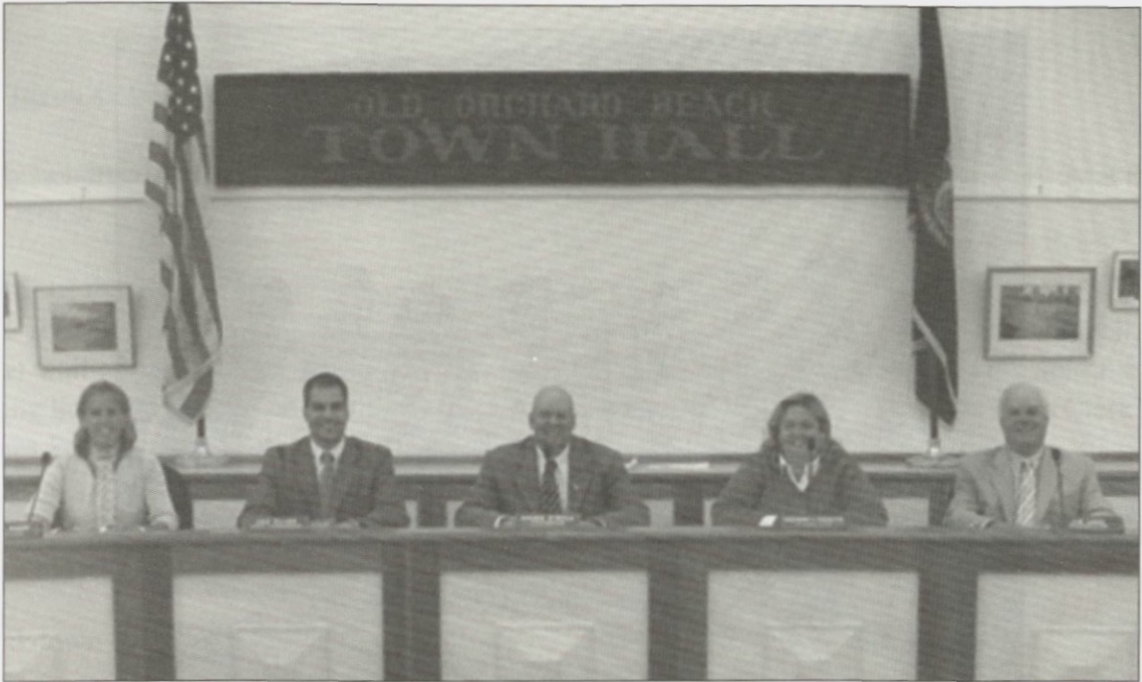
Margaret Michaels
David Hodges

Administrative Board

Tina Englert

Daniel Blaney

Town Council



Cheryl Rague, Joseph Kline, Chairman Shawn O'Neill, Roxanne Frenette, James Long

Mike Perrone
Public Works Foreman
8/7/04 - 8/3/05



During the past year, 2005, Mike Perrone has served as the Public Works Foreman, taking direct responsibility for the operation of the Public Works Department. His positive attitude has impressed staff and citizens alike and he has directed the department with expertise and served the people of this community graciously and enthusiastically. We thank Mike for his dedication to the Public Works Department and to the citizens of this community.

Current Department Heads



Back Row: Jason Webber, Recreation Director
Chris White, Wastewater Treatment Plant Superintendent
Sandra Lie, Director of Planning and Community Development
Jill Eastman, Finance Director
James Thomas, Town Manager
Kim McLaughlin, Town Clerk
George Greene, Assessor
Ken Shupe, Code Enforcement Officer
Dana Kelley, Chief of Police

Front Row: Mary Ann Conroy, Director of Public Works
Beth Gilman, Registrar of Voters
V. Louise Reid, Assistant Town Manager
John Glass, Fire Chief and Director of Emergency Management
Linda Fecteau, Summer Intern Town Manager's Office

Report of the Town Clerk

To the Citizen's of Old Orchard Beach

I am truly honored to provide you with information, activities and projects currently underway at the Town Clerk's Office.

The Office of the Town Clerk is responsible for all the records of the town, including all birth, death and marriage records, issuance of marriage licenses, all meeting minutes from the Town Council, School Board, as well as all boards appointed by the Town Council. This Office is also responsible for hunting and fishing licenses, as well as dog licenses, transfer station and parking permits. The Town Clerk's Office also issues Passports, and sells trash bags.

This year, we saw an increase in the number of dog licenses, transfer station permits, hunting & fishing licenses and passports.

The breakdown of licenses issued are as follows:

Dog Licenses	Transfer Station Permits	Parking Permits	Hunting/ Fishing Licenses	Non-Resident Hunting & Fishing Licenses	Passports
672	1,174	1,009	628	15	88

This year the Town Clerk's Office recorded 85 births, 86 deaths and 111 Marriages. Sadly, the Town lost Judy Verrier. She was a great asset to the Town Clerk's Office, always there to lend a helping hand during election time, and a great friend to all of us. We also lost our retired Police Chief, Paul Tibbetts, who started with the police department in 1962, and retired as Police Chief; Eugene Schmit, who worked as a custodian for the Town Hall for several years; and Pat Hickey, who was a retired school teacher for the Town.

RECORDED DEATHS

DATE OF DEATH JULY 1, 2003 TO JUNE 30, 2004 AGE PLACE OF DEATH

2003

July 5	April Ann Stevens	14	Old Orchard Beach
July 7	Merle Edward Marston	55	Old Orchard Beach
July 13	Owen F. Whitten	61	Portland
July 18	Roger F. Normand	68	Biddeford

July 19	Grace Eleanor Moody	1 day	Portland
July 22	Sydney E. Chase	80	Biddeford
August 1	Leo Paul Gagnon	75	Scarborough
August 6	Gerard R. Geoffroy	62	Old Orchard Beach
August 10	Marilyn Dorothy Golzbein	78	Portland
August 12	Maurice Frank Allen	75	Old Orchard Beach
August 26	Robert Arnold Smith	79	Togus
September 3	Muriel A. Morse	79	Portland
September 8	Norman W. Raabe	63	Old Orchard Beach
September 8	Laraine Berticelli	77	Biddeford
September 15	Helen Edythe Benson	98	Scarborough
September 22	Daniel M. Hayford	46	Westbrook
September 26	Marie T. Barker	77	Biddeford
October 1	Charles Edward Day	47	Old Orchard Beach
October 5	Ellen H. Campbell	78	Old Orchard Beach
October 6	Jean Betty Owens	65	Portland
October 10	Sheldon Lloyd Washburn	56	Old Orchard Beach
October 10	Vernon Ray Mulka	63	Biddeford
October 11	Sandra NA Yelle	62	Old Orchard Beach
October 24	Angele Snow Hogan	88	Scarborough
October 24	Lillie D. Mason	92	Biddeford
October 29	Jessie Hambelton	84	Scarborough
October 31	Ethel M. Tripp	93	Scarborough
November 7	Ernest Roger Boisvert	74	Old Orchard Beach
November 8	Paul Arthur Tibbetts	75	Old Orchard Beach
November 16	Albert A. Potvin	75	Biddeford
November 16	Albert J. Berticelli	87	Biddeford
November 17	Natalie Gladys Lachance	89	Old Orchard Beach
November 19	Marion Rogers Shaw	82	Old Orchard Beach
November 28	John Bell	92	Old Orchard Beach
November 28	Alice Louise Golojuch	81	Scarborough
December 5	Jeannette Delia Lagassie	95	Biddeford
December 8	Stephen J. Rakauskas	82	Biddeford
December 8	Parker Clinton Lakin	74	Old Orchard Beach
December 10	Richard Allen Morrow	33	Old Orchard Beach
December 17	Yvette Mary Lacroix	88	Scarborough
December 23	John Zardiackas	79	Biddeford
December 28	Joseph Charles Jordan	73	Biddeford
December 28	Donald A. Davis	68	Biddeford

2004

January 1	Percival Owen Bailey	84	Biddeford
January 5	Eva B. Thompson	87	Biddeford
January 7	Eugene Joseph Schmit	86	Old Orchard Beach
January 9	Kathleen D. Koehler	84	Biddeford

January 10	Eva L. Chasse	96	Scarborough
January 10	Ronald Gordon Farris	82	Old Orchard Beach
January 16	Lawrence William Watson	67	Old Orchard Beach
January 19	Irene Eastman	89	Biddeford
January 31	Rose Theresa Johnson	86	Biddeford
February 3	Ernest James Clayton	73	Old Orchard Beach
February 9	Donna Mary McDonald	65	Portland
February 11	Richard L. Flaherty	80	Portland
February 11	Albert Andrews Hoffman	87	Lewiston
February 19	Patricia Marie Tripp	42	Old Orchard Beach
February 20	Melvin Earl Mitchell	63	Biddeford
February 21	Blanche Alicia Edwards	97	Biddeford
February 23	Richard J. Stephens	54	Biddeford
March 4	Gloria M. Tripp	76	Portland
March 10	Leo Francis Larochelle	77	Lewiston
March 15	Alexander Eon	73	Biddeford
March 16	Evan Patrick Crosby	63	Togus
March 21	Kristen Gail Olsen	38	Old Orchard Beach
March 22	Gerard Russell	81	Old Orchard Beach
March 24	Marion Esthe Nelson	93	Biddeford
April 1	Theresa Buffum	78	Biddeford
April 7	Germaine F. Baillargeon	82	Portland
April 8	Jacquelyn Emerson Webster	74	Saco
April 11	Virginia Claire Rogers	88	Biddeford
April 17	Gloria Clark Pader	74	Biddeford
April 21	Leontine Caroline Ledoux	100	Biddeford
April 26	Matthew AKA/Amadio Cerino	67	Biddeford
May 1	Raymond W. Hayford	81	Saco
May 6	Gertrude Collette	91	Old Orchard Beach
May 12	Ellen B. Rogers	77	Portland
May 13	Gerald E. Burt	72	Biddeford
May 25	Nathan David Duhamel	1 mth	Portland
May 26	Frederick Norman Davis	94	Scarborough
June 1	Judy A. Verrier	57	Saco
June 7	Robin B. Hewitt	47	Portland
June 19	Mary Margaret Patricia Hickey	74	Saco
June 24	Leon McCrory	80	Scarborough
June 24	Dorothy C. Bourgoin	91	West Scarborough
June 28	Teresa M. Steller	56	Portland

This year we had three elections. The election in November brought forth 3,957 voters, a special election in April brought forth 803 voters, and the June Primary brought forth 866 voters.

The Codification is complete and should be available on the Town of Old Orchard Beach website very soon.

I must give my thanks to many people who have helped: Jeff Thompson, the Deputy Town Clerk for his continued loyalty, patience and professionalism. Also, Jeff has resided in the Town of Old Orchard Beach his entire life, and was selected for the F.Y. 2003 Annual Report. I want to thank Alfred Hills, the Election Warden, for his assistance during the election season, and Urbain Goulet, the Deputy Warden. I would also like to thank all the ballot clerks that have given of their time and expertise to work at the election polls.

As many of you know I am available to issue hunting, fishing, and dog licenses at anytime. Please feel free to contact me at the Town Clerk's Office or at my home 934-7181. If you are unable to make it to the town hall during business hours, I would be more than happy to accommodate you.

In closing, I would like to thank all of the residents of Old Orchard Beach for their trust and confidence. I am working hard to keep that trust and confidence.

Warmest Regards,

Kim M. McLaughlin, Town Clerk

Report of the Town Registrar

First, I would like to take this opportunity to thank the Town Council for appointing me as the Registrar of Voters. I have had a lot of support and encouragement from my co-workers and have settled into the position quite nicely. A special thank you to my deputy, Gerry Valliere, who has been my right hand. This past November we both had our first presidential election. Thanks to the great preparation that went into it, as well as the professionalism of the poll clerks, we were immensely satisfied at how smoothly it went. Our town clerk, Kim McLaughlin, and her deputy, Jeff Thompson, have been wonderful. We all work in the same office, and it is a great family atmosphere which makes for a very productive environment. I look forward to the upcoming year. I hope I can be of any assistance to each and every one of you.

Below are the statistics for the fiscal year ending June 30, 2004.

New Registrations	693
Moved Out of Town	326
Deceased	78
Change of Name	24
Change of Address in Town	170
Removed from List – Active to Inactive	1026
Change of Enrollment:	
Green Party	4
Republican Party	9
Democratic Party	38

Respectfully submitted,

Beth Gilman
Registrar of Voters

Report of the Assessor

Total Value of Taxable Real Estate	\$ 741,875,800
Total Value of Personal Property	20,500,743
Total Value of Homestead Exemption	10,342,000
Total Value of Tax Exempt Property	37,280,800
 Total Commitment to Tax Collector	 \$ 15,323,769
Tax Rate for Fiscal Year 2004	.02010

The assessing office strives to maintain a fair and equitable assessment on all properties and to provide the public with an easy access to the most current property information available for the Town of Old Orchard Beach. The assessing office is always open to hear your concerns and questions. The Town's assessing records can always be accessed through our website: www.visionappraisal.com

Sincerely,

George Greene, CMA
Assessor

Report of the Planning Department

The Planning Department has a Town Planner and a Planning Coordinator who review all applications for new development and redevelopment, and prepare application packets for the Planning Board and the Design Review Committee. This year a new process was initiated that added a workshop one week prior to Planning Board meetings in order for board members to familiarize themselves with the proposed development and to study proposals for compliance to Old Orchard Beach Codes and Ordinances. We believe this process has helped the Planning Board work in a more professional environment, executing more informed decisions.

Membership (FY 2003/2004)

Mike Tousignant, Chair (resigned 12/16/03)
Robert LoPresti, Vice Chair and Chair (term expired 12/31/03)
Arthur MacDonald, Vice Chair (term expired 12/31/03)
Kim Schwickrath (resigned, 10/22/03)
Dawn Buker, Chair (January 2004)
Winn Winch, Vice Chair (January 2004)
Alice Langdon
Eric Begin
Ivan Most
Donald Cote (alternate)
Robert Quinn (alternate)

The Planning Board meets the second Thursday of each month throughout the year. Proposed development is facilitated in a timely action through applicant and public input, thorough plan review and the conduction of business in a fair and equitable manner in accordance with the zoning and subdivision ordinances of the Town. Projects presented to and approved by the Board this fiscal year:

- | | |
|----------------------|--|
| • Atlantic Park | Site Plan/Subdivision Amendment-Smithwheel Rd |
| • Surfside Resort | 24-unit condo development on E. Grand Av. |
| • West Breeze Condos | Conversion of 4 rental apartments to condos on W. Grand Ave. |
| • Cider Hill | Subdivision Amendment; Phase I |
| • Seaside | Demo and rebuild of motel on W. Grand Ave. |
| • Whaler | Expansion in DD-2 District on Staples St. |
| • Zoning Amendment | Campground Overlay District |
| • Zoning Amendment | Drinking Establishments in Downtown Districts |
| • Zoning Amendment | Zoning Map Change: PMUD to Rural on Ross Rd. |
| • Zoning Amendment | Zoning Map Change: Boundary amendments in DD-1 & R-2 |
| • Poplar St. | Private Way application |
| • Acorn Village | 16 duplex condos on Walnut St. |
| • Birch Hill | 28 duplex age-restricted housing at Dirigo and E.E. Cummings |
| • Cider Hill | Phase III, residential |
| • Salvation Army | Site Plan Amendment, chapel footprint reduction |

-
- Boisvert St. Demo and rebuild 2-unit dwelling in DD-2 District
 - Chamber of Commerce Demo and rebuild Chamber building on First St.
 - Hobson Village 6-unit amendment to an approved subdivision on Hobson Avenue
 - Belle Mer Condominiums 11 Units at 170 E. Grand Ave.
 - Seacoast RV Park 88 seasonal park model camp site on Ross Road
 - 38 Old Orchard St. Replace condemned building with new retail building
 - Campgrounds: Registration of existing campgrounds in the newly created Campground Overlay District. Campgrounds registered:
 - Wild Acres - Spruce Lodge - Virginia Park - Powder Horn - Paradise Park - Hid'n Pines - Old Orchard Beach - Wagon Wheel - Ne're Beach - Pinehirst

Respectfully submitted

Sandra J. Lie
Town Planner

Report of the Code Enforcement Office

Code Enforcement currently has two full-time code enforcement officers who do all permit and business licensing inspections on a daily basis, and a part-time code enforcement officer who is responsible for plan review and the issuance of plumbing, electrical and building permits. Recently the Animal Control Department was moved to the Community Development Department. The addition of this position provides assistance to code enforcement issues related to land use and fire safety.

This change from part time personnel to full time personnel provides greater continuity in the inspection process and more time for response to code enforcement issues. Staff has responded with greater consistency to an increase in the number of land use and zoning complaints filed and investigated by staff.

The following items were presented to the **Zoning Board of Appeals**:

16 Applications came before the Zoning Board of Appeals

10 Miscellaneous Appeals

5 Administrative Interpretation Form #7

1 Variance

ZBA Membership (FY 2003-04)

Marc Bureau – Chairman

Ron Regis

Pat Kessler

Bill Murphy

Laurie Manchester

Respectfully submitted by:

James H. Nagle

Code Enforcement Officer

Report of the Design Review Committee

The Design Review Committee (DRC) is responsible for conserving the cultural and architectural heritage of Old Orchard Beach, providing technical design assistance to property owners, and promoting quality architectural design and historically-sensitive building renovation as a means of sustaining economic vitality and stable property values.

Membership (FY 2004)

Katy Gannon Janelle, Chair (resigned 4/6/04)

Donald Comoletti, Chair

Lee Koenigs

Gail Domin (resigned 6/1/04)

Randy Critchley (resigned 6/15/04)

William Robertson

Susan Topping

Cynthia Nye, Alternate

The DRC meets the first Monday of each month throughout the year and is charged with the authority to issue Certificates of Appropriateness for all activities within the Historic Overlay Districts and the Downtown Districts. During FY 2004, the DRC reviewed and issued Certificates of Appropriateness for the following activities in the Downtown District(s):

- Expansion of The Whaler located at 22 Staples Street
- Seaview Motel, 49 units located at 65 West Grand
- Dormer additions on an existing structure at 40 Old Orchard Street
- Demolish and re-build a 2-unit dwelling at 9 Boisvert Street
- Demolish and re-build the Chamber of Commerce building, First Street
- Demolish condemned building and develop new retail space at 38 Old Orchard Street
- Remove contractors storage and develop 24-unit condominium complex at 7 Heath Street (Tupelo Woods)
- Remove existing arcade games and develop a multi-use motel-condo, retail and commercial development on E. Grand Ave (Grand Victorian)

The Design Review Committee is a dedicated group of residents interested in promoting the future of the community by fostering and insuring the vision of the downtown districts in keeping with the Comprehensive Plan and Ordinance. Their objectives: to review, creative problem solving, knowledge and diligence are tremendous assets to all residents of Old Orchard Beach.

Respectfully submitted

Jan P. Fisk

Planning Coordinator

Report of the Animal Control Department

The success of Animal Control in Old Orchard Beach is largely due to community involvement. Many volunteers support and give freely of their time to assure animal welfare. The Animal Control Officer is no longer viewed as a "dog catcher", but as a resource to assist owners and their pets. In response to needs expressed by the community, Animal Control began a partnership with the Promoting Education, Training and Shelter (PETS) Committee, a volunteer organization, and the Temm Veterinary Hospital. The collaborative efforts of Animal Control, the Temm Veterinary Clinic and the PETS Committee have succeeded in changing the attitudes of the public at large toward pets, pet owners and owner responsibility.

Animal Control generally has first contact with citizens in need of assistance with their or someone else's pet and is the entity that enforces local and state ordinances and laws. More importantly, Animal Control determines the needs of the pet and assists owners in meeting such needs. In the event Animal Control cannot provide direct assistance, there are other alternatives. Quality medical care is provided for all animals by the Temm Veterinary Hospital located on Saco Avenue.

Volunteers for the PETS Committee, a vocal advocacy group that insures the needs of pets, pet owners, and the general public came into being five years ago. A focus of PETS is dissemination of information to pet owners including knowledge and avenues for assistance. The PETS Committee, supported by generous donations from committee members, often provides financial assistance to owners whose pets are in need of medical care, food and other basic-needs.

Old Orchard Beach is one of a few communities in the State that has a dog park. The dog park, included in the renovations for Memorial Park, provides appropriate conditions for dogs and the needed socialization. Girl Scouts and Boy Scouts worked hard enhancing trails for the K-9 Training Center and Park.

With the support of Town Council and thousands of dollars in donations of materials, equipment and labor from the community, the facility on Portland Avenue, previously known as the "dog pound", is now a holding facility for lost animals. Animals are given comfortable accommodations and are provided with personal attention by trained volunteers. Pets may be retrieved any time, day or night, 24/7. Always, in keeping with what is best for the animal, pets are reunited with their owners as soon as possible. This past year the animal shelter impounded 47 dogs - all were returned to their owner or keeper, most within hours of being picked up. Temm Veterinarian Hospital treated 23 dog and 52 cats last year.

Town Expenditures:

Impound fees	\$860.00
Medical Costs	\$220.00
Recovered medical costs	\$640.00

The PETS Committee Expenditures:

Treatment and care	\$1,616.54
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Respectfully submitted

Bruce G. Savoy
Animal Control Officer

Report of the Business Licensing Department

January 1st to May 1st is a very busy time of year for the licensing department. All business licenses are renewed each year by April 30th and renewal stickers returned to each licensee. In the 2003 –04 licensing period, the Town issued less than 1,000 individual business licenses. The current fiscal period has a total of 1,098 licenses with more applications anticipated before the year's end. The licensing process was streamlined with the change to full time inspectors, and a new inspections process that routes applications through the licensing process for Council approval in a shorter period of time.

The following licenses were issued in the 2003 – 2004 season

625	Year Round Rental Licenses
112	Seasonal Rental Licenses
59	Victualers Licenses
54	Vending Machine Licenses
52	Novelty Store Licenses
36	Innholders Licenses
35	Sign Licenses
33	Personal Service Licenses
33	Grocery Store Licenses
21	Parking Lot Licenses
19	Entertaining & Dancing
14	Beauty Shop Licenses
143	<u>Miscellaneous Licenses</u>
1236	Total Licenses Issued

Respectfully submitted by:

Carol Kingsbury
Licensing Clerk

Report of the Building Department

The fiscal year ending June 30, 2004, was a very busy year. While the number of building, electrical and plumbing permits has remained nearly constant, the actual construction value has increased significantly. The year 2004 also saw an increase in permit fees collected.

Building Permits issued	\$ 359
Value of Construction	\$25,623,070
New Construction permits	\$ 75
Building Permit fees collected	\$ 69,482
Sewer Impact Fees collected	\$ 31,500
Plumbing permit fees	\$ 13,498
Electric permit fees	\$ 20,122

Respectfully submitted by:

Alan Borg
Assistant Code Enforcement Officer

Report of the Fire Department

Old Orchard Beach Fire/Rescue/Lifeguards continues to grow with the aid of local donations and federal grants. This fiscal year the department was able to purchase, through local donations and grants from Sam's Club and Maine Municipal Association, safety equipment to better protect our employees while providing public service. These donations and grants reduce the required revenue needed to fund department operations and therefore saving our taxpayers money.

Additional accomplishments/changes which occurred this fiscal year are:

- Firefighter Gary Poitras retired after 30 years combined service.
- Hired Firefighter/Paramedic Erin Stone
- Secured 2 grants from MMA totaling apx. \$3000.00
- Secured 2 grants from Sam's Club totaling apx. \$2500.00
- Secured 3 grants from Homeland Security enabling us to purchase security fencing for the complex, security cameras, a reverse 911 system, and a mass casualty trailer with an accompanying service truck.
- Enhanced our fire prevention program by expanding outreach efforts to elderly community and participated in the York County Juvenile Fire Setter Education program.
- Added Terry Turcotte as a fulltime rescue billing clerk, which has increased the ambulance billing revenues by apx. 40%, exceeding our expectations.
- Replaced the HVAC unit at the Public Safety Complex making our work environment more employee friendly and resolving health concerns.
- Replaced our aging desk top computers.
- Formed a Fire-Police program to assist with security and traffic direction at major incidents.

We continue to pursue fire prevention through inspections and educational activities and have reduced the number of accidental fires annually in Town. Our in-house training program has been expanded to include more firefighter safety programs for personnel.

Our lifeguard staff under the direction of newly appointed Captain Keith Willett continued to provide safe beach activities with additional towers, manpower, and have updated their equipment to include rescue boards and an ocean kayak.

Our website is at www.olderchardbeachfd.org. We invite you to visit it often.

Respectfully submitted,

John A. Glass, Fire Chief

OLD ORCHARD BEACH FIRE DEPARTMENT
REPORT FOR FISCAL YEAR 2004

	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.	TOTAL
Fire, other	0	2	0	1	0	0	0	0	0	0	0	0	3
Building fire	2	1	1	0	1	0	2	0	0	0	0	0	7
Cooking fire confined to container	1	3	1	2	1	0	2	0	1	1	1	1	14
Chimney or flue fire confined to chimney or flue	0	0	0	1	0	0	0	0	0	0	0	0	1
Fuel burner malfunction - confined to burner	1	0	0	1	0	1	2	0	2	1	2	1	11
Trash or rubbish fire contained to receptacle	2	2	0	0	1	0	1	0	0	0	1	0	7
Fire in mobile property used as a fixed structure	0	0	0	1	0	0	0	0	0	0	1	0	2
Fire in mobile property used as a fixed residence	0	0	0	0	0	0	0	0	0	0	0	0	0
Fire in mobile home, camper, recreational vehicle	0	0	0	0	0	0	0	0	0	0	0	0	0
Passenger vehicle fire	1	0	2	0	0	0	0	0	0	0	1	0	4
Forest, woods, wildland fire	0	0	0	0	0	0	0	0	0	0	2	0	2
Brush or brush grass mixture	1	0	0	0	0	0	0	1	0	0	0	0	2
Grass fire	0	0	1	0	0	0	0	0	1	0	2	1	5
Dumpster or other outside trash receptacle fire	0	0	2	0	0	0	0	0	0	0	1	1	4
Explosion, no fire	1	0	0	0	0	0	0	0	0	0	0	0	1
Excessive heat, scorch burns	0	0	0	0	0	0	0	1	0	0	0	0	1
Medical assist - assist EMS crew (SQ1)	13	8	4	5	4	2	2	0	0	0	0	1	39
EMS call excluding vehicle accident with injury	147	168	84	85	70	90	90	75	93	86	85	113	1186
Vehicle accident with injuries	15	10	5	3	2	5	0	0	1	3	5	4	53
Motor vehicle/pedestrian accident	1	3	1	1	0	0	0	0	0	0	0	3	9
Motor vehicle with no injuries	0	0	0	0	0	4	0	1	0	1	1	2	9
Lock-in	1	0	0	0	0	0	0	0	1	0	0	0	2
Search for person on land	1	0	0	0	0	0	0	0	0	0	0	0	1
Search for person in water	0	0	0	0	0	0	0	0	0	0	0	0	0
Extrication of victim from vehicle	0	0	0	0	0	0	0	0	0	0	0	0	0
Removal of victim (s) from stalled elevator	0	0	0	0	0	0	0	0	0	0	0	0	0
Confined space rescue	0	0	0	0	0	0	0	0	0	0	0	0	0
High angle rescue	0	0	0	0	0	0	0	0	0	0	0	0	0
Extricate victim from machinery	0	0	0	0	0	0	0	0	0	0	0	2	2
Ice rescue	0	0	0	0	0	0	0	0	0	0	0	0	0
Surf rescue	0	0	1	0	0	0	0	0	0	0	0	0	1
Watercraft rescue	2	0	0	0	0	0	0	0	0	0	0	1	3
Electrocution or possible electrocution	0	1	0	0	0	0	0	0	0	0	0	0	1
Trapped by power lines	0	0	0	0	0	0	0	0	0	0	0	0	0
Rescue or EMS standby	0	0	0	0	0	0	0	0	0	0	0	1	1
Hazardous condition	0	1	0	0	0	0	0	0	0	0	0	0	1
Gasoline or other flammable liquid spill	2	1	0	0	0	0	0	0	0	1	1	1	6
Gas leak (NPG or LPG)	1	1	0	0	0	1	0	0	0	0	1	0	4
Chemical Hazard spill or leak	2	0	1	0	0	0	0	0	0	0	0	0	3
Carbon Monoxide incident	0	1	0	1	0	0	0	1	0	0	0	0	3
Electrical wiring, equipment problem	2	0	1	1	0	2	0	0	0	0	1	2	9
Heat from short circuit, wiring, def. Wiring	0	1	0	0	0	0	0	0	0	0	0	0	1
Overheated motor	0	0	0	0	0	0	0	0	0	0	0	0	0
Light ballast	0	0	0	6	5	0	0	3	0	3	0	0	17
Power line down	2	0	2	0	2	1	0	0	0	0	2	3	12
Arching shorted equipment	3	3	0	1	1	0	2	0	0	0	0	0	10
Vehicle accident General cleanup	0	2	0	9	0	0	0	0	0	0	0	0	11
Inspections - Life Safety - Chimneys - Fireplaces	28	12	10	20	2	10	13	14	6	0	14	4	133
Lock out	0	1	0	0	1	0	1	0	0	0	1	1	5
Ring or jewelry removal	0	0	0	0	0	0	0	0	0	0	0	0	0
Water evacuation	0	0	0	0	0	0	0	0	1	4	0	0	5
Water or steam leak	1	0	1	1	2	0	9	4	0	0	0	1	19
Smoke or odor removal	0	1	1	0	1	0	0	0	0	0	0	0	3
Animal rescue	0	0	0	0	0	0	0	0	2	1	0	0	3
Assist police or other governmental agency	1	2	0	0	3	4	3	0	3	14	1	0	31
Public service	4	2	16	5	5	3	4	4	0	2	16	1	62
Assist Invalid	1	0	1	2	0	0	1	0	0	9	2	7	23
Unauthorized burning	1	0	0	2	1	0	0	0	0	0	0	2	6
Cover, move up assignment	0	0	0	2	0	0	0	0	1	1	0	4	8
Good intent call	2	0	1	0	2	1	1	0	0	0	0	0	7
Dispatched and cancelled enroute	0	0	0	0	0	0	0	0	2	1	0	0	3
Authorized control burning	0	0	1	2	2	1	2	0	2	1	0	1	12
Telephone malicious false alarm	0	1	0	0	0	0	0	0	0	0	0	0	1
Local alarm system, malicious false alarm	0	0	0	0	0	0	0	0	0	0	0	0	0
Bomb scare - no bomb	0	0	0	7	0	0	0	0	3	0	0	0	10
Sprinkler activation, due to malfunction	0	0	0	0	0	0	1	0	0	0	0	0	1
Extinguishing system activation due to malfunction	0	0	0	0	0	0	0	0	0	0	0	0	0
Smoke detector activation due to malfunction	2	0	2	1	1	4	2	0	2	5	3	0	22
Alarm system sounded due to malfunction	4	2	5	0	7	3	4	1	0	0	0	2	28
CO detector activation due to malfunction	0	6	0	1	1	1	10	0	1	1	4	2	27
Unintentional activation of alarm	5	2	2	0	6	5	0	2	5	2	0	1	30
Lightning strike no fire	0	0	0	3	0	0	0	0	0	0	0	0	3
Citizen complaint	0	0	0	0	0	0	0	0	0	0	2	1	3
Total	254	238	148	164	125	138	154	111	129	137	153	172	1923

Report of the Public Works Department

The Public Works Department started the year with the intent to fulfill and complete projects and requests from the town council and to serve the public. Connecticut Avenue was the first project for the year after a long and frigid winter. Since the sewer line has been a problem for a long time, the crew replaced over 350ft and placed four new manholes. The road was also resurfaced.

We directed our efforts to place drainage dry wells in town on Bay Avenue, which has been a problem for quite some time. Again, our intent is to continue with this technique in areas remote from a catch basin system.

The department added Paul Robillard to its staff. Paul has been a life long resident. Being only 21 years old, he brings a unique level of experience to his position. He graduated from Old Orchard Beach High School.

The town garage has been on a septic system since the facility was built. The crew had the training and knowledge to remove the old system and tie into the main sewer on Smithwheel Road, thus cutting the cost of pumping it out every year.

Road maintenance this year was a benefit to Ocean Park where we had a few interceding streets paved to help with water drainage. In the future we would like to start on the sidewalks to accent the new roads. Temple Ave., Portland Ave, Old Orchard Road and West Grand Ave, also had some maintenance done to them. Public works contracted to fill cracks to prevent water damage; this process prolongs the life of the road.

Atlantic Ave. also had some work done; two blocks of new sidewalks constructed by the DPW crew forming up at least 150ft, and pouring cement every other day. Hopefully, we can continue this type of work in the near future.

We started our enhanced 911 system in order to be in compliance with MDOT. We have to change our 6" in street signs to 9" to better serve the public by the year 2011. We are continually replacing old signs and updating new ones. Every year a contractor comes in and re-stripes the roads with the assistance of DPW. Of course, we will continue to clean our beautiful beach and keep our roads swept and catch basins clean.

The town of Old Orchard Beach purchased a used jetter truck which is bigger than the 500 gal. truck that we have used in the past. This will serve as a back up to the smaller one and provide more pressure on the bigger lines in town. We also purchased a brand new left over 2003 International 14 yard dump body complete with front plow and side wing and sander spreader built in to the body and equipped with a new dickey-john system, which allows the operator to control spinner speed to maintain even material coverage over the desired spread width. This vehicle will be a great asset to the DPW.

The winter was somewhat of a challenge to the department .It brought cold weather and some snow which in turn made it hard for us to keep the roads clear when the temperatures went down. The materials we were putting down were not working until the temps came up. Finally, the department was able to maintain its responsibilities and stay under budget for the season.

The Public Works Department will continue to strive to better ourselves and continue to serve the town of Old Orchard Beach. We look forward to the years which lie ahead.

Respectfully submitted,

Michael Perrone
Foreman/ Deputy Director

Report of the Police Department

It is my honor to present the Old Orchard Beach Police Department annual report for the fiscal year 2003-2004.

Our department takes pride in the quality of service that we deliver and we try to make each contact a positive experience. Our mission statement proclaims that we are a community in partnership and we sincerely hope that we consistently deliver a level of service that lives up to that statement and your expectations. We also hope that our efforts have a positive affect on the quality of life of our residents and guests.

We believe that prevention and intervention are key ingredients to providing a safe community. Along with our committed staff of personnel, we have several Community Crime watch organizations that hold regular meetings. They have worked in conjunction with the police department to make their neighborhoods as well as the rest of the community a safer place for everyone. Their hard work and commitment have contributed to making Old Orchard Beach a safer community for all of us and we sincerely appreciate their efforts.

SCHOOL PROGRAMS

We continue to work with the schools on a daily basis and although we have had to scale back the fulltime status of our School Resource Officer program, we are still committed to working with the students and continue to make great strides in establishing and strengthening positive relationships with students while facilitating a safer school environment. While on the subject of schools, I would like to acknowledge Superintendent Jay Bartner who will be retiring this year. Mr. Bartner has always been very supportive of all the initiatives and programs we have introduced into the schools. From lock down drills to R.A.D. programs, he has always been very supportive of our efforts and recognized their value. Although on occasion we disrupt the school day with lock down drills, we have always received the full cooperation of Mr. Bartner and his staff. We all feel that his leadership and direction over the years has had a positive influence on the students and our mission in the schools. We sincerely appreciate his and his staff's efforts. We look forward to continuing our relationship with the schools in 2005 and look forward to working with the new Superintendent, Rick Matthews.

PERSONNEL CHANGES

Corporal Chris Gray resigned in March to pursue opportunities in the private sector. Chris started with the department in June of 1991 as a reserve officer and was hired fulltime in September of 1991. Unfortunately with Chris went K-9 Sparta. Their contributions and dedication to this department will be sorely missed and we wish them both well.

GRANTS

Over the past two years we have received grants totaling \$180,930. The total match contributed by the town is \$5,473. These grants have been used for a variety of projects. They are:

- (1) Mass casualty trailer.
- (2) Four wheel drive truck.
- (3) Reverse 911 emergency notification phone system.
- (4) Riot gear and an enclosed trailer to store and transport it in.
- (5) Fencing and new parking lot at the public safety complex.
- (6) Surveillance cameras for the public safety complex, inside and out.
- (7) Installation of security cameras in the various areas of town.

Although not purchased as of yet, we do anticipate the purchase of a Police/Fire Rescue and patrol boat.

CURRENT PERSONNEL

Chief of Police	Dana M. Kelley
Deputy Chief of Police	Alfred Doane
Lieutenant	Keith Babin
Sgt.	Vincent Mattia
Sgt.	Timothy Deluca
Sgt.	Elise Chard
Sgt.	Rob Simmons
Cpl.	John Nicholos
Cpl.	Kevin Riordan
Cpl.	Gerard Hamilton
Detective	David Hemingway
Detective	Anthony Foshay
Patrolman	Timothy Curran
Patrolman	Jami Foshay
Patrolman	Damon Ramsay
Patrolman	Scott Jarrett
Patrolman	Jeffrey Regan
Patrolman	James Bradbury
Dispatch Supervisor	Andrea Perrone
Administrative Secretary/Dispatcher	Suzanne Coreau
Dispatcher	Patricia Coreau
Dispatcher	Jennifer Myers
Dispatcher	Sasha Beaulieu
Dispatcher	Rebecca Selzer
Dispatcher	Jennifer Kearns
Dispatcher	Jennifer Price

CRIME RATE

Since 1996, when the crime rate in Old Orchard Beach was at 78 crimes per 1,000 population, we have experienced a steady and somewhat dramatic reduction in our crime rate. Other than a jump from 38 crimes per thousand in 2000 to 46 in 2001, we have not experienced an increase in crime and are currently at 36 crimes per thousand for 2003. These statistics are based on population figures as provided by the Census Bureau. Old Orchard's population is estimated at 9223 and it should be noted that Old Orchard's summer population is not figured into the equation. If it were, it would result in an even lower crime rate. The average crime clearance rate for York County stands at 27.0%; our clearance rate is above average at 25.2%. I am very pleased with this result and think that it speaks highly of the capability of our Detectives and Patrol Officers to solve and prevent crimes. Our Crime Watch neighborhood participants also play a huge role in helping us solve and prevent crimes, and they should be commended for the dedication and commitment they have shown in helping to keep our community safe.

CLOSING

Our Police Department staff is comprised of highly dedicated and skilled public servants. We work closely with our community to bring the residents and visitors of Old Orchard Beach, police services that ensure safety and a good quality of life. I believe that we have many reasons to be proud of our Police Department but also recognize that the continued support of the community is paramount to our mission and pledge to continue to cultivate and sustain the trust and confidence of our citizens.

We would like to thank the Town Manager, Town Council and all of the dedicated and capable public servants that work for the town of Old Orchard Beach for their support and guidance throughout the year. Old Orchard Beach is fortunate to have such a well trained and dedicated staff. Most importantly, we would like to thank the citizens of Old Orchard Beach for the opportunity to work together in partnership with you to create a safer community. As always, please feel free to contact us at anytime at 207-934-4911.

Report of the Recreation Department

I am happy to report that the past year was another successful one for the Recreation Department. In addition to offering the usual array of youth sports and recreational programs, we also introduced a number of new programs. Among these was a new summer camp for children in grades 5-7 called Gull Challenge. The camp emphasized community service and volunteerism, engaging 50 campers in positive growth activities throughout an eight week session. At the same time, our original OOB Summer Rec Camp continued to flourish, attracting more than 100 campers from grades K-4.

The Recreation Department was also heavily involved in the efforts to rejuvenate Memorial Park during the previous year. In addition to overseeing the installation of playground equipment and sod, and the removal of the tar parking lot, we also authored a \$50,000 grant which was awarded the town by the Land and Conservation Fund, which will be used for the continued improvement of the park.

The Recreation Department also worked with a group of area youths to develop a skate park beside the Public Safety complex on E. Cummings Street. Fundraising efforts allowed the town to purchase a half-pipe and several other ramps.

Additionally, as the fiscal year concluded, the Recreation Department was working with the Loranger School to finalize plans to move the Department from the Town Hall to a vacant room in the school that had previously been used for Industrial Arts classes. This move will offer the department some much needed additional space, as well as a centralized location near the schools and ball fields.

Having worked in Old Orchard Beach for nearly two years now, I would like to say that I am always pleased to find so many community members taking an active role in their son's and daughter's recreational activities. Without the support of our hardworking volunteers it would not be possible to offer the breadth of programs that we do. I would like to close this report this year, by offering a hearty "thank you" to everyone who supports the Recreation Department with their time and money.

Respectfully Submitted

Jason Webber
Recreation Director

EDITH BELLE LIBBY MEMORIAL LIBRARY

OLD ORCHARD BEACH FREE PUBLIC LIBRARY

REPORT 2003 / 2004

FINANCIAL STATISTICS

BEGINNING BALANCE	\$ 8,050.43
TOWN APPROPRIATION	143,319.00
FINES, COPIES, FLOPPY DISKS & ILL FEES	2,325.98
PAYMENTS FOR LOST/DMGD. MATERIALS	176.60
NON-RES./REPLACEMENT CARDS	1,550.00
DONATION	1,245.80
MISC. (BOOKSALE, RAFFLE, INT., ETC.)	2,305.83
TOTAL INCOME	\$ 158,973.64

DISBURSEMENTS

WAGES & WORKERS COMP. INS.	89,382.88
BOOKS, MAG. & NEWSPAPERS	17,800.00
MULTIMEDIA (VIDEO & AUDIO MATERIAL)	707.01
SUPPLIES	3,900.00
REPAIRS, MAINTENANCE & EQUIPMENT	2,000.00
PROGRAMS & ADMINISTRATION	4,000.00
SECURITY	310.41
UTILITIES	5,300.00
TECH. (COMP.-UPGRADES, SOFTWARE & MAINT.)	10,300.00
PAYROLL TAXES & INS.	8,000.00
MEDICAL INSURANCE	18,500.00
TOTAL EXPENSES	\$160,200.30

ENDING BALANCE **\$ - 1,226.66**

COLLECTION STATISTICS

LIBRARY HOLDINGS 6/2003	25,165
WITHDRAWN - ALL MATERIAL	
LOST, OUT-DATED OR DAMAGED	2,024
BOOKS (AUDIO & PRINT) ADDED BY GIFT or PURCHASE	
ADULT - 988 JUVENILE - 971	TOTAL BOOKS 1,909
MULTIMEDIA (MUSIC, MOVIES ETC.)	516
LIBRARY HOLDINGS 6/2004	25,616

CIRCULATION SATISTICS

NON-FICTION, BOOKS & TAPES	
ADULT - 5,122 JUVENILE - 3,414	
TOTAL NON-FICTION	8,536
FICTION, BOOKS & TAPES	
ADULT - 13,614 JUVENILE - 9,009	
TOTAL FICTION	22,623
ILL, STATE LTE & PERIODICALS	2,786
TOTAL CIRC.	33,945
PROGRAM ATTENDANCE ADULT & JUVENILE	1,077
AVERAGE DAILY ATTENDANCE	67
TOTAL FOR YEAR	19,996
AVERAGE CIRC. PER VISIT	2
INACTIVE CARD HOLDERS - 1,863	ACTIVE - 3,077
TOTAL REGISTERED CARD HOLDERS	5,940
ART MUSEUM PASS ISSUED FOR 30 PEOPLE	

Library usage and circulation has rebounded this year due to a budget that made the restoration of hours and re-organization of staff possible. The library is now open 40 hours a week including 2 evenings until 8 p.m. and Saturdays until 3:30 p.m. Staff additions, or returns, include Pam Magill two days a week assisting in the Children's Room, Margo Clay two days a week assisting mainly at the circulation desk, and Lee Koenigs, who will handle Interlibrary Loan Services, as well as filling in at the desk. We welcome them all and feel sure library clients will find them friendly and helpful. This year C.I.P. funds were used to add a central air-conditioning system to the building, which will benefit our network system as well as keep staff and patrons more comfortable during the warm (and busy) summer months. As always, a big thank-you to all our volunteers who continue to be a vital part of the library family and whose dedication is so important to everyone who uses this facility. Please visit us on the web at www.ooblibrary.org for current information, library news and links to other useful sites.

Respectfully submitted, Eileen McNally, Director Libby Memorial Library

Report of the Old Orchard Beach Historical Society

Summer 2003

The Harmon Museum opened on July 1st, and remained open until September 4th. Our summer hours are from 12 p.m. to 4 p.m., Tuesday through Saturday, and year round by appointment. The Museum entertained 302 visitors and numerous school and Boy Scout groups.

Many new items were donated to the Museum this year. Three antique paper weights were donated by the late John Morrill. Three excellent souvenir china pieces were given by Betsy Hamilton in memory of her sister Susan Roberge, a past Historical Society president. A model of the "Spirit of St. Louis" was donated by Paul Comeau. Also, several antique glass light globes from Peters Restaurant were donated by Maureen O'Leary. We thank all in their sharing of prized possessions with us.

New this year is Joyce Rorabaugh, our resident genealogist. She has spent many hours cataloging our family records and helping many people to find their forgotten long lost relatives of Old Orchard Beach. Our many volunteers were Priscilla Gallant, Shirley Gibbons, Marianne Powell, Hazel Hirst, Dick Haskell, Lois Brown, Mary Rommell, and Jane Rielly. Again, many thanks to all of them. Without their help, it wouldn't be possible.

Our summer theme of 'Big Bands, Aviation, Trains, and Trolleys' was again very popular throughout the season. Many visitors shared their memories of yesteryears in Old Orchard.

Our sincere "THANKS" goes to our Town Manager James Thomas and to the Town Council for their continuing support of the Harmon Museum. Also, in closing I wish to thank our new curator, Jim Molloy, for an outstanding job.

Officers:

President – Daniel E. Blaney
Vice President – Charles Davis
Treasurer – Priscilla Gallant
Secretary – Lee Koenig
Curator – James Molloy

Trustees:

Daniel E. Blaney
Charles Davis
Richard Haskell

Respectfully submitted,

Daniel E. Blaney

Report of the Old Orchard Beach School Department

The 2003-2004 school year ended on a beautiful spring day with a memorable graduation ceremony for seventy-four of our seniors. Over one thousand guests shared in this special moment at the Salvation Army Pavilion. I am pleased to report that 847 of our graduates will be attending post secondary school, the highest number in the history of Old Orchard Beach High School. We wish each and every one of our departing seniors the very best.

Enrollment in the elementary grades has declined. This state-wide trend is compounded by the fact that Old Orchard Beach has experienced a dramatic change in its demographics. Our once pronounced transient population has seemingly disappeared. One can speculate that higher rents, strict enforcement of motel long-term rentals, along with a focus on senior housing has accounted for this shift in the number of young children in our community. Student enrollment has declined in recent years, but is still 37 above district enrollment when compared to 1990.

Along with this recent decline in school enrollment, the valuation of the town continues to escalate. These two factors together account for the dramatic loss in state funds directed toward our community. We have lost approximately \$750,000 in state subsidy in the past two years. As a result of this loss of state funds, the school department has experienced a negative 17 budget followed by a flat funded budget for FY05. Ten part-time and full time staff positions have been cut in the past two years and our capital improvement budget has been slashed to zero. We are optimistic that this trend of declining state funds will be reversed next year due to a legislative change in the state funding formula. We remain hopeful that the school budget will once again stabilize.

The demands of the federal No Child Left Behind Act (NCLB) and our state Learning Results Mandate has not only strained our resources but has resulted in the way that schools operate. Old Orchard Beach and school systems throughout the state and country are now in transition. Accountability and the setting of high academic standards have become driving forces in public education. How communities and educators respond to these new and difficult changes will ultimately determine the future of our educational system in the United States.

After eighteen years in Old Orchard Beach, serving as both High School Principal and Superintendent of Schools, I have decided to retire at the end of this year. I have thoroughly enjoyed my years in the Old Orchard Beach School System. I have had the good fortune to work with an incredible group of professionals. I want to thank the past and present School Boards that I have been associated with, your support and dedication is truly appreciated. The Old Orchard Schools are indeed a special place. I will always remain proud to have served the children of your community.

Respectfully Submitted,

Jay Bartner
Superintendent of Schools

Report of the Jameson School

The 2003/04 School year was an excellent year of learning and growth for our Jameson students. With many educational activities, field trips, lessons and exciting classroom events, our students had many opportunities to grow in our student-centered environment.

New Teaching Staff – We had six new members added to our teaching staff during the 2003/04 year. Mike Flaherty was a new grade 3 classroom teacher. He had spent the last four years teaching in the Caribbean islands, but returned to his roots in Old Orchard for this year. Meghan Therrien, Jennifer Backlund and Cynthia Robbins were all new special education teachers at the Jameson School this year. Ms. Therrien graduated from St. Joseph's College in the spring of 2003 and worked in a resource room here. Ms. Backlund came to Old Orchard from North Carolina, where she had taught special education for 10 years. And, Ms. Robbins worked in our self-contained room where she had done a long-term substituting position for Jameson last year. Stephanie Rosier joined our staff as a part-time Reading Recovery teacher. Ms. Rosier had worked for 6 years at Jameson as an educational technician before becoming part of our Reading Recovery staff. And finally, Ann Marie Ouellette was a long-term substitute for Jameson in a grade 1 classroom this year. She graduated from St. Joseph's College in the spring of 2003.

Coastal Clean Up – During the month of September 2003 our 3rd graders went onto the beaches of Old Orchard and did clean up activities as volunteer public service for our community. These activities were coordinated with Augusta and the State of Maine's clean up activities throughout the whole state. We are very proud of our civic minded students.

Health Classes – For the first time, Health classes were offered to our 2nd and 3rd grade students once a week during the 2003/04 school year. Health classes are part of the state's Maine Learning Results and are necessary components to a quality education. We are pleased with the work done in those classes this year, and look forward to expanding this needed program next year.

Comprehensive Assessment System Work – During the 2003/04 school year all of the schools in Old Orchard Beach did major curriculum and assessment work expanding, realigning, and clarifying what students need to know to get a quality education. Mandated by Washington D.C. through the No Child Left Behind Act from Congress, our local comprehensive assessment system (CAS) is designed to assess students on what they are taught, and what they know. Through our designed assessments, we are better able to know if what we are teaching is effectively getting through to our students, and if they are effectively learning the required information taught to them. We will continue to work on this effort throughout the upcoming school year as well.

Jameson Recycles – For the first time, our students and staff have started a recycling program at Jameson. Designed to recycle paper products, our students have committed themselves to being accurate savers of needed paper, and to being good watchdogs of what can be used more than once and what can be recycled to help our environment and budget. In our first year the students did a great job saving, and they are well on their way to becoming good recyclers at home too!

Student Assistance Team Training – Eight teachers from the Jameson School went to special training this year to become better adept at helping students who might need extra support during the school year. The training was sponsored by the Department of Education. The teachers also learned more about identifying students at risk, and how to better meet their needs in our school. The team also worked with the entire staff at school to acquaint them with the process they learned, and the team started weekly meetings for teachers who might want support on a student issue. The meetings were designed to brainstorm and offer support and suggestions for teachers who might request it on student issues.

After School Activities – Many new activities were offered this year after school for our students. Violin lessons were offered once per week to students who wanted to “dig deeper” in our violin music classes. Our Art Department offered an additional Arts and Crafts class after school for students. This was a very popular class. An extra Dance class was offered for students in conjunction with our first grade Dance/Movement classes that all first grade students take. This was designed to take students to the next level of dance and movement. Our most popular after school activity was Chorus. Approximately 60 students signed up for this activity. Winter and spring concerts were given as well. Third grade students made a new school banner for our gym in a Banner Making activity this year. And finally, this spring our students went outside for a Games and Activities after school class. This too was a very popular class. We are quite pleased with our after school offerings and activities and look forward to their continued success next year.

Student Writing Workshops and Books Alive Field Day – We had two big events this year at Jameson School to achieve both our goal of learning more on literacy and trying to keep our students excited. During the month of March, a professional author of student books came to the Jameson School to offer writing workshops to all of our students. Students learned the components of a good story, and they were able to use this new information by creating their own Children’s Book. These workshops were supported by the entire staff, and coordinated through our Library Media Center at school. They were paid for by a grant on Literacy. Later in June, our students enjoyed an outdoor field day doing different physical activities and learning about children’s books that would be of interest to them. All students were given their own book at the conclusion of the field day, and it was a great way to enjoy the outdoors and learn about reading.

Review of the Jameson Social Curriculum – During the 2003/04 school year, the staff at Jameson did a reflective review of our school’s social curriculum. This social curriculum was designed to teach our students necessary information on good social development traits, and to help guide them through the ups and downs of day-to-day social/behavior issues. Respect and fairness are strongly taught in our social curriculum, and after our review we continued to reinforce those activities that support these traits. Over the summer months the new curriculum will be copied and distributed to our staff so that they can teach the 20 units that were developed by the review team.

Report of the Loranger Middle School

The 2003/04 school year was a year of change at Loranger Middle School. New administration was appointed, with James Boisvert as principal and Diane Picard as assistant principal. In addition, 2 new special education teachers were hired: Carolyn Hendrix and Marilyn Dale. Elizabeth Nason joined the staff as our new guidance counsellor, and Tammy Chulyak was added as a grade 5 teacher.

Two items at the forefront of our agenda this year were assessment and reading. Assessment helps teachers find the best ways in which children learn and documents the progress being made. Throughout the year, all teachers conducted a variety of assessments to better understand students.

Reading was also a major focus this year. At Open House I explained that we would like all students to participate in independent reading for pleasure this year. As a regular practice, students are expected to read when they are done with their assignments. In reading class, teachers incorporated a variety of methods to teach reading strategies.

The major focus of this year's teacher workshops revolved around assessment and moving towards the finalization of our Comprehensive Local Assessment System. Teachers at all grade levels worked on assessment practices to help better evaluate students and to meet state recommendations. Teachers also were responsible for refining assessments and looking at ways to tie them into regular classroom instruction.

Following is a list of highlights from the year that will hopefully provide a better perspective on our school and its progress. These are by no means a comprehensive list, but rather they only scratch the surface in terms of school events.

In September, all eighth grade students spent an intensive week at Camp Kieve in Nobleboro. The focus of their program was "challenge by choice", and promoting positive decision-making and leadership skills.

During the week of October 27-31, LMS took part in Red Ribbon Week. Throughout the week, which is designed to encourage students to become aware of a healthier life style, the faculty and students wore red ribbons to support this cause. It was a great way to reassure our students that living a life without drugs is the way to be.

The Loranger Outdoor Adventure Club offered two hiking trips for students. In this club, funded by a mini-grant, students participated in planning classes to prepare for the trips, and then journeyed to Bradbury Mountain in Pownal and to Camden Hills State Park for two challenging but enjoyable hikes.

Students at Loranger attended a variety of field trips this year as a way to expand their educational experience. These included the fourth grade visits to Augusta and Portland, the fifth grade travelling to Strawberry Banke in Portsmouth, the annual sixth grade tour of The Boston Museum of Science, and a seventh grade trip to the UNE Marine Center.

Free paperback books were given out to all students in grades 4-6 during November conferences. The school received 1,000 free books through a program called "First Book National Book Bank" out of Washington, D.C. First Book distributes children's books to non-profit groups nationwide. The group's goal is to reach out to the nation's children and introduce them to the love of learning and reading.

In collaboration with St. Margaret's Parish, the Salvation Army, and the LMS Student Council, the health office once again had a successful Thanksgiving food drive, serving approximately 20 Old Orchard Beach families from our schools with assistance this holiday. Food was collected by each homeroom during the week of Nov. 17. We were overwhelmed by the generous response of many of our students.

On January 6, Loranger Middle School held its' 4th annual Star Day (Safe, Tolerant, Aware Respectful). Mark Brown, a national speaker on respect, tolerance and diversity was our featured speaker. Each grade level also broke out into sessions and had their own presenter on a variety of topics.

Mr. Regula's social studies classes participated in National History Day on February 12th. There were student presentations, slide shows and documentaries running throughout the day in the gym. Students were judged by several staff members based on historical quality, relation to theme, and clarity of presentation. School winners attended the state competition in Augusta, during which time Kristen Couterier won second place in the state for her essay and was invited to attend the national competition in Maryland.

What's a great way to celebrate a 100th birthday? With a tip of the famous and very tall red and white striped hat and with books, books, books! Tuesday, March 2nd was Read Across America Day, marking the centennial birthday of the much-loved author of dozens of children's books, Dr. Seuss. The goal of the day was for every teacher to read to students. To help teachers meet that goal, Mrs. Marchand and Ms. Ferrante began culling through five library collections, locating wonderful books whose topics matched the curricular content and focus of classes at every grade level. Everyone celebrated the love of books and the joy of reading.

Students from the Loranger Student Council participated as a Leadership Group in the CCC Conference Leadership Forum. Students from the 6th and 7th grades attended two meetings this year, including the most recent wrap-up meeting with students from many other area middle schools at Yarmouth High School on April 30. We have a very energetic and dedicated group of students who are quite active in their leadership. Students at these meetings shared ideas with each other about projects designed to improve school spirit, school climate, and tolerance.

On May 18 and 19 the entire Loranger Middle School 6th Grade class participated in an annual two day program designed to focus on important issues including substance abuse prevention, tobacco education, cooperation/ teamwork, positive relationships, and healthy lifestyles. Students participated in interactive class lessons and then in "team games" which challenged them to work cooperatively in order to successfully complete the activities. Another significant focus was to help students look critically at their personal choices and how these impact their own future, as well as others around them. While one main presentation about tobacco use was provided by a guest speaker, all of the other learning activities were facilitated by Loranger staff, as well as OOB High School students.

On the evening of May 26th, the allied arts teachers "showed their stuff" to the parents of LMS students. Mr. Shabo and his band put on a great performance of selected songs. Mrs. Bolduc spent many hours hanging the students' artwork. Mr. Cassidy ended the evening with the chorus performing. Miss Faits also had a lot of poetry hanging in the cafeteria. A wonderful evening was presented to a packed house.

June 14th was a very special night for our 8th graders. It was a night of celebration for them in which they received promotion certificates and other academic achievement awards from the 8th grade teachers. Many other students were also recognized for their accomplishments. After the certificates were handed out, a slide show was shown detailing the 8th graders time at LMS. The evening ended with a barbecue for all students and families.

We now begin to look ahead to next year. Our efforts will again be focused on our assessment system, and looking at its reliability and validity in an effort to promote the success of all students.

Respectfully submitted,

James Boisvert, Principal

Report of the Old Orchard Beach High School

The Old Orchard Beach High School enrollment began in September, 2003 at 366 students and ended in June, 2004 at 350. Our school opened with our Student Orientation Day. By meeting with each class individually it helps us to get all new information out to students and to be organized for the opening of school the next day. Students meet with their individual class advisors for a half hour session and then meet with their whole class with Mrs. Lapointe and Mr. Matthews. The entire process really personalizes the start of the school year. This year, our school's Freshman Academy Team ended up being a spin off of our Advisor/ Advisee Program from last year. This program is intended to further develop our work from last year and help our incoming Freshmen to make a smoother transition into the High School. Themes that we are currently working on are study skills, organization, test taking strategies and in general, to more clearly articulate the teacher's expectations to our Freshman Class. These daily class sessions help the school to facilitate our personalized learning plan for each student.

Homecoming was the big event for the month of September. The Student Council led by David Holinger & Ashley Lanzon, put together an outstanding Spirit Week culminating in our annual Bon Fire & Pep Rally. It was our good fortune to have the University of Maine, Black Bear Marching Band play at the half time of our Homecoming Football game.

In October the Federal Dept. of Education came out with their Annual Yearly Progress (AYP) Report. We were pleased to not be placed on their needs improvement list.

On October 30 the high school had it's first lock down drill with students participating in cooperation with our Public Safety Department. We found things that we want to improve on for our next drill and yet we felt we did an adequate job for our first try.

Parent Conferences were held on Thursday, Nov. 20 and Tues., Nov. 25. We continue to use our Advisory System, send conference request forms home, inviting parents to request conferences with our first quarter report cards and calling parents seeking appointments that teachers have requested to see. We continue to have a good number of parents attending. These two days are an excellent way of communicating with our parents on their student's academic progress. For the second year in a row our students participated in our Thanksgiving Day Basket Challenge. The Student Council lead activity did an outstanding job in reaching out to our community in a meaningful way. Through our Advisory Groups the students brought in enough food to support the Salvation Army and Methodist Church food pantry which directly aids our community. The school had a brief assembly to celebrate the events and get the food to the people representing the food pantries. This is one of the most positive things that our school community has been involved in.

In April, our high school received the Family Life Education Excellence Award for our diverse and creative programs that support and recognize comprehensive Family Life Education. The award was given by The Family Planning Association of Maine (FPA).

The school held it's Prom at the Dune Grass Country Club on May 7th. 176 students participated in a wonderful evening sponsored by the Junior Class.

On May 20, the President of the University of Maine, Peter Hoff, was Chris Nelson's guest speaker at our school, as part of the Problems of Democracy course taught to Seniors. President Hoff's talk was in a question and answer format and handled pertinent questions. They ranged *om the educational funding formula to his own candidacy to become the new President at the University of Nebraska. Approximately 80 student heard the President's talk in our library.

On June 3, we held our annual Awards Night, Senior Class dinner at the Captain's Galley, and Senior Class Night activities at the Saco Sports and Fitness Center. All three events ran very smoothly and helped to make the Senior's last week a joyous celebration.

The school year concluded on June 6th as we graduated 70 seniors at the Salvation Army Pavilion. 84% of the Class of 2004 will go on to some form of post secondary education. (Breakdown is attached.)

The Music Department had another successful year, participating in over 25 public performances.

The Athletic Department's year was highlighted by the Boy's Basketball team advancing to the State Tournament held at the Augusta Civic Center.

Respectfully submitted,

Eric A. Matthews
Principal

Report of the Old Orchard Beach/Saco Adult Education Program

The Adult Education Program for Old Orchard Beach and Saco continues to provide community based educational opportunities for adults in the greater OOB /Saco area. Our motto is: "Get Connected Through Adult Education." OOB/Saco Adult Education offers lifelong learning opportunities for adult members of both communities and strives to connect them to jobs, post secondary education and continued personal enrichment. We continue to develop and implement programs that address the evolving needs of our community and to provide opportunities for individuals ages 16 and older to pursue their educational and vocational goals. The merger between Old Orchard Beach Adult Education and Saco Adult Education (which occurred in 1996) provides both communities with a wide variety of day and evening programming. Our daytime site, the Saco Learning Center, which is on the second floor of the Open Door Building, has an alternative education program for 16-20 year old young adults who have dropped out of school or are at risk of dropping out of school. Integrating both Adult Education and an alternative education program enables us to maximize the use of our resources.

This year we had an overall enrollment of 2,260. We had 700 individual registrants who took on average 1.5 classes in our enrichment program and 4.5 classes in our academic program. We put a lot of publicity and recruitment effort into our GED program; as a result, we doubled our GED testers this year. Our graduation class was the largest ever this year (18 in the actual ceremony and a total of 35 who received high school diploma credentials) with a combination of high school diploma, GED and alternative education graduates marching down the aisle. We were particularly proud that the Commissioner of Education for Maine, Susan Gendron, was our graduation speaker.

In the spring, we collaborated with the Saco Museum and held an exhibition of Adult Education students' artwork. "Artists in Bloom" was the title of the show and 20 adult education students who have taken art classes in our program showed their work in the museum's gallery. Projects like these highlight our continuing efforts to develop relationships and collaborations that enhance our program and strengthen community development.

Respectfully submitted,

Sharon Ultsch
Adult Education Director

Report of the Special Education Department

The Special Education Department of the Old Orchard Beach Schools is responsible for providing an appropriate education for all students with disabilities in accordance with Federal and State laws. The State of Maine defines the following disability categories to which schools must be responsive:

Autism	Deafness
Other Health Impairment	Emotional Disability
Specific Learning Disability	Traumatic Brain Injury
Speech & Language Impairment	Hearing Impairment
Orthopedic Impairment	Mental Retardation
Deaf-Blindness	Multiple Disabilities
Visual Impairment including Blindness	

The school is responsible for developing an individual educational plan on at least an annual basis for each student with a disability. This plan is developed in a Pupil Evaluating Team meeting, which is attended by the student's parents, classroom teacher, special education teacher and a school administrator. Parental consent is required before any student can be evaluated or receive services through the special education department.

Two-hundred and one students receive special education and supportive services in the Old Orchard Beach Schools. The special education teachers who provide services to our students are as follows:

Jameson School	Loranger Middle School	High School
Jennifer Backlund	Carrie Hendrix	Holly Donovan
Cynthia Robbins	Ed Bogh	Carla Barron
Megan Therrien	Marilyn Dale	Kate Tarbox
	Mary Feigenbaum	
	Barbara Roberge	

In addition, speech and language therapy is provided to eligible students in grades K-12 by Deborah Maksut, Maureen Butler, and Sandra Welzel. Lisa Kurtz and Molly Walrath provide occupational therapy, and Mary Ann Tinguely is our physical therapist. Dr. Linda Naaman is the consulting psychologist who provides evaluation and consultation for our special education students.

A total of 6 students were placed in special programs outside of our public schools in order to receive appropriate special education programs. The following represents the number of students placed in these special programs.

Sweetser Children's Services – 4
Saco Island School – 2

The Old Orchard Beach Schools also provide Title I services to students in grades K-8 who could benefit from remediation in reading and math. Title I personnel provide these services through the direction of classroom teachers to approximately 112 students. Our Title I personnel are as follows:

Jameson

Marcia Foote
Stephanie Rosier
Melissa Warren

Loranger Middle School

Janet Ferrante
Pat Howe
Marcia Wood

The Old Orchard Beach Schools also serve students who are gifted and talented in the Skylight Program. Mrs. Peggy Marchand serves these students within regular classrooms and/or on a pull-out basis. She has developed procedures for identifying students who are advanced learners, and she continues to provide professional development workshops for our faculty.

The Old Orchard Beach School Department is the recipient of supportive funds from the Federal government under the following:

1. Local Entitlement, P.L. 101-476 IDEA	\$201,264.00
2. Title I, Part A, Improving America's Schools Act	\$217,274.00
TOTAL	\$418,538.00

Respectfully submitted,

Donna M. Ford
Director of Special Education

Report of the Curriculum Coordinator

The *No Child Left Behind Act*, *Maine Learning Results*, and *Comprehensive Local Assessment System* have had a significant impact on education during this past year. The major focus of the 2003-04 curriculum work was to integrate the provisions of these three mandates into classroom instruction and assessment.

As required by law, Old Orchard Beach teachers developed common assessments for the Comprehensive Local Assessment System in the following areas: English Language Arts, mathematics, science, social studies and physical education/health. These assessments will be implemented in grades K-12 during the 2003-04 school year. Both students and parents will be notified annually of their student's progress towards meeting the content standards within the grade span.

In addition, Commissioner of Education, Sue Gendron, announced a delay in the graduation requirements for this past year's ninth graders, the Class of 2007. They will not be required to demonstrate mastery of the content standards in English and math in order to graduate. Nonetheless, we are using this year's ninth grade data for piloting purposes. The incoming class of ninth graders, the Class of 2008, will graduate under a dual system: the accumulation of 24 credits as outlined in the student handbook and demonstration of mastery of the content standards in the areas of English, mathematics, social studies, science and physical education/health. Therefore, the timeline for the implementation of the comprehensive local assessment system will remain the same as originally mandated by the state legislature.

In May, the state distributed "The Maine Plan for Highly Qualified Teachers." This document outlines the criteria teachers need to meet by August 31, 2006 in order to satisfy the federal definition of "highly qualified" as stated in the *No Child Left Behind Act*. Each district must prepare a report for the state that specifies the number of highly qualified teachers that are currently employed. This baseline data will be submitted by the Maine Department of Education to the federal government by September 1, 2004.

We were fortunate to receive a two-year, \$20,000 MELMAC grant, *Connect Aspirations to a Plan*. The purpose of this grant is to encourage Old Orchard Beach high school students to pursue post-secondary education. While OOB has a high percentage of students who indicate intent to enroll in college, the number of students who actually attend college is lower than the national average. Through the support provided by this grant, all students in grades nine through twelve were provided with opportunities to be involved in college access activities during this past school year, including site visits to two-year and four-year colleges as well as a variety of professional and business settings. This initiative was very well-received by students, parents and faculty, and we are looking forward to our second year of participation.

Respectfully submitted,

Patricia Hayden
Curriculum Coordinator

Report of the Tax Department

I would like to take this opportunity to express my extreme thanks to my staff, Pat Saunders and Sheila Lauzon for their hard work and dedication. It is a pleasure to work with you both.

Our Rapid Renewal program has taken off, and is becoming a popular option for re-registering vehicles. You can check it out on our link on our web site, or use the address www.sosonline.org to access the site.

Respectfully submitted,

Deborah M. Mulherin
Tax Collector, Motor Vehicle Agent

*** PAID AFTER 6/30/04.**

OUTSTANDING REAL ESTATE AND PERSONAL PROPERTY TAXES FOR TAX YEAR 2004 BALANCES AS OF 6/30/04

REAL ESTATE:

ABBOTT, PAULA	T1585	595.32
ALDREDS, DONALD*	T0375	227.38
ALLEN, KENNETH R*	104-1-18	750.02
ALLEN, KENNETH R*	104-1-17	1,120.05
AMUNDSON, FRANK	403-1-17	122.12
AVCO INC*	306-1-2	14,549.83
AVERY, VIRGINIA	311-11-1	3,185.53
BALTES, BONNIE	T1075	492.88
BARBARA BOUTET INC*	105A-1-00-F2	2,164.73
BARLOW, JOSEPH	206-7-6	1,339.56
BARR, DAVID	322-10-4	1,933.28
BEAN, MARY	210-11-2	1,715.86
BEAUCHEMIN, NANCY	T1765	406.30
BERNSTEIN, JOSHUA	105A-1-00-C4	1,254.41
BERRY, BERYL B	403-1-6	111.50
BIETRY, RAYMOND E	404-4-11	73.13
BIRCH RIDGE LAND PARTNERS	105A-1-500	122.12
BLAKE, WENDY L	308-1-13	2,150.70
BLOW, ROBERT D JR	107-2-10	2,267.77
BLOW, RODNEY D	107-2-6	1,044.79
BOLDUC, DAVID A	210-2-28	2,366.03
BONITZ, RAYMOND	T0335	451.07
BONVILLE, JERE V	206-29-12	1,155.59
BOUTHOT, ROBERT E*	108-1-6-16	1,203.04
BOUTOT, CLAIRE	314-14-12	2,600.17
BROCHU, DAVID J	311-24-5	1,529.80
BRUNT, BETTY P	210-6-2	2,239.58
BUGENSKA, THERESA*	T1020	42.47
BURPEE H A JR*	323-11-10	1,623.88

CAMPBELL, WILLIAM	206-28-8	1,306.11
CAPDEVILLE, LAWRENCE*	308-4-4	1,238.16
CLOUTIER, ANNE M	T1780	553.51
COLE, MARY BETH	205-1-38	714.48
COLE, MARY BETH	205-1-40	735.39
COLE, MARY BETH	205-1-36	1,872.66
COMEAU, ALAN L	104-2-10-35	840.25
COOK, CHERYL*	315-20-6	974.40
CORMIER, LUCILLE	T0595	31.13
CRAIG, DAVID	T1970	620.35
CRANE, JOHN M*	305-2-1-44	1,745.81
CROCE, DONALD L	404-7-1	111.50
CRONIN, CHRISTOPHER	324.16-4	2,955.57
CROWLEY, TIMOTHY	T1125	708.21
CURRAN, COLLEEN A*	211-1-16-25	879.33
CYPHER, THOMAS J*	315-9-11	521.98
CYR, HELEN	211-8-19	1,709.59
DAIGLE, BRENDA*	T0880	645.49
DANTON, WILLIAM M*	202-2-6	12,492.73
DAVIS, ROBERT Y	308-3-2	2,031.54
DAVIS W & HART MAUREEN	203-3-2	315.19
DELAGE, MICHAEL*	206-9-3	3,070.55
DEYOUNG, DEBBIE	T2010	683.12
DION, CAROL	206-12-6	1,559.07
DOHERTY, JOHN C	312-15-16	675.83
DOYER, KRISTY I*	305-2-1-24	2,880.31
DUDEVOIR, TERRY W	311-2-9	1,327.02
DUGAN, EILEEN D TRUSTEE	311-20-7	835.12
DUTTON, DANIEL J	211-7-42	3,097.73
EMMONS, JOSEPH D	107.2-30	375.45
FARRELL, CAROL A*	206-24-28	1,437.82
FILLMAN, MICHAEL DAVID*	104-2-10-23	840.25
FLEURANT, SANDRA	T1935	436.90
FONSECA, MANUAL J*	316-13-19	26.35
FORD, SANDRA L	205-16-3-8B	1,908.20
FORTIER, PRISCILLA L TR	206-29-28	611.54
FOSS, THOMAS W	211-9-3	2,353.49
FRENETTE, JEANETTE	105-4-16	844.65
GEARY, MICHAEL	206-27-6	4,383.75
GILHOLM, DIANE	T0710	428.08
GLEASON, WAYNE E*	206-13-6	1,940.54
GOUDREAU, PAUL*	205-1-30	2,107.15
GRANT-TOLMAN, KAREN*	210-1-15-1	398.96
GREENLAW, PATRICK*	313-3-8	8,331.93
GUARINO, JOSEPH P*	107-1-6	703.61
HANKINS, MISS CLARA MAY	403-7-3	111.50
HARRIMAN, BERTRAM	T1895	618.32
HARRIMAN, CARL J*	206-21-2	133.44
HAYES, EDWARD S	206-12-5	1,492.17
HEBERT, JENNIE L	311-13-10	54.14
HENNINGSEN, BARBARA	T0155	1,103.33
HERTZ, IRVING C	205-8-2	1,939.55
HIRST, IRVING R JR	210-2-57	904.72
HOLT, MARIA	T0725	436.44
HURON, HELEN	404-8-9	111.50
HURON, JOHN	404-9-8	115.75
INKPEN, JOSEPH	T0235	43.82
J BOUTET INC	102-2-10	2,109.54
JOHNSON, BARBARA*	T1530	551.42
KACZMARSKI, FRANK	206-29-6	1,423.18

KEARNEY, JOHN J	319-12-5	1,063.61
KEENE, JULIETTE ET ALS	312-3-13	1,993.91
KEENE, KAREN C	314-2-4	6,095.60
KILEY, LAURIE*	T1745	459.43
KINNEY, CANDICE	T1095	689.40
KLEBACHER, FRED*	T1655	1,214.13
LANE, STANLEY E JR	205-19-3	829.97
LAUBER, JOSEPH L	402-1-10	111.50
LAUGHLIN, JESSICA	206-13-5	63.12
LEBRUN, TERRY PHILLIPS	312-14-8	1,156.51
LIBBY, DONALD	T0015	336.09
LIDSTONE, DOUGLAS H	205-12-6	1,642.69
LONGTIN, JOLINE D	T0935	187.47
MAINLY RESTORATION INC	107-1-2	1,147.23
MALLEY, WALTER	T1295	478.25
MARSHALL, ANDREW H	321-19-1	3,965.31
MARSHALL, JOSHUA*	105A-2-3-18	3,321.42
MARSHALL W & AMADEI BON	206-31-16	2,754.87
MARSHALL W & AMADEI BON*	206-31-17	3,605.73
MARSHALL, WILLIAM P*	312-14-9	2,991.11
MCAULIFFE, MICHAEL	T0105	626.68
MCMENEMY, JOHN*	T1630	96.63
MCNABB, LANCE	319-16-3	1,770.22
MOODY, BETTY ANN L	T2060	676.85
MORIN, RUTH E	316-13-1-4	2,305.40
MORSE, FRANK R*	312-6-4	1,312.38
MURRAY, ANTHONY	T0970	559.78
NADEAU, GERALD E*	204-3-8	396.49
NADEAU, GERALD E*	204-3-2	1,429.02
NASON, JERRY C	315-9-7	1,245.49
NEW ENGLAND CONTRACTOR	404-7-7	124.24
NIEUWLAND, ELIZABETH*	314-14-6	133.16
NILSEN, GLORIA A*	309-4-1	671.32
OBRIEN, TIMOTHY	T1015	448.98
OCEAN PIZZA INC	210-2-51	3,201.89
OREILLY, MAY E	211-15-4	1,156.98
PAUL, DIANE	T1725	678.94
PAYNTER, SANDRA*	T0570	248.29
PENIAS, LILY	206-31-4	2,492.79
PETTINICCO, ROBERT*	205-3-5	2,408.45
PETTINICCO, ROBERT*	312-15-10	816.61
PHILLIPS, ROBERT H*	103-3-2	2,244.78
PIERSON, LEO R	103-1-5-26	1,602.97
PINEO, ROBERT	403-7-14	607.86
PORTER, LARRY*	T1325	359.00
POTTLE, GEORGE W HEIRS	403-1-5	80.23
PRESBY, RITA L	314-16-2	572.51
PYLE, LARRY R	311-16-15	2,414.11
QUINN IRENE G TRUSTEE	305-2-1-60	3,975.76
RAFORTH, JOHN E	T0480	492.88
RAY, KENNETH	206-1-17	120.00
REAL MANAGEMENT CORP*	206-9-7	3,908.87
REAL MANAGEMENT CORP*	211-9-12	5,524.87
REDBURN, THOMAS*	305-2-1-53	1,442.87
RELYEA HAROLD F HEIRS*	404-3-1	111.50
REMILLARD, RICHARD	T1275	775.11
REYNOLDS, MARGARET L	T1565	645.49
RICE, DEAN L*	205-9-7	3,290.06
ROHR, EDWARD	T1040	355.79
ROUSSEAU, GARY M*	T0060	368.28

ROYAL RIVER DEV CO*	107-3-01W25	908.57
RUMERY, ARTHUR H	105-4-1	56.26
SALIMI, ALI	202-2-3-4B	6,733.22
SCAMMON, DREW*	205-19-18-1	1,031.68
SCHAFER, RAYMOND	T0780	814.83
SCOTT, JACQUELINE*	403-4-23	2,489.68
SHEEHAN, WILLIAM J JR	206-31-20	2,280.32
SHELTRA, CLAUDETTE	304-2-4	1,845.48
SHELTRA, CLAUDETTE	304-2-9	7,406.38
SHELTRA, CLAUDETTE	304-2-1	17,328.20
SIMPSON, ALFRED	311-19-7	354.38
SKILLINGS, PAULA J	205-7-1-7	1,479.63
SMALL, RALPH *	309-6-33	643.23
SOONG, LIN HSIN*	305-5-3	4,268.44
SOULEMER*	211-9-1	13,376.78
SPEAR, ROBERT	312-9-2	2,067.08
ST MICHEL, SUSAN C	T0890	509.61
ST PIERRE, ALLEN	T1220	685.22
STEWART, CLARENCE	308-4-3	791.83
STODDARD, JASON K	205-19-18-3	1,110.80
STROUMBAS, PETER A JR	101-1-20	664.31
SULLIVAN, KEVIN B	206-24-14	8,054.46
SYSUN, JOANNE H	T1300	545.15
TARBOX, CARL H*	101-1-14	3,051.80
THAYER, WILLIAM H*	T0230	1,258.03
UNKNOWN OWNER	309-10-9	94.50
VACATION PROPERTIES INC*	404-2-10	109.37
VALLIERE, GERALDINE*	210-4-1	1,836.82
VIRE, LOUIS P	210-11-3	2,677.52
VIRE, PATTI	T1690	1,414.82
VIRE, RONALD A	314-9-2	2,984.84
WEINSTEIN, EBER & STANLEY	303-7-2	1,300.26
WEINSTEIN, NEAL L*	206-24-33	3,487.27
WERNER, PAUL W	T0815	607.86
WIGGIN, MARILYN A	311-2-8	1,452.45
ZERILLO, ANTONY *	402-2-8	111.50
ZWEYGARTT, ROBERT L	105-4-13	2,566.72

PERSONAL PROPERTY:

AST FINANCIAL CORP	56131	176.88
ADVALOREM SERVICES CO	56783	12.06
ADVANTA BUSINESS SER CORP	1025	64.32
AGNEW, LEO	50028	112.56
ALDRICH, KEVIN*	56555	56.28
ALLEN, WILLIAM	50144	48.24
AMARAL, GEORGE	50400	94.47
AMSBERRY, DANIEL F	3132	36.18
ANDERSON, RONALD	56082	130.65
ANDERSON, SHEILA	56736	253.26
ANDERSON, STEVE	56845	20.10
ANDRADE, LISA	56366	98.49
ANGELICO, JOANNE	50471	10.06
ANGIS, LORI	56738	351.75
ANZALONE, ED	56437	351.75
ASSELIN, ROGER	50125	58.29
AVALLONE, DONNA	4198	6.03
BAILLARGEON, DEBORAH	6154	30.15
BAIRD, HELEN	50258	194.97
BALL, JOAN	1485	136.68

BALLOS, MICHAEL	56498	518.58
BANC LEASING INC	56567	301.50
BARNA, MARY JANE	50194	18.09
BARRAR, MARGARET M	4103	38.19
BARRETT, ROBERT*	50455	217.08
BATACCHI, ART	56796	5.13
BEADNELL, DONNA	50925	108.54
BEGIN, DEBRA L	3028	58.29
BELOZOS, BILL	50746	60.30
BENEDICT, JIM	50045	114.57
BERESIK, ADAM*	56017	28.14
BERMINGHAM, MARK	50502	98.49
BERRY, STEVEN	4121	32.16
BERTIN, TINA	56153	128.64
BISSETT, THOMAS	56742	237.18
BITON, YOSI	56841	10.05
BLANCHETTE, LISA	50584	126.63
BLODGETT, RICHARD	50508	124.62
BOB WINTERSON CO	1075	100.50
BOISVERT, LISE*	50405	20.10
BOOKER, CONNIE	56352	136.68
BOSAK, JOSEPH	50383	188.94
BOTELHO, PAULO	50046	247.23
BOUDREAU, DAVID	50205	223.11
BOUDREAU, ROBERT	4047	38.19
BOULE, ROBERT	50926	36.18
BOUTWELL, DONALD	50281	70.35
BRADY, EUGENE	56154	138.69
BRAMLEY, DEE	56440	102.51
BRONZO, DANIEL*	50264	20.10
BROUSSEAU, SERGE*	55234	24.12
BROWN, WILLIAM	56909	142.71
BRUNS, GEORGE	6015	30.15
BRYAN, KATHLEEN	56312	70.35
BURGESS, RICHARD JR	50910	18.09
BURNS, JOSEPH	50127	138.69
BURNSIDE, JOSEPH	6184	30.15
BUTT, WILLIAM	56701	450.24
CAMERON, JAMES	6189	90.45
CAMPBELL, DALE	50267	52.26
CANON FINANCIAL SER	1287	14.07
CARD ESTABLISHMENT SER	1052	4.02
CAREY, NORMAN	50005	72.36
CAREY, TOM	56504	253.26
CARIDEO, CHARLES*	50626	305.52
CARIDEO, WILLIAM	50373	104.52
CELATA, JAMES	50475	90.45
CELESTE, SUSAN	50160	38.19
CHASE, NORMAN	56444	321.60
CHASSE, RAY	56057	104.52
CHEPLIC, RYAN	56840	20.10
CIT FINANCIAL USA INC	56579	464.31
COCO, ORAZIO	50176	217.08
COLLIN, DONALD	56445	86.43
COLONIAL DISTRIBUTORS INC	1301	50.25
COMDISCO INC	1269	50.25
COMERATO, JOHN	50354	90.45
CONNELLY, HELEN	50085	14.27
CONSIDINE, PATRICK JR	56668	122.61
CONTY, STACY	50024	154.77

CONWAY, JOHN	56554	34.17
COOK, CHERYL R*	3211	12.06
COOKSHAW, CINDY B	56186	12.06
CORNELL, PAUL	56505	440.19
COVE, DARREN	50411	98.49
CRAM, PAUL	56669	70.35
CROMWELL, GEORGE W II	3029	12.06
CROWELL, BETTY	51007	508.53
CROWLEY, RICHARD*	56295	245.22
CROWLEY, SCOTT*	56315	138.69
CULLINANE, SHEILA*	56746	98.49
CULLUCCI, JAMES D	56702	96.48
CUSTODIO, JAMES	50066	100.50
DALEY, EDWARD	50233	5.59
DAVENPORT, CHRISTOPHER*	6180	10.05
DAVIS, BISHOP	50958	76.38
DEMICHAEL, GLADYS E	6040	30.15
DENNISON, PETER	50377	393.96
DEVANEY, EDWARD	50788	54.27
DICESARE, ROBERT	56157	7.94
DIGHTON, GEORGE	56281	144.72
DIGHTON, GEORGE	50395	144.72
DOHERTY, DOUGLAS	56187	28.14
DONOHUE, MICHELLE	56303	229.14
DONOHUE, WALTER JR	50485	162.81
DORSEY, THOMAS	6271	24.12
DORSEY, THOMAS	3085	24.12
DOUBLEDAY, DONALD	50633	110.55
DOW, TIMOTHY	56026	319.59
DRISCOLL, FRANCIS JR	56627	30.15
DUBIN, MARCIE	50904	152.76
DUFOUR, GEORGE*	3038	56.28
DUFOUR, GEORGE*	4067	38.19
DUMAS, RUTH	56412	414.06
EDUCATIONAL BUREAU OF OC*	1246	31.97
FANTI, MICHAEL	50568	20.10
FARRELL, RYAN E	4135	32.16
FEDERATED CAPITAL CORP	1780	1,495.44
FERRIE, TODD SR	56163	186.93
FICKETT, JEAN*	56448	243.21
FILLER, NORMA M	4039	38.19
FINNERAN, MICHAEL	50503	257.28
FIRST CARE HEALTH CENTER	1578	184.92
FLAHERTY, PETER & KATHY	51128	186.93
FLOOD, SEAN	50003	122.61
FLYNN, WALTER	50048	158.79
FORCIER, ALBERT	51066	28.14
FRABOTA, CHRIS	50358	84.42
FRAHER, JOHN	4253	38.19
FRANCES, PAMELA F*	2174	12.06
FRASCOLLA, ANTHONY JR	56062	58.29
FREITAS, DEBBIE	50388	178.89
FREY, DONALD	56164	130.65
FUCILE, DOMENIC	56232	253.26
GAGNE, LISA	56165	138.69
GALLAGHER, CHRISTOPHER	6199	60.30
GARAFANO, PATRICIA	50960	110.55
GARRITY, STEVE	50327	138.69
GENDRON, MELICEAN	56233	257.28
GIGUERE, GARY	50029	74.37

GILBERT, KENNETH	56915	317.58
GILDEA, EDWARD	50053	241.20
GILLIAN, SHEILA	56886	213.06
GIRENTI, SAMUEL	56809	28.14
GLADDING, FRANCINE	56104	365.82
GODIN, JAY	50410	257.28
GODIN, LUCEINNE*	50433	297.48
GOLDEN EAGLE LEASING INC	1041	10.05
GOODINE, DENNIS	56485	184.92
GORDAN, MARY*	56167	158.79
GREEN, STEPHEN	50356	114.57
GREENLAW, PETER	6102	30.15
GRIFFIN, CAROL ANN	56310	56.28
HALLE, STEPHAN B	50915	148.74
HALLEY, ROBERT	50643	92.46
HANLEY, PAT	56911	102.51
HANNON, BRIAN L	50453	114.57
HAPGOOD, PETER	50694	138.69
HARDER, JAMES K	1000	14.07
HARPER JN CO USA	6065	30.15
HARRINGTON, RAYMOND	56755	416.07
HARRIS, JOHN	56173	90.45
HARTLEY, KELLY	56687	48.24
HATCH, MICHAEL	51095	410.04
HAYES, ED	56376	138.69
HEBERT, KENNETH	56778	92.46
HEINILUOMA, DAN	56644	275.37
HIRST, KENNETH	3113	12.06
HODGDON, LINDA	56916	576.87
HODGKINS, BILL	51068	72.36
HOENIG, ANITA	56454	285.42
HOFFMAN, CAROLYN	56261	30.15
HOGLAND, JANICE	50257	20.10
HONOHAN, DAVID	56176	160.80
HOPKINS, JEAN	50845	395.97
HURLEY, LYNNE	50130	88.44
HYBERTS, REGINA T*	1375	82.41
IOS CAPITAL LLC*	1910	190.95
ISMAIL, BADR S	4222	32.16
JAMAL, RICHARD	2262	104.52
JANNETTI, JAMES E	3115	12.06
JENKINS, DAWN M	50109	142.71
JN COMPANY USA LTD	56212	30.15
JOHNSON, JANIE	56321	184.92
JOHNSTON, MARK	56066	94.47
JORDAN, SHAYNE	50379	132.66
JORDAN, WILLIAM	56693	343.71
JOSEPH POOLER	56863	10.05
JULIANO, ANTHONY	4257	38.19
KANEN, RICHARD	50427	40.20
KEHOE, WALTER	56416	64.32
KELLEY, DICK	50846	410.04
KELLEY, EDWARD	56401	96.48
KELLEY, JILL A	50860	7.77
KELLEY, JULIE	50632	221.10
KELLY, DIANA	3144	84.42
KENNEY, JOSEPH	50288	82.41
KEUCHKARIAN, JOELLE	56718	146.73
KEY LEASE PLUS INC	1044	194.97
KNISKERN, ROBERT	50657	130.65

KOoyenga, Glen	4221	32.16
Kurilec, Peter	1017	8.04
Lachance, Ron	56378	70.35
Lacomfora, Aine	50479	38.19
Laflamme, Richard*	50188	102.51
LAGRASSA, PAUL	56637	96.48
LAGUE, MICHAEL*	56418	28.14
LAMBERT, SUSAN	5024	30.15
LAMY, PAUL	56733	100.50
LANGLOIS, RONALD	4217	32.16
LAPLANTE, BARBARA	56069	88.44
LAPOINTE, RONALD C	1436	88.44
LAROCHE, JOHN	56734	130.65
LEASE FINANCIAL GROUP	1656	10.05
LEBLANC, JOHN	50712	42.21
LEBLANC, PAUL	50702	84.42
LEDFOORD, JUDITH*	50664	8.39
LEE, ROBERT	51027	62.31
LEE, THOMAS JR	1454	20.10
LEHMAN COMMERCIAL PAPER	56140	321.60
LEMIEUX, DONALD	50234	132.66
LEMIEUX, GLENN	50437	40.20
LESSARD, DONNA M	562.78	126.63
LEVASSEUR, SANDY	50755	169.62
LEVESQUE, DAN	51029	46.23
LEWIS, COLLEEN	56918	283.41
LMV CORP	2278	56.28
LMV CORP	2282	72.36
LOCKE, HENRY	50345	287.43
LOPEZ, STEVEN	56183	178.89
LOURA, TONY	56037	160.80
LULL, NOREEN	56459	319.59
MACDONALD, JOANNE	50397	10.05
MACKELL, FRANCIS	4070	38.19
MAGOON, RICHARD*	50962	20.10
MAHANAY, SHAWN	56113	315.57
MAHONEY, DIANE	50734	118.59
MAHONEY, JOSEPH	50441	213.06
MALER, PATRICK	50998	188.94
MALONEY, ANTOINETTE	1487	110.55
MANCHESTER JEWELRY INC	1490	28.14
MANSFIELD, JAMES	50061	174.87
MARA, KEVIN	50736	138.69
MARKINS, LEE	50458	62.31
MARTELOTTO, MARIO	56799	233.16
MARTELOTTO, MARIO	56820	560.79
MARTIN, AIDA	4228	38.19
MARTIN, RUPERT	1509	144.72
MARUCO, FRAN*	56920	170.85
MASONS OUTHUSE	56581	490.44
MATTESON, STUART	50671	458.28
MAYER, SUSAN D*	56190	28.14
MAYO, DEBRA	56832	144.72
MCCORMACK, JAY	56614	144.72
MC GEE, BRIAN	50908	219.09
MC GEE, THOMAS	50727	50.25
MCGOWEN, THOMAS*	51033	110.55
MCGRADY, THERESA	50487	40.20
MCKAY, GEORGE	51074	58.29
MCKENNA, JOHN	50795	231.15

MCLAUGHLIN, JOHN & MARY	51034	253.26
MCPHETERS, AMY C	6238	24.12
MCTAGUE, JAMES*	50323	7.21
MELANSON, GERALD	56311	227.13
MESSIER, MICHAEL	56194	92.46
MEUSE, EARL	50676	176.88
MICHAUD DIST	1529	32.16
MILLER, JAMES	1617	201.00
MONTEIRO, ANTHONY	50748	189.30
MOORE, ALISON	4079	38.19
MORRIS, ANNETTE	56174	10.82
MORRISON, LISA	6115	30.15
MORROW, WILLIAM	56569	271.35
MORSE, LARRY	56195	144.72
MULVEY, MICHAEL	56071	146.73
MURACA, JOSEPH	6254	20.10
MURPHY, KEVIN	56890	315.57
MURRAY, JAMES	50785	418.08
MURRAY, MARGARET	6121	30.15
MCHUGH, MICHAEL	56520	327.63
MCNULTY, SHAWN	56521	351.75
NATIONAL PROPANE	1363	34.17
NEW COURT LINC FINANCIAL	56221	56.28
NICKERSON, ROBERT	50647	32.16
NOLAN, CHERYL	56464	385.92
NOONAN, BRIAN	56327	303.51
NORTON, JEAN	50872	54.27
NUTBROWN, MICHAEL	56014	88.44
OBERHIST, BARBARA	50873	58.29
OCONNELL, CYNTHIA	50752	106.53
OKEEFE, MARY	50636	76.38
OLSON, CARL	50786	28.14
OMALLEY, JOANNE	51105	339.69
ONEIL, JEANMARIE	56265	327.63
OROURKE, MARTY	55145	74.37
OSMAN, LOUIS	50763	229.14
OTENTI, AL	50700	96.48
OTENTI, TOMMY	56090	172.86
OTOOLE, CHRIS	50997	110.55
OUELLETTE, CHARLES	50968	76.38
OUELLETTE, RON	56724	96.48
PANAGGIO, JOSEPH	4088	38.19
PAQUETTE, RONALD	50874	80.40
PARADIS, RAYMOND	56900	211.05
PARADYSZ, DAVID	50719	271.35
PARTRIDGE, DOUGLAS	56420	40.20
PELED, ESTHER	56604	10.05
PERREAULT, LOUIS	56818	253.26
PICARD, GERARD	1919	130.65
PICKLES, ROBERT*	50488	20.10
PITRE, MARY	3093	24.12
PLUMMER, CARIE	56868	40.20
POMPEI, JOHNNY	4084	6.03
POWERS, MARK	50333	48.24
PROVENCHER, BRUCE	56203	6.03
PUTNAM, DANA	50463	48.24
PUTNAM, ELINOR	50465	106.53
PYNEHON, SUSAN	50812	52.26
QUINLAN, TIMOTHY	6124	30.15
QUINN, ERIC	50049	66.33

QUINN, IRENE	4249	38.19
REBOVICH, ANDREA	50971	170.85
REMICK, BARBARA	50385	52.26
RICARD, SHAWN	56638	249.24
RICCI, LINDA	50686	5.32
RICHMOND, HARVEY	50606	100.50
RICHMOND, RICHARD	50237	70.35
RILEY, RAY	50547	102.51
ROBICHAUD, ARLENE	50760	231.15
ROBICHAUD, JOSEPH	3134	12.06
ROSSELLI, SCOTT	50690	273.36
ROY, NORMAN	56431	132.66
RUNYAN, RICHARD	50691	42.21
RYAN, JERRY*	51047	6.03
SANTIAGO, VICTOR	50305	28.14
SALISBURY, WILLIAM	50241	98.49
SCARMEAS, CHRIS	50342	196.98
SCHNEIDER, THOMAS	50818	78.39
SEQUEL CAPITAL CORP	1048	54.27
SHOREY, GLENOLA	1741	122.61
SHOREY, GLENOLA	2138	20.10
SHOREY, GLENOLA	2139	12.06
SILVAR, STEPHEN*	56335	205.02
SIMBA MVSANGE	2272	10.05
SINOTTE, JIM	51156	142.71
SLATE, KATHY	56215	26.13
SMITH, CAROL	50015	50.25
SMITH, WILLIAM P	4098	38.19
SNOW, MARK	1361	60.30
SOUCY, DAVID	50574	203.01
STANLEY, CINDY	51157	402.00
STEVENS, GREG SR*	56474	26.13
STEWART, JAMES	50269	96.48
SWEET, CURTIS	2081	14.07
SWINDELL, LOU	56571	126.63
SWISSIER, TJ	56241	124.62
TAFT, JIM	56127	293.46
TATUM, LESLIE	56532	58.29
TAYLOR, MAURICE	56905	18.09
TELAUTOGRAPH CORP	2259	20.10
TEXTRON FINANCIAL CORP	1844	3,177.81
THAYER, SCOTT	3203	6.03
THERIAULT, BRUCE	56358	76.38
THUILLIER, RICHARD	56618	192.96
TIMLEDGE, ROBERT	56533	100.50
TIMMONS, TERRANCE	2281	215.07
TOEDT, MARCUS	50769	223.11
TOUSIGNANT, ROGER	1828	74.37
TOWNE, ROBERT	56047	333.66
TRACY, PATRICIA SMITH	6166	30.15
TRAMONTOZZI, JANICE	50059	96.48
TRAVIS, JOE	56302	333.66
TRYNOR, PAUL JR	56870	100.50
TUCKER, MARIE	50347	219.09
VACCA, WILLIAM	56214	174.87
VARNEY, PAUL	56826	94.47
VERNON ELLSWORTH INC	2123	217.08
VERRILL, LARRY*	56932	182.91
VIEGAS, SUZANNE	51110	203.01
VILLA, WILLIAM	56050	303.51

VRAIBEL, CHRISTINE*	50624	76.38
WALLACE, GLENN	4200	6.03
WALLES, ROBIN	56730	978.87
WALSH, DENNIS	56242	178.89
WALSH, RICHARD	56342	215.07
WARD, MARK	50215	428.13
WATERS, MARTIN	3175	162.81
WEAGLE, BRUCE	56005	12.06
WEAVER, DONALD L SR*	50569	112.56
WEINSTEIN, ALAN	1571	361.80
WEINSTEIN, NEAL ESQ	1886	158.79
WELDING D & BANKS	50791	34.17
WELDING, DORIS	56635	100.50
WELLS, STEPHEN R	56128	100.50
WENEROWICZ, BETTY	56343	219.09
WERSACKAS, JAMES*	56901	416.07
WHIPPLE, ARTHUR	5022	30.15
WHITE, ANN	50565	100.50
WHITE, RON	4207	32.16
WICKHAM, ROBERT	4116	38.19
WILLIAMS, PAUL	50883	311.55
WILSON, STEVE	56011	253.26
WIRZBICKI, CECELIA	50988	24.12
WOMARK, DONALD	50506	56.28
WOODS, TED	56480	211.05
WRIGHT, DALE	4186	38.19
YOUNG, CYNTHIA	56923	259.29
YOUNG, MICHAEL	3116	84.42
ZALEWSKI, ED	56537	271.35
ZEMETRES, RUTH	56197	38.19

STATE OF MAINE
HOUSE OF REPRESENTATIVES
CLERK'S OFFICE
2 State House Station
Augusta, Maine 04333-0002

From: Millicent M. MacFarland
Clerk of the House

Many municipal annual reports include the category of "Representative to Legislature" at the conclusion of the listing of Municipal Officers.

In the belief that you may want to aid citizens to more readily contact their House member, we are hopeful that you will include the following information in the Municipal Officers section:

Representative to the Legislature:
(Term exp. 12/6/06)

District 132

State Representative:	George W. Hogan, Sr. 17 Seacliff Avenue Old Orchard Beach, Maine 04064
Residence:	(207) 934-0492
Business:	(207) 934-4292
Fax:	(207) 934-0492
E-Mail:	ghogan@gwi.net
Capitol Address:	House of Representatives 2 State House Station Augusta, ME 04333-0002
State House E-Mail:	RepGeo.Hogan@legislature.maine.gov
Telephone:	287-1400 (Voice) (207) 287-4469 (TTY)

Year-round toll free House of Representatives message center: 1-800-423-2900
Maine Legislative Internet Web Site: <http://janus.state.me.us/legis>

STATE OF MAINE
HOUSE OF REPRESENTATIVES
OFFICE OF THE CLERK
TOWN OF OLD ORCHARD BEACH, MAINE

Annual Financial Report

June 30, 2004

Prepared by
Jill M. Eastman
Finance Director/Treasurer

TOWN OF OLD ORCHARD BEACH, MAINE
Annual Financial Report
June 30, 2004

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Independent Auditor's Report

Town Council

Town of Old Orchard Beach, Maine

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Old Orchard Beach, Maine as of June 30, 2004, which collectively comprise the Town's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of the Town of Old Orchard Beach, Maine's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Old Orchard Beach, Maine, as of June 30, 2004, and respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis, as listed in the table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Old Orchard Beach, Maine's basic financial statements. The combining and individual fund schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, is fairly presented, in all material respects, in relation to the basic financial statements taken as a whole. The information in Tables 1 through 7 has not been subject to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 27, 2004, on our consideration of the Town of Old Orchard Beach, Maine's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

September 27, 2004
South Portland, Maine

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004

Our discussion and analysis of the Town of Old Orchard Beach's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2004. Please read it in conjunction with the Town's financial statements and accompanying footnotes, which begin on page 16.

FINANCIAL HIGHLIGHTS

- Despite the nationwide financial downturn that has adversely affected the State of Maine and many Municipalities in our area, the Town's financial results were strong and the outlook continues to be very positive beyond the end of the Fiscal Year;
- General Fund Revenues and Transfers In exceeded estimates by \$632,461;
- General Fund Expenditures, Transfers Out and Uses of Fund Balance were less than budgeted by \$213,016;
- Changes to other items conforming to accounting principles generally accepted in the United States of America were positive;
- General Fund Surplus was increased by \$943,064.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 16 and 17) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 18. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside the government.

Reporting the Town as a Whole

The Statement of Net Assets and the Statement of Activities

Our analysis of the Town as a whole begins on page 16. One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

These two statements report the Town's *net assets* and changes in them. You can think of the Town's net assets - the difference between assets and liabilities - as one way to measure the Town's financial position, or *financial health*. Over time, increases or decreases in the Town's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town's property tax base and the condition of the Town's roads and sewers, to assess the *overall health* of the Town. The most significant component of the reporting changes in these two statements is the inclusion of the value of the Town's capital assets (original cost less depreciation) along with the long term debt that generally was used to purchase or construct these capital assets. Net Assets includes the effect of this and several other items while the more traditional approach (Statements 3 & 4) does not. The differences are explained at the bottom of Statement 3 and in the Reconciliation shown in Statement 5.

In the Statement of Net Assets and the Statement of Activities, we divide the Town into two kinds of activities:

- **Governmental activities** – Most of the Town's basic services are reported here, including the police, fire/rescue, public works, sanitation, and recreation departments, planning and economic development, parks and recreation, and general administration. Property taxes, user fees, franchise fees, interest income, and state and federal grants finance most of these activities.
- **Business-type activities** – The Town owns the Ballpark facility, which is expected to be run like a business and to be self-supporting.

Reporting the Town's Most Significant Funds

Fund Financial Statements

Our analysis of the Town's major funds begins on page 18. The fund financial statements begin on page 45 and provide detailed information about the most significant funds - not the Town as a whole. Some funds are required to be established by State statute or by bond covenants. However, the Town establishes many other funds to help it control and manage money for particular purposes (like the Recreation programs) or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the State Department of Education). The Town's two kinds of funds - *governmental and proprietary* - use different accounting approaches.

- **Governmental funds** – Most of the Town's basic services are reported in governmental funds, which focus on how much flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental *funds* in the reconciliation shown in Statement 5.

- *Proprietary funds* – When the Town charges customers for the services it provides - whether to outside customers or to other units of the Town - these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the Town's enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements but provides more detail. The only proprietary fund the Town has is for the Ballpark facility.

The Town as Trustee

Reporting the Town's Fiduciary Responsibilities

The Town, through its School Department, is the trustee for several scholarship funds. All of the Town's fiduciary activities are reported in Statements 10 and 11 on pages 25 and 26. We exclude these activities from the Town's other financial statements because the Town cannot use these assets to finance its operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE TOWN AS A WHOLE

The Town is providing condensed financial information for fiscal year 2004 with comparative information for fiscal year 2003. The analysis below focuses on the net assets of the Town's Governmental and Business-type Activities.

	Primary Government	
	2004 Total	2003 Total
Current & other assets	\$ 9,194,430	\$ 8,154,575
Capital assets	15,490,325	16,129,428
Total assets	<u>24,633,818</u>	<u>24,284,003</u>
Long-term debt	12,960,834	13,559,217
Other liabilities	2,163,491	2,228,656
Total liabilities	<u>15,124,325</u>	<u>15,787,873</u>
Net assets:		
Invested in capital assets	3,070,325	2,570,211
Unrestricted	<u>6,469,168</u>	<u>5,925,919</u>
Total net assets	<u>\$ 9,539,493</u>	<u>\$ 8,496,130</u>

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

Revenues

Program revenues:

Charges for services	\$ 1,417,581	\$ 1,370,177
Operating grants & contributions	3,814,128	4,187,579
Capital grants & contributions	14,951	229,129

General Revenues:

Property taxes	15,209,527	14,844,280
Payments in lieu of taxes	19,191	30,411
Excise taxes	1,419,952	1,327,491
Interest and costs on taxes	131,892	117,338
Franchise fees	87,092	60,380
Homestead exemption	209,192	232,346
State revenue sharing	908,820	865,540
Other State & Federal aid	22,730	9,565
Investment earnings	101,884	95,693
Miscellaneous revenues	180,044	13,153
Total revenues	<u>23,536,984</u>	<u>23,383,082</u>

Program expenditures:

General government	1,900,259	1,561,160
Public Safety	3,676,407	3,519,645
Public Works	1,241,271	1,427,966
Sanitation	1,955,967	1,806,750
Recreation, culture & agencies	441,329	373,581
Health & welfare	62,202	56,515
Education	10,904,509	11,208,864
County tax	451,223	490,799
Unclassified	270,994	308,597
Interest on debt	703,716	750,924
Capital outlays	868,578	332,984
Ballpark	17,166	17,274
Total expenditures	<u>22,493,621</u>	<u>21,855,059</u>

Change in net assets, positive or (negative)	\$ 1,043,363	\$ 1,528,023
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TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

GOVERNMENTAL ACTIVITIES

The cost of all Governmental Activities this year was \$22,493,621. Of that amount, those who directly benefited from the programs paid \$1,417,581 and subsidies for specific programs were received from other governments and organizations totaling \$3,814,128 in operating expenses and \$14,951 in capital expenses. General purpose grants, aid and earnings on investments brought in a further \$1,422,670. Taxpayers were asked to contribute \$16,867,654 through property and excise taxes, interest and costs on delinquent taxes, and franchise fees. The Town had total resources of \$23,536,984 available to fund its Governmental Activities programs.

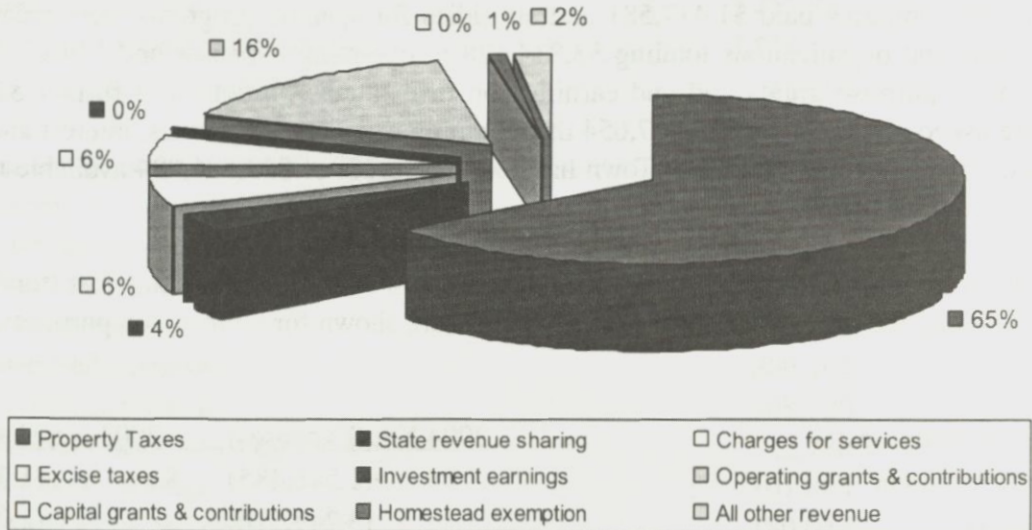
The Town's Governmental Activities programs are listed below with this year's net cost (total cost less revenues generated by the programs). Last year's net costs are shown for comparison purposes.

Governmental Activities:	2004 Net (Expenses)	2003 Net (Expenses)
General government	\$ (1,546,485)	\$ (1,381,798)
Public Safety	(3,249,210)	(2,840,231)
Public Works	(1,169,475)	(1,279,190)
Sanitation	(1,658,411)	(1,460,289)
Recreation, culture & agencies	(247,481)	(192,237)
Health & welfare	(51,971)	(46,635)
Education	(7,117,005)	(7,211,519)
County tax	(451,223)	(490,799)
Unclassified	(166,240)	(76,793)
Interest on debt	(703,716)	(750,924)
Capital outlays	(868,578)	(332,984)
Total governmental activities	<u>\$ (17,229,795)</u>	<u>\$ (16,063,399)</u>

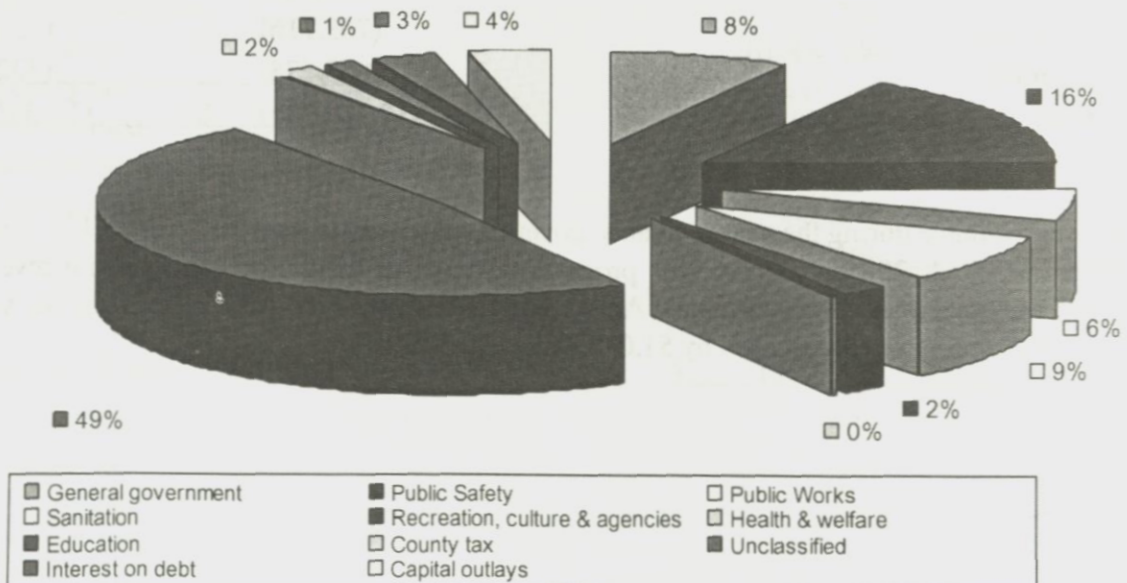
Total resources available during the year to finance governmental operations were \$32,033,114, consisting of Net Assets at July 1, 2003 of \$8,496,130, program revenues of \$5,246,660 and general revenues of \$18,290,325. The total cost of Governmental Activities and Business-type Activities during the year was \$22,493,621. Net Assets were increased by \$1,043,363 to \$9,539,493.

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

2004 Governmental Activities Revenue



2004 Governmental Program Expenditures



TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

BUSINESS-TYPE ACTIVITIES

The only Proprietary (Business-type) Activity the Town has is the Ballpark Facility. The Facility was not leased during the fiscal year.

The expenses for the Facility were annual depreciation of capital assets and a small interest payment on the final installment of long term debt, for a total of \$17,166. Compare this figure to \$17,274 for the same purposes in the prior fiscal year.

Net Assets for the Proprietary (Business-type) Activity decreased by \$17,166, from \$441,716 to \$424,550.

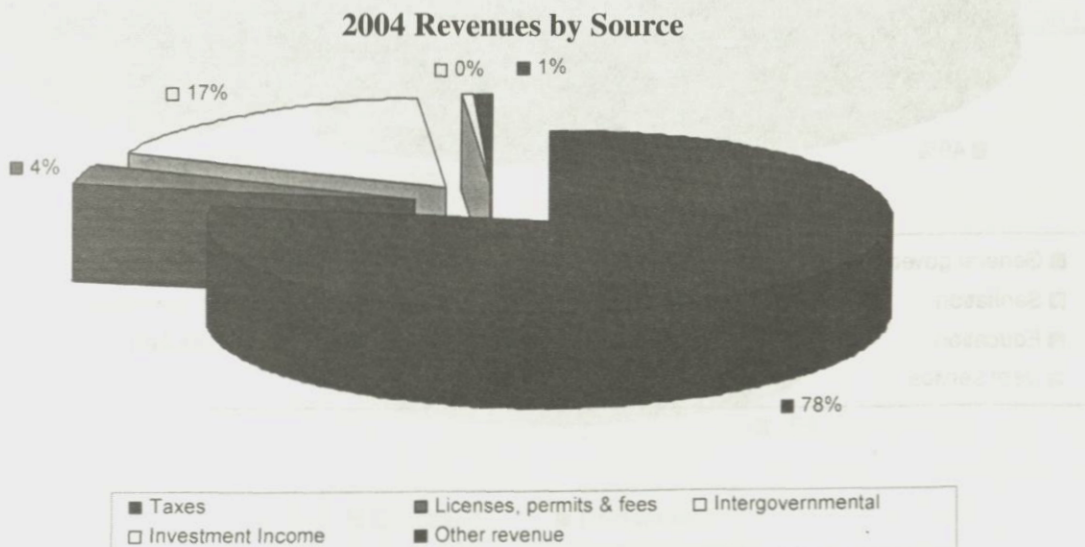
THE TOWN'S FUNDS

The following is an analysis of balances in the Town's major individual funds. Comparative information is provided for fiscal year 2003.

GENERAL FUND

Comparison of revenues of the General Fund for 2004 and 2003, respectively.

Revenues by source	2004	2003
Taxes	\$ 16,701,460	\$ 16,212,450
Licenses, permits & fees	787,862	657,588
Intergovernmental	3,714,653	4,183,445
Investment income	97,957	89,177
Other revenue	183,408	37,752
Total revenues	\$ 21,485,340	\$ 21,180,412

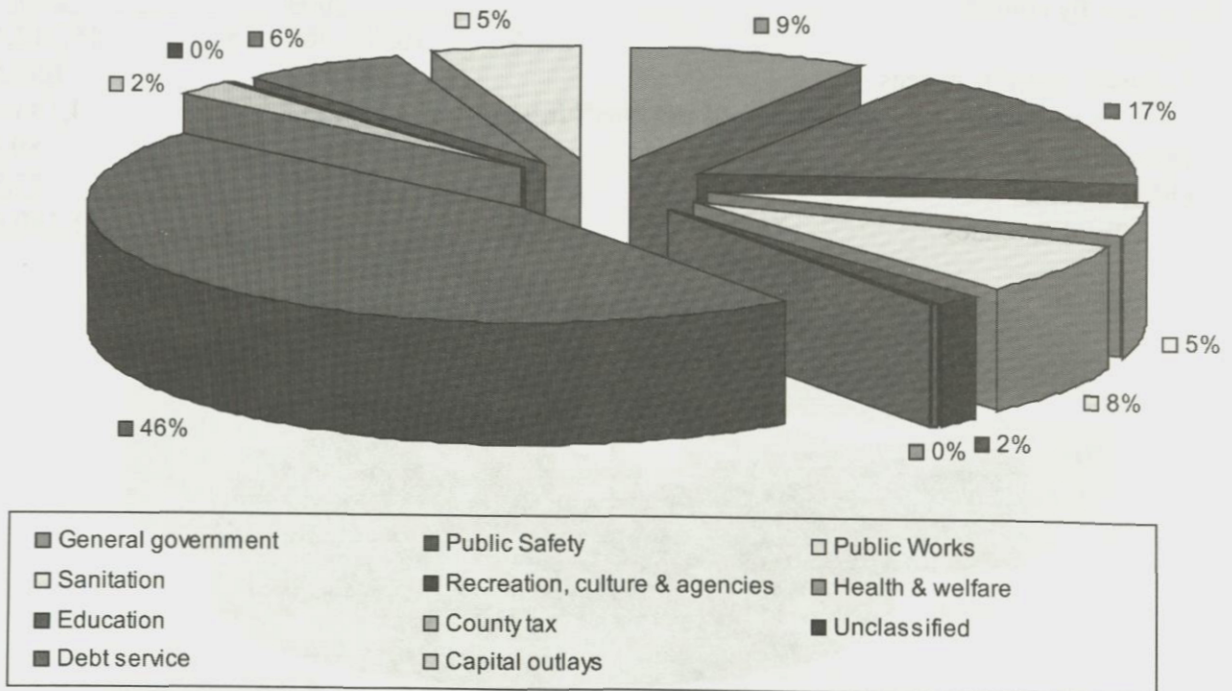


TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

Comparison of expenditures of the General Fund for 2004 and 2003, respectively.

Expenditures by function:	2004	2003
General government	\$ 1,842,364	\$ 1,523,897
Public Safety	3,543,140	3,383,987
Public Works	1,005,234	941,985
Sanitation	1,576,873	1,684,667
Recreation, culture & agencies	332,191	287,190
Health & welfare	62,202	56,515
Education	9,584,579	9,900,140
County tax	451,223	490,799
Unclassified	(83,230)	3,959
Debt service	1,561,729	1,621,046
Capital outlays	1,149,814	778,051
Total expenditures	\$ 21,026,119	\$ 20,672,236

2004 Expenditures by Program



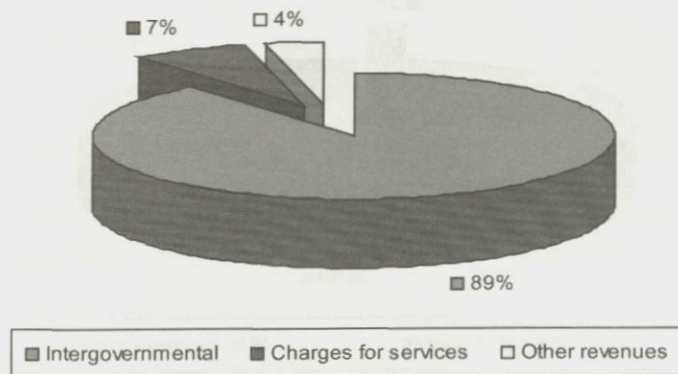
TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

SCHOOL SPECIAL REVENUES FUND

Comparison of revenues of the School Special Revenue Fund for 2004 and 2003, respectively.

Revenues by source:	2004	2003
Intergovernmental	\$ 1,242,582	\$ 1,218,304
Charges for services	104,754	100,005
Other revenues	52,184	90,582
Total revenues	\$ 1,399,520	1,408,891

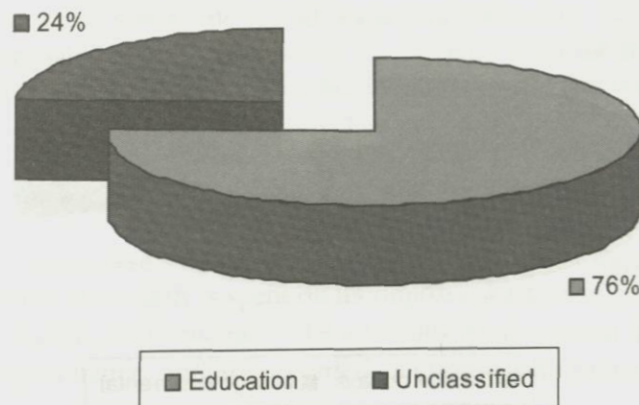
2004 Revenues by Source



Comparison of expenditures of the School Special Revenue Fund for 2004 and 2003, respectively.

Expenditures by function:	2004	2003
Education	\$ 1,068,838	\$ 1,062,565
Unclassified	337,712	299,734
Total expenditures	\$ 1,406,550	\$ 1,362,299

2004 Expenditures by Function



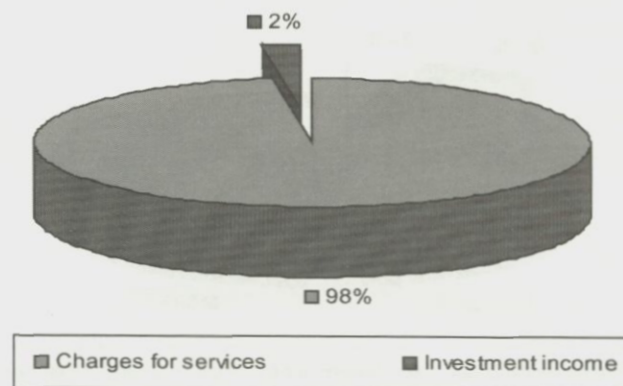
TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

RESCUE CALL FEES FUND

Comparison of revenues of the Rescue Call Fees Fund for 2004 and 2003, respectively.

Revenues by source:	2004	2003
Charges for services	\$ 167,386	\$ 157,479
Investment income	3,927	6,516
Total revenues	\$ 171,313	\$ 163,995

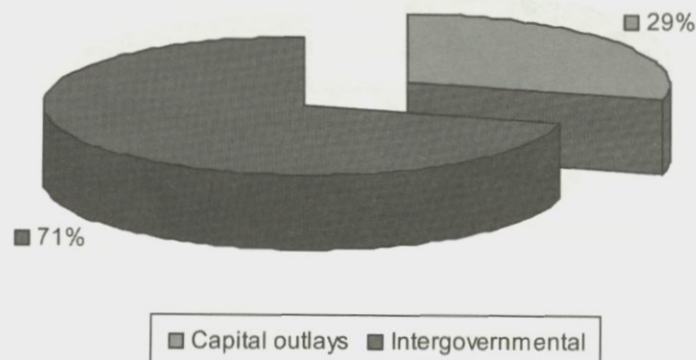
2004 Revenues by Source



Comparison of expenditures of the Rescue Call Fees Fund for 2004 and 2003, respectively.

Expenditures by function:	2004	2003
Capital outlays	\$ 40,253	\$ 36,281
Transfers	100,000	100,000
Total expenditures	\$ 140,253	\$ 136,281

2004 Expenditures by Function



TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

BALLPARK FUND

The Town's only (and therefore major) Proprietary (Business-type) Fund is the Ballpark Fund. As its revenues, expenses, net assets and comparisons to the prior year were noted earlier, no further explanation is necessary.

DEBT ADMINISTRATION

Debt, considered a liability of Governmental Activities, decreased during fiscal year 2004 by \$614,440. Per capita debt decreased from \$1,481 to \$1,411 as a result of principal pay downs and debt refinancing. New debt was issued during the year in the amount of \$7,520,000.

The Governmental Activity debt summary for fiscal year 2004 is as follows.

Debt payable at June 30, 2003	\$ 13,034,440
Less: debt retired	8,134,440
Plus: debt issued	<u>7,520,000</u>
Debt payable at June 30, 2004	\$ 12,420,000

The debt payable does not include the long term portion of compensated absences of \$390,834 or the long term accrual for landfill monitoring of \$156,000. The Town has no plans at this time to increase long term debt for capital projects.

CAPITAL ASSETS

The capital assets of the Town are those assets that are used in the performance of the Town's functions, including infrastructure assets (roads, sidewalks, sewers, etc.). At June 30, 2004, net capital assets of the Governmental Activities totaled \$15,044,838 and net capital assets of the Business-type Activities totaled \$445,487. Annual depreciation on capital assets is recognized in the Government-Wide financial statements as an expense of the appropriate program in the Statement of Activities.

The Town has elected to use the Depreciation Method as defined by GASB Statement No. 34 for infrastructure reporting. Under this method, all capital assets except land are assigned an anticipated useful life and the initial cost of acquiring or constructing that asset is reduced each year by an amount equal to its cost divided by its years of useful life (depreciation). The depreciation is then treated as an expense in each year. Any capital improvements that renew the life of a capital asset are recorded in a similar fashion. For example, the replacement of a particular sewer line would trigger the following: (1) the historical cost of the replaced sewer line and its accumulated depreciation would be removed from the listing of capital assets, and (2) the cost of the new sewer line would be recorded in the listing of capital assets and assigned a useful life to begin its depreciation cycle. Capital improvement projects that significantly extend the useful life of a capital asset but fall short of a full replacement are recorded by adding the cost of the improvements to the remaining depreciated cost of the original asset and applying the revised useful life to depreciate from that point on.

Use of depreciation for capital assets forces the Town to recognize that there is still a cost associated with the aging of infrastructure even if no cash is spent on its improvement. The Town is continuously taking actions to arrest the deterioration of its infrastructure. These actions do not extend the useful life of the infrastructure, are considered to be maintenance, and are recorded as current year expenditures only.

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

BUDGETS AND BUDGETARY ACCOUNTING

Comparing the fiscal year 2004 original (adopted) General Fund budget to the final (amended) budget on Statement 6 shows that there was no increase in the total amount budgeted.

The Town does not use "carry forward" or "encumbrance" budgeting to account for prior year items not spent by year-end. Instead, the Town Council is asked to appropriate these particular amounts as items in Designated Fund Balance for ease in tracking and recording. Therefore, additions to adopted budget amounts are rare and occur generally for extraordinary items needing attention during the year. There were none of these during this fiscal year.

Comparing the fiscal year 2004 actual results to the final budget shows that there were positive variances for both revenues and expenditures. Management's policy has been to estimate revenues conservatively but realistically, based on historical amounts and trends and on future economic forecasts. This approach has resulted in small amounts of extra revenue each year in the recent past. This year the most significant amounts were generated from vehicle excise taxes, building and related permits, and parking related items. The magnitude of the shortfall in School revenues arises because the School Department budget each year includes a \$75,000 use of prior year education surplus, which is not transferred unless there is an unanticipated level of School expenditures for Special Education, a "cushion" for emergencies. As the surplus carries from year to year if not used, it is not shown as an actual revenue that would simply revert back to fund balance at year-end.

Two areas of expenditure went beyond their amended budget amounts. General government had to cope with significant increases in general insurance and legal costs and personnel changes in several departments. Public Safety was faced with large overtime costs. It is Management's practice not to make budget amendments simply to cover unavoidable shortfalls in Department allocations, but rather to let these negative variances show into the future in order to highlight items that deserve closer scrutiny during the budget process. The basic philosophy of managing budgeted expenditures is to require the Department Head to monitor spending levels, to inform Management of anticipated problems and to hold down discretionary spending as much as possible while maintaining public services at an acceptable level. Management reports anticipated problems to the Town Council as they are identified.

Under other financing sources and uses, actual amounts for operating transfers in and out are skewed each year due to the uncertainty of the assessed valuation of property captured by a Tax Increment Financing (TIF) District. The final figure is not available at budget preparation time and, historically, the prior year's figure is used as an estimate. The Utilization of prior year fund balance amount shown in the budget columns is an offset to the amounts shown as budgeted expenditures from designated and undesignated fund balance within Capital outlays. The budgetary figures for these expenditures are listed and then reversed as they are not part of the budget adoption or adjustment processes but rather are authorized by the Town Council as separate appropriations from either Designated or Undesignated Fund Balance.

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

THE CLIMATE THE PAST AND THE FUTURE

The Town is not dependent on an industrial tax base to fund its property tax levies. As a major summer vacation resort destination, the Town attracts businesses that are primarily seasonal. Management is exploring avenues to create more of a year-round appeal for tourism. Over the last two decades, there has been a marked increase in the number of seasonal residences being converted to year-round use by retirees and by commuters to the Portland area, New Hampshire and even to Massachusetts. New construction has emphasized more upscale properties, whether as primary or secondary residences.

While all of the states and many of the major municipalities in the nation have been experiencing economic conditions that have severely affected their revenue streams, the Town has not seen that strain. Several years of good financial management, conservative budgeting and watchful spending have brought increasing fund balances. In January 2003, Standard & Poor's upgraded its rating of the Town's outstanding bonded debt from BBB+ to A-, stating "The rating upgrade reflects strong reserves supported by well-thought-out fiscal policies, evidence of continued economic growth and a moderate debt burden with limited capital needs." This event is a significant achievement for Management.

Fund Balance

Town Council policy requires an Undesignated Fund Balance level at least equal to 12% of the current year's General Fund operating budget. This represents approximately one and a half months' worth of expenditures. Historically, available amounts above the 12% level have been used to fund capital projects or to hold when indications of economic downturn are seen, as a safeguard against falling revenues. The amounts of Undesignated Fund Balance and the excess above the 12% level for the last five years are as follows:

<u>Year</u>	<u>Undesignated F.B.</u>	<u>Excess Amt.</u>
2000	2,233,396	93,627
2001	2,322,811	87,913
2002	2,621,161	320,489
2003	2,891,132	545,716
2004	4,355,690	1,826,671

Next Year Budget

The Town Council approved a budget for fiscal year 2005 of \$21,075,158, a 2.95% increase over 2004's budget. Total property tax revenue to be raised was \$15,587,550, a 1.43% increase from the previous year. An increase in the tax rate of 20.10 mils was not required. This was accomplished through expansion of the tax base and the use of \$160,000 of the available excess Fund Balance.

TOWN OF OLD ORCHARD BEACH, MAINE
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2004, Continued

Further Historical Comparisons

The reader is strongly encouraged to study Tables 1-7 at the end of the Financial Statements to view 10-year comparisons of relevant data.

Significant Subsequent Events

Since the end of fiscal year 2004, there have been no significant events.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide the Town's citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions about this report or need any additional financial information, contact the Finance Office at 1 Portland Avenue, Old Orchard Beach, ME 04064, phone 207-934-5714 ext. 22, or email finance@oobmaine.com.

TOWN OF OLD ORCHARD BEACH, MAINE
Statement of Net Assets
June 30, 2004

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,126,489	-	3,126,489
Investments	4,863,654	-	4,863,654
Receivables:			
Taxes receivable	229,516	-	229,516
Tax liens	604,260	-	604,260
Accounts receivable	283,236	-	283,236
Prepaid items	21,518	-	21,518
Inventory	44,820	-	44,820
Internal balances	20,937	(20,937)	-
Nondepreciable capital assets	1,800,728	-	1,800,728
Capital assets, net	13,244,110	445,487	13,689,597
Total assets	24,239,268	424,550	24,663,818
LIABILITIES			
Accounts payable and payroll withholdings	768,385	-	768,385
Accrued expenses	1,142,638	-	1,142,638
Accrued vacation and sick leave	143,075	-	143,075
Taxes collected in advance	478	-	478
Refundable deposits	108,915	-	108,915
Noncurrent liabilities:			
Due within one year	686,000	-	686,000
Due in more than one year	12,274,834	-	12,274,834
Total liabilities	15,124,325	-	15,124,325
NET ASSETS			
Invested in capital assets, net of related debt	2,624,838	445,487	3,070,325
Unrestricted	6,490,105	(20,937)	6,469,168
Total net assets	\$ 9,114,943	424,550	9,539,493

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Statement of Activities
For the Year Ended June 30, 2004

For the Year Ended June 30, 2004							
Functions/programs	Expenses	Charges for services	Program Revenues	Capital grants and contributions	Net (expense) revenue and changes in net assets		
			Operating grants and contributions		Governmental activities	Primary Government Business-type activities	Total
Primary government:							
Governmental activities:							
General government	\$ 1,900,259	353,774	-	-	(1,546,485)	-	(1,546,485)
Public safety	3,676,407	412,101	145	14,951	(3,249,210)	-	(3,249,210)
Public works	1,241,271	-	71,796	-	(1,169,475)	-	(1,169,475)
Sanitation	1,955,967	297,556	-	-	(1,658,411)	-	(1,658,411)
Recreation, culture and agencies	441,329	193,849	-	-	(247,480)	-	(247,480)
Health and welfare	62,202	-	10,231	-	(51,971)	-	(51,971)
Education	10,904,509	55,548	3,731,956	-	(7,117,005)	-	(7,117,005)
County tax	451,223	-	-	-	(451,223)	-	(451,223)
Unclassified	270,995	104,754	-	-	(166,241)	-	(166,241)
Interest on debt	703,716	-	-	-	(703,716)	-	(703,716)
Capital outlays	868,578	-	-	-	(868,578)	-	(868,578)
Total governmental activities	22,476,456	1,417,582	3,814,128	14,951	(17,229,795)	-	(17,229,795)
Business-type activities:							
Ballpark	17,166	0	-	-	-	(17,166)	(17,166)
Total business-type activities	17,166	0	0	0	0	(17,166)	(17,166)
Total primary government	\$ 22,493,622	1,417,582	3,814,128	14,951	(17,229,795)	(17,166)	(17,246,961)
General revenues:							
Property taxes, levied for general purposes				\$ 15,209,527	-		15,209,527
Payment in lieu of taxes				19,191	-		19,191
Excise taxes				1,419,952	-		1,419,952
Interest and costs on taxes				131,892	-		131,892
Franchise fees				87,092	-		87,092
Grants and contributions not restricted to specific programs:							
Homestead exemption				209,192	-		209,192
Other State and Federal aid				22,730	-		22,730
State Revenue Sharing				908,820	-		908,820
Unrestricted investment earnings				101,884	-		101,884
Miscellaneous revenues				180,044	-		180,044
Transfers				-	-		-
Total general revenues and transfers				18,290,324	-		18,290,324
Change in net assets				1,060,529	(17,166)		1,043,363
Net assets - beginning				8,054,414	441,716		8,496,130
Net assets - ending				\$ 9,114,943	424,550		9,539,493

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE

Balance Sheet
Governmental Funds
June 30, 2004

	General	School Special Revenues	Rescue Call Fees	Other Governmental Funds	Total Governmental Funds
ASSETS					
Assets:					
Cash and cash equivalents	\$ 3,072,192	54,297	-	-	3,126,489
Investments	4,863,180	474	-	-	4,863,654
Receivables:					
Taxes receivable	229,516	-	-	-	229,516
Tax liens	604,260	-	-	-	604,260
Accounts receivable	140,319	87,630	-	55,287	283,236
Prepaid items	21,518	-	-	-	21,518
Inventory	41,014	3,806	-	-	44,820
Interfund loans receivable	-	270,310	-	357,822	628,132
Total assets	\$ 8,971,999	416,517	-	413,109	9,801,625

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts payable and payroll withholdings	728,481	36,741	-	3,163	768,385
Accrued wages	842,652	54,773	-	-	897,425
Accrued vacation and sick leave	143,075	-	-	-	143,075
Interfund loans payable	375,672	-	138,346	93,177	607,195
Taxes collected in advance	478	-	-	-	478
Deferred tax revenue	693,482	-	-	-	693,482
Refundable deposits	108,915	-	-	-	108,915
Total liabilities	2,892,755	91,514	138,346	96,340	3,218,955

Fund balances:

Reserved	481,332	3,806	-	0	485,138
Unreserved:					
Designated	1,242,222	-	-	0	1,242,222
Undesignated, reported in:					
General Fund	4,355,690	-	-	-	4,355,690
Special Revenue Funds	-	321,197	(138,346)	303,888	486,739
Capital Project Funds	-	-	-	12,881	12,881
Total fund balances	6,079,244	325,003	(138,346)	316,769	6,276,660
Total liabilities and fund balances	\$ 8,971,999	416,517	0	413,109	

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	15,044,838
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	693,482
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.	(13,206,047)

Net assets of governmental activities**\$9,114,943**

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2004

	General	School Special Revenues	Rescue Call Fees	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 16,701,460	-	-	206,334	16,907,794
Licenses, permits and fees	787,862	-	167,386	178,825	1,134,073
Intergovernmental	3,714,653	1,242,582	-	14,951	4,972,186
Charges for services	-	104,754	-	-	104,754
Program income	-	-	-	111,141	111,141
Investment income	97,957	-	3,927	-	101,884
Other revenues	183,408	52,184	-	9,701	245,293
Total revenues	21,485,340	1,399,520	171,313	520,952	23,577,125
Expenditures:					
Current:					
General government	1,842,364	-	-	-	1,842,364
Public safety	3,543,140	-	-	-	3,543,140
Public works	1,005,234	-	-	-	1,005,234
Sanitation	1,576,873	-	-	-	1,576,873
Recreation, culture and agencies	332,191	-	-	109,138	441,329
Health and welfare	62,202	-	-	-	62,202
Education	9,584,579	1,068,838	-	-	10,653,417
Intergovernmental	451,223	-	-	-	451,223
Unclassified	(83,230)	337,712	-	37,656	292,138
Debt service	1,561,729	-	-	-	1,561,729
Capital outlays	1,149,814	-	40,253	76,728	1,266,795
Total expenditures	21,026,119	1,406,550	40,253	223,522	22,696,444
Excess (deficiency) of revenues over (under) expenditures	459,221	(7,030)	131,060	297,430	880,681
Other financing sources (uses):					
Operating transfers - in	306,334	52,680	-	35,371	394,385
Operating transfers - out	(88,051)	-	(100,000)	(206,334)	(394,385)
Refunding bonds issued	7,520,000	-	-	-	7,520,000
Payment to refunded bond agent	(7,254,440)	-	-	-	(7,254,440)
Total other financing sources (uses)	483,843	52,680	(100,000)	(170,963)	265,560
Net change in fund balances	943,064	45,650	31,060	126,467	1,146,241
Fund balances (deficit), beginning of year	5,136,180	279,353	(169,406)	190,302	5,436,429
Fund balances (deficit), end of year	\$ 6,079,244	325,003	(138,346)	316,769	6,582,670

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2004

Net change in fund balances - total governmental funds (from Statement 4)	\$	1,146,241
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. More specifically, this is the amount by which depreciation expense exceeded capital outlays in the current period.

Statement 4 Capital outlays	1,266,795	
Statement 2 Capital outlays	868,578	
Variance	398,217	
Less: depreciation	1,020,185	
To reconciliation	(621,968)	(621,968)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. More specifically, this amount represents the change in deferred property taxes.

(40,140)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. More specifically, this represents the net amount of principal increases in debt service made during the current year.

614,440

New debt incurred	7,520,000	
Retired debt	(6,905,560)	
Net debt service	614,440	

Long-term debt accrues interest between payments that is a liability in the statement of net assets. However, this accrual is not recorded in the governmental funds as a current liability. More specifically, this represents the change in the amount of accrued interest on long-term debt.

(21,987)

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. More specifically, this represents the change in all non-debt long-term liabilities.

(16,057)

Change in landfill reserve	6,000	
Change in long-term accrued compensated absences	(22,057)	
To reconciliation	(16,057)	

Change in net assets of governmental activities (see Statement 2)	\$	1,060,529
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See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2004

		Budgeted amounts			Variance with final budget positive (negative)
		Original	Final	Actual	
Revenues:					
Taxes	\$	16,439,081	16,439,081	16,701,460	262,379
Licenses, permits and fees		568,800	568,800	787,862	219,062
Intergovernmental		2,697,501	2,697,501	2,744,653	47,152
Investment income		80,000	80,000	97,957	17,957
Other revenue:					
Municipal		12,000	12,000	3,364	(8,636)
School		93,000	93,000	180,044	87,044
Total revenues		19,890,382	19,890,382	20,515,340	624,958
Expenditures:					
Current:					
General government		1,794,911	1,794,911	1,842,364	(47,453)
Public works		1,016,451	1,016,451	1,005,234	11,217
Sanitation		1,641,580	1,641,580	1,576,873	64,707
Public safety		3,521,379	3,521,379	3,543,140	(21,761)
Recreation, culture and agencies		330,460	330,460	332,191	(1,731)
Health and welfare		66,633	66,633	62,202	4,431
Education		8,800,000	8,800,000	8,712,166	87,834
Intergovernmental		451,223	451,223	451,223	0
Other expenditures		50,000	50,000	(83,230)	133,230
Debt service		1,657,812	1,657,812	1,561,729	96,083
Capital outlays		926,084	926,084	1,149,814	(223,730)
Total expenditures		20,256,533	20,256,533	20,153,706	102,827
Excess (deficiency) of revenues over (under) expenditures		(366,151)	(366,151)	361,634	727,785
Other financing sources (uses):					
Operating transfers - in		298,831	298,831	306,334	7,503
Operating transfers - out		(52,680)	(52,680)	(88,051)	(35,371)
Refunding bonds issued		-	-	7,520,000	7,520,000
Payment to refunded bond agent		-	-	(7,254,440)	(7,254,440)
Utilization of prior year fund balance		120,000	120,000	-	(120,000)
Total other financing sources (uses)		366,151	366,151	483,843	117,692
Net change in fund balance		-	-	845,477	845,477
Reconciliation to GAAP:					
Less: Prior year encumbrances				(153,444)	
Add: Decrease in school summer salaries				(19,271)	
Add: Current year encumbrances				270,302	
Fund balance, beginning of year				5,136,180	
Fund balance, end of year		\$		6,079,244	

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Proprietary Fund - Ballpark Facility
Statement of Net Assets
June 30, 2004

Business-type Activities - Enterprise Funds

ASSETS

Property, plant and equipment:

Fixed assets	\$	993,250
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Accumulated depreciation		(547,763)
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Net property, plant and equipment		445,487
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Total assets		445,487
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LIABILITIES

Interfund loans payable		20,937
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Total liabilities		20,937
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NET ASSETS

Invested in capital assets, net of related debt		445,487
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Retained earnings (deficit)		(20,937)
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Total net assets	\$	424,550
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See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Proprietary Fund - Ballpark Facility
Statement of Revenues, Expenses and Changes in Net Assets
For the year ended June 30, 2004

Business-type Activities - Enterprise Funds		
Operating revenues:		
Other revenues	\$	-
Total operating revenues		0
Operating expenses:		
Depreciation		17,134
Total operating expenses		17,134
Operating income (loss)		(17,134)
Nonoperating revenues (expenses):		
Interest expense		(32)
Total nonoperating expense		(32)
Net income (loss) before operating transfers		(17,166)
Change in net assets		(17,166)
Net assets, beginning of year		441,716
Net assets, end of year	\$	424,550

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Statement of Cash Flows
For the year ended June 30, 2004

	2004
Cash flows from operating activities:	
Cash received from property lease	\$ -
Net cash provided by (used in) operating activities	0
Cash flows from noncapital financing activities:	
Interfund transactions with General Fund	
Net cash provided by noncapital financing activities	32
Cash flows from capital and related financing activities:	
Principal paid on capital debt	-
Interest paid on capital debt	(32)
Net cash used in capital and related financing activities	(32)
Net decrease in cash	0
Cash, beginning of year	-
Cash, end of year	\$ 0
Reconciliation of operating loss to net cash provided by operating activities:	
Operating loss	(17,134)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation expense	17,134
Net cash provided by (used in) operating activities	\$ 0

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Private-purpose Trust Funds
Statement of Fiduciary Net Assets
June 30, 2004
(with comparative totals for June 30, 2003)

Alumni		Angelosante Scholarship	Butterfield Scholarship	Brandy Centennial Scholarship	Greer Golf Fund	Charles Jordan Scholarship	David Cummings Scholarship	E. Emerson Grover Golf Scholarship	George C. McBay Scholarship	Gilbert C. Tarbox Scholarship	Gladys Mullen Scholarship	H.E. & S.M. Trull Scholarship	John Scholarship
ASSETS													
Cash and cash equivalents	\$	-	-	-	-	-	-	-	-	-	-	-	-
Investments		33,604	28,296	15,827	1,162	44,452	7,693	3,566	1,467	6,772	17,858	19,390	4,662
Total assets	\$	33,604	28,296	15,827	1,162	44,452	7,693	3,566	1,467	6,772	17,858	19,390	4,662
NET ASSETS													
Unreserved:													
Principal		6,903	15,000	5,255	2,899	41,834	6,145	1,780	1,426	3,916	1,980	9,903	2,085
Unexpended income		26,701	13,296	10,572	(1,737)	2,618	1,548	1,786	41	2,856	15,878	9,487	2,577
Total net assets		33,604	28,296	15,827	1,162	44,452	7,693	3,566	1,467	6,772	17,858	19,390	4,662
Total net assets	\$	33,604	28,296	15,827	1,162	44,452	7,693	3,566	1,467	6,772	17,858	19,390	4,662
		Saucier/ Kerry Scholarship	Melanie Cook Scholarship	Murphy/ Mixer Scholarship	Ola Brownrigg Scholarship	Ralph Perreault Scholarship	Robert Phillips Scholarship	Sandy Seagull Scholarship	Susan Powers Scholarship	W. Warren Harmon Scholarship	W. & R. Murphy Scholarship	Totals	
												2004	2003
ASSETS													
Cash and cash equivalents	\$	-	-	-	-	-	-	-	-	-	-	-	-
Investments		4,334	6,809	15,765	9,564	107,522	2,025	10,146	4,457	28,409	8,994	382,774	309,609
Total assets	\$	4,334	6,809	15,765	9,564	107,522	2,025	10,146	4,457	28,409	8,994	382,774	309,609
NET ASSETS													
Unreserved:													
Principal		4,500	7,228	15,000	6,664	62,691	1,113	10,250	1,009	30,180	6,210	243,971	198,758
Unexpended income		(166)	(419)	765	2,900	44,831	912	(104)	3,448	(1,771)	2,784	138,803	110,851
Total net assets		4,334	6,809	15,765	9,564	107,522	2,025	10,146	4,457	28,409	8,994	382,774	309,609
Total net assets	\$	4,334	6,809	15,765	9,564	107,522	2,025	10,146	4,457	28,409	8,994	382,774	309,609

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Private-purpose Trust Funds
Statement of Changes in Fiduciary Net Assets
For the year ended June 30, 2004

	Net assets beginning of year			Additions			Deductions	Net assets end of year			
	Principal	Unexpended	Total	Investment Income	Unrealized gains and (losses)	Contributions and other receipts	Expenditures	Principal	Unexpended	Total	
		Income							Income		
Alumni Scholarship	\$	6,903	19,633	26,536	2,098	920	4,050	-	6,903	26,701	33,604
Angelosante Scholarship		15,000	12,175	27,175	2,083	(162)	-	800	15,000	13,296	28,296
Brandy Butterfield Scholarship		5,255	8,406	13,661	1,025	916	925	700	5,255	10,572	15,827
Centennial Scholarship		2,899	(1,552)	1,347	104	(139)	-	150	2,899	(1,737)	1,162
Charles A. Greer Scholarship		11,371	(47)	11,324	2,116	1,049	30,463	500	41,834	2,618	44,452
David Jordan Scholarship		6,145	1,078	7,223	526	(181)	125	-	6,145	1,548	7,693
E. Emerson Cummings Scholarship		1,780	1,510	3,290	210	166	100	200	1,780	1,786	3,566
George C. Grover Golf		1,426	(13)	1,413	46	158	-	150	1,426	41	1,467
Gilbert C. "Sonny" McBay Scholarship		3,916	1,745	5,661	346	1,065	-	300	3,916	2,856	6,772
Gladys Tarbox Scholarship		1,980	13,508	15,488	932	1,738	-	300	1,980	15,878	17,858
Harold E. & Shirley M. Mullen Scholarship		9,903	7,755	17,658	1,108	1,424	1,000	1,800	9,903	9,487	19,390
John Trull Scholarship		2,085	2,437	4,522	319	77	244	500	2,085	2,577	4,662
Margorie Saucier/Kerry Scholarship		-	-	-	136	(302)	4,500	-	4,500	(166)	4,334
Melanie Cook Scholarship		7,228	(350)	6,878	438	(32)	425	900	7,228	(419)	6,809
Agnes Murphy/Paula Mixer Scholarship		15,000	(716)	14,284	1,257	224	-	-	15,000	765	15,765
Ola Brownrigg Scholarship		6,664	1,358	8,022	485	332	1,425	700	6,664	2,900	9,564
Ralph Perreault Scholarship		62,691	40,850	103,541	5,787	4,194	-	6,000	62,691	44,831	107,522
Robert H. Phillips Scholarship		1,113	273	1,386	99	(140)	680	-	1,113	912	2,025
Sandy Seagull Scholarship		-	-	-	587	(691)	10,250	-	10,250	(104)	10,146
Susan Powers Memorial Scholarship		1,009	3,276	4,285	302	(130)	-	-	1,009	3,448	4,457
W. Warren Harmon Kiwanis Scholarship		30,180	(2,790)	27,390	1,553	666	-	1,200	30,180	(1,771)	28,409
William & Robert Murphy Scholarship		6,210	2,315	8,525	554	615	-	700	6,210	2,784	8,994
Totals	\$	198,758	110,851	309,609	22,111	11,767	54,187	14,900	243,971	138,803	382,774

See accompanying notes to financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE

Notes to Basic Financial Statements

THE REPORTING ENTITY AND ITS SERVICES

The Town of Old Orchard Beach, Maine was incorporated in 1883 and is located in southeastern Maine, 12 miles south of Portland. A popular summer resort with 7 miles of sandy beaches, the Town encompasses 7.8 square miles. Its year round population of approximately 8,800 expands to 100,000 during the summer. The Town has operated under a Council-Manager form of government since 1950.

The Town provides the full range of municipal services contemplated by State statutes. These include public safety, public works, sanitation, health and welfare services, parks and recreation, education, planning, zoning and general administrative services.

In evaluating how to define the Town for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement 14 "The Financial Reporting Entity". The basic - but not the only - criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Based on the application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Libby Memorial Library - The Library provides library services and is not considered to be a component unit because it is a separate legal organization whose board is not controlled by officials of the Town. The only activity that flows through the Town's financial records is the Town's yearly appropriation to the Library. All other financial activity of the Libby Memorial Library has not been reported in the Town's financial statements.

Biddeford-Saco-Old Orchard Beach Transit Committee - The Town is a member of the Biddeford-Saco-Old Orchard Beach Transit Committee, which is a jointly governed organization. The Committee operates a public mass transit passenger bus service within and between the three municipalities under a voluntary interlocal agreement. The Town of Old Orchard Beach's contribution to the committee for the year ended June 30, 2004 was \$48,000. The Transit Committee does not meet the definition of a component unit or a joint venture because there is no ongoing financial interest or responsibility by the participating governments.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town has elected not to allocate indirect costs among the programs, functions and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period for property taxes and one year for all other revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as certain compensated absences and claims and judgments, are recorded only when the payment is due.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Town reports the following major governmental funds:

The General Fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The School Special Revenue Fund is used to account for grants for educational purposes, the School Lunch program and the Adult Education program, all of which require separate accounting because of legal or regulatory provisions or administrative action.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The Rescue Call Fees Fund is established to account for revenues derived from the billings of fees for rescue calls, which are earmarked by Council action to provide for the purchase of Public Safety vehicles.

The Town reports the following major proprietary fund:

The Ballpark Fund accounts for the ownership and expenses of a leased sports facility.

Additionally, the Town reports the following fund type:

Fiduciary funds account for assets held by the Town in a trustee capacity or as an agent on behalf of others. The Town's fiduciary funds include private-purpose trust funds.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to the same limitation. The Town has elected not to follow subsequent private-sector guidance. As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Town's proprietary fund is lease payments by the lessee of the facility; operating expenses consist solely of depreciation on capital assets at this time. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Investments

Investments are stated at fair value, unless otherwise indicated.

D. Capital Assets

Capital assets, which include property, plant, equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the assets' estimated useful lives ranging from 3 to 60 years.

For the business-type fund, an estimated useful life of 40 years is used to compute depreciation.

The Town updated an inventory of all other capital assets and conducted a survey of all infrastructure assets for fiscal year 2003 and completed an internal update for fiscal year 2004. This process determined the original cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition. Original costs were developed in one of three ways: 1) historical records; 2) standard unit costs appropriate for the construction/acquisition date; or 3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each capital asset. The book value was then computed by deducting the accumulated depreciation from the original cost.

E. Vacation and Sick Leave

Under the terms of personnel policies and a union contract, vacation and sick leave are granted in varying amounts according to length of service. In some cases, employees are entitled to payment for unused vacation and a percentage of sick leave upon termination or retirement. The Town and the School Department accrue accumulated vacation leave and vested sick leave. The portion of this liability attributable to the General Fund, which is expected to be paid with current financial resources, is accrued in the General Fund with the balance reported in the government-wide financial statement.

F. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as bond issuance costs if material to basic financial statements, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

G. Inventory

Inventory consists of vehicle fuel, trash bags and the School Lunch Program food, supplies and donated commodities and is recorded at the lower of cost or market on the first-in, first-out basis.

H. Interfund Transactions

During the course of normal operations, the Town has numerous transactions between funds including expenditures and transfers of resources to provide services, construct assets and service debt. These transactions are reported as operating transfers.

I. Fund Balances

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designated fund balances represent tentative plans for future use of financial resources.

J. Use of Estimates

Preparation of the Town's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

K. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriations, is employed in the governmental funds. Encumbrances do not constitute expenditures or liabilities, except that they are included as expenditures for budgetary purposes (Statement 6).

L. Comparative Data/Reclassifications

Comparative data for the prior year have been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

A budget is formally adopted for the General Fund each year through the passage of the Town budget and is prepared on a basis consistent with generally accepted accounting principles with the exception that encumbrances are treated as expenditures for budgetary purposes. The Town's other funds do not have legally adopted budgets but have adopted budgets through formal authorizations by the Town Council or School Committee and through grant agreements.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, CONTINUED

In the General Fund, the level of control (level at which expenditures may not exceed budget) is the Department. The gross appropriation for each department shall not be exceeded except by consent of the Town Council. The Town Council may, by resolution, transfer an unencumbered appropriation balance or portion thereof including surplus between the general accounts.

For the School Department, the level of control is also the Department. Generally, all unexpended School budgetary accounts lapse to the School Department's fund balance at the close of the fiscal year. Once adopted, the budget can be amended by the School Committee, but only through transfers between expenditure accounts.

B. Budgetary vs. GAAP Basis of Accounting

As required by generally accepted accounting principles (GAAP), the Town has recorded a revenue and expenditure for Maine State Retirement contributions made by the State of Maine on behalf of the Old Orchard Beach School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting vs. reporting under accounting principles generally accepted in the United States of America of \$970,000. These amounts have been included as an intergovernmental revenue and an education expenditure in the General fund on both Statements 2 and 4 (GAAP basis). There is no effect on the fund balance at the end of the year.

Additionally, the School Department compensates its teachers under a contract for services rendered between the months of September and June. However, compensation is remitted over a twelve-month period, September through August. At June 30, 2004, the balance on such contracts amounted to approximately \$610,682 and is fully accrued and reflected in the financial statements.

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2004, expenditures exceeded appropriations in the following departments:

Administration	\$ 34,183
Legal	129,344
Finance Director/Treasurer	2,015
Assessor	9,936
Town Clerk	2,491
Elections	814
Insurance	24,057
Compost Facility	36,774
Parking Enforcement	4,970
Lifeguards	5,870
Fire/Rescue Department	105,838
Memorial Parking Lot	6,194

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, CONTINUED

D. Deficit Fund Balance

The Rescue Call Fees Fund deficit of \$138,346 is due to the purchase of a ladder tower truck for the Fire Department that was financed by General Fund cash and will be repaid from Rescue billing revenues next year. The Playground Grant Fund has a deficit of \$41,197 that will be repaid with future grant funds from the State. These obligations are accounted for as an interfund liability in the Rescue Call Fees Fund and Playground Grant Fund an interfund asset in the General Fund.

E. Ballpark Update

On April 15, 2001, the Town entered into a lease with Seacoast Sports, LLC for the Ballpark. The lease was renewed in 2002 and 2003. In 2004, Seacoast Sports, LLC decided not to renew the lease and the Town has since hired an independent marketing consultant to market the property.

CASH AND INVESTMENTS

The Town's policy is to invest all available funds at the highest possible rates, in conformance with legal and administrative guidelines, while avoiding unreasonable risk. The funds are invested in liquid investments with maturities planned to coincide with the Town's cash needs during the year.

A. Deposits

Town policy is that deposits can only be made in financial institutions insured by the FDIC and that funds over the \$100,000 insurance limit be collateralized or placed in other financial institutions.

The Town's deposits are categorized as follows to give an indication of the level of risk assumed by the Town at year end: Category 1 includes deposits covered by federal depository insurance or by collateral held by the Town or by the Town's agent in the Town's name; category 2 includes uninsured deposits covered by collateral held by the pledging financial institution's trust department or agent in the Town's name; category 3 includes uninsured and uncollateralized deposits.

At June 30, 2004, cash and cash equivalents consisted of:

	Carrying Amount	Bank Balance	Category		
			1	2	3
Petty cash	\$ 1,580	-	-	-	-
Checking and savings accounts	3,124,909	3,433,101	200,326	3,232,775	-
Certificates of deposit	4,581,118	4,581,118	4,581,118	-	-
Totals	\$ 7,707,607	8,014,219	4,781,444	3,232,775	-

Certificates of deposit totaling \$4,581,118 have been reported as investments in the basic financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

CASH AND INVESTMENTS, CONTINUED

B. Investments

Maine statutes authorize the Town to invest in obligations of the U. S. Treasury and U. S. agencies, repurchase agreements and certain corporate stocks and bonds. Generally, the Town invests such excess funds in a government money market mutual fund account.

Investments are classified into three categories. Category 1 includes investments which are insured or registered or for which the securities are held by the Town or its agent in the Town's name. Category 2 includes uninsured and unregistered investments held by the financial institution's trust department or agent in the Town's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the financial institution's trust department or agent, but not in the Town's name.

At June 30, 2004 investments consisted of the following:

	Carrying (fair) value	Category		
		1	2	3
Mutual Funds (1)	\$ 373,200			
Cash and Money Funds	32,860	32,860	-	-
Corporate stocks and bonds	259,250	259,250	-	-
Totals	\$ 665,310	292,110	-	-

(1) Certain investments including mutual funds are not required to be classified in any of the three above categories because they are not evidenced by securities that exist in physical or book entry form.

PROPERTY TAX

Property taxes for the current year were committed on July 22, 2003 on the assessed value listed as of April 1, 2003 for all real and personal property located in the Town. All real property taxes were due in two installments, 50% on August 25, 2003 and 50% on February 15, 2004. All personal property taxes were due in full on August 25, 2003. Interest at the rate of 7.00% per annum was charged on any amounts remaining unpaid after these respective due dates. Assessed values are periodically established by the Town's Assessor at 100% of assumed market value. The assessed value was 100% of the estimated market value and 98% of the 2004 state valuation of \$786,450,000.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay, and amounted to \$164,495 for the year ended June 30, 2004.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

PROPERTY TAX, CONTINUED

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if the tax liens and associated costs remain unpaid.

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred revenues.

The following summarizes the 2004 and 2003 levies:

	<u>2004</u>	<u>2003</u>
Valuation:		
Land	\$ 239,995,400	252,816,900
Buildings	539,161,200	523,556,700
Personal property	20,500,743	19,692,966
Less - Exemptions and tax-exempt property	(37,280,800)	(53,597,400)
Total assessed valuation	\$ 762,376,543	742,469,166
Total assessed valuation	762,376,543	742,469,166
Tax rate (per \$1,000)	20.10	20.10
Commitment	15,323,769	14,923,630
Supplemental taxes assessed	32,531	31,932
	15,356,300	14,955,562
Less - collections and abatements	14,975,298	14,335,676
Receivable at end of year	\$ 381,002	619,886
Consisting of:		
Taxes	60,076	619,886
Liens	320,926	-
Receivable at end of year	\$ 381,002	619,886
Collection rate	97.51%	95.86%

Note: Due to the revaluation completed in July 2002, the 2003 tax bills were later than usual and the 2003 tax liens were not placed until July. Therefore, all unpaid amounts at June 30, 2003, are listed as taxes.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2004 was as follows:

	Balance June 30, 2003	Increases	Decreases	Balance June 30, 2004
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,689,728	111,000	-	1,800,728
Capital assets, being depreciated:				
Buildings and improvements	8,448,577	36,633	-	8,485,210
Equipment, furniture and fixtures	3,380,029	-	-	3,380,029
Vehicles	3,456,837	172,153	-	3,628,990
Infrastructure	15,972,795	78,431	-	16,051,226
Total capital assets being depreciated	31,258,238	287,217	-	31,545,455
Less accumulated depreciation for:				
Buildings and improvements	4,789,717	188,018	-	4,977,735
Equipment, furniture and fixtures	1,923,223	224,988	-	2,148,211
Vehicles	1,554,438	191,154	-	1,745,592
Infrastructure	9,013,782	416,025	-	9,429,807
Total accumulated depreciation	17,281,160	1,020,185	-	18,301,345
Total capital assets being depreciated, net	13,977,078	(732,968)	-	13,244,110
Governmental activities capital assets, net	\$15,666,806	(621,968)	-	15,044,838
Business-type activities:				
Capital assets, being depreciated:				
Buildings and improvements	\$ 993,250	-	-	993,250
Less accumulated depreciation for:				
Buildings and improvements	530,628	17,134	-	547,762
Total capital assets being depreciated, net	462,622	(17,134)	-	445,488
Business-type activities capital assets, net	\$ 462,622	(17,134)	-	445,488

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	\$ 57,895
Public Safety	133,267
Public Works	236,037
Sanitation	385,094
Education	207,892
Total depreciation expense – governmental activities	\$ 1,020,185

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS, CONTINUED

Business-type activities:

Ballpark Fund	\$ 17,134
Total depreciation expense - business activities	\$ 17,134

PENSION PLANS

Maine State Retirement System - Consolidated Plan

Description of the Plan - The Town contributes to the Maine State Retirement System Consolidated Plan, a cost sharing multiple-employer retirement system established by the Maine State legislature. The Maine State Retirement System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The authority to establish and amend benefits rests with the State Legislature. The Maine State Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained by writing to Maine State Retirement, 46 State House Station, Augusta, Maine 04333-0046 or by calling 1-800-451-9800. The Town Council has authorized the Town to rejoin the Maine State Retirement System as a full member effective July 1, 2003.

Funding Policy - All plan members except those included in the Teacher Group are required to contribute 6.5% of their annual covered salary and the Town is required to contribute an actuarially determined rate. The rate for the year ended June 30, 2004 is 2.8% of covered payroll for the regular plan and 4% of covered payroll for the special plan which covers police and fire employees. The contribution rates of plan members and the Town are established and may be amended by the Maine State Retirement System Board of Trustees. The Town's contributions to the Maine State Retirement System Consolidated Plan for the year ended June 30, 2004 were \$150,559.

Maine State Retirement System - School Employees

All School teachers, plus other qualified educators, participate in the Maine State Retirement System's teacher group. The teacher's group is a cost-sharing plan with a special funding situation, established by the Maine State Legislature. All plan members are required to contribute 7.65% of their annual covered salary to the retirement system. The School Department's payroll for employees covered by this group, for the fiscal year ended June 30, 2004, was \$5,550,229. The State of Maine Department of Education is required, by state statute, to contribute the employer contribution, which amounts to 17.62% of compensation. Contributions paid by the State totaled approximately \$970,000 for the year ended June 30, 2004. There is no contribution required by the School Department except for federally funded teachers for which the School Department contributes 17.62% of their compensation. This cost is charged to the applicable grant.

Deferred Compensation Plan

The Town offers all its employees a deferred compensation plan created in accordance with Internal Revenue (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Assets of the plan are placed in trust for the exclusive benefit of participants and their beneficiaries. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets are not included in the Town's financial statements.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT

The Town is in compliance with all significant limitations and restrictions contained in the various bond indentures.

The following is a summary of long-term debt transactions of the Town for the year ended June 30, 2004:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
General obligation bonds	\$ 13,034,440	7,520,000	8,134,440	12,420,000	680,000
Landfill closure	156,000	-	6,000	150,000	6,000
Accrued vacation	368,777	22,057	-	390,834	-
Governmental activity long-term liabilities	\$ 13,559,217	7,542,057	8,140,440	12,960,834	686,000

Long-term debt payable at June 30, 2004 is comprised of the following:

	<u>Original amount issued</u>	<u>Interest Rate</u>	<u>Final Maturity Date</u>	<u>Balance End of Year</u>
Governmental activities:				
1986 Capital improvement bond	1,410,000	9.2 - 9.25%	2006	\$ 140,000
1989 Capital improvement bond	1,840,000	7.45 - 7.75%	2009	240,000
1992 General obligation bond	8,145,000	6.3 - 6.65%	2012	-
1996 Sewer improvement bond	3,217,500	4.875%	2024	-
1998 General obligation refunding bond	5,975,000	4.15 - 5.2%	2018	4,520,000
2003 General obligation refunding bond	7,520,000	2.0 - 4.5%	2023	7,520,000(1)
Total governmental activities				\$ 12,420,000

The annual requirements to amortize all debt outstanding as of June 30, 2004 are as follows. Such amounts exclude overlapping debt requirements but include school debt requirements to be reimbursed by the State of Maine (currently there are none).

(1) The Town issued \$7,520,000 of general obligation bonds to refund the 1992 and 1996 bonds. The refunding was undertaken to take advantage of lower interest rates and to reduce total future debt service payments. The transaction resulted in a reduction of \$744,712 in future debt service payments.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT, CONTINUED

Year ended June 30,	Governmental activities		Total
	Principal	Interest	
2005	\$ 680,000	558,346	1,238,346
2006	1,175,000	441,746	1,616,746
2007	1,135,000	400,238	1,535,238
2008	1,150,000	362,594	1,512,594
2009	1,290,000	320,568	1,610,568
2010-2014	4,935,000	859,209	5,794,209
2015-2019	1,095,000	339,298	1,434,298
2020-2024	960,000	111,438	1,071,438
Totals	\$ 12,420,000	3,393,437	15,813,437

STATUTORY DEBT LIMIT

In accordance with Maine law, no municipality shall incur debt for specified purposes in excess of certain percentages of State valuation of such municipality. At June 30, 2004, the Town was in compliance with these limitations.

OVERLAPPING DEBT

The Town is subject to an annual assessment of its proportional share of York County expenses, including debt repayment, as determined by the percentage of the Town's State valuation to the County's State valuation. At June 30, 2004, the Town's State valuation of \$786,450,000 was 4.02% of the County's State valuation of \$19,555,900,000. The Town's share is 4.02% or \$715,560 of York County's \$17,800,000 long-term debt outstanding as of June 30, 2004.

RESERVED/DESIGNATED FUND BALANCES

At June 30, 2004, portions of fund balance were reserved and designated for future periods as follows:

	General Fund	Special Revenue Funds
Reserved:		
Education:		
Special education tuition	\$ 150,000	-
MSMA unemployment fund	10,000	-
System support recertification	10,000	-
Encumbrances	270,318	-
School lunch inventory	-	3,806
Town inventory	41,014	-
Totals	\$ 481,332	3,806

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

RESERVED/DESIGNATED FUND BALANCES, CONTINUED

	General Fund
Unreserved – designated:	
Comprehensive plan update	\$ 3,500
Economic development	854
GIS system	27,770
Rescue billing software	2,127
ATV purchase	140
Public Safety building improvements	105,322
Generator wiring, Loranger School	10,000
East Grand Avenue - Harrisburg to Walnut	245,128
Cascade Road project	112,021
Sewer maintenance and improvements	89,659
Temple Ave./Manor St. improvements	62,222
CDBG grant - local match	23,500
Public Works building improvements	97,857
Milliken St.	9,000
Transfer station site improvements	22,250
Public works excavator	60,000
Testing of sewer lines	6,602
Libby Library capital improvements	1,334
Fuel tank replacement	15,000
Compost preliminary design	1,027
Sidewalk maintenance and improvements	18,661
Public works signage	3,172
Dirigo Drive project	275,076
Smithwheel outlet project	50,000
Total	\$1,242,222

LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

Under existing state law, Maine communities are required to close existing landfills under a state approved plan and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The Town presently has two landfills that have been closed under an approved plan and one additional landfill whose closure was completed during fiscal year 1998. The only additional costs that remain are postclosure care costs on all three of the landfills. The estimated remaining postclosure care costs at June 30, 2004 are \$150,000, which would include two mowings of each site during the year and well monitoring. This amount has been accrued in the entity-wide financial statements and is being amortized over 30 years at \$6,000 per year, as it is not expected that any of these costs will be funded with current financial resources. The actual cost of postclosure care may be higher due to inflation, changes in technology, engineering estimates, or changes in landfill laws and regulations.

TOWN OF OLD ORCHARD BEACH, MAINE
Notes to Basic Financial Statements, Continued

INTERFUND RECEIVABLES AND PAYABLES

Individual interfund receivables and payables (due from/to other funds) at June 30, 2004, were as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ -	375,672
Special revenue funds:		
Rescue call fees fund	-	138,346
Sewer special revenue fund	210,248	-
Police grants fund	44,785	-
Recreation fund	19,503	-
Playground grant	-	41,197
School special revenues fund	270,310	-
Special dog fund	3,191	-
Smithwheel impact fees fund	68,800	-
Total special revenue funds	616,837	179,543
Capital project funds:		
Downtown TIF District	-	51,980
East Grand Ave. improvements	602	-
FEMA fund	8,167	-
Landfill closure fund	2,256	-
Total capital project funds	11,295	51,980
Enterprise funds:		
Ballpark facility	-	20,937
Totals	\$ 628,132	628,132

RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets, errors and omissions, and natural disasters for which the Town either carries commercial insurance or participates in a public entity risk pool. Currently, the Town participates in a public entity risk pool sponsored by the Maine Municipal Association and the School Department participates in a public entity risk pool sponsored by the Maine School Management Association for workers' compensation coverage.

Based on the coverage provided by the pools, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded at June 30, 2004.

OLD ORCHARD BEACH TOWN HALL INFORMATION

**Hours: Monday, Wednesday, Thursday and Friday – 8:00 a.m. to 4:00 p.m.
Tuesday – 8:00 a.m. – 6:00 p.m.**

Mailing Address – 1 Portland Avenue, Old Orchard Beach, ME 04064

Telephone: 207-934-5714 Town Clerk: 207-934-4042

Extensions to 934-5714

Assessors Department	214
Code Enforcement	245
Finance Department	223
General Assistance	240
Maintenance Department	210
Planning Department	233
Recreation Department	934-0860
Tax Department	221
Town Clerk	224
Town & Assistant Town Manager	226
Voter Registration	241

Fax Numbers:

Town Clerk/Tax/Finance/Maintenance	207-934-7967
Code, Planning, Building, Assessors	207-934-5911
Town & Ass't Town Mgr., Recreation	207-934-0755

PUBLIC SAFETY INFORMATION

Mailing Address: 136 Saco Avenue, Old Orchard Beach, ME 04064

Telephone: 207-934-4911 Emergency: 911

PUBLIC WORKS INFORMATION

Hours: Monday – Friday – 7:00 a.m. – 3:00 p.m.

Mailing Address: 1 Portland Avenue, Old Orchard Beach, ME 04064

Telephone: 207-934-2250 Emergencies: 207-934-4911

WASTE WATER TREATMENT PLANT

Hours: Monday – Thursday – 6:30 a.m. – 3:30 p.m.

Friday – 6:30 a.m. – 1:00 p.m.

Mailing Address: 1 Portland Avenue, Old Orchard Beach, ME 04064

Telephone: 207-934-4416

EDITH BELLE LIBBY MEMORIAL LIBRARY

Hours: Wednesday – 2:00 p.m. – 8:00 p.m.

Tuesday, Thursday and Friday – 10:00 a.m. – 5:30 p.m.

Saturday – 10:00 a.m. – 3:00 p.m.

Mailing Address: Staples Street, Old Orchard Beach, ME 04064

Telephone: 207-934-4351