

YORK WATER CO
Form DEF 14A
March 20, 2008

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240,14a-12

The York Water Company
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

THE YORK WATER COMPANY
130 EAST MARKET STREET
YORK, PENNSYLVANIA 17401

March 28, 2008

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO THE SHAREHOLDERS OF THE YORK WATER COMPANY

NOTICE IS HEREBY GIVEN that the Annual Meeting of the Shareholders of The York Water Company will be held at The Strand-Capitol Performing Arts Center, 50 North George Street, York, Pennsylvania, on Monday, May 5, 2008, at 1:00 P.M. for the purpose of taking action upon the following proposals:

- (1) To elect three (3) Directors to three-year terms of office;
- (2) To appoint independent accountants to audit the financial statements of the Company for the year 2008; and
- (3) To transact such other business as may properly come before the meeting.

The Board of Directors has fixed the close of business on February 29, 2008, as the record date for the determination of shareholders entitled to notice of and to vote at the meeting, and at any adjournment or adjournments thereof.

You are cordially invited to attend the meeting. In the event you will be unable to attend, you are respectfully requested to submit your proxy either (a) electronically or; (b) by signing, dating and returning the enclosed proxy at your earliest convenience in the enclosed stamped return envelope. Returning your proxy does not deprive you of the right to attend the meeting and vote your shares in person.

By order of the Board of Directors,

BRUCE C. McINTOSH
Secretary

THE YORK WATER COMPANY
130 EAST MARKET STREET
YORK, PENNSYLVANIA 17401

March 28, 2008

PROXY STATEMENT

This Proxy Statement and the accompanying form of proxy are being furnished to the shareholders of The York Water Company (hereinafter referred to as the "Company") in connection with the solicitation of proxies by the Board of Directors of the Company, whereby shareholders would appoint George Hay Kain, III, Michael W. Gang, Esq., and George W. Hodges, and each of them, as Proxies on behalf of the shareholders, to be used at the Annual Meeting of the Shareholders of the Company to be held at 1:00 p.m. at The Strand Capitol Performing Arts Center, 50 North George Street, York, Pennsylvania, Monday, May 5, 2008 (the "Annual Meeting"), and at any adjournment thereof.

Instead of mailing a printed copy of our proxy materials to each shareholder of record, the Company is now furnishing proxy materials on the Internet. Shareholders will receive a Notice Regarding the Availability of Proxy Materials (the "Notice") by mail. The Notice will instruct you as to how you may access and review the proxy materials. The Notice also instructs you as to how you may submit your proxy over the Internet. If you would like to receive a printed copy of our proxy materials, or vote by telephone, you should follow the instructions included in the Notice. It is anticipated that proxy materials will first be made available on the Internet March 28, 2008.

A shareholder who submits a proxy electronically or completes and forwards the enclosed proxy is not precluded from attending the Annual Meeting and voting his or her shares in person, and may revoke the proxy by delivering a later dated proxy or by written notification at any time before the proxy is exercised.

PURPOSE OF THE MEETING

At the Annual Meeting, shareholders of the Company will consider and vote upon two proposals: (i) to elect three (3) Directors to serve for a term of three (3) years; and (ii) to ratify the appointment of Beard Miller Company LLP as independent public accountants for the fiscal year ending December 31, 2008. Shareholders may also consider and vote upon such other matters as may properly come before the Annual Meeting or any adjournment thereof.

VOTING AT THE MEETING

The outstanding securities of the Company entitled to vote at the meeting consist of 11,264,923 shares of Common Stock. The presence at the Annual Meeting in person or by proxy of shareholders entitled to cast a majority of the votes, which all shareholders are entitled to cast will constitute a quorum for the Annual Meeting.

The record date for the determination of shareholders entitled to notice of and to vote at the Annual Meeting or at any adjournment or adjournments thereof was the close of business on February 29, 2008. Shareholders are entitled to one vote for each share on all matters coming before the meeting, except that shareholders have cumulative voting rights with respect to the election of Directors. Cumulative voting rights permit each shareholder to cast as many votes in the election of each class of Directors to be elected as shall equal the number of such shareholder's shares of Common Stock multiplied by the number of Directors to be elected in such class of Directors, and each shareholder may cast all such votes for a single nominee or distribute such votes among two or more nominees in such class as the shareholder may see fit. Discretionary authority to cumulate votes is not being solicited.

In accordance with Pennsylvania law, a shareholder can withhold authority to vote for all nominees for Directors or can withhold authority to vote for certain nominees for Directors. Directors will be elected by a plurality of the votes cast. Votes that are withheld will be excluded from the vote and will have no effect.

Any votes that are withheld on the proposal to ratify the selection of the independent accountants will have no effect because this proposal requires the affirmative vote of a majority of the votes cast by all shareholders entitled to vote.

Brokers who have received no voting instructions from their customers will have discretion to vote with respect to election of directors and the proposal to ratify the Company's auditors.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

No person, so far as known to the Company, beneficially owns more than five (5) percent of the Company's outstanding Common Stock as of February 29, 2008.

The following table sets forth certain information regarding the beneficial ownership of our Common Stock as of February 29, 2008, by (1) each director and other director nominee of the Company, (2) each executive officer named in the summary compensation table included elsewhere herein and (3) all executive officers and directors as a group.

The information appearing in the following table with respect to principal occupation and beneficial ownership of Common Stock of the Company has been furnished to the Company by the three nominees, the seven directors continuing in office, and the four executive officers as of February 29, 2008.

NOMINEES FOR ELECTION TO THREE YEAR TERM EXPIRING IN 2011

| Name | Age | Principal Occupation During Last Five Years | Director or Officer Since | Full Shares Owned Beneficially (1) | | Percent of Total Shares Outstanding (2) |
|----------------------|-----|---|---------------------------------|---|-----|--|
| John L. Finlayson | 67 | Vice President Susquehanna Real Estate, LP May 2006 to date Vice President-Finance and Administration Susquehanna Pfaltzgraff Co., Radio Stations, Cable TV, August 1978 to May 2006 | 9/2/1993 | 17,678 | | 0.15 |
| Thomas C. Norris* | 69 | Retired, Chairman of the Board, Glatfelter, Paper Manufacturer, May 2000 to date | 6/26/2000 | 17,427 | (3) | 0.15 |
| Ernest J. Waters | 58 | York Area Manager, Met-Ed, a First Energy Company, Electric Utility March 1998 to date | 9/25/2007 | 100 | | 0.00 |

TO CONTINUE FOR TERMS EXPIRING IN 2009

| Name | Age | Principal Occupation During Last Five Years | Director or Officer Since | Full Shares Owned Beneficially (1) | | Percent of Total Shares Outstanding (2) |
|---------------------------|-----|--|---------------------------------|---|-----|--|
| George Hay Kain, III | 59 | Substitute School Teacher, April 2007 to date Consultant, December 2004 to April 2007 | 8/25/1986 | 33,956 | (4) | 0.30 |
| Michael W. Gang, Esq.* | 57 | Attorney, Post & Schell PC, Counselors at Law, October 2005 to date Post & Schell PC is counsel to the | 1/22/1996 | 8,454 | | 0.07 |

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Company
 Partner/Attorney, Morgan, Lewis &
 Bockius,
 Counselors at law, October
 1984 to
 October 2005

| | | | | | | |
|----------------------------|----|--|-----------|--------|-----|------|
| George W. Hodges | 57 | Chairman, The Wolf Organization, Inc. February 2008 to date Office of the President, The Wolf Organization, Inc., Distributor of Building Products, January 1986 to February 2008 | 6/26/2000 | 6,129 | (5) | 0.05 |
| Jeffrey R. Hines, P.E.* | 46 | President and Chief Executive Officer March 2008 to date Chief Operating Officer and Secretary The York Water Company, January 2007 to March 2008 Vice President-Engineering and Secretary The York Water Company, January 2003 to December 2006 | 1/28/2008 | 27,359 | (6) | 0.24 |

TO CONTINUE FOR TERMS EXPIRING IN 2010

| Name | Age | Principal Occupation During Last Five Years | Director or Officer Since | Full Shares Owned Beneficially (1) | Percent of Total Shares Outstanding (2) |
|--------------------------|-----|--|---------------------------|------------------------------------|---|
| William T. Morris, P.E.* | 70 | Chairman of the Board, The York Water Company, November 2001 to date | 4/19/1978 | 33,086 (7) | 0.29 |
| Irvin S. Naylor* | 72 | Vice Chairman of the Board, The York Water | 10/31/1960 | 87,296 | 0.77 |