

YORK WATER CO
Form 10-Q
May 06, 2011

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2011

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-34245

THE YORK WATER COMPANY
(Exact name of registrant as specified in its charter)

PENNSYLVANIA
(State or other jurisdiction of incorporation or organization)

23-1242500
(I.R.S. Employer Identification No.)

130 EAST MARKET STREET, YORK, PENNSYLVANIA
(Address of principal executive offices)

17401
(Zip Code)

Registrant's telephone number, including area code (717) 845-3601

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated
filer

Accelerated filer

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Non-accelerated filer

Small Reporting Company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
YES NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common stock, No par value

12,719,079 Shares outstanding
as of May 6, 2011

THE YORK WATER COMPANY

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Balance Sheets (Unaudited)
(In thousands of dollars, except per share amounts)

	Mar. 31, 2011	Dec. 31, 2010
ASSETS		
UTILITY PLANT, at original cost	\$ 274,242	\$ 272,565
Plant acquisition adjustments	(2,696)	(2,709)
Accumulated depreciation	(43,305)	(42,179)
Net utility plant	228,241	227,677
OTHER PHYSICAL PROPERTY:		
Net of accumulated depreciation of \$194 in 2011 and \$190 in 2010	708	712
CURRENT ASSETS:		
Cash and cash equivalents	2,704	1,327
Accounts receivable, net of reserves of \$262 in 2011 and \$245 in 2010	3,497	3,769
Unbilled revenues	2,233	2,503
Recoverable income taxes	407	21
Materials and supplies inventories, at cost	627	608
Prepaid expenses	471	398
Deferred income taxes	179	167
Total current assets	10,118	8,793
OTHER LONG-TERM ASSETS:		
Deferred debt expense	2,475	2,501
Notes receivable	399	407
Deferred regulatory assets	15,845	15,821
Restricted cash-compensating balance	500	500
Other assets	3,454	3,520
Total other long-term assets	22,673	22,749
Total Assets	\$ 261,740	\$ 259,931

The accompanying notes are an integral part of these statements.

THE YORK WATER COMPANY

Balance Sheets (Unaudited)
(In thousands of dollars, except per share amounts)

Mar. 31, 2011

Dec. 31, 2010

STOCKHOLDERS' EQUITY AND LIABILITIES

COMMON STOCKHOLDERS' EQUITY:

Common stock, no par value, authorized 46,500,000 shares, issued and outstanding 12,714,987 shares in 2011 and 12,692,054 shares in 2010	\$ 75,857	\$ 75,481
Retained earnings	16,252	15,776
Total common stockholders' equity	92,109	91,257

PREFERRED STOCK, authorized 500,000 shares,
no shares issued

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LONG-TERM DEBT, excluding current portion	85,031	85,132
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COMMITMENTS	-	-
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CURRENT LIABILITIES:

Current portion of long-term debt	132	41
Accounts payable	1,054	1,245
Dividends payable	1,440	1,440
Accrued compensation and benefits	969	985
Accrued interest	1,225	1,068
Other accrued expenses	619	552
Total current liabilities	5,439	5,331

DEFERRED CREDITS:

Customers' advances for construction	14,970	15,031
Deferred income taxes	26,640	25,437
Deferred employee benefits	9,788	9,814
Other deferred credits	1,834	2,003
Total deferred credits	53,232	52,285

Contributions in aid of construction	25,929	25,926
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Total Stockholders' Equity and Liabilities	\$ 261,740	\$ 259,931
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The accompanying notes are an integral part of these statements.

THE YORK WATER COMPANY

Statements of Income (Unaudited)
(In thousands of dollars, except per share amounts)

	2011	Three Months Ended March 31	2010
WATER OPERATING REVENUES:			
Residential	\$ 6,126		\$ 5,718
Commercial and industrial	2,754		2,553
Other	765		745
	9,645		9,016
OPERATING EXPENSES:			
Operation and maintenance	1,663		1,605
Administrative and general	1,858		1,683
Depreciation and amortization	1,219		1,143
Taxes other than income taxes	319		310
	5,059		4,741
Operating income	4,586		4,275
OTHER INCOME (EXPENSES):			
Interest on debt	(1,315)		(1,203)
Allowance for funds used during construction	20		9
Other income (expenses), net	12		(76)
	(1,283)		(1,270)
Income before income taxes	3,303		3,005
Income taxes	1,164		1,166
Net Income	\$ 2,139		\$ 1,839
Basic Earnings Per Share	\$ 0.17		\$ 0.15
Cash Dividends Declared Per Share	\$ 0.131		\$ 0.128

The accompanying notes are an integral part of these statements.

THE YORK WATER COMPANY

Statements of Common Stockholders' Equity (Unaudited)
(In thousands of dollars, except per share amounts)
For the Periods Ended March 31, 2011 and 2010

	Common Stock Shares	Common Stock Amount	Retained Earnings	Total
Balance, December 31, 2010	12,692,054	\$ 75,481	\$ 15,776	\$ 91,257
Net income	-	-	2,139	2,139
Dividends (\$.131 per share)	-	-	(1,663)	(1,663)
Issuance of common stock under dividend reinvestment, direct stock and employee stock purchase plans	22,933	376	-	376
Balance, March 31, 2011	12,714,987	\$ 75,857	\$ 16,252	\$ 92,109

	Common Stock Shares	Common Stock Amount	Retained Earnings	Total
Balance, December 31, 2009	12,558,724	\$ 73,569	\$ 13,353	\$ 86,922
Net income	-	-	1,839	1,839
Dividends (\$.128 per share)	-	-	(1,610)	(1,610)
Issuance of common stock under dividend reinvestment, direct stock and employee stock purchase plans	45,033	600	-	