

YORK WATER CO
Form 10-Q
November 06, 2015

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 September 30, 2015

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

Non-accelerated filer Small Reporting Company

Edgar Filing: YORK WATER CO - Form 10-Q

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 12,791,600 Shares outstanding as of November 5, 2015

TABLE OF CONTENTS

PART I Financial Information

<u>Item 1. Financial Statements</u>	<u>3</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>14</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>22</u>
<u>Item 4. Controls and Procedures</u>	<u>22</u>

PART II Other Information

<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>23</u>
<u>Item 6. Exhibits</u>	<u>24</u>

<u>Signatures</u>	<u>25</u>
-------------------	-----------

<u>Exhibit Index</u>	<u>26</u>
----------------------	-----------

THE YORK WATER COMPANY

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Balance Sheets (Unaudited)

(In thousands of dollars, except per share amounts)

	Sept. 30, 2015	Dec. 31, 2014
ASSETS		
UTILITY PLANT, at original cost	\$327,481	\$316,525
Plant acquisition adjustments	(3,713)	(3,522)
Accumulated depreciation	(63,689)	(59,809)
Net utility plant	260,079	253,194
 OTHER PHYSICAL PROPERTY, net of accumulated depreciation of \$305 in 2015 and \$286 in 2014		
	750	765
 CURRENT ASSETS:		
Cash and cash equivalents	1,148	1,488
Restricted cash	1	7
Accounts receivable, net of reserves of \$335 in 2015 and \$325 in 2014	4,310	3,991
Unbilled revenues	2,522	2,377
Recoverable income taxes	275	957
Materials and supplies inventories, at cost	792	771
Prepaid expenses	882	584
Deferred income taxes	229	1,058
Total current assets	10,159	11,233
 OTHER LONG-TERM ASSETS:		
Deferred debt expense	2,776	2,573
Notes receivable	255	266
Deferred regulatory assets	32,666	32,614
Other assets	3,524	3,694
Total other long-term assets	39,221	39,147
 Total Assets	 \$310,209	 \$304,339

The accompanying notes are an integral part of these statements.

[Table of Contents](#)

Page 3

THE YORK WATER COMPANY

Balance Sheets (Unaudited)

(In thousands of dollars, except per share amounts)

	Sept. 30, 2015	Dec. 31, 2014
STOCKHOLDERS' EQUITY AND LIABILITIES		
COMMON STOCKHOLDERS' EQUITY:		
Common stock, no par value, authorized 46,500,000 shares, issued and outstanding 12,792,058 shares in 2015 and 12,830,521 shares in 2014	\$76,823	\$77,556
Retained earnings	30,227	27,007
Total common stockholders' equity	107,050	104,563
 PREFERRED STOCK, authorized 500,000 shares, no shares issued	-	-
 LONG-TERM DEBT, excluding current portion	87,269	84,842
 COMMITMENTS	-	-
 CURRENT LIABILITIES:		
Current portion of long-term debt	43	43
Accounts payable	1,959	1,589
Dividends payable	1,640	1,647
Accrued compensation and benefits	1,093	1,078
Accrued interest	1,036	1,027
Other accrued expenses	489	546
Total current liabilities	6,260	5,930
 DEFERRED CREDITS:		
Customers' advances for construction	11,399	10,712
Deferred income taxes	47,604	46,024
Deferred employee benefits	12,394	13,727
Other deferred credits	7,107	7,489
Total deferred credits	78,504	77,952
 Contributions in aid of construction	31,126	31,052
 Total Stockholders' Equity and Liabilities	\$310,209	\$304,339

The accompanying notes are an integral part of these statements.

[Table of Contents](#)

Page 4

THE YORK WATER COMPANY

Statements of Income (Unaudited)

(In thousands of dollars, except per share amounts)

	Three Months Ended September 30		Nine Months Ended September 30	
	2015	2014	2015	2014
OPERATING REVENUES:				
Residential	\$7,678	\$7,592	\$22,370	\$21,781
Commercial and industrial	3,801	3,608	10,480	9,967
Other	889	862	2,622	2,653
	12,368	12,062		