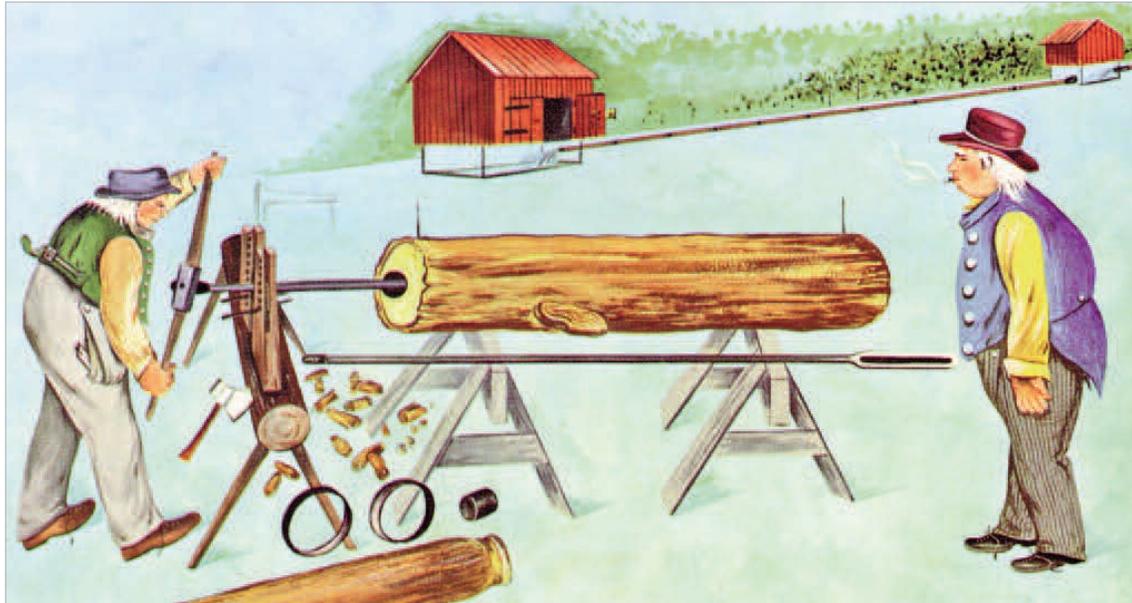


Above: The York Water Company recently installed new cement-lined, ductile iron water main pipes and reinforced water infrastructure at Pershing Avenue and Princess Street in the City of York.

Below: Lake Williams in William H. Kain Park provides the community with a safe and reliable water supply, and is also a great recreational resource through a unique, public-private partnership between The York Water Company and York County.



YORK'S FIRST WATER MAINS

IN 2019, THE YORK WATER COMPANY CONTINUED TO INVEST IN OUR COMMUNITY'S INFRASTRUCTURE - to ensure a safe, adequate, and reliable source of water for our customers. A transition in the leadership of our company also took place this year. Change is inevitable and necessary - and we are committed to providing responsible upgrades and expansions to ensure quality of product and service to our community and our customers, just like we have for the past 204 years.

The recent discovery of a wooden pipe from 1816, found below George Street during a construction project, is representative of The York Water Company's long-standing historical roots in York. During their prime, these logs provided York City with a plentiful supply of water for drinking and fire services. Over the years, our water mains changed and transitioned to more durable and safer materials. After discovering the wooden pipe that was installed in the Company's inaugural year, we reflected on an important fact: The York Water Company was here first. Our investment then, as it is today, sustains the communities we serve. Through periods of transition, our roots remain firm – **AND OUR MISSION DOES NOT CHANGE.**





Jeffrey R. Hines, P.E.
*President and
 Chief Executive
 Officer*
 March 1, 2008-
 March 1, 2020



JT Hand
*President and
 Chief Executive
 Officer*
 March 1, 2020-
 Present

Dear Shareholders,

**WELCOME TO THE ANNUAL REPORT FOR
 AMERICA'S OLDEST PUBLIC COMPANY!**

As I begin my retirement and write this Annual Report to Shareholders for my twelfth and final year, I wanted to introduce you to the 22nd President of America's oldest public company: JT Hand. JT has been the Chief Operating Officer of our company for the past 12 years. Prior to that, JT had a long and distinguished career with the U.S. Army Corps of Engineers. JT's professional life has been focused on infrastructure, public health, and organizational efficiency, which are key attributes necessary to lead a public water supplier. I wish JT and our team of over 100 highly dedicated professionals continued success in making this company the most efficient, well-run, and customer-focused water utility in the nation.

I am pleased to report that 2019 continued our unsurpassed record of 204 years of service to our community.

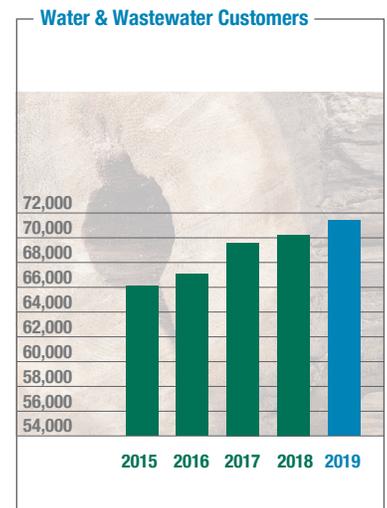
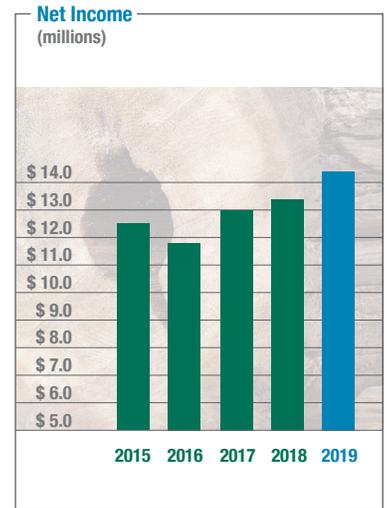
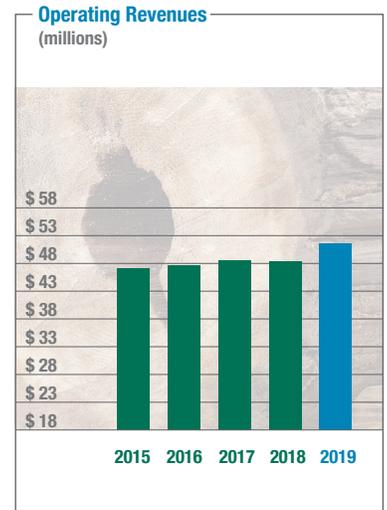
Increased Dividends and Shareholder Value: An American Record!

Our net income increased by 7.7% to \$14.4 million in 2019. Earnings per share increased 6.7% to \$1.11. Operating revenues increased 6.5% to \$51.6 million in 2019.

In line with our objective to maintain regular dividend increases, we raised the quarterly dividend rate by 4.0% during the year. This is the 23rd consecutive year we have raised our dividend and the 204th consecutive year of dividend payments. We believe this to be the longest consecutive dividend record in America.

In 2013, we initiated a share repurchase program to add value to our shareholders. The Board of Directors authorized us to repurchase up to 1,200,000 shares of the Company's common stock from time to time. No shares were repurchased this year. As of December 31, 2019, 618,004 shares remain available for repurchase.

We are only including a summary of our financial results in this annual report. Please refer to our annual SEC 10K Report, which was delivered with this report, or can be downloaded from the investor relations section of our website at www.yorkwater.com for a more detailed review of our financial performance.



Continued Growth, Acquisitions, and Expansion

The number of customers we served at the end of 2019 grew to 71,411 water and wastewater customers. This was an increase of 1,148 new customers, or about 1.6% customer growth in 2019. The Company is now authorized to serve in 48 municipalities in Adams and York Counties, and our population served grew in 2019 to over 200,000 people.



In September 2019, The York Water Company acquired the Jacobus Borough Sewer System.

Rate Case Increases and Tax Act Reductions

On May 30, 2018, York Water sought an annual increase in water rates of \$6.4 million and an annual increase in wastewater rates of \$289,000. This was the first rate increase for our customers in five years. Effective March 1, 2019, the Pennsylvania Public Utility Commission (PPUC) authorized an increase in water rates designed to produce approximately \$3.4 million in additional annual revenues and an increase in wastewater rates designed to produce approximately \$289,000 in additional annual revenues. It is expected that the approved rates will add about \$1.00 per month, or a 2.5% increase, for the average residential water customer. However, due to the reduction in taxes from the 2017 Tax Act, water customers, on average, actually saw an \$0.80 per month decrease in their water bills for the first year.

Water Still Costs About One Cent per Gallon: Delivered right where you need it, when you need it!

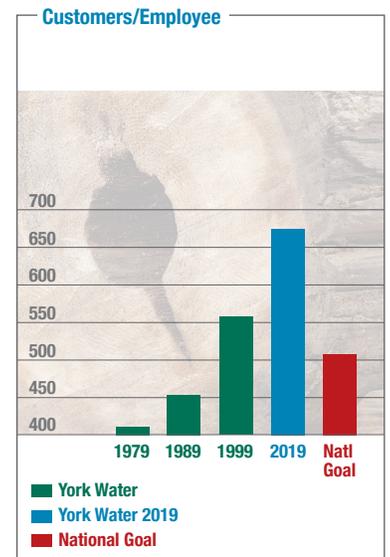
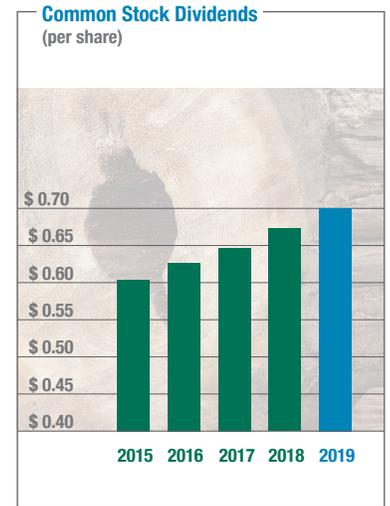
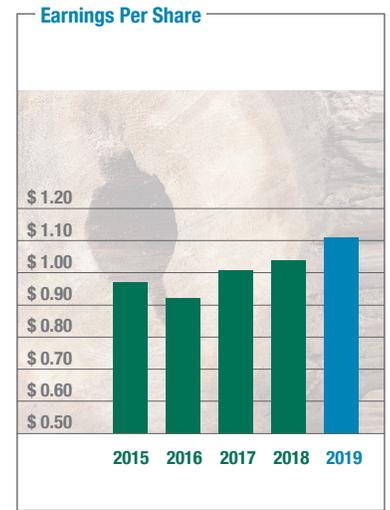
Our customer complaint rate and water rates remain among the lowest of the regulated utilities in the state, while still providing world-class service to our customers. In addition to great customer service, these measurements help us to maintain a productive relationship with our regulators, which is paramount to running a successful company.

Increasing Efficiency While Maintaining Personal Contact

Although we are a 204-year-old company, we continue to make technological advances to assist our customers while still providing that personal touch. When you call our office, one of our locally-based and friendly customer service representatives will answer the phone and assist you. We continue to expand our initiatives in online applications and scheduling, paperless billing, and electronic bill pay. We also continue to deploy a state-of-the-art radio frequency drive-by and fixed meter reading system. Of course, our historic office in downtown York remains open for walk-in or phone-in customer support.

System Improvements for a Sustainable Future

We continue to replace almost 1% of our existing water pipe each year. This equates to over 50,000 feet of pipe replacement, or almost 10 miles! This reduces main breaks, water leakage, potential property damage, and reduces costs. York Water continues to work with local governments and other utilities to coordinate water main replacements prior to road resurfacing projects. This saves our customers money and provides the motoring public with a new road and equally new utilities below.



In 2016, the American Water Works Association recommended that all water systems should have a goal of eliminating lead service lines. Since 2017, York Water has replaced all of the over 1,600 known company-owned lead service lines. Through a unique approval by the Pennsylvania Public Utility Commission, the Company is also committed to replacing all customer-owned lead services, currently at no cost to the customer, with a goal of the complete elimination of all lead service lines from our community.



This transition in leadership from Jeff Hines to JT Hand will continue our commitment to investing in our community.

which is indicative of the rewarding environment and collaborative corporate culture of The York Water Company. A company that continues to thrive, grow, and improve service to its customers for 204 years can only be possible due to the dedication, loyalty, and hard work of its employees. We thank all of the York Water family for their commitment to make this company the most efficient and customer-focused water utility in the nation.

Jeff Hines, President and Chief Executive Officer, retires after 30 years of service

As mentioned previously, Jeff retired on March 1, 2020, after 12 years as CEO and 30 years with the Company. Jeff started in 1990 as Engineering Manager and worked his way up to President in 2008. Over the past 12 years, Jeff has presided over 48 dividend declarations, 203 board and committee meetings, numerous rate proceedings, debt and equity offerings, and 12 annual meetings of shareholders. Jeff has mentioned that his greatest honor has been to serve this company over the past 30 years, and perhaps his greatest achievement has been to lead America’s oldest public company with a team of over 100 dedicated employees, with no major accidents, while providing an uninterrupted supply of water for drinking, domestic use, and fire protection for our community. The Company will continue to benefit from Jeff’s experience as he will remain active on the Board of Directors.



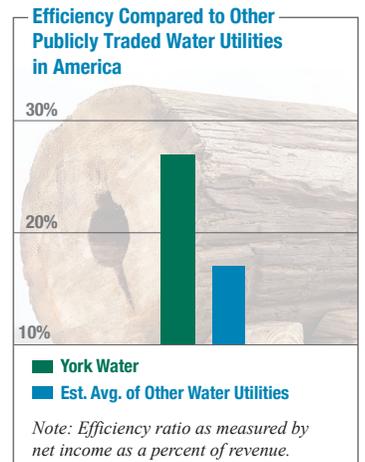
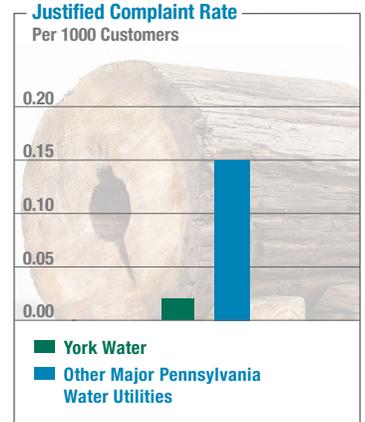
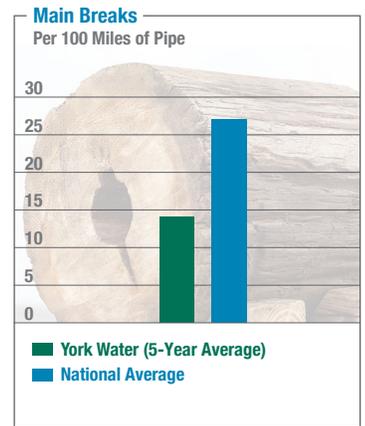
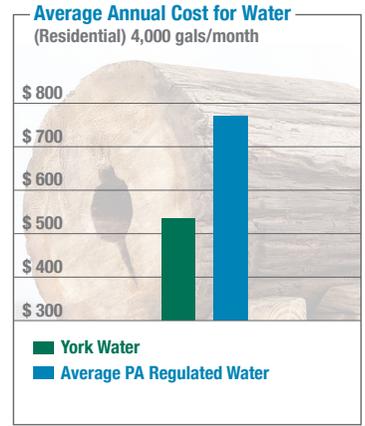
At The York Water Company, we not only invest in infrastructure; we also invest in people like Assistant Superintendent Jeff Green.

Lake Williams Dam Improvement Projects

In 2019, we drained Lake Williams and installed a 48” valve on the outlet pipe. This is one part of a multi-year project which will include replacement of the spillway and armoring of the dam. One of our objectives during these projects is to minimize disruption to our water supplies and to maximize recreational access to the lake.

Dedicated and Experienced Employees

York Water’s talented employees have an average of 14 years at the Company,





The Lake Williams Dam was built in 1912 and expanded in 1954, increasing the storage capacity from 600 million gallons to 800 million gallons.



In 2019, we completed upgrades at Lake Williams Dam. The next phase of upgrades will take place on the Lake Williams spillway. This multi-year/multi-million-dollar investment in our infrastructure aligns with our standards of efficiency and sustainability.

Highlights of Our 204th Year

(In thousands of dollars, except per share amounts)

Summary of Operations					
FOR THE YEAR	2019	2018	2017	2016	2015
Operating revenues	\$ 51,578	\$ 48,437	\$ 48,589	\$ 47,584	\$ 47,089
Operating expenses	27,792	25,920	24,896	23,414	23,294
Operating income	<u>23,786</u>	<u>22,517</u>	<u>23,693</u>	<u>24,170</u>	<u>23,795</u>
Interest expense.....	4,758	5,280	4,484	5,037	4,976
Gain on sale of land.....	-	-	-	36	-
Other income (expenses), net	(2,386)	(1,370)	(1,692)	(1,914)	(1,590)
Income before income taxes	<u>16,642</u>	<u>15,867</u>	<u>17,517</u>	<u>17,255</u>	<u>17,229</u>
Income taxes	2,240	2,491	4,543	5,409	4,740
Net income	<u>\$ 14,402</u>	<u>\$ 13,376</u>	<u>\$ 12,974</u>	<u>\$ 11,846</u>	<u>\$ 12,489</u>
Per Share of Common Stock					
Book value	\$ 10.31	\$ 9.75	\$ 9.28	\$ 8.87	\$ 8.51
Earnings per share:					
Basic	1.11	1.04	1.01	0.92	0.97
Diluted.....	1.11	1.04	1.01	0.92	0.97
Weighted average number of shares outstanding during the year:					
Basic	12,964,080	12,903,568	12,849,123	12,845,955	12,831,687
Diluted.....	12,966,292	12,903,836	12,849,171	12,845,973	12,831,687
Cash dividends declared per share	0.7001	0.6731	0.6472	0.6267	0.6040
Utility Plant					
Original cost, net of acquisition adjustments	\$ 398,065	\$ 377,676	\$ 362,533	\$ 339,745	\$ 325,691
Construction expenditures	18,425	16,882	24,602	13,158	13,844
Other					
Total assets	\$ 363,529	\$ 345,140	\$ 332,030	\$ 320,494	\$ 310,533
Long-term debt including current portion.....	101,035	93,358	90,142	84,653	84,562

For Management's Discussion and Analysis of Financial Condition and Results of Operations, please refer to Item 7 in the Company's Annual Report on Form 10-K.

Shareholder Information

Market Information

The common stock of The York Water Company is traded on the NASDAQ Global Select Market under the symbol YORW.

Shareholders of record (excluding individual participants in securities positions listings) as of December 31, 2019 numbered approximately 1,998.

Financial Reports and Investor Relations

The Company makes available free of charge, on or through its website (www.yorkwater.com), its annual report on Form 10-K, its quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after the Company electronically files such material with, or furnishes it to, the Securities and Exchange Commission, or SEC. The SEC also maintains a website at www.sec.gov that contains reports, proxy statements, and other information about SEC registrants, including the Company.

Shareholders may request, without charge, copies of the Company's financial reports. Such requests, as well as other investor relations inquiries, should be addressed to:

Molly E. Norton
Investor Relations and
Communications Administrator

The York Water Company
130 East Market Street
York, PA 17401

(717) 718-2942
(800) 750-5561
mollyn@yorkwater.com



STOCK EXCHANGE LISTING

The Company's common shares trade on the NASDAQ Global Select Market.

The trading symbol is **YORW**.

TRANSFER AGENT & REGISTRAR

Broadridge Corporate Issuer Solutions, Inc.

P.O. Box 1342
Brentwood, NY 11717
(844) 317-3311 (toll free)
Internet:
<http://shareholder.broadridge.com/YORW>

INDEPENDENT AUDITORS

Baker Tilly Virchow Krause LLP

Suite 200
221 West Philadelphia Street
York, PA 17401

ANNUAL MEETING INFORMATION

Monday, May 4, 2020
1:00 p.m.-Virtual Annual Meeting
In response to COVID-19, we are working through the logistics of holding our Annual Meeting virtually to ensure the health and safety of our shareholders.

Details on how to access the Virtual Annual Meeting will be provided in advance of Monday, May 4, 2020.

Supplemental Information (Unaudited)

(In thousands of dollars, except per share amounts)

YEAR ENDED DECEMBER 31	2019	2018	2017
Selected Financial Data			
Income			
Operating Revenues.....	\$51,578	\$48,437	\$48,589
Operating Expenses	\$27,792	\$25,920	\$24,896
Operating Income.....	\$23,786	\$22,517	\$23,693
Interest Expense.....	\$4,758	\$5,280	\$4,484
Net Income	\$14,402	\$13,376	\$12,974
Percent Change in Net Income Compared to Prior Year.....	7.7%	3.1%	9.5%
Common Stock Dividends	\$9,083	\$8,690	\$8,318
Dividend Payout Ratio	63.1%	65.0%	64.1%
Weighted Average Common Shares Outstanding, Basic	12,964,080	12,903,568	12,849,123
Basic & Diluted Earnings Per Weighted Average Common Share.....	\$1.11	\$1.04	\$1.01
Number of Common Shares Outstanding	13,014,898	12,943,536	12,872,742
ROE on Year End Common Equity	10.7%	10.6%	10.9%
Common Stock Dividends Per Share	\$0.7001	\$0.6731	\$0.6472
Net Cash Flows From Operating Activities	\$18,881	\$18,372	\$20,111
Balance Sheet			
Common Stockholders' Equity	\$134,185	\$126,195	\$119,405
Long-Term Debt Including Current Maturities.....	\$101,035	\$93,358	\$90,142
Total Capitalization.....	\$235,220	\$219,553	\$209,547
Percent Common Stockholders' Equity	57%	57%	57%
Percent Long-Term Debt.....	43%	43%	43%
Net Utility Plant.....	\$313,224	\$299,157	\$288,787
Operating Data			
Revenue Class			
Residential	\$33,409	\$31,281	\$31,257
Commercial and Industrial.....	\$14,441	\$13,578	\$13,729
Other.....	\$3,728	\$3,578	\$3,603
Total Operating Revenues	\$51,578	\$48,437	\$48,589
Construction Expenditures	\$18,425	\$16,882	\$24,602
Other Operating Data			
Number of Customers	71,411	70,263	69,604
Number of Employees.....	106	109	102
Common Shareholders	1,998	1,999	2,011
Book Value Per Common Share.....	\$10.31	\$9.75	\$9.28
Market Value at Year End.....	\$46.11	\$32.06	\$33.90
Market Value to Book Value	447%	329%	365%
P/E Ratio	41.5	30.8	33.6

Supplemental Information (Unaudited)

(In thousands of dollars, except per share amounts)

	2016	2015	2014	2013	2012	2011	2010	2009
	\$47,584	\$47,089	\$45,900	\$42,383	\$41,447	\$40,629	\$39,005	\$37,043
	\$23,414	\$23,294	\$22,593	\$21,217	\$20,331	\$20,091	\$18,735	\$19,065
	\$24,170	\$23,795	\$23,307	\$21,166	\$21,116	\$20,538	\$20,270	\$17,978
	\$5,037	\$4,976	\$4,996	\$5,267	\$5,249	\$5,260	\$4,894	\$4,896
	\$11,846	\$12,489	\$11,484	\$9,654	\$9,303	\$9,084	\$8,929	\$7,512
	-5.1%	8.8%	19.0%	3.8%	2.4%	1.7%	18.9%	16.8%
	\$8,051	\$7,743	\$7,443	\$7,214	\$6,929	\$6,708	\$6,506	\$6,050
	68.0%	62.0%	64.8%	74.7%	74.5%	73.8%	72.9%	80.5%
	12,845,955	12,831,687	12,879,912	12,928,040	12,847,160	12,734,420	12,626,660	11,695,155
	\$0.92	\$0.97	\$0.89	\$0.75	\$0.72	\$0.71	\$0.71	\$0.64
	12,852,295	12,812,377	12,830,521	12,979,281	12,918,633	12,791,671	12,692,054	12,558,724
	10.4%	11.5%	11.0%	9.3%	9.3%	9.5%	9.8%	8.6%
	\$0.6267	\$0.6040	\$0.5788	\$0.5580	\$0.5391	\$0.5266	\$0.5150	\$0.5060
	\$19,365	\$20,710	\$18,766	\$18,438	\$16,422	\$17,474	\$14,755	\$15,801
	\$114,061	\$109,070	\$104,563	\$103,511	\$99,825	\$95,265	\$91,257	\$86,922
	\$84,653	\$84,562	\$82,312	\$82,741	\$82,684	\$82,621	\$82,672	\$75,662
	\$198,714	\$193,632	\$186,875	\$186,252	\$182,509	\$177,886	\$173,929	\$162,584
	57%	56%	56%	56%	55%	54%	52%	53%
	43%	44%	44%	44%	45%	46%	48%	47%
	\$270,907	\$261,420	\$253,194	\$244,237	\$239,539	\$232,277	\$227,677	\$221,475
	\$30,218	\$29,761	\$29,165	\$26,873	\$26,192	\$25,750	\$24,550	\$23,368
	\$13,760	\$13,822	\$13,267	\$12,299	\$12,114	\$11,820	\$11,440	\$10,734
	\$3,606	\$3,506	\$3,468	\$3,211	\$3,141	\$3,059	\$3,015	\$2,941
	\$47,584	\$47,089	\$45,900	\$42,383	\$41,447	\$40,629	\$39,005	\$37,043
	\$13,158	\$13,844	\$14,139	\$9,852	\$11,543	\$9,472	\$10,541	\$12,535
	67,052	66,087	65,102	64,118	63,779	62,738	62,505	62,186
	103	107	107	104	105	106	111	111
	2,052	2,007	2,002	2,023	1,786	1,658	1,649	1,516
	\$8.87	\$8.51	\$8.15	\$7.98	\$7.73	\$7.45	\$7.19	\$6.92
	\$38.20	\$24.94	\$23.21	\$20.93	\$17.57	\$17.64	\$17.29	\$14.51
	431%	293%	285%	262%	227%	237%	240%	210%
	41.5	25.7	26.1	27.9	24.4	24.8	24.4	22.7

Directors, Officers, & Key Employees

BOARD OF DIRECTORS



James H. Cawley ^{(1) (3)}
Age 74
Director Since 2016



Cynthia A. Dotzel ⁽¹⁾
Age 65
Director Since 2019



Michael W. Gang, Esq. ⁽¹⁾
Age 69
Director Since 1996



Joseph T. Hand
Age 57
Director Since 2020



Jeffrey R. Hines, P.E. ⁽¹⁾
Age 58
Director Since 2008



George W. Hodges ⁽¹⁾
Age 69
Chairman
Director Since 2000



George Hay Kain, III ⁽³⁾
Age 71
Director Since 1986



Jody L. Keller ⁽⁴⁾
Age 66
Director Since 2015



Erin C. McGlaughlin ^{(2) (4)}
Age 46
Director Since 2016



Robert P. Newcomer ^{(1) (2) (4)}
Age 71
Director Since 2013



**Steven R. Rasmussen,
CPA** ^{(2) (3)}
Age 47
Director Since 2011



Ernest J. Waters ^{(1) (2) (3)}
Age 70
Director Since 2007

DIRECTORS EMERITI

Josephine S. Appell
Chloe R. Eichelberger
John L. Finlayson
William T. Morris

Irvin S. Naylor
Thomas C. Norris
Jeffrey S. Osman

KEY

- (1) Executive Committee
- (2) Audit Committee
- (3) Nomination and Corporate Governance Committee
- (4) Compensation Committee



During the Fall of 2018, Lake Williams was drained for infrastructure upgrades, including lining the outlet pipe and installing new sluice gates. The first phase of upgrades at Lake Williams was completed in 2019, and the Lake is full once again. Even when Lake Williams was empty, not one customer went without water service.

Directors, Officers, & Key Employees

OFFICERS & KEY EMPLOYEES



Vernon L. Bracey
Age 58
Vice President-
Customer Service



Natalee Colón, SHRM-CP
Age 32
Vice President-
Human Resources



Joseph T. Hand
Age 57
President and
Chief Executive Officer



Mark J. Hardman
Age 47
Vice President-Technology



Matthew E. Poff, CPA
Age 48
Chief Financial Officer
and Treasurer



Mark S. Snyder, P.E.
Age 49
Vice President-Engineering



Martin L. Strine
Age 59
Operations Manager



Mark A. Wheeler
Age 52
Chief Operating Officer
and Secretary



Molly E. Norton
Age 27
Investor Relations and
Communications
Administrator

The York Water Company

130 East Market Street
York, Pennsylvania 17401
717-845-3601
www.yorkwater.com



THE
YORK
WATER
COMPANY

