



The York Water Company

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

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April 1, 2017

M-00940557

Secretary
Pennsylvania Public Utility Commission
P O Box 3265
Harrisburg, PA 17105-3265

Dear Secretary:

We have herewith enclosed our annual Diversity Report.

Please let me know if you have any questions.

Very truly yours,

Natalee Colón
Human Resources Manager

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Enclosure

REPORT ON DIVERSITY TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

THE YORK WATER COMPANY

APRIL 2017

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**REPORT ON DIVERSITY
TO THE PENNSYLVANIA
PUBLIC UTILITY
COMMISSION**

**HUMAN RESOURCES
SECTION**

**THE YORK WATER
COMPANY**

APRIL 2017

The York Water Company is proud of its efforts in being an equal opportunity employer. This pride is especially mindful in view of the fact the Company is not required to have an Affirmative Action Plan. The Company's efforts are part of its recognition, many years ago, that it was the proper thing to do to provide equal employment opportunities to all qualified persons.

The Company has in place a general policy promoting equal employment opportunity for all employees, and a comprehensive nondiscrimination clause in its collective bargaining agreement with the United Steelworkers of America.

We have carefully examined our employment practices and we do not use any standards, criteria or procedures which (1) have a disproportionate impact on protected groups or (2) which leave uncorrected the effects of past discrimination.

The Company's turnover remains relatively low, generally below 2% annually. When a position is available, various agencies may be notified of the opening. These agencies provide the information to the general public. Such agencies are: PA Career Link, Crispus Attucks Employment Center, local trade schools and colleges. Further, the Vice President-Human Resources serves on the Employment and Training Advisory Committee of Crispus Attucks.

The York Water Company is a small company with a stable full-time workforce of 104 employees. The average age of all employees is 48 years with 48 years being the average age of the Company's bargaining unit employees. The average length of service is about 14 years. With so little turnover, it is difficult to make dramatic changes in diversity statistics in the short term.

In comparing the attached Chart 2 with Chart 3, the following comments are necessary:

One of the reasons our utilization of female employees is low in the skilled craft worker and service and maintenance "categories" is the jobs in question have not attracted a great deal of interest from female applicants. No barriers exist which bar the employment of qualified females in such categories of employment, as evidenced by the fact that we do employ a female in a skilled manual job. However, few females have expressed interest in such positions.

As to all areas of employment, we will be sure that all advertisements for employment will contain the notice that The York Water Company is an equal opportunity employer and that we do not discriminate on the basis of race, color, sex, religion, national origin, age, disability, marital status, political affiliation, parental status or medical condition. Furthermore, efforts will continue to be made to recruit and employ qualified females in all categories of employment.

Chart 1

**WORKFORCE DIVERSITY STATUS REPORT
THE YORK WATER COMPANY FULL-TIME WORKFORCE - DECEMBER 2016**

	Total Workforce				Female
	Black	SSO	White	Total	
A. Officials and Administrators	1	1	24	26	3
B. Professionals	0	1	4	5	2
C. Technicians	0	0	4	4	0
D. Protective Service Workers	0	0	0	0	0
E. Para-professionals	0	0	0	0	0
F. Office and Clerical	3	5	15	23	21
G. Skilled Craft Workers	4	6	34	44	5
H. Service and Maintenance	0	0	2	2	0
Total	8	13	83	104	31

Chart 2

	<u>York Water</u>	<u>York County Experienced Civilian Workforce</u>
Total Workforce	104	
Minority Workforce	21 (20.2%)	9.15%
Female Workforce	31 (29.8%)	47.49%

Chart 3

**WORKFORCE DIVERSITY STATUS REPORT
THE YORK WATER COMPANY
DECEMBER 2016
FULL-TIME WORKFORCE STATED AS PERCENT**

	Total Workforce				Female
	Black	SSO	White	Total	
A. Officials and Administrators	3.9%	3.9%	92.3%	100%	11.5%
B. Professionals	0%	20%	80%	100%	40%
C. Technicians	0%	0%	100%	100%	0%
D. Protective Service Workers	0%	0%	0%	0%	0%
E. Para-professionals	0%	0%	0%	0%	0%
F. Office and Clerical	13%	21.8%	65.2%	100%	91.3%
G. Skilled Craft Workers	9.1%	13.6%	77.3%	100%	11.4%
H. Service and Maintenance	0%	0%	100%	100%	0%
Total	7.7%	12.5%	79.8%	100%	29.8%

Chart 4

	York Water	York County Experienced Civilian Labor Force
Total Workforce	104	
White Workforce	83 (79.8%)	90.85%
Black Workforce	8 (7.7%)	4.11%
SSO Workforce	13 (12.5%)	5.03%
Female	31 (29.8%)	47.49%

Chart 5

**YORK S.M.S.A.
EXPERIENCED CIVILIAN LABOR FORCE
STATED AS PERCENTAGE**

	Total Workforce				Females
	Black	SSO	White	Total	
A. Officials and Administrators	3.06%	3.21%	93.73%	100%	37.77%
B. Professionals	3.70%	3.05%	93.25%	100%	55.43%
C. Technicians	4.97%	3.43%	91.60%	100%	59.34%
D. Protective Service Workers	X	X	X	X	X
E. Para-professionals	X	X	X	X	X
F. Office and Clerical	3.59%	3.64%	92.77%	100%	68.32%
G. Skilled Craft Workers	2.99%	3.59%	93.42%	100%	5.79%
H. Service and Maintenance	5.41%	8.45%	86.14%	100%	42.56%

The following occupational groupings were used for this chart:

- A. = Executive, Administrative and Managerial
- B. = Professionals - Engineer
- C. = Technicians and Related Support Occupations
- F. = Administrative Support Including Clerical
- G. = Precision Production Occupations
- H. = Handlers, Cleaners, Helpers and Laborers

All figures are taken from the United States Census Bureau EEO Tabulation 2006-2010 Data information for York County of Pennsylvania.

Chart 6

**COMPARISON OF YORK WATER COMPANY FULL-TIME WORKFORCE
DECEMBER 2016
WITH YORK MSA EXPERIENCED CIVILIAN
LABOR FORCE FOR RELEVANT JOB GROUPINGS**

Part 1. Categories where The York Water Company's workforce experience substantially meets or exceeds utilization experience for York MSA:

- A) Minority Employment
 - 1. Officials and Administrators
 - 2. Office and Clerical
 - 3. Skilled Craft Workers

- B) Female Employment
 - 1. Office and Clerical Workers
 - 2. Skilled Craft Workers

Part 2. Categories where The York Water Company's workforce experience evidences a superficial statistical underutilization of particular relevant job groupings.

- A) Minority Employment
 - 1. Professionals
 - 2. Technicians

- B) Female Employment
 - 1. Professionals (40% v. 55.43%)
 - 2. Technicians (0% v. 59.34%)
 - 3. Service and Maintenance Workers (0% v. 42.56%)
 - 4. Officials and Administrators (11.5% v. 37.77%)

Agency Contacts

Mr. Mike Jefferson
Crispus Attucks Center
605 South Duke Street
York, PA 17403

Team PA Careerlink
841 Vogelsong Road
York, PA 17404

THE YORK WATER COMPANY

Policy

Approved by: Jeffrey R. Hines	File: Equal Opportunity
Date: January 1971	
Revision: #4 January 1, 2011	Page 1 of 1

EQUAL OPPORTUNITY

The York Water Company is committed to fostering a policy of equal employment opportunity for all employees and applicants for employment. The Company is strengthened by the full range of talents that each employee brings to the workplace in accomplishing our mission to provide the best quality water and service at a reasonable price while providing a fair return to our shareholders. A diverse workforce that reflects our community strengthens the Company by providing different perspectives and solutions to work-related challenges.

All persons have the right to work or advance on the basis of merit, ability and potential, free from social, personal or institutional barriers of prohibited discrimination. Managers and supervisors must acknowledge the value and dignity of their employees. Every employee should be treated with respect, should have the opportunity to achieve the highest grade or level of responsibility according to his or her potential, and should be encouraged to contribute fully to The York Water Company's mission.

Managers, supervisors and employees must understand and identify unlawful conduct and fulfill their obligation to prevent prohibited discrimination and take immediate corrective action, including discipline, where appropriate. Employees who perceive they are being subjected to prohibited discrimination should report the matter to an appropriate authority. The York Water Company supports the rights of all employees to exercise their statutory rights. Managers must make selections for Company sponsored training and career development programs, merit promotion actions, compensation, benefits, awards, and other types of recognition and personnel actions in accordance with sound personnel management practices and without regard to race, color, sex, religion, national origin, age, disability, marital status, political affiliation, parental status, medical condition, or genetic information.

The York Water Company encourages all employees to strive for, achieve and maintain a positive workplace environment. This is vital to the Company's mission.

oo= BQ48990
 u= BQ48990

EQUAL EMPLOYMENT OPPORTUNITY
2016 EMPLOYER INFORMATION REPORT
SINGLE ESTABLISHMENT REPORT - TYPE 1

SECTION B - COMPANY IDENTIFICATION

1. YORK WATER COMPANY, THE
 130 EAST MARKET STREET
 YORK, PA 17401

2. YORK WATER COMPANY, THE
 130 EAST MARKET STREET
 YORK, PA 17401

YORK COUNTY
 c. Y

SECTION C - TEST FOR FILING REQUIREMENT

1-Y 2-N 3-N DUNS NO.:0 EIN :231242500

SECTION E - ESTABLISHMENT INFORMATION

NAICS: 221310 Water Supply and Irrigation
 Systems

SECTION D - EMPLOYMENT DATA

JOB CATEGORIES	HISPANIC OR LATINO		NOT-HISPANIC OR LATINO											OVERALL TOTALS	
	MALE	FEMALE	***** MALE *****						***** FEMALE *****						
			WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE	TWO OR MORE RACES	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE HAWAIIAN OR PACIFIC ISLANDER	ASIAN	AMERICAN INDIAN OR ALASKAN NATIVE		TWO OR MORE RACES
EXECUTIVE/SR OFFICIALS & MGRS	0	0	5	1	0	0	0	0	1	0	0	0	0	0	7
FIRST/MID OFFICIALS & MGRS	0	1	17	0	0	0	0	0	1	0	0	0	0	0	19
PROFESSIONALS	0	0	2	0	0	1	0	0	2	0	0	0	0	0	5
TECHNICIANS	0	0	4	0	0	0	0	0	0	0	0	0	0	0	4
SALES WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ADMINISTRATIVE SUPPORT	0	4	0	2	0	0	0	0	15	1	0	1	0	0	23
CRAFT WORKERS	3	0	23	2	0	0	0	0	4	0	0	0	0	0	32
OPERATIVES	3	0	5	2	0	0	0	0	1	0	0	0	0	0	11
LABORERS & HELPERS	0	0	3	0	0	0	0	0	0	0	0	0	0	0	3
SERVICE WORKERS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	6	5	59	7	0	1	0	0	24	1	0	1	0	0	104
PREVIOUS REPORT TOTAL	5	5	61	6	0	1	0	0	24	2	0	0	0	0	104

SECTION F - REMARKS

DATES OF PAYROLL PERIOD: 08/22/2016 THRU 08/28/2016

SECTION G - CERTIFICATION

CERTIFYING OFFICIAL: NATALEE COLON
 EEO-1 REPORT CONTACT PERSON: NATALEE COLON
 EMAIL: NATALEEC@YORKWATER.COM

TITLE: HR MANAGER
 TITLE: HR MANAGER
 TELEPHONE NO: 7177187558

CERTIFIED DATE[EST]: 09/01/2016 03:38 PM

THE YORK WATER COMPANY

Policy

Approved by: Jeffrey R. Hines	File: Harassment
Date: December 10, 1998	
Revision: #2 - December 15, 2009	Page 1 of 3

HARASSMENT

1. **Statement of Philosophy.** York Water Company has a long-standing policy of ensuring an environment that respects the dignity and worth of each individual and is free from all forms of unlawful employment discrimination, including sexual harassment and harassment because of race, color, gender, age, religion, national origin, sexual orientation, disability, veteran status or any other characteristic protected by law.

2. **Discriminatory Harassment Prohibited.** Discriminatory harassment, including sexual harassment, will not be tolerated by the Company. This policy applies to all harassment occurring in a work environment in any location where employees are engaged in business on behalf of the Company. This policy covers all officers, directors and employees of the Company and third parties over whom the Company has control.¹

3. **Sexual Harassment Defined.** For purposes of this policy, sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- submission to such conduct is either explicitly or implicitly made a term or condition of an individual's employment; or
- submission to or rejection of such conduct is used as the basis for employment decisions affecting the individual; or
- such conduct has the purpose or effect of unreasonably interfering with an individual's performance or creating an intimidating, hostile, or offensive working environment.

Some examples of what may constitute sexual harassment are: threatening or taking adverse employment actions if sexual favors are not granted; demands for sexual favors in exchange for favorable or preferential treatment; unwelcome and repeated flirtations, propositions or advances; unwelcome physical contact; whistling, leering, improper gestures or offensive remarks, including unwelcome comments about appearance; sexual jokes or inappropriate use of sexually explicit or offensive language; and the display in the workplace of sexually suggestive objects or pictures. The above list is not intended to be all inclusive.

¹ This policy covers unlawful discriminatory harassment by co-workers and non-employees to the extent that it affects the work environment or interferes with the performance of work. Anyone who believes that he or she has been subjected to such harassment is encouraged to report the problem using the procedures set forth in this policy. The Company will investigate a reported incident to the extent practicable and will take remedial action where appropriate.

THE YORK WATER COMPANY
Policy

Approved by: Jeffrey R. Hines	File: Harassment
Date: December 10, 1998	
Revision: December 15, 2009	Page 2 of 3

HARASSMENT

4. **Other Harassment Defined.** For purposes of this policy, other harassment is defined as verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, gender, age, religion, national origin, sexual orientation, disability, veteran status or any other characteristic protected by law, and that:

- has the purpose or effect of creating an intimidating, hostile, or offensive work environment; or
- has the purpose or effect of unreasonably interfering with an individual's work performance.

Some examples of such harassment are: using epithets or slurs; threatening, intimidating or engaging in hostile acts that focus on a protected characteristic, including jokes or pranks; placing on walls, bulletin boards or elsewhere on the Company's premises, or circulating in the workplace written or graphic material that denigrates or shows hostility or aversion toward a person or group because of a protected characteristic.

5. **Consensual Relationships.** Consensual romantic and/or sexual relationships between a director or manager, and an employee, or between an employee with supervisory authority, and his or her subordinate, will compromise the Company's ability to enforce its policy against sexual harassment. Consequently, if such relationships arise they will be considered carefully by the Company, and appropriate action will be taken. Such action may include a change in the responsibilities of the individuals involved in such relationships or transfer of location within the office to diminish or eliminate the supervisory relationship and workplace contact that may exist. Any manager or supervisory employee involved in such a relationship is required to report the relationship to his or her supervisor, and to either the Vice President-Human Resources or to the President/CEO.

6. **Reporting Discriminatory Harassment.** The Company encourages strongly the prompt reporting of all incidents of discriminatory harassment. If you believe you are being harassed or have observed harassment, the Company encourages you to notify promptly your supervisor, the Vice President of Human Resources, the President/CEO of the Company, or any other supervisor, manager or officer of the Company with whom you feel comfortable.

THE YORK WATER COMPANY
Policy

Approved by: Jeffrey R. Hines	File: Harassment
Date: December 10, 1998	
Revision: December 15, 2009	Page 3 of 3

HARASSMENT

7. **Investigation of Reports.** When a report of harassment is made as specified above, the Company will undertake a prompt investigation as may be appropriate under the circumstances. The steps to be taken during the investigation cannot be fixed in advance, but will vary depending upon the nature of the allegations. Confidentiality will be maintained throughout the investigatory process to the extent practical and consistent with the Company's need to undertake a full investigation.

8. **Resolving the Matter.** Upon completion of the investigation, the outcome will be communicated to the reporting person(s) and alleged harasser, and remedial action taken, if appropriate.

Remedial action may include, but not be limited to, oral or written counseling, referral to formal counseling, disciplinary suspension or probation, or discharge from the Company.

9. **Non-Retaliation.** An individual who reports harassment, or who is involved in the investigation of harassment, will not be subject to reprisal or retaliation because of their good faith participation in the process. Of course, any person who knowingly and intentionally submits a false claim of harassment against another may be subject to remedial action. Retaliation is a serious violation of this policy and should be reported immediately. The reporting and investigation of allegations or retaliation will follow the procedure set forth in this policy. Any person found to have harassed someone in retaliation or for participating in an investigation of allegations of such conduct will be subject to appropriate disciplinary action.

A G R E E M E N T

Between

THE YORK WATER COMPANY

- and -

United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service
Workers International Union

AFL - CIO - CLC

On behalf of

Local Union 1852-08

York, PA

Effective Date

March 4, 2014

ARTICLE XVIII - MODIFICATION

~~This Agreement, effective May 1, 2007, shall continue in full force and effect for a period of three (3) years, expiring April 30, 2010, and shall automatically renew itself from year to year, except that in the event that modification of the Company's Union Represented Employees Pension Plan, is desired on April 30, 2010, proper notice as described below shall be served by either party. This item alone shall be negotiable and the Union reserves the right to strike on the Pension Plan. If either party desires to terminate, modify, or otherwise change any of the terms of this Agreement, they must serve written notice upon the other party postmarked sixty (60) days prior to the April 30, 2010 anniversary date of this Agreement, and if sent by the Company shall be sent to the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, Five Gateway Center, Pittsburgh, Pennsylvania 15222, and if the Union desires to notify the Company of their termination or modification of said Agreement, the same shall be sent to the President of The York Water Company, 130 East Market Street, York, Pennsylvania 17401.~~

ARTICLE XIX - EQUAL OPPORTUNITY

It is the continuing policy of the Company and Union that the provisions of the Agreement shall be applied to all employees covered by this Agreement without discrimination on account of race, color, national origin, sex, age, creed, or non-job related handicap or disability.

**REPORT ON DIVERSITY
TO THE PENNSYLVANIA
PUBLIC UTILITY
COMMISSION**

**PROCUREMENT
SECTION**

**THE YORK WATER
COMPANY**

APRIL 2017

THE YORK WATER COMPANY
Policy

Approved by: Jeffrey R. Hines	File: Diversity in Procurement
Date: April 24, 1995	
Revision: #1 – December 14, 2010	Page 1 of 1

DIVERSITY IN PROCUREMENT

The York Water Company is committed to including minority-, women- and persons with disability-owned business enterprises in the competitive bidding process. Through collaborative, mutual partnerships, we afford minority-, women- and persons with disabilities-owned enterprises with meaningful opportunities to grow their businesses, while helping York Water achieve operational objectives.

It is our intent to reach out to MWDBE vendors and competitively canvass proposals for services. The Company will identify and educate potential suppliers, vendors and contractors regarding contracting opportunities and ensure MWDBE companies are represented in competitive solicitations. The Buyer will be responsible for maintaining records of MWDBE business enterprises. Annually, the VP, Human Resources, will issue a public notice seeking the names and qualifications of local, MWDBE vendors capable of providing the supplies and services the Company requires. All employees are encouraged to identify qualified disadvantaged business enterprises and provide the Buyer with contact information in order to expand our portfolio of qualified suppliers and contractors.

The York Water Company - Diversity Vendor Activity Spreadsheet								3/14/2016
January 1, 2015 through December 31, 2015								
Total \$ Purchased	Minority \$	% of Total	Woman-owned \$	% of Total	Physically Challenged \$	% of Total	Total M/W/DBE \$	% of the Total
18,398,626.95	2,946.18	0.02%	134,039.02	0.73%	0	0	136,985.20	0.74%
Total Amount Purchased - 2015- All Supplier Types								
	Supplier			6,739,162.28				
	Consulting Service			38,986.31				
	Sub-Contractor			11,620,478.36				
			Total	18,398,626.95				

**MISSION STATEMENT
OF
THE YORK WATER COMPANY**

The York Water Company is committed to providing our customers with safe, dependable, high-quality water and excellent service that meets or exceeds customer expectations at a reasonable rate in an environment encouraging our employees to achieve their highest standard of performance while earning a fair return for our shareholders.

STRATEGIES

A. OVERALL

1. Operate the Company in accordance with the current Operating Objectives; Public Affairs and Operating Policy; and, the Code of Ethics and Standard of Conduct Policy.

B. CUSTOMERS

1. Continually strive to provide superior, economical service to our customers.

C. PRODUCT

1. Continue to exceed all standards for water quality so as to insure that our customers receive a safe product.
2. Design and upgrade as necessary the company product delivery system so that our customers receive their water in a reliable way.

D. EMPLOYEES

1. Provide a safe, challenging and rewarding work environment.
2. Foster work force diversity.
3. Actively encourage teamwork.
4. Support and encourage employees to further their education and enhance their skills.
5. Be sensitive to employee's roles and needs as family members.
6. Support all employees in the development of their skills.
7. Encourage and foster communication among all employees.
8. Empower employees to make recommendations they think will improve the operational effectiveness and efficiency of the Company.
9. Encourage employees to volunteer for projects and causes which enhance the community.

E. REGULATION/LEGISLATION

1. Comply with or exceed regulatory requirements.
2. Help shape future direction of regulations and legislation to insure adequate, safe water for everyone.

F. ENVIRONMENT

1. Promote environmental awareness among our employees and the public.
2. Comply with environmental requirements.
3. Encourage our employees and customers to assume responsibility for the environment.
4. Encourage our customers to know, endorse and comply with the Company's water conservation program.

G. COMMUNITY

1. Assist financially and otherwise in addressing the economic, educational and social needs of the community.
2. Support and participate in community planning and development.
3. Reasonably expand into outlying communities in our Charter Area to help resolve water quality and supply issues.
4. Assist communities outside our Charter Area to evaluate their water needs and, if appropriate, make our service available.

H. FINANCIAL

1. Maintain a strong financial position so that the Company can continue to attract equity and debt capital at reasonable costs.
2. Achieve our mission at minimum cost.
3. Continue activities that identify and implement prudent cost reductions and containments.

I. PROCUREMENT

1. Promote diversity in procurement activities.
2. Encourage minority-owned, women-owned and persons with disabilities-owned businesses to provide proposals when the Company is purchasing materials or services.

OPERATING OBJECTIVES OF THE YORK WATER COMPANY

1. Strive to provide high quality water meeting the standards of the Safe Drinking Water Act for adequate water service, to preserve the public health and to furnish reasonable fire protection to property.
2. Comply with all government laws and regulations, particularly and especially those dealing with the treatment of the environment, its customers, its employees and its shareholders.
3. Be honest and forthright in all its dealings with its employees, its customers, its shareholders and the public at large.
4. Operate in the public interest with the full recognition of its responsibilities and consistent with the highest business ethics.
5. Operate safely, efficiently, effectively and reliably its total system for providing water service to its customers.
6. Cooperate with the communities it serves.
7. Pledge equal treatment and fair consideration of all its customers and employees.
8. Provide education and encouragement to all customers concerning the importance of water conservation.
9. Encourage its employees to enhance their skills.
10. Assist the public in obtaining a correct understanding of its operations by keeping them fully informed of its problems and achievements.
11. Be cognizant of the rights and needs of the Company's shareholders, customers, employees and suppliers.
12. Maintain its property and equipment in good condition and appearance.

May 3, 1982
Revised December 1989
Reviewed March 2016

THE YORK WATER COMPANY
Policy

Approved by: Board of Directors	File: Public Affairs and Operating Policy
Date: May 3, 1982	
Revision:#1 – December 1989	Page 1 of 1

PUBLIC AFFAIRS AND OPERATING POLICY

The York Water Company is first and foremost committed to providing its service area with "that good York water" at the lowest possible cost operating under sound, honest business practices. Accordingly, the Company will meet the standards of the Safe Drinking Water Act for high quality water and will provide adequate water service for preservation of the public health and the furnishing of reasonable fire protection to property and will operate its total system for providing water service to its customers efficiently, effectively and reliably.

In addition, it is the intention of The York Water Company to continue to be a good corporate citizen of the communities in which it has facilities and in which it provides service. The good citizenship shall include, but not be limited to, requiring and expecting its officers, management and employees: To comply with all federal, state and local laws and regulations; to conduct themselves to the highest ethical standards, to always treat the Company's customers with respect and with compassion when needed; and to act as stewards of our natural resources and of the environment upon which we are dependent for our source of supply.

Further, The York Water Company realizes that its growth and prosperity as a corporation are dependent upon the growth and prosperity of the community it serves, and further recognizes that it has a responsibility for leadership and innovation in the local, state and national political, social and economic areas that affect its mandate for clean, plentiful and economically feasible water supplies. To this end the Company will encourage and recognize those employees who give of their time and resources to responsible community activities, will contribute financially within its budget to a variety of community needs, will cooperate with communities it serves in the best interests of all and will work with other local, state and national groups to enhance the quality of life and the environment in which it resides.

THE YORK WATER COMPANY

Policy

Approved by: Board of Directors	File: Code of Conduct
Date: February 24, 2003	
Revision: July 7, 2014	Page 1 of 5

CODE OF CONDUCT

The reputation and integrity of The York Water Company (the "Company") are valuable assets that are vital to the Company's success. Each employee and Board member of the Company, including each of the Company's officers, is responsible for conducting the Company's business in a manner that demonstrates a commitment to the highest standards of integrity. No Code of Conduct can replace the thoughtful behavior of an ethical employee or Board member. The purpose of this Code is to focus employees and Board members on areas of ethical risk, provide guidance to help employees and Board members to recognize and deal with ethical issues, provide mechanisms for employees and Board members to report unethical conduct, and foster among employees and Board members a culture of honesty and accountability. Dishonest or unethical conduct or conduct that is illegal will constitute a violation of this Code, regardless of whether such conduct is specifically referenced herein.

The Company's Board of Directors is ultimately responsible for the implementation of the Code of Conduct. The Board has designated the Secretary to be the compliance officer (the "Compliance Officer") for the implementation and administration of the Code.

Questions regarding the application or interpretation of the Code of Conduct are inevitable. Employees and Board members should feel free to direct questions to the Compliance Officer. In addition, employees and Board members who observe, learn of, or, in good faith, suspect a violation of the Code, must immediately report the violation to the Compliance Officer, another member of the Company's senior management, or to the Audit Committee of the Board of Directors. Employees and Board members who report violations or suspected violations in good faith will not be subject to retaliation of any kind. Reported violations will be investigated and addressed promptly and will be treated confidentially to the extent possible. A violation of the Code of Conduct may result in disciplinary action, up to and including termination of employment or Board membership.

Requests for a waiver of a provision of the Code of Conduct must be submitted in writing to the Compliance Officer for appropriate review, and an officer, director or appropriate Board committee will decide the outcome. For conduct involving an executive officer or Board member, only the Board of Directors or the Audit Committee of the Board has the authority to waive a provision of the Code. In the event of an approved waiver involving the conduct of an officer or Board member, appropriate and prompt disclosure must be made to the Company's shareholders as and to the extent required by listing standards or any other regulation.

Statements in the Code of Conduct to the effect that certain actions may be taken only with "Company approval" will be interpreted to mean that appropriate officers or Board directors must give prior written approval before the proposed action may be undertaken.

THE YORK WATER COMPANY

Policy

Approved by: Board of Directors	File: Code of Conduct
Date: February 24, 2003	
Revision: July 7, 2014	Page 2 of 5

CODE OF CONDUCT

Employees will receive periodic training, but not less than once every three years, on the contents and importance of the Code of Conduct and related policies and the manner in which violations must be reported and waivers must be requested. Each officer of the Company will be asked to certify on an annual basis that he/she is in full compliance with the Code of Conduct and related policy statements.

I. Violations of Law

A variety of laws apply to the Company and its operations, and some carry criminal penalties. These laws include banking regulations, securities laws, environmental protection laws, and state laws relating to duties owed by corporate directors and officers. Examples of criminal violations of the law include: stealing, embezzling, misapplying corporate or bank funds, using threats, physical force or other unauthorized means to collect money; making a payment for an expressed purpose on the Company's behalf to an individual who intends to use it for a different purpose; or making payments, whether corporate or personal, of cash or other items of value that are intended to influence the judgment or actions of political candidates, government officials or businesses in connection with any of the Company's activities. The Company must and will report all suspected criminal violations to the appropriate authorities for possible prosecution, and will investigate, address and report, as appropriate, non-criminal violations.

II. Conflicts of Interest

A conflict of interest can occur or appear to occur in a wide variety of situations. Generally speaking a conflict of interest occurs when an employee's or an employee's immediate family's personal interest interferes with, has the potential to interfere with, or appears to interfere with the interests or business of the Company. For example, a conflict of interest could arise that makes it difficult for an employee or Board member to perform corporate duties objectively and effectively where he/she is involved in a competing interest. Another such conflict may occur where an employee or a family member receives a gift ¹ a unique advantage, or an improper personal benefit as a result of the employee's or Board member's position at the Company. Because a conflict of interest can occur in a variety of

¹
Acceptance of gifts in the nature of memento, e.g. a conference gift or other inconsequential gift, valued at less than one hundred (\$100) dollars is permitted.

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situations, you must keep the foregoing general principle in mind in evaluating both your conduct and that of others. Related party transactions are discouraged, but may be necessary or beneficial under certain circumstances. The Audit Committee must review and approve any "related party" transaction as defined in Item 404(a) of Regulation S-K before it is consummated. The Company's Related Party Transaction Policy is incorporated by reference into this Code.

Employees and Board members are prohibited from trading in securities while in possession of material inside information. Among other things, trading while in possession of material inside information can subject the employee or Board member to criminal or civil penalties. The Company's Securities Trades Policy is incorporated by reference into this Code.

OUTSIDE ACTIVITIES/EMPLOYMENT

Any outside activity, including employment, should not significantly encroach on the time and attention employees devote to their corporate duties, should not adversely affect the quality or quantity of their work, and should not make use of corporate equipment, facilities, or supplies, or imply (without the Company's approval), the Company's sponsorship or support. In addition, under no circumstances are employees permitted to compete with the Company, or take for themselves or their family members business opportunities that belong to the Company that are discovered or made available by virtue of their positions at the Company. Employees are prohibited from taking part in any outside employment without the Company's prior approval, which will not be unreasonably withheld unless the Company determines that said employment violates this Code of Conduct.

CIVIC/POLITICAL ACTIVITIES

Employees are encouraged to participate in civic, charitable or political activities so long as such participation does not encroach on the time and attention they are expected to devote to their company-related duties. Such activities are to be conducted in a manner that does not involve the Company or its assets or facilities, and does not create an appearance of Company involvement or endorsement.

LOANS TO EMPLOYEES

The Company will not make loans or extend credit guarantees to or for the personal benefit of officers, except as permitted by law. Loans or guarantees may be extended to other employees only with Company approval.

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III. Fair Dealing

Each employee should deal fairly and in good faith with the Company's customers, suppliers, regulators, business partners, and others. No employee may take unfair advantage of anyone through manipulation, misrepresentation, inappropriate threats, fraud, abuse of confidential information, or other related conduct.

IV. Proper Use of Company Assets

Company assets, such as information, materials, supplies, time, intellectual property, facilities, software, and other assets owned or leased by the Company, or that are otherwise in the Company's possession, may be used only for legitimate business purposes. The personal use of Company assets, without Company approval, is prohibited.

V. Delegation of Authority

Each employee, and particularly each of the Company's officers, must exercise due care to ensure that any delegation of authority is reasonable and appropriate in scope, and includes appropriate and continuous monitoring. No authority may be delegated to employees who the Company has reason to believe, through the exercise of reasonable due diligence, may have a propensity to engage in illegal activities.

VI. Handling Confidential Information

Employees and Board members should observe the confidentiality of information that they acquire by virtue of their positions at the Company, including information concerning customers, suppliers, competitors, and other employees, except where disclosure is approved by the Company or otherwise legally mandated. Of special sensitivity is financial information, which should under all circumstances be considered confidential except where its disclosure is approved by the Company, or when it has been publicly available in a periodic or special report for at least two business days. The Company's Information Security Policy is incorporated by reference into this policy.

VII. Handling of Financial Information

Federal law requires the Company to set forth guidelines pursuant to which the principal executive officer and senior financial employees perform their duties. Employees subject to this requirement include the principal executive officer, the principal financial officer, controller or principal accounting officer, and any person who performs a similar function. However, the Company expects that all employees who participate in the preparation of any part of the Company's financial statements follow these guidelines:

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- Act with honesty and integrity, avoiding violations of the code, including actual or apparent conflicts of interest with the Company in personal and professional relationships.
- Disclose to the Compliance Officer any material transaction or relationship that reasonably could be expected to give rise to any violations of the code, including actual or apparent conflicts of interest with the Company.
- Provide the Company's other employees, consultants, and advisors with information that is accurate, complete, objective, relevant, timely, and understandable.
- Endeavor to ensure full, fair, timely, accurate, and understandable disclosure in the Company's periodic reports.
- Comply with rules and regulations of federal, state, provincial and local governments, and other appropriate private and public regulatory agencies.
- Act in good faith, responsibly, and with due care, competence and diligence, without misrepresenting material facts or allowing your independent judgment to be subordinated.
- Respect the confidentiality of information acquired in the course of your work except where you have Company approval or where disclosure is otherwise legally mandated. Confidential information acquired in the course of your work will not be used for personal advantage.
- Share and maintain skills important and relevant to the Company's needs.
- Proactively promote ethical behavior among peers in your work environment.
- Achieve responsible use of and control over all assets and resources employed or entrusted to you.
- Record or participate in the recording of entries in the Company's books and records that are accurate to the best of your knowledge.

The foregoing are set forth as guidelines for the principal executive officer and financial employees, but, are, in fact, statements of mandatory conduct. It is also important to note that Federal law requires that any waiver of, or amendment to the requirements in this Section VII will be subject to public disclosure.

Purchasing

Our purchasing function is coordinated through our Buyer. In addition to blanket purchase orders issued for repetitive supplies and services, our Buyer places over 1000 purchase orders and processes approximately 1500 requisitions annually. In order to best gauge the wholesale supply industry, the Company makes over 80 sales visits annually.

The purchasing function is part electronic and part paper system. Our long-range plans are to make the system totally electronic. This goal must be accomplished in the time frame of other priorities.

Purchasing goals for 2017 are:

1. Evaluate inventory levels and match inventory levels to economic conditions. In concert with the Company's Accounting Department, evaluate inventory management software options to further automate the inventory function.
2. Assist in developing Enterprise Resource Planning (ERP) implementation to make activities more efficient.
3. Continue to implement diversity in procurement in accordance with our policy.

Contracting and Procurement for 2017:

1. Maintain existing system for tracking diverse businesses.
2. Continue to locate diverse business opportunities through local and state seminars, trade shows, and publications.
3. Work with VP-Human Resources to coordinate Diversity in Procurement activities.

The York Water Company
Diversity in Procurement Processes

The York Water Company believes that diversity in procurement processes is a vital necessity to provide for the long-term needs of our operations and our customers. Diversity maximizes the number of vendors available to support our operations and provide us with needed services.

It is our primary mission to provide our customers with the best possible quality water and service at a reasonable price while providing a fair return to our shareholders through a work environment that achieves a high standard of performance. We feel that we can accomplish this mission while promoting diversity in the procurement process.

Diverse Business – The York Water Company will define a diverse business as one that is at least 51% minority-owned, women-owned, or persons with disabilities-owned. This is interchangeable with **M/WBE** (Minority -/Woman-Business Enterprise). Businesses that have persons with disabilities as a major portion of their labor will also be acceptable. (RITC, etc.)

Guidelines for Diversity Development

(1) Corporate policy

The attached "Diversity in Procurement" policy will be incorporated into the Company's policy manual.

(2) Integrated Annual and Long Range Corporate Plan

The Integrated Annual and Long Range Corporate Plan contains directions in Section 1 (Strategies):

(I) Procurement

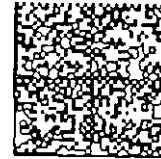
1. Promote diversity in procurement activities.
2. Encourage minority-owned, women-owned and persons with disabilities owned businesses to provide proposals when the Company is purchasing materials or services.

Procurement of most of the Company's materials and services is the responsibility of the Engineering/Construction Manager. The Buyer is then given the authority to request proposals and enter into purchasing agreements. The specific goals and objectives will be detailed in Section 6 of the Integrated Annual and Long Range Corporate Plan.



The York Water Company

130 EAST MARKET STREET
YORK, PENNSYLVANIA 17401-1219



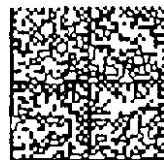
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**Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17105-3265**



The York Water Company

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YORK, PENNSYLVANIA 17401-1219



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Commonwealth of Pennsylvania
Pennsylvania Public Utility Commission
400 North Street, 2nd Floor
Harrisburg, PA 17120**

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