FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL								
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* SMELTZER DAVID					2. Issuer Name and Ticker or Trading Symbol AQUA AMERICA INC [WTR]								5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner							
(Last)	,	(First) (Middle)					3. Date of Earliest Transaction (Month/Day/Year) 05/20/2005								Officer (give title below)			Other (specify below) SIDENT & CFO		
762 W LANCASTER AVE.						4. If Amendment, Date of Original Filed (Month/Day/Year)									6. Individual or Joint/Group Filing (Check Applicable					
(Street)						_ , , , , , , , , , , , , , , , , , , ,								ine) X	e)					
BRYN MAWR PA 19010					-										Form filed by More than One Reporting					
(City)	(S	tate) (Zip)												Perso	n				
	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned																			
1. Title of Security (Instr. 3) 2. Trans Date (Month/					Year)	2A. Deemed Execution Date, if any (Month/Day/Year)			3. Transac Code (I 8)		4. Securities Acquired (A Disposed Of (D) (Instr. 3, 5)				Securi Benefi Owned	cially	6. Ownership Form: Direct (D) or Indirect (I)		7. Nature of Indirect Beneficial Ownership	
								Code	v	Amount	(A) or (D)	Price		Following Reported Transaction(s) (Instr. 3 and 4)		(Instr. 4) (Ir		(Instr. 4)		
Common Stock				05/20/20	005	05/20/2005		2005	S ⁽¹⁾		15,436	D	\$27.0	058 20),271		D		
Common Stock				05/23/20	2005 (05/23/2005		S ⁽¹⁾		4,564	D	\$27.3	879	79 15,707		D			
Common Stock 05/24/2					005	05/2		2005	M		10,000) A	\$9	39	25	5,707	D			
COMMON STOCK 401K															9	,769		D		
Restricted															4,000			D		
	Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)																			
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	Execu if any	eemed ition Date,	4. Transaction Code (Instr.		5. Number of			Exercion D	cisable and	7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4)		8. Price of Derivative Security (Instr. 5)		9. Number derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	y	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
					Code	v	(A)	(D)	Date Exercis	able	Expiration Date	Title	Number of Shares							
Stock Options (Right to buy)	\$9.39	05/24/2005	05	5/24/2005	M			10,000	05/24/2	005	03/06/2010	Common Stock	10,00)	\$9.39	5,622		D		

Explanation of Responses:

1. Shares sold in conjunction with 10B-5 Plan

Roy Stahl or Barbara Cummings 05/24/2005

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

 $^{^{\}star}$ If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

^{**} Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).