

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 (Last) (First) (Middle) 762 W LANCASTER AVE. (Street) BRYN MAWR PA 19010 (City) (State) (Zip)	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 <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) SR. VICE PRESIDENT & CFO
	3. Date of Earliest Transaction (Month/Day/Year) 11/14/2006	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/14/2006	11/14/2006	S		5,000 ⁽¹⁾	D	\$24.2164	32,580.1	D	
Common Stock	11/15/2006	11/15/2006	S		9,000 ⁽¹⁾	D	\$24.2479	23,580.1	D	
Common Stock	11/16/2006	11/16/2006	M		3,013	A	\$7.0425	26,593.1	D	
Common Stock	11/16/2006	11/16/2006	M		3,709	A	\$11.46	30,302.1	D	
Common Stock	11/16/2006	11/16/2006	S		11,000 ⁽¹⁾	D	\$24.5437	19,302.1	D	
COMMON STOCK 401K								14,431.6761	D	
Restricted								5,000	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)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Stock Options (Right to buy)	\$7.0425	11/16/2006	11/16/2006	M			3,013	03/06/2001	03/06/2010	Common Stock	3,013	\$7.045	4,483	D	
Stock Options (Right to buy)	\$11.46	11/16/2006	11/16/2006	M			3,709	11/16/2006	03/06/2011	Common Stock	3,709	\$11.46	17,121	D	

Explanation of Responses:

1. Shares sold in conjunction with 10b5-1 Plan

Barbara Cummings - Power of Attorney 11/16/2006

** Signature of Reporting Person Date

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

* 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).

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.