COMMUNITY BANK SYSTEM INC

Form 4 July 21, 2009

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

Check this box if no longer

if no longer subject to Section 16. Form 4 or Form 5

obligations

may continue.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading PATTERSON DAVID CHARLES Issuer Symbol COMMUNITY BANK SYSTEM (Check all applicable) INC [CBU] (Last) (First) (Middle) 3. Date of Earliest Transaction X_ Director 10% Owner Other (specify Officer (give title (Month/Day/Year) below) 256 POTTER ROAD 07/10/2009 (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting **CANTON, NY 13617** Person (City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 4. Securities 5. Amount of 6. Ownership 7. Nature of 3. Security (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Securities Form: Direct Indirect (Instr. 3) Code Disposed of (D) Beneficially (D) or Beneficial Indirect (I) Ownership (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5) Owned Following (Instr. 4) (Instr. 4) Reported (A) Transaction(s) or (Instr. 3 and 4) Amount (D) Price By Common Trustee, W 07/10/2009 V 59.09 A \$0 8,395.269 I Stock & P P.S. Plan Common 26,025 D Stock

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

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(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5	. Number of	İ	6. Date Exer	cisable and	7. Title and .	Amou
Derivative Security	Conversion	(Month/Day/Year)	r) Execution Date, if TransactionDerivative		Derivative		Expiration D	Underlying Securi			
(Instr. 3)	or Exercise		any	Code	S	Securities		(Month/Day/Year)		(Instr. 3 and 4)	
	Price of		(Month/Day/Year)	(Instr. 8)	1	Acquired (A)	•				
	Derivative					Disposed of (D) (Instr. 3, 4, and					
	Security				,						
					5	5)					
								Date	Expiration	Title	Amo Nun
				Code V	V	(A)	(D)	Exercisable	Date		Shar
Phantom Stock										C	
(Deferred	(2)	07/10/2009		J \	V 2	219.4938		(2)	(2)	Common	219
Compensation)	_							_	_	Stock	
compensation)											

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

PATTERSON DAVID CHARLES 256 POTTER ROAD CANTON, NY 13617

Signatures

/s/ Donna J. Drengel, as attorney-in-fact, pursuant to a power of attorney for David Charles Patterson

X

07/21/2009

**Signature of Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) Shares acquired under the Community Bank System, Inc. Dividend Reinvestment Plan.

Phantom stock units acquired on July 10, 2009 under the Deferred Compensation Plan's dividend reinvestment feature. Each unit of phantom stock is the economic equivalent of one share of Community Bank System, Inc. common stock. The units of phantom stock relating to the Deferred Compensation Plan will be settled in Community Bank System, Inc. common stock at future dates selected by the reporting person.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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