

Bolus Mark J.
Form 4
January 21, 2011

FORM 4

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

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 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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
Bolus Mark J.

2. Issuer Name **and** Ticker or Trading
Symbol
COMMUNITY BANK SYSTEM
INC [CBU]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
(Month/Day/Year)
01/19/2011

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

R.R. #1, BOX 412A

(Street)

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

DALTON, PA 18414

(City) (State) (Zip)

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					48,712.1766 (1)	D	
Common Stock					5,148.497 (2)	I	By Mark Bolus Trust
Common Stock					157.9608 (3)	I	By daughter, Taylor Bolus
Common Stock					157.9608 (3)	I	By daughter,

Common Stock	157.9608 ⁽³⁾	I	Paige Bolus By son, Austin Bolus
Common Stock	157.9608 ⁽³⁾	I	By son, Noah Bolus

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

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 control number.

SEC 1474
(9-02)

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 Underlying Security (Instr. 3 and 4)		
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title
Stock Option	\$ 27.36	01/19/2011		A		3,850		01/19/2011	01/19/2021	Common Stock
Phantom Stock (Deferred Compensation)	(4)	01/19/2011		A		164.4737		(4)	(4)	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Bolus Mark J. R.R. #1, BOX 412A DALTON, PA 18414		X		

Signatures

/s/ Donna J. Drengel, pursuant to a Confirming Statement executed by Mark J. Bolus

01/21/2011

 **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) Includes 415.069 shares acquired on January 10, 2011 pursuant to the Community Bank System, Inc. Dividend Reinvestment Plan.

(2) Includes 45.812 shares acquired on January 10, 2011 pursuant to the Community Bank System, Inc. Dividend Reinvestment Plan.

(3) Includes 1.398 shares acquired on January 10, 2011 pursuant to the Community Bank System, Inc. Dividend Reinvestment Plan.

Each unit of phantom stock is the economic equivalent of one share of Community Bank System, Inc. common stock. The units of

(4) 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.

(5) Includes 15.2388 units of phantom stock acquired on January 10, 2011 under the Deferred Compensation Plan's dividend reinvestment feature.

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.