

BELDEN SANFORD A
Form 4
January 31, 2006

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
BELDEN SANFORD A

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)
9 LYNACRES BLVD.
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/27/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
President & Chief Executive Of

FAYETTEVILLE, NY 13066

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

(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	(D)	Price
Common Stock	01/27/2006		M		11,814	A	\$ 12.375 64,042
Common Stock	01/27/2006		M		20,272	A	\$ 13.1 84,314
Common Stock	01/27/2006		M		1,200	A	\$ 14.525 85,514
Common Stock	01/27/2006		M		31,960	A	\$ 15.675 117,474
Common Stock	01/27/2006		S		65,246	D	\$ 22.9164 52,228

Common Stock 2,130,561 ⁽¹⁾ I By 401(k) Plan

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

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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 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 Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Stock Option	\$ 12.375	01/27/2006		M	11,814	01/01/2002 01/01/2011	Common Stock	11,814
Stock Option	\$ 13.1	01/27/2006		M	20,272	01/01/2003 01/01/2012	Common Stock	20,272
Stock Option	\$ 14.525	01/27/2006		M	1,200	12/30/2005 02/20/2012	Common Stock	1,200
Stock Option	\$ 15.675	01/27/2006		M	31,960	01/01/2005 01/01/2013	Common Stock	31,960

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BELDEN SANFORD A 9 LYNACRES BLVD. FAYETTEVILLE, NY 13066	X		President & Chief Executive Of	

Signatures

Donna J. Drengel, as attorney-in-fact, pursuant to a power of attorney 01/31/2006

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) The number of shares reported herein were acquired pursuant to Community Bank System, Inc.'s 401(K) Plan and are based on a current plan statement.

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