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HELPING OUR CLIENTS'
VISIONS ADD UP

To the Committee
Deferred Compensation Plan for Employees
of the County of Onondaga
Syracuse, New York

In planning and performing our audit of the financial statements of the Deferred Compensation Plan for Employees of the County of Onondaga (the "Plan") as of and for the year ended December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered the Plan's internal control over financial reporting (internal control) as a basis for designating our auditing procedures for the purpose of issuing our report on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we do not express an opinion on the effectiveness on the Plan's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a material weakness and another deficiency that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the plan's financial statements will not be prevented or detected and corrected on a timely basis. We consider the following deficiency in the Plan's internal control to be material weaknesses:

> Eligible employees, who did not wish to participate in the Plan, were not required to complete a form documenting their declination to participate. As such, the Plan does not maintain adequate documentation of non-discrimination and plan participation and plan activity may not be adequately implemented.

We recommend the Plan retain complete documentation of employee plan acknowledgement and participation.

A significant deficiency is a deficiency or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the Plan's internal control to be a significant deficiency:

Review of plan data identified instances where documentation indicating an employee's deferral amount could not be provided. Additionally, instances were identified where participants' deferral percentages on enrollment forms did not agree to payroll registers.

We recommend a review and reconciliation of Plan activity relative to participant data and implementation of steps to ensure adequate documentation is maintained and Plan operations conform with participant elections and Plan documents.

We have previously discussed our observations and suggestions with the Plan sponsor personnel and would be pleased to discuss them in further detail at your convenience, to perform any additional study of the matter, or to assist you in implementing the recommendations to the extent our independence is not impaired.

This communication is intended solely for the information and use of the plan administrator and management and is not intended to be and should not be used by anyone other than these specified parties.

Testone, Marshall & Discenza

February 19, 2013
Syracuse, New York

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HELPING OUR CLIENTS'
VISIONS ADD UP

February 19, 2013

To the Committee
Deferred Compensation Plan for Employees
of the County of Onondaga
Syracuse, New York

We have audited the financial statements of the Deferred Compensation Plan for Employees of the County of Onondaga for the year ended December 31, 2010, and have issued our report thereon dated February 19, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated July 12, 2012. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Deferred Compensation Plan for Employees of the County of Onondaga are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2010. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit beyond delays in receipt of information from investment custodians.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreement arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 19, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. We have provided a separate letter dated February 19, 2013, related to internal controls and operating efficiency.

This information is intended solely for the use management and the Deferred Compensation Committee and is not intended to be and should not be used by anyone other than these specific parties.

Very truly yours,

Testone, Marshall & Discenza

Testone, Marshall & Discenza, LLP

FINANCIAL STATEMENTS

DEFERRED COMPENSATION PLAN
FOR EMPLOYEES OF THE
COUNTY OF ONONDAGA

DECEMBER 31, 2010 AND 2009

DEFERRED COMPENSATION PLAN FOR EMPLOYEES OF THE COUNTY OF ONONDAGA

TABLE OF CONTENTS

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INDEPENDENT AUDITOR'S REPORT

To the Committee
Deferred Compensation Plan for Employees
of the County of Onondaga
Syracuse, New York

We have audited the accompanying statements of net assets available for benefits of the Deferred Compensation Plan for Employees of the County of Onondaga as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Deferred Compensation Plan for Employees of the County of Onondaga as of December 31, 2010 and 2009, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Testone, Marshall & Discenza

February 19, 2013
Syracuse, New York

DEFERRED COMPENSATION PLAN FOR EMPLOYEES OF THE COUNTY OF ONONDAGA
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2010 AND 2009

	2010	2009
INVESTMENTS, AT FAIR VALUE:		
Guaranteed investment contracts	$ 17,277,879	$ 14,962,881
Pooled separate accounts	42,221,538	37,004,446
Mutual funds	1,927,484	1,443,583
Total investments, at fair value	61,426,901	53,410,910
NET ASSETS AVAILABLE FOR BENEFITS	$ 61,426,901	$ 53,410,910

See Accompanying Notes and Independent Auditor's Report

DEFERRED COMPENSATION PLAN FOR EMPLOYEES OF THE COUNTY OF ONONDAGA
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Interest income, net of investment expenses	$ 582,375	$ 525,243
Net appreciation in fair value of pooled separate accounts, net of investment expenses	5,474,060	8,378,572
Net appreciation in fair value of mutual funds, net of investment expenses	217,407	317,671
Total investment income	6,273,842	9,221,486
Contributions:		
Participant	4,259,048	4,382,995
Rollover	321,465	141,517
Total contributions	4,580,513	4,524,512
Total additions	10,854,355	13,745,998
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants/Total deductions	2,838,364	1,868,594
NET INCREASE	8,015,991	11,877,404
NET ASSETS AVAILABLE FOR BENEFITS - BEGINNING OF YEAR	53,410,910	41,533,506
NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	$ 61,426,901	$ 53,410,910

See Accompanying Notes and Independent Auditor's Report

1. DESCRIPTION OF THE PLAN

The following description of the Deferred Compensation Plan for Employees of the County of Onondaga (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The County of Onondaga, New York (the "County") established the Plan to encourage employees to make contributions and continue careers with the County. The Plan is available to all employees of the County and permits employees who elect participation to defer a portion of their current salary until future years. Each participant may defer a minimum of $260 and shall not exceed the lesser of $16,500 for the years ended December 31, 2010 and 2009, or 100% of gross annual compensation. Individuals age 50 or over may make an additional "catch-up" contribution. The additional "catch-up" contributions were $5,500 in both 2010 and 2009. An additional "catch-up" is allowed for previous missed contributions for participants within three years of retirement.

The Onondaga County Deferred Compensation Committee (the "Committee") is responsible for adopting any changes that are mandated by the New York State Deferred Compensation Board and is responsible for establishing and amending Plan provisions.

Participant Accounts

Each participant's account is credited with the participant's contribution and an allocation of Plan earnings and expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus related earnings.

Investment Options

Upon enrollment in the Plan, a participant may direct their contributions in any of the investment options available from the providers. Participants may change their investment options at any time.

(Continued)

1. DESCRIPTION OF THE PLAN (CONT'D)

Payment of Benefits

Participants are eligible to receive benefits from their Plan account upon termination of employment. A participant may elect to receive benefits as a lump-sum amount equal to the value of the participant's vested interest in his or her account, installments to be paid over a period not greater than the joint life expectancy of the participant and his or her designated beneficiary, or partial lump-sum payments.

Upon the death of a participant, the designated beneficiary of the deceased participant is eligible to receive the benefits of the participant's Plan account.

A participant or a beneficiary who is the surviving spouse of the participant may elect to have all or any portion of the value of his or her account transferred to a qualified retirement plan, an IRA or to another public deferred compensation plan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared under the accrual basis of accounting.

Payment of Benefits

Benefits paid to participants are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets during the reporting period. Actual results could differ from these estimates.

(Continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Risks and Uncertainties

The Plan provides for participant-directed investments in various pooled separate accounts, mutual funds and guaranteed investment contracts. Investments are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the statement of net assets available for plan benefits.

Investment Valuation and Income Recognition

Investments in pooled separate accounts and mutual funds are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Guaranteed investment contracts ("GICs") are valued at contract value, which approximates fair value, as estimated by the respective insurance companies. GICs provide for a guaranteed return on the principal invested over a specified time period. The credited interest rates are reset periodically on such contracts, subject to a minimum guaranteed return. GICs may be subject to surrender charges or market value adjustment upon liquidation.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis.

The Plan presents in the statement of changes in net assets available for benefits the net appreciation in the fair value of its investments which consists of realized gains or losses and the unrealized appreciation on those investments. Administrative expenses consist primarily of investment management fees and other operating expenses of the underlying fund and are deducted from investments.

Subsequent Events

Subsequent events have been evaluated through February 19, 2013, the date the financial statements were available to be issued.

(Continued)

3. FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2010 and 2009.

- *Guaranteed investment contracts*: valued at contract value, which approximates fair value, estimated primarily using a crediting interest rate reset quarterly.
- *Pooled separate accounts*: valued at net asset value of units held by the Plan based on quoted market prices of the underlying investments.
- *Mutual funds*: valued at the net asset value of shares held by the Plan at year end.

(Continued)

3. FAIR VALUE MEASUREMENTS (CONT'D)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, of the Plan's fair value measurement at December 31, 2010 and 2009:

Fair Value Measurement at December 31, 2010:

	Level 1	Level 2	Level 3	Total
Pooled separate accounts:				
Aggressive allocation funds	$ -	$ 639,388	$ -	$ 639,388
Balanced funds	-	2,539,366	-	2,539,366
Bond funds	-	2,311,099	-	2,311,099
Conservative allocation funds	-	200,376	-	200,376
International funds	-	3,318,681	-	3,318,681
Large blend funds	-	3,362,042	-	3,362,042
Large cap funds	-	12,025,987	-	12,025,987
Large growth funds	-	8,044,638	-	8,044,638
Large value funds	-	1,514,891	-	1,514,891
Mid cap funds	-	3,640,600	-	3,640,600
Moderate allocation funds	-	1,732,415	-	1,732,415
Money market funds	-	305,190	-	305,190
Small cap funds	-	1,608,522	-	1,608,522
Specialty funds	-	978,343	-	978,343
Total pooled separate accounts	-	42,221,538	-	42,221,538
Mutual funds:				
Balanced value funds	58,008	-	-	58,008
Bond funds	295,367	-	-	295,367
High yield funds	10,601	-	-	10,601
International funds	330,902	-	-	330,902
Large blend funds	374,101	-	-	374,101
Large growth funds	412,323	-	-	412,323
Large value funds	54,115	-	-	54,115
Mid cap funds	354,631	-	-	354,631
Small cap funds	37,436	-	-	37,436
Total mutual funds	1,927,484	-	-	1,927,484
Guaranteed investment contracts	-	-	17,277,879	17,277,879
Total investments	$ 1,927,484	$ 42,221,538	$ 17,277,879	$ 61,426,901

(Continued)

3. FAIR VALUE MEASUREMENTS (CONT'D)

Fair Value Measurement at December 31, 2009:

	Level 1	Level 2	Level 3	Total
Pooled separate accounts:				
Aggressive allocation funds	$ -	$ 509,563	$ -	$ 509,563
Balanced funds	-	2,189,854	-	2,189,854
Bond funds	-	2,125,123	-	2,125,123
Conservative allocation funds	-	189,200	-	189,200
International funds	-	3,012,010	-	3,012,010
Large blend funds	-	3,106,378	-	3,106,378
Large cap funds	-	10,624,889	-	10,624,889
Large growth funds	-	7,412,454	-	7,412,454
Large value funds	-	1,330,941	-	1,330,941
Mid cap funds	-	3,058,571	-	3,058,571
Moderate allocation funds	-	1,312,918	-	1,312,918
Money market funds	-	288,612	-	288,612
Small cap funds	-	1,137,365	-	1,137,365
Specialty funds	-	706,568	-	706,568
Total pooled separate accounts	-	37,004,446	-	37,004,446
Mutual funds:				
Balanced value funds	5,353	-	-	5,353
Bond funds	261,713	-	-	261,713
High yield funds	4,567	-	-	4,567
International funds	243,340	-	-	243,340
Large blend funds	291,063	-	-	291,063
Large growth funds	327,126	-	-	327,126
Large value funds	24,926	-	-	24,926
Mid cap funds	258,715	-	-	258,715
Small cap funds	26,780	-	-	26,780
Total mutual funds	1,443,583	-	-	1,443,583
Guaranteed investment contracts	-	-	14,962,881	14,962,881
Total investments	$ 1,443,583	$ 37,004,446	$ 14,962,881	$ 53,410,910

(Continued)

3. FAIR VALUE MEASUREMENTS (CONT'D)

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the years ended December 31, 2010 and 2009:

	2010	2009
Balance, January 1	$ 14,962,881	$ 12,815,570
Interest credited	582,375	525,243
Purchases, sales, issuances and settlements (net)	1,732,623	1,622,068
Balance, December 31	$ 17,277,879	$ 14,962,881

4. INVESTMENTS

The Plan offers participants the option to choose among pooled separate accounts, mutual funds or guaranteed investment contracts.

Pooled separate accounts consisted of the following at December 31:

	2010	2009
Hartford Capital Appreciation HLS	$ 5,713,805 *	$ 4,890,875 *
Fidelity Contrafund	4,096,261 *	3,779,004 *
Oakmark Equity & Income	1,866,993	1,685,654
American Funds The Investment Company of America Fund	1,443,521	1,423,286
Davis New York Venture	1,411,705	1,219,135
Nationwide Large Cap Growth Portfolio	1,337,009	1,308,956
American Century Equity Income	1,324,007	1,270,863
American Century Ultra	1,236,903	1,126,190
Nationwide Investor Destinations Moderate Fund	1,097,338	790,963
Fidelity OTC Portfolio	1,096,211	997,696
GE Premier Growth Equity	1,004,851	915,408
Oppenheimer Global Fund	982,461	919,478
Hartford International Opportunities HLS	927,020 **	570,320 **
Neuberger Berman Genesis Fund	909,178	792,157
SEI S&P 500 Index	896,721	-
PIMCO Total Return Fund	831,306	716,340
Fidelity Equity Income Fund	790,485	704,579
American Century Value Fund	713,354	617,765
Templeton Growth	647,732 **	590,555 **
JP Morgan Mid Cap Value Fund	641,647	460,232

(Continued)

4. INVESTMENTS (CONT'D)

	2010	2009
Nationwide Investor Destinations Moderately Aggressive Fund	639,388	509,563
Fidelity Puritan Fund	635,077	521,955
American Century Vista Fund	568,247	482,455
Nationwide International Index Fund	535,753 **	526,619 **
SSgA S&P 500 Index Fund	530,423	483,320
Invesco Real Estate	530,019	349,550
Hartford Total Return Bond HLS	488,242	526,761
Goldman Sachs Growth Opportunities	481,756	425,935
Nationwide MidCap Market Index	468,599	-
AllianceBernstein International Value	463,814 **	390,065 **
T. Rowe Price Growth Stock Fund	435,456	345,842
Nationwide International Value Fund	373,163 **	450,692 **
MFS High Income Fund	353,815	291,336
Van Kampen Growth & Income Fund	338,337	240,250
Brown Capital Management Small Company Fund	329,755	248,149
Nationwide S&P 500 Index Fund	313,374	314,095
Hartford Dividend & Growth HLS	308,753	289,565
Hotchkis Wiley Large Cap Value	282,067	267,884
American Century International Discovery Fund	276,903 **	205,339 **
Nationwide Small Cap Index Fund	268,326	142,663
Hartford MidCap HLS	264,197	318,562
MFS Utilities	243,100	179,609
Nationwide Investor Destinations Aggressive Fund	239,320	174,762
Nationwide Bond Index Fund	227,163	147,397
Lord Abbett Small Cap Value	225,305	149,294
Nationwide Money Market Prime Fund	224,764	288,612
Invesco Van Kampen Equity and Income	215,028	188,148
Federated U.S. Government Securities: 2-5 Year	212,841	242,609
Neuberger Berman Socially Responsive Fund	210,071	171,059
Hartford Small Company HLS	182,778	152,585
Dreyfus Small Cap Value	181,013	130,049
Artisan Mid Cap Value	180,576	121,479
Nationwide Investor Destinations Conservative Fund	143,760	134,261
Nationwide Fund	141,600	131,486
Hartford Growth Opp	138,636	119,438
Nationwide US Small Cap Value Fund	132,422	75,492
Invesco Leisure	123,899	96,814
Baron Small Cap	116,145	83,621
Dreyfus Appreciation Fund	113,875	98,212

(Continued)

4. INVESTMENTS (CONT'D)

	2010	2009
American Century Growth Fund	97,243	61,478
SSgA SC Ind. Securities	95,878	65,769
Hartford Global Res HLS	94,296 **	38,863 **
Franklin Small-Mid Cap Growth	91,987	46,707
Hartford Global Health HLS	81,325	80,595
Invesco Short Term Investment Treasury	80,426	-
Nationwide NVIT Multi Manager Small Company	76,899	-
Putnam High Yield Advantage	76,753	95,577
Hartford US Government Securities HLS	64,594	62,988
Nationwide Investor Destinations Moderately Conservative Fund	56,616	54,939
Waddell & Reed Advisor High Income Fund	56,384	42,115
Neuberger Berman Socially Responsive	39,920	16,638
Invesco Van Kampen Comstock	34,917	25,573
SSgA MC NL Series	34,412	22,085
Nationwide Destinations 2040 Fund	24,824	18,647
Nationwide Destinations 2020 Fund	17,191	1,566
SSgA Dow Jones Target 2045	16,867	16,353
SSgA Dow Jones Target 2015	15,175	11,945
SSgA Dow Jones Target Today	14,095	10,546
SSgA Dow Jones Target 2025	11,735	10,282
Edgar Lomax Value Fund	11,052	8,597
SSgA Dow Jones Target 2035	7,863	4,133
Nationwide Destinations 2015 Fund	4,121	8
Nationwide Destinations 2030 Fund	3,926	2,322
Nationwide Retirement Income Fund	3,560	3,241
Nationwide Destinations 2035 Fund	3,196	-
Nationwide Destinations 2050 Fund	15	-
SIMT S&P500 Index Fund	-	790,237
Nationwide Mid Cap Market Index Fund	-	278,669
Hartford International Growth HLS	-	239,557 **
AIM STIC Treasury Portfolio	-	110,290
NVIT Small Company Fund	-	89,743
Total	$ 42,221,538	$ 37,004,446

* Represents 5% or more of net assets available for benefits
** Represents international pooled separate accounts

(Continued)

4. INVESTMENTS (CONT'D)

Mutual funds consisted of the following at December 31:

	2010	2009
American Funds Growth Fund of America	$ 405,194	$ 312,900
Jennison Value Fund	374,101	291,063
AllianceBernstein International Value Fund	276,933 **	220,905 **
Prudential Government Income Fund	258,810	233,097
Lord Abbett Mid Cap Value Fund	187,526	139,389
Jennison Mid Cap Growth Fund	167,105	119,326
Van Kampen Equity & Income Fund	58,008	5,353
American Funds Washington Mutual	54,115	24,926
Thornburg International Value	53,969 **	22,435 **
Goldman Sachs Core Fixed Income Fund	36,557	28,616
Goldman Sachs Small Cap Value Fund	32,533	23,063
American Funds America High Income Trust	10,601	4,567
Oppenheimer Capital Appreciation Fund	7,129	14,226
Legg Mason Small Cap Growth	4,903	3,717
Total	$ 1,927,484	$ 1,443,583

** Represents international mutual funds

Guaranteed investment contracts consisted of the following at December 31, 2010:

Investment Manager	Contract Period	Crediting Interest Rate at 12/31/10	Minimum Guaranteed Rate	2010 Annual Effective Yield	Fair Value
Hartford Life Insurance Company	December 1, 2010 - November 30, 2011	4.0%	4.0%	4.0%	$6,448,673 *
Nationwide Life Insurance Company	December 22, 2010 - December 21, 2011	3.6%	3.5%	3.6%	10,450,788 *
Prudential Insurance Company	January 1, 2010 - December 31, 2010	2.3%	1.5%	2.3 %	378,418
Total					$ 17,277,879

(Continued)

4. INVESTMENTS (CONT'D)

Guaranteed investment contracts consisted of the following at December 31, 2009:

Investment Manager	Contract Period	Crediting Interest Rate at 12/31/09	Minimum Guaranteed Rate	2009 Annual Effective Yield	Fair Value
Hartford Life Insurance Company	December 1, 2009 - November 30, 2010	4.0%	4.0%	4.0%	$ 5,485,800 *
Nationwide Life Insurance Company	December 22, 2009 - December 21, 2010	3.6%	3.5%	3.6%	9,199,440 *
Prudential Insurance Company	January 1, 2009 - December 31, 2009	2.3%	1.5%	2.3 %	277,641
Total					$ 14,962,881

* Represents 5% or more of net assets available for benefits

Effective interest rates are net of administrative expenses on the guaranteed investment contracts.

All investment contracts are awarded pursuant to a competitive bidding process as specified in Part 9003 of the Board's Rules and Regulations. All investment contracts are subject to the approval of the Committee, the County's Chief Executive Officer and the County's Chief Legal Officer.

The Plan conforms to the reporting requirements of Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*. As of December 31, 2010, the Plan had the following investments and maturities in its fixed earnings investments, pooled separate accounts and mutual funds which include investments in bonds.

(Continued)

4. INVESTMENTS (CONT'D)

Investment	Fair Value	Weighted Average Maturity
Fixed earnings investments		
Guaranteed investment contracts:		
The Hartford	$ 6,448,673	0.9
Nationwide	10,450,788	11.9
Prudential	378,418	3.3
Variable earnings investments		
Oakmark Equity & Income	1,866,993	2.3
Invesco Van Kampen Equity and Income	215,028	0.6
Hartford US Government Securities HLS	64,594	0.1
Hartford Total Return Bond HLS	488,242	1.4
Putnam High Yield Advantage	76,753	0.3
MFS High Income Fund	353,815	7.3
Waddell & Reed Advisor High Income Fund	56,384	4.6
Nationwide Bond Index Fund	227,163	12.3
PIMCO Total Return Fund	831,306	7.1
Federated U.S. Government Securities: 2-5 Year	212,841	3.6
Prudential Government Income Fund	258,810	3.5

(Continued)

4. INVESTMENTS (CONT'D)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Since all investments are participant directed, all risks exist at the participant level. Each individual within the Plan has the ability to liquidate their positions on demand and have responsibility for managing their exposure to fair value loss.

The guaranteed investment contracts, pooled separate accounts and mutual funds are unrated.

Custodial credit risk is the risk that, in the event of a bank failure, the Plan's deposits may not be returned to it. Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution, or (c) collateralized with securities held by the pledging financial institution's trust department or agent but not in the Plan's name.

Foreign currency risk is the risk that changes in exchange rates could adversely affect the fair value of the investment. The Plan allows the option of investments in pooled separate accounts and mutual funds of countries outside the U.S. that invest in securities not required to disclose the individual assets within the fund. The fair value of these investments was $3,649,583 and $3,255,350 as of December 31, 2010 and 2009, respectively. The individual investment options are identified above.

All deposits of the Plan are held on behalf of the Plan by the Plan custodian in accordance with the formal deposit policy for custodial credit risk and are not exposed to custodial credit risk as defined by Governmental Accounting Standards Board Statement No. 40 *Deposit and Investment Risk Disclosures.*

5. CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject the Plan to concentrations of credit risk consist principally of investments. The Plan has invested in guaranteed investment contracts with high credit quality financial service institutions, pooled separate accounts with highly rated underlying funds and highly rated mutual funds, thereby limiting the amount of exposure.

6. RELATED PARTY TRANSACTIONS

Plan investments are managed by The Hartford Life Insurance Company, Nationwide Life Insurance Company and Prudential Insurance Company who are also the Plan's custodians. Therefore, these transactions qualify as party-in-interest.

(Continued)

7. PLAN TERMINATION

Although it has not expressed any intent to do so, the County has the right under the Plan to discontinue deferrals and to terminate the Plan. Upon termination of the Plan, all amounts deferred shall be payable as provided in the Plan document.

8. TAX STATUS

The Internal Revenue Service has determined and informed the New York State Deferred Compensation Board by letter dated December 23, 2004 that the Model Plan is designed in accordance with Section 457 of the Internal Revenue Code (IRC) and, as such, not subject to tax under present income tax law. The Model Plan has been adopted by the County of Onondaga and has been amended since the date of this letter. However, the Committee believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

9. RECLASSIFICATION

Certain amounts at December 31, 2009 have been reclassified to reflect current assumptions and information existing at December 31, 2010. This reclassification had no effect on net assets available for benefits as previously reported.

(Concluded)