City of New York
Deferred Compensation Plan/New York City Employee IRA
Comprehensive Annual Financial Report

Celebrating
25 Years
of Service to
City Employees

nycdcp

NYCE IRA

2010

For the Fiscal Year ended December 31, 2010

The Deferred Compensation Plan is a Fiduciary Fund of the City of New York

Program Investment Choices

nycdcp

457

Traditional
(Pre-Tax)

Roth
(After-Tax)

401(a) Savings Incentive Plan*
(Employer Contributions)

401(k)

Traditional
(Pre-Tax)

Roth
(After-Tax)

NYCE IRA

Traditional NYCE IRA
(Pre-Tax)

Employee

Spousal

Roth NYCE IRA
(After-Tax)

Employee

Spousal

* Available to eligible City employees with a negotiated employer contribution, subject to an agreed-upon annual employee contribution to the 457 Plan.

City of New York Deferred Compensation Plan/New York City Employee IRA

Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2010

Prepared by:

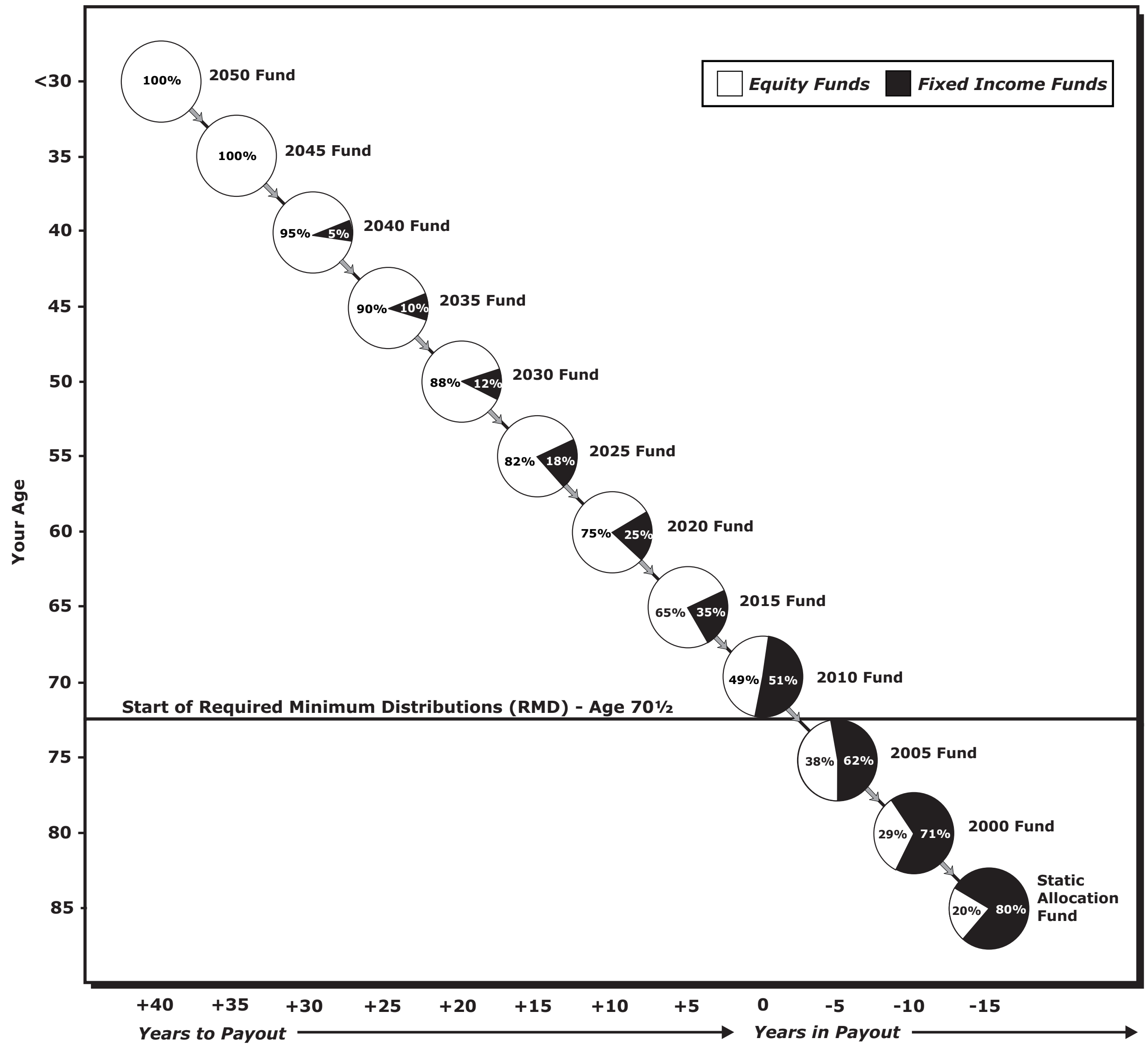
Georgette Gestely
Director

Joan Barrow
Chief Accountant

Sections 457, 401(k) and 401(a) Plans and Section 408(q) New York City Employee IRA (NYCE IRA) reported within the City of New York's Comptroller's Comprehensive Annual Financial Report

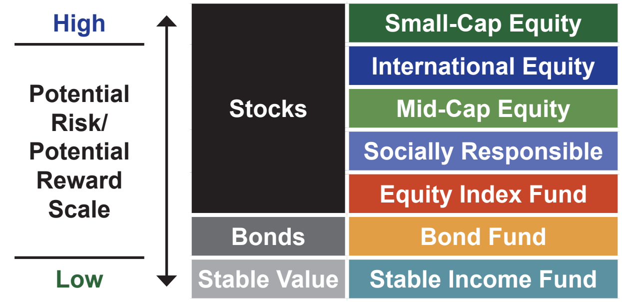
Program Investment Choices

Pre-Arranged Portfolios



Participants are offered a choice of 12 Pre-Arranged Portfolios. Participants should choose a Pre-Arranged Portfolio based on their age or distribution begin date.

Core Options



All Plan assets are in either a separately managed account or a commingled account. Unlike a mutual fund, a separate account is not open to outside investors and is created solely for the benefit of Plan participants. Separate accounts only contain Deferred Compensation Plan assets and all participants trade according to the same rules.

Rather than utilize a single investment manager for some options, the Plan has created core investment options with multiple managers to diversify Plan risk. This structure provides flexibility to change managers, if necessary, without suspending participant trading.

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Board Members

Michael R. Bloomberg
Mayor of the City of New York

John C. Liu
Comptroller of the City of New York

James F. Hanley, Chairman
Commissioner, Office of Labor Relations

Michael A. Cardozo
Corporation Counsel

Mark Page
Director, Office of Management & Budget

David Frankel
Commissioner, Department of Finance

Edna Wells Handy
Commissioner, Department of Citywide Administrative Services

Organization Chart

Office of Labor Relations

James F. Hanley
Commissioner

Richard Yates
Deputy Commissioner

Renee Campion
Associate Commissioner

Dorothy A. Wolfe
Director, Employee Benefits Program

Deferred Compensation Plan

Georgette Gestely
Director,
Tax-Favored Benefits & Citywide Programs

Joan Barrow
Chief Accountant

Beth Kushner
Deputy Director Administration

Sang Hong
Deputy Director Operations

The City of New York

OFFICE OF LABOR RELATIONS
Deferred Compensation Plan / NYCE IRA
40 Rector Street, Third Floor, New York, NY, 10006
Tel: 212 306-7760 / TTY: 212 306-7707 / Fax: 212 306-7376
Outside NYC: 888 DCP-3113 and 888 IRA-NYCE
Online: nyc.gov/deferredcomp and nyc.gov/nyceira

June 30, 2011

Members of the Board
The City of New York Deferred Compensation Plan/NYCE IRA
40 Rector Street
New York, New York 10006

The Mayor's Office of Labor Relations is pleased to present you with the twenty-fifth Comprehensive Annual Financial Report of the City of New York Deferred Compensation Plan/NYCE IRA.

An Umbrella Program

The Deferred Compensation Plan is an umbrella program for three defined contribution plans, the 457 Plan, 401(k) Plan, and 401(a) Plan, and a Deemed IRA called the New York City Employee (NYCE) IRA. The pre-tax 457 Plan began operations in 1986 and the Roth after-tax component was added in April 2011. The pre-tax 401(k) Plan was introduced in January 2002 and the Roth after-tax component was added in April 2006. The NYCE IRA has a traditional component and a Roth after-tax component, and is available to spouses of eligible city employees. NYCE IRA account owners are able to make contributions, consolidate their retirement assets through rollovers, and deposit their income tax refunds into their accounts.

The 401(a) Savings Incentive Program was added to the Deferred Compensation Plan in 2007. The Lieutenants Benevolent Association was the first union to negotiate a fixed annual employer contribution to the Plan on behalf of each active employee in the bargaining unit, subject to an agreed upon annual employee contribution to the 457 Plan. The Captains Endowment Association became the second union to negotiate the program. The employer contribution is an incentive for employees to save more for retirement by making contributions to the 457 Plan.

The investment program offered to participants is the same for all the programs under the Deferred Compensation Plan/NYCE IRA umbrella. The Plan offers participants core investment options and target date, pre-arranged portfolios.

Eligible participants for the Deferred Compensation Plan include employees of the City of New York, the Housing Authority, the School Construction Authority, the Water Finance Authority, the Department of Education, the Health & Hospitals Corporation, and the community colleges of the City University of New York (401(k) only). These employees, as well as all NYC retirees who worked for the City from 1985 onwards, and the spouses of active and retired employees are eligible to establish a NYCE IRA.

As of December 31, 2010, the 457, 401(k), the NYCE IRA and the 401(a) had $9.3 billion, $1 billion, $87 million, and $8 million, respectively, in assets available for Plan benefits. This compares to $8 billion, $784 million, $51 million, and $6 million, respectively, in assets available for Plan benefits at December 31, 2009.

Plan Funding and Expense Payment

The City of New York Deferred Compensation Plan is an entirely self-funded program. In 2010, it was financed through a combination of participants' quarterly administrative fees, amounts deducted from the net asset values, recaptured commissions, and interest earned on assets held in the Plan's custodial account. These funds covered all participant-directed activities, communications, and administrative expenses.

Membership	457 Plan	401(k) Plan	NYCE IRA	401(a) Plan
Total Participants in 2010	117,785	29,861	2,121	2,026
Total Participants in 2009	117,673	27,847	1,522	1,902
Net Increase	112	2,014	599	124

Investments

Each Plan investment contract is competitively bid according to New York City and State regulations and awarded to the manager with the best combination of investment experience, performance history and management fees. The Deferred Compensation Plan offered seven core investment options and twelve pre-arranged portfolios. The investment performance results, net of fees, are shown below:

Investment Option	2010 Yield/Return
Static Allocation Fund	7.4%
2000 Fund	8.1%
2005 Fund	9.3%
2010 Fund	10.2%
2015 Fund	11.3%
2020 Fund	12.0%
2025 Fund	12.5%
2030 Fund	12.9%
2035 Fund	12.8%
2040 Fund	13.1%
2045 Fund	13.3%
2050 Fund	8.5%*
Stable Income Fund	4.3%
Bond Fund	8.0%
Equity Index Fund	14.9%
Socially Responsible Fund	11.1%
Mid-Cap Equity Fund	24.8%
International Equity Fund	5.9%
Small-Cap Equity Fund	27.7%

** Inception Return Since Second Quarter 2010*

Securities Lending

In keeping with the goals of the New York City Deferred Compensation Board of providing the best investment options for the Deferred Compensation Plan at the lowest possible fees, the Plan participated in a Securities Lending Program from 2003-2010. This program earned income by lending the Plan's securities to broker-dealers and other entities with an agreement to return the collateral for the same securities in the future. The program generated approximately $33 million from 2003, when the Board first permitted the lending, through September 2010. This income benefitted Plan participants by defraying the operating costs of the Plan and in some calendar quarters this income even allowed the Plan to waive the quarterly administrative fee charged to Plan participants.

After extensive consultation and consideration, the Board determined that the most prudent course of action for the Plan was to terminate the Securities Lending Program as the continued risks of dislocating market events outweighed the steadily declining benefits of securities lending. In the March 2010 quarterly newsletter, the Board advised participants that the value of underlying Lehman Brothers securities in the cash collateral related to the Securities Lending Program became impaired as a result of the Lehman Brothers' bankruptcy. The total value of the Lehman securities was $24.3 million. Working with the Plan's custodian and external managers, the Plan sold the Lehman Brothers securities at prevailing market prices, allowing the Plan to recover $5.3 million. In addition, from September 2008 forward, the Plan continued to lend securities and the investment income earned by the program was set aside as a reserve to offset the collateral shortfall. Through these actions, the original $24.3 million shortfall was reduced to approximately $10 million. The balance of the shortfall was applied to participant accounts during the fourth quarter of 2010 as a one-time assessment and was reflected on participants' fourth quarter statements.

Awards

Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of New York Deferred Compensation Plan for its comprehensive annual financial report for the fiscal year ended December 31, 2009. This was the sixteenth consecutive year that the Plan has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

National Association of Government Defined Contribution Administrators Leadership Recognition Award

In 2010, the National Association of Government Defined Contribution Administrators (NAGDCA) bestowed a leadership recognition award to the Plan for outstanding achievement in the field of Government Defined Contribution Administration. The Plan was recognized in the category of Effective Communication for its Financial Planning Seminars. This was the fifteenth consecutive year that the Plan has achieved this prestigious award.

2010 Annual Report

The management of the City of New York Deferred Compensation Plan is responsible for establishing and maintaining procedures to administer and oversee Plan operations. An internal control structure is designed to provide reasonable assurance that the assets of the system are safeguarded against loss, theft, or misuse, and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

Furthermore, the concept of reasonable assurance recognizes that:

1. the cost of a control should not exceed the benefits likely to be derived from it; and
2. the valuation of cost and benefits requires estimates and judgment by management.

We believe the information presented in the Comprehensive Annual Financial Report is accurate and fair in all material respects.

This Letter of Transmittal is designed to complement Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

Acknowledgements

We wish to express our appreciation and gratitude to the dedicated and knowledgeable individuals who comprise both the staff and the consulting community: the Plan's investment consultants, Mercer Investment Consulting, Inc. and Milliman USA ; the Plan's custodian, The Bank of New York Mellon; the Plan's legal advisor, Ice Miller, LLP; the Plan's auditor, Marks Paneth & Shron, LLP; the Plan's educational consultant, ICMA-RC; and the Plan's recordkeeper, FASCore, LLC, which is responsible for the maintenance of individual participant accounts and the issuance of quarterly participant statements. These individuals insure the continued availability to New York City employees of the finest possible defined contribution plan at the lowest possible cost.

Sincerely,

Georgette Gestely	Joan E. Barrow
Director	Chief Accountant

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of New York Deferred Compensation Plan

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

President

Executive Director

National Association of Government Defined Contribution Administrators, Inc.

NAGDCA

2010 LEADERSHIP RECOGNITION AWARD

FOR OUTSTANDING ACHIEVEMENT IN THE FIELD OF GOVERNMENT DEFINED CONTRIBUTION ADMINISTRATION

Effective Communication

City of New York, NY

Financial Planning Seminars

The City of New York Deferred Compensation Board (the "Board") was established on April 16, 1985, by Executive Order No. 81 of the Office of the Mayor. The Board is comprised of the Mayor of the City of New York, the Comptroller of the City of New York, the Director of the Office of Management & Budget, the Commissioner of Finance, the Commissioner of the Office of Labor Relations, the Commissioner of the Department of Citywide Administrative Services, and Corporation Counsel. In 1986, the Board implemented the Deferred Compensation Plan for Employees of the City of New York and Related Agencies and Instrumentalities (the "457 Plan") which is governed by §457 of the Internal Revenue Code of 1986, as amended (the "Code"). In January 2002, the Board commenced enrollment in the 401(k) Plan for Employees of the City of New York and Related Agencies and Instrumentalities (the "401(k) Plan"). In April 2006, the 401(k) Plan began accepting Roth (after-tax) contributions. In January 2007, the Board established the 401(a) Savings Incentive Plan for the Employees of the City of New York and Related Agencies and Instrumentalities (the "401(a) Plan"). The 401(a) Plan provides eligible City employees with a negotiated employer contribution subject to an agreed-upon annual employee contribution to the 457 Plan. The Mayor's Office of Labor Relations (the "Plan Administrator") administers the 457 Plan, the 401(k) Plan and the 401(a) Plan. The 457 Plan, 401(k) Plan and the 401(a) Plan will, at all times, comply with the Code and corresponding federal and state regulations and all other applicable laws. The 457, 401(k) and 401(a) Plans will sometimes be referred to collectively as the "Plans."

The Plans are voluntary retirement contribution programs. The employers participating in the Plans include the City of New York, the Department of Education, the Health and Hospitals Corporation, the community colleges of the City University of New York (the 401(k) Plan only), the New York City Housing Authority, the New York City School Construction Authority and the New York City Municipal Water Finance Authority.

Delegation by Employers

The employers participating in the Plans have delegated their powers, duties, and responsibilities under the Plans to the Board.

Participation

An employee is eligible to participate in the Plans after the date he or she becomes a participant by completing an agreement (the "Participation Agreement"), via the Plans' web site, through the Plans' telephone voice response (VRU) system or submission of a Plan Enrollment Form with the Plan Administrator. All eligible employees enroll in the 457 Plan and/or the 401(k) Plan through the Plans' web site at nyc.gov/deferredcomp, through the Plans' telephone voice response (VRU) system at (212) 306-7760, or by submitting an enrollment form. Eligibility to participate in the 401(a) Plan is determined by labor agreements.

The Participation Agreement must specify a) the percentage of the participant's includible compensation to be deferred in multiples of 0.5%, not less than 1% nor greater than 50% and b) the investment option(s) selected by the participant, including the percentages to be allocated to the selected option(s), in increments of 1%.

Maximum Deferrals

The maximum amount which may be deferred by a participant in the 457 Plan in a calendar year may not exceed the lesser of (a) $16,500 or (b) 50% of an active participant's "includible compensation" (as defined by the Code). However, under certain circumstances, up to double the annual maximum participant contribution may be deferred by a participant during each of the last three years prior to reaching his or her designated "Normal Retirement Age" ("Deferral Acceleration for Retirement Amount") if less than the maximum was deferred during earlier years. In addition, participants age 50 and over can defer an additional $5,500, irrespective of prior contributions ("Age 50 and Over Catch-Up"). Participants age 50 and over can defer the greater of: (i) Deferral Acceleration for Retirement Amount, or (ii) the Age 50 and Over Catch-Up amount in any of the three years prior to the designated Normal Retirement Age. If a participant contributes to more than one 457 plan in a given year, the amounts deferred under such plans are aggregated in applying the maximums stated above. In 2011, as a result of the passage of the Small Business Jobs and Credit Act of 2010, participants in the 457 Plan are able to make both pre-tax and Roth contributions.

401(k)

401(k) Plan participants who make both pre-tax and Roth contributions have a combined deferral limit not to exceed the maximum annual contribution amount. Participants age 50 and over can defer an additional $5,500, irrespective of prior contributions. If a participant contributes to two 401(k) plans or a 401(k) and 403(b) plan, the amounts deferred under all such plans are aggregated by applying the maximums stated above. Participants contributing to both the 457 Plan and the 401(k) Plan do not have to aggregate and are permitted to contribute the maximum to each plan.

401(a)

The amount of the employer contribution to the 401(a) Plan is not subject to the maximums stated above and is determined by labor agreements and subject to an agreed-upon annual employee contribution to the 457 Plan.

Assets Held in the Custodial Account

The following list consists of the various types of assets held in the custodial account for the exclusive benefit of the participants and their beneficiaries of the 457 Plan, 401(k) Plan and the 401(a) Plan: (1) all amounts deferred under the Plans, (2) all property and rights purchased with such amounts, and (3) all income attributable to such amounts or rights.

Beneficiaries

Each participant must file with the Plan Administrator a separate designation for the 457 Plan and 401(k) Plan of one or more beneficiaries entitled to receive the amount, if any, payable under the Plans upon the participant's death. The filed beneficiary designation for the 457 Plan will be effective for the 401(a) Plan. A participant may revoke or change his or her beneficiary designation without the consent of any prior beneficiary by completing a change form with the Plan Administrator or through the Plans website nyc.gov/deferredcomp, using his or her PIN. The last such designation on file with the Plan

Administrator will be controlling. No designation, change, or revocation of a beneficiary designation will be effective unless received by the Plan Administrator prior to the participant's death, and in no event will it be effective as of a date prior to such filing.

If no beneficiary designation is in effect at the time of a participant's death, or if no primary or contingent beneficiary survives the participant, payment will be made to the participant's surviving spouse or, if the participant had no surviving spouse, to the participant's estate.

Amendment of Participation Agreements

The Participation Agreement is legally binding and irrevocable with respect to all amounts deferred while it is in effect. However, a participant may make certain changes to the Participation Agreement which are allowed under the Plans. By using a personal identification number to access his or her account through the telephone voice response system or through the Plans' Web site, a participant may, as often as he or she wishes, suspend deferrals or may increase or decrease, in multiples of 0.5%, the percentage of wages to be deferred. In addition, a participant may, either through the telephone voice response system or through the Web site, change the investment direction of future deferrals and initiate account transfers between investment options.

Recommencement of Participation

An employee who has severed from New York City service may rejoin the 457 Plan, the 401(k) Plan, or both and become an active participant after returning to New York City service by following the procedures set forth above. Eligibility to rejoin the 401(a) Plan is determined by labor agreements.

Any person who was a City employee after 1985 has the opportunity to join the 401(k) Plan irrespective of whether they are currently employed by the City. Employees that are no longer actively employed by the City may join the 401(k) Plan, however, only rollovers or transfers can be used to fund the account.

Maintenance of Accounts

For both the 457 Plan and the 401(k) Plan, the recordkeeper establishes an account for each participant to which any amounts deferred, transferred or distributed under the Plans are credited or charged, including any increase or decrease in the value of the investment options specified in the Participation Agreement or any amendment thereto. In March 2009, the Board implemented an Excessive Trading Policy for all of the Plan's investment options. The policy states that if monies are not held in any of the fund options for a period of thirty-two (32) calendar days, the participant will be assessed a 2% redemption fee. The minimum fee that will be assessed will be $20 based on a $1,000 trade. An employee participating in both the 457 Plan and 401(k) Plan who wishes to make any changes must do so independently for each Plan.

The recordkeeper also establishes a 401(a) Plan account to which any amounts contributed, transferred or distributed are credited or charged, including any increase or decrease in the value of the investment options specified.

All investment options offered under the Plans are offered by persons, companies or entities authorized to do business in the State of New York and are duly licensed, if applicable, by the appropriate federal agencies regulating such investments. The Board and the Plan Administrator are not responsible for any decrease in the value of a participant's account resulting from capital or market changes or any other changes occurring in the investment options of the participant's account. A participant or beneficiary is considered to have exercised independent control over the assets in his or her account and the consequences are within a participant's or beneficiary's exercise of control.

Crediting of Accounts

Each participant's account is credited with amounts authorized for deferral or completed incoming transfers within four business days of receipt in good order by the Plans' custodian. Funds are invested in accordance with participants' directions in one or more financial organizations appointed by the Board, to be held, managed, invested and reinvested in accordance with the applicable agreement entered into by the Board with each such financial organization.

Account Reporting

A statement of the total amount invested in a participant's account is furnished to each participant not more than thirty days after the end of each calendar quarter. If employees participate in the 457 Plan, 401(k) Plan and the 401(a) Plan, they will receive only one statement but each plan will be separately accounted. Participants may also access their balance information through the Plans' telephone voice response system and web site. All statements to a participant are based on the net fair market value or book value, as applicable, of the investment options as of the effective date of the statement to the extent such values are available to the Plan Administrator.

Fees

All participants are assessed a single quarterly administrative fee of $20.00 for participation in the 457 Plan, the 401(k) Plan, 401(a) and the NYCE IRA. The administrative fee covers the cost of administering the Plans, safeguarding assets, and providing appropriate information and services including the printing and mailing of quarterly statements. Furthermore, to offset Plan expenses, the amount deducted from the net asset values of each of the investment options is .05%. In addition, each investment manager charges an investment management fee that is deducted directly from each investment option's daily value.

Incoming Rollover or Transfers

Participants in the Deferred Compensation Plan are eligible to roll over their pre-tax and Roth assets from other eligible retirement plans into the 401(k) Plan. The 401(k) Plan accepts rollovers from all eligible retirement plans (as defined by the Code), including 401(a), 457, 401(k), 403(b) and rollover IRAs. The 457 Plan accepts transfers from other 457 plans only. The 401(a) Plan does not accept incoming rollovers or transfers. The Deferred Compensation Plan has also established the Special 401(k) Rollover Account exclusively for the acceptance of the federally tax-deferred portion of a participant's City pension and annuity funds.

In-Service Withdrawals

Emergency Withdrawals

A 457 Plan participant who experiences an unforeseeable emergency (as defined by the Code) may apply in writing to the Board for a determination of whether the guidelines for an emergency withdrawal under §457 of the Code have been met. Any determination by the Board of what constitutes an unforeseeable emergency or the amount needed to satisfy the emergency is final. Upon Board approval, the Plan's recordkeeper will disburse to the participant the amount authorized by the Board. Distributions are subject to applicable taxes.

A pre-tax 401(k) Plan participant who experiences an immediate and heavy financial need (as defined by the Code) may apply in writing to the Board for a determination of whether the guidelines for a withdrawal under §401 of the Code have been met. Any determination by the Board of what constitutes an immediate and heavy financial need or the amount needed to satisfy the need is final. Upon Board approval, the Plan's recordkeeper will disburse to the participant the amount authorized by the Board. Distributions are subject to applicable taxes and may be subject to early withdrawal penalties.

The 401(a) Plan does not provide for hardship withdrawals.

Withdrawals after age 70½ from the 457 Plan

457 Plan participants age 70½ and older are eligible to take distributions, without penalty, from their 457 account while still working for the City.

Withdrawals after age 59½ from the 401(k) Plan

401(k) Plan participants age 59½ and older are eligible to take distributions, without penalty, from their 401(k) account while still working for the City.

Withdrawals after age 62 from the 401(a) Plan

401(a) Plan participants age 62 and older are eligible to take distributions, without penalty, from their 401(a) account while still working for the City.

Direct Transfer for the Purpose of Purchasing Permissive Service Credit

457 Plan participants are eligible to use their 457 Plan assets as a source of funding for the purchase of permissive service credits (as defined by the Code) in any defined benefit plan or pension system, via a direct transfer.

457 Plan Small Account Withdrawals

A participant may be entitled to a full withdrawal of his or her account prior to severance from service if the account balance does not exceed $5,000, there have been no contributions or loans during the two-year period ending on the date of distribution, and there has been no prior small account withdrawal.

Loans

A participant in active payroll status is eligible to receive a loan from the pre-tax portion of the 457 Plan and the pre-tax portion of the 401(k) Plan. The minimum amount is $2,500. The maximum amount of an approved loan shall not exceed the lesser of: (i) 50% of the participant's 457 or 401(k) Plan account balance; or (ii) $50,000 less the combined balance of all outstanding loans a participant may have from a pension, a 403(b) and other Deferred Compensation Plans. Participants will be permitted to receive one loan in any 12-month period and may have no more than two loans outstanding at anytime from each Plan. An origination fee in the amount of $50.00 shall be deducted from the loan amount approved and a quarterly maintenance fee of $8.75 shall be deducted from the participant's account for the term of each loan.

Loans are not permitted from the 401(a) Plan.

Other than these allowable in-service withdrawals, participants may not withdraw from their accounts until they sever from New York City service.

Distribution of Benefits

Upon a participant's severance from New York City service, or if a 457 Plan participant is age 70½ or older, or if a 401(k) Plan participant is age 59½ or older, or if a 401(a) Plan participant is age 62 or older, the participant is entitled to receive an amount equal to the value of his or her account, to be paid, subject to applicable taxes, in accordance with one of the methods described below. If the distribution is from a Roth account and the account was established more than five years ago and the participant is 59½ or older, the withdrawal of assets from the Roth account will be income tax-free. Participants can choose to remain in the Plans and are not required to withdraw, roll over or transfer their account upon severance from New York City service.

Commencement Date

Subject to Required Minimum Distributions, a participant may elect any commencement date as long as such date is no earlier than the sixtieth day after severance from City service. A participant has the option to cancel or change their distribution schedule at any time upon proper notice to the Plan Administrator. Upon reaching the later of April 1st of the calendar year following: (1) the calendar year he or she reaches age 70½, or (2) the calendar year in which he or she severs from New York City service, participants are required to start receiving withdrawals from their account (Required Minimum Distributions).

Method of Distribution for Direct Payment

If a participant chooses to take direct payments, the following methods of distribution are available under the Plans:

1. Full withdrawal; or
2. A specified Amount Certain of a participant's account; or
3. Substantially equivalent monthly, quarterly, semi-annual or annual payments; or
4. A specified Amount Certain of a participant's account, with the remaining balance paid in substantially equivalent monthly, quarterly, semi-annual or annual payments.

Effective June 1, 2011 participants may request up to five non-periodic Amount Certain withdrawals per calendar year.

Rollovers or Transfers Out of the Plans

If a participant chooses to transfer or roll over his or her Deferred Compensation account, or a portion thereof, it must be to an eligible retirement plan, (457, 401(k), 403(b), 401(a), or rollover IRA). 457 Plan participants are permitted to roll over or transfer upon severance from City service. 401(k) Plan participants are eligible to roll over upon severance from City service or upon reaching age 59½. 401(a) Plan participants are eligible to roll over upon severance from City service or upon reaching age 62.

Election of Length of Distribution

If a participant elects installment payments, he or she may specify either: (1) the total number of payments, or (2) the dollar amount of each payment. In either case, distributions cannot be paid over a period of time which exceeds the life expectancy of the participant or, in certain circumstances, the joint life expectancy of the participant and a "designated beneficiary" (as defined by the Code). Payments will be recalculated annually and will be paid only until the account is exhausted.

Distribution Elections by Beneficiaries

Subject to Required Minimum Distributions, beneficiaries are eligible to select how to receive distributions from the decedent's account by the submission of a Beneficiary Distribution Form. Distributions to a "designated beneficiary" must be made over a period that does not exceed the life expectancy of the beneficiary, while all other beneficiaries must complete distribution by the fifth anniversary of the participant's death. Only spousal beneficiaries are eligible to roll over assets to their own eligible retirement plan or IRA. A non-spousal beneficiary is eligible to make a direct trustee-to-trustee transfer of an eligible rollover distribution from the Plan to an IRA established solely for the purpose of receiving the death benefit distribution. For a participant who has begun receiving distributions from his or her account, any amount not distributed to the participant during his or her life will be distributed after the death of the participant at least as rapidly as under the method of distribution being used by the participant.

If a participant died before his or her required beginning date, distribution to a spousal beneficiary must begin on or before December 31st of the year in which such participant would have attained age 70½. All other beneficiaries must begin no later than December 31st of the calendar year following the calendar year in which the participant died. If a participant died after his or her required beginning date, distributions to all beneficiaries must begin no later than December 31st of the calendar year following the calendar year in which the participant died.

The City of New York Deferred Compensation Board (the "Board") was established on April 16, 1985, by Executive Order No. 81 of the Office of the Mayor. The Board is comprised of the Mayor of the City of New York, the Comptroller of the City of New York, the Director of the Office of Management & Budget, the Commissioner of Finance, the Commissioner of the Office of Labor Relations, the Commissioner of Citywide Administrative Services, and Corporation Counsel. In November 2006, the Board implemented a deemed IRA program, the New York City Employee Individual Retirement Account ("NYCE IRA") which is governed by §408 and 408(A) of the Internal Revenue Code of 1986, as amended (the "Code"). The provisions establishing the NYCE IRA are incorporated into the 401(k) Plan for Employees of the City of New York and Related Agencies and Instrumentalities (the "401(k) Plan") in accordance with §408(q) of the Code. The Mayor's Office of Labor Relations (the "NYCE IRA Administrator") administers the NYCE IRA. The NYCE IRA will, at all times, comply with the Code and corresponding federal and state regulations and all other applicable laws.

There are two forms of IRAs: a traditional IRA and a Roth IRA. The current and former employees of the following agencies and instrumentalities are eligible to establish a NYCE IRA: the City of New York, the Department of Education, the Health and Hospitals Corporation, the community colleges of the City University of New York, the New York City Housing Authority, the New York City School Construction Authority and the New York City Municipal Water Finance Authority.

Establishing a NYCE IRA

A current or former eligible employee establishes a NYCE IRA account after the date he or she acknowledges the NYCE IRA Disclosure Statement and Fee Schedule (the "Disclosure Statement"), via the NYCE IRA web site or the NYCE IRA Application. Establishing a NYCE IRA also requires specifying the investment option(s) selected by the employee, including the percentages to be allocated to the selected option(s), in increments of 1%. In addition, the new NYCE IRA account owner must designate at least one individual or entity as beneficiary of his or her NYCE IRA account. A spouse of an eligible current or former employee of the City of New York may establish a Spousal NYCE IRA account. A spouse can open a Spousal NYCE IRA by completing a New York City Employee IRA Application and submitting it to the NYCE IRA Administrative Office.

Funding a NYCE IRA

Contributions

The contribution limit to the NYCE IRA for 2010 is the lesser of $5,000 or total annual taxable compensation. NYCE IRA account owners age 50 and over can contribute a maximum to the NYCE IRA of the lesser of $6,000 or total taxable compensation for year 2010 (and 2011). The same contribution limits apply for the Spousal NYCE IRA. The maximum contribution limit applies to the total contributions made to all IRAs (traditional and Roth) for the year. Contributions to the NYCE IRA may be made anytime during the year or by the deadline for filing a federal income tax return, without including extensions. Contributions to the NYCE IRA must be received by the Plan's custodian prior to the tax-filing deadline. Contributions to a traditional IRA are generally deductible on a federal income tax return and can be made until the account owner is age 70½. Whether contributions into the NYCE IRA will be deductible or non-deductible depends on the account owner's (or, if married, the account owner's and the spouse's) Modified Adjusted Gross Income and whether or not the account owner or spouse is covered by another retirement plan at work. Unlike a traditional IRA, Roth IRA contributions are not deductible and can continue to be made after age 70½. Eligibility to make contributions to the Roth NYCE IRA depends on the account owner's (or, if married, account owner's and spouse's) Modified Adjusted Gross Income. Contributions can be made by personal check or money order.

Rollovers

A rollover is a tax-free distribution from a previous retirement plan or IRA that is transferred to another retirement plan or IRA. A rollover does not count toward the annual maximum IRA contribution limit and is not a deductible contribution.

The Traditional NYCE IRA will accept rollovers from a previous employer's retirement plan and the City's 457 Plan or pre-tax 401(k) Plan and 403(b) after severance from City service or attainment of age 59½ (401(k) or 403(b)). The Roth NYCE IRA will accept rollovers from the City's Roth 457 and Roth 401(k). Both the Traditional and Roth NYCE IRA accept rollovers from other IRA financial institutions. The only distributions from a retirement plan or IRA that are not eligible for rollover to the NYCE IRA are the following:

Periodic Payments from a pension, annuity or retirement plan (401(k), 457, 403(b) or IRA) that are made at least once a year and that will last for (a) your life expectancy, (b) your life expectancy and your beneficiary's life expectancy, or (c) a specified period of ten years or more, Required Minimum Distributions, and Hardship Withdrawals.

Conversions

A conversion is a rollover from a traditional IRA to a Roth IRA, where the amount rolled over is subject to applicable income taxes. Beginning in tax year 2010, the MAGI and filing status requirements for converting to a Roth IRA are eliminated. A conversion does not count towards the annual maximum IRA contribution limit.

Assets in the City's pre-tax 457 Plan and the pre-tax 401(k) Plan can be directly rolled over to the Roth NYCE IRA upon the participant's eligibility for distribution. The amount rolled over is subject to applicable income taxes.

Assets Held in the Custodial Account

The following list consists of the various types of assets held in the custodial account for the exclusive benefit of NYCE IRA account owners and their beneficiaries: (1) all amounts contributed and rolled over into a NYCE IRA account, (2) all property and rights purchased with such amounts, and (3) all income attributable to such amounts, property or rights.

Beneficiaries

Each NYCE IRA account owner must file with the NYCE IRA Administrator a beneficiary designation indicating one or more beneficiaries entitled to receive the amount, if any, payable under the NYCE IRA upon the account owner's death. A separate beneficiary designation must be made for traditional and Roth NYCE IRA accounts. An account owner may revoke or change his or her beneficiary designation without the consent of any prior beneficiary by completing a personal information change request form with the NYCE IRA Administrator. The last such designation on file with the NYCE IRA Administrator will be controlling. No designation, change, or revocation of a beneficiary designation will be effective unless received by the NYCE IRA Administrator prior to the account owner's death, and in no event will it be effective as of a date prior to such filing.

If no primary or contingent beneficiary survives the account owner, payment will be made to the account owner's surviving spouse or, if the account owner had no surviving spouse, to the account owner's estate.

Disclosure Statement

The Disclosure Statement is legally binding and irrevocable with respect to all amounts contributed or rolled over into a NYCE IRA account while it is in effect.

Maintenance of NYCE IRA Accounts

The recordkeeper establishes a NYCE IRA account for each account owner to which any amounts contributed, rolled over or distributed under the NYCE IRA are credited or charged, including any increase or decrease in the value of the investment options. A separate account is established for a traditional NYCE IRA account and a Roth NYCE IRA account.

A NYCE IRA account owner may make certain changes to his or her account by using a personal identification number to access his or her account through the telephone voice response system or through the Plan's Web site. A NYCE IRA account owner may, as often as he or she wishes, change the investment direction of future contributions and rollovers and initiate account transfers between investment options in multiples of 1%. In March 2009, the Board implemented an Excessive Trading Policy for all of the Plan's investment options. The policy states that if monies are not held in any of the fund options for a period of thirty-two (32) calendar days, the account owner will be assessed a 2% redemption fee. The minimum fee that will be assessed will be $20 based on a $1,000 trade. A NYCE IRA owner participating in both a traditional and Roth NYCE IRA who wishes to make any changes must do so independently for each account.

All investment options offered under the NYCE IRA are offered by persons, companies or entities authorized to do business in the State of New York and duly licensed, if applicable, by the appropriate federal agencies regulating such investments. The Board and the NYCE IRA Administrator are not responsible for any decrease in the value of a NYCE IRA account resulting from capital or market changes or any other changes occurring in the investment options of the owner's NYCE IRA account. In accordance with the Disclosure Statement, an account owner or beneficiary is considered to have exercised independent control over the assets in his or her account and the consequences are within an account owner's or beneficiary's exercise of control.

Crediting of Accounts

Each NYCE IRA account is credited with amounts authorized for contributions or completed incoming rollovers within four business days of receipt in good order by the NYCE IRA's custodian. Funds are invested in accordance with the account owners' directions in one or more financial organizations appointed by the Board, to be held, managed, invested and reinvested in accordance with the applicable agreement entered into by the Board with each such financial organization.

NYCE IRA Account Reporting

A statement of the total amount invested in a NYCE IRA account is furnished to each account owner not more than thirty days after the end of each calendar quarter. If the NYCE IRA account owner has either or both a traditional and Roth IRA or participates in either or both the 457 Plan and 401(k) Plan, they will receive only one statement but each program will be separately accounted. NYCE IRA account owners may also access their balance information through the telephone voice response system or Plan's Web site. All statements to a NYCE IRA account owner are based on the net fair market value or book value, as applicable, of the investment options as of the effective date of the statement, to the extent such values are available to the NYCE IRA Administrator.

Fees

All participants are assessed a single quarterly administrative fee of $20.00 for participation in the 457 Plan, the 401(k) Plan, the 401(a) Plan and the NYCE IRA. The administrative fee covers the cost of administering the NYCE IRA, safeguarding assets, and providing appropriate information and services including the printing and mailing of quarterly statements. Furthermore, to offset NYCE IRA expenses the amount deducted from the net asset values of each of the investment options is .05%. In addition, each investment manager charges an investment management fee that is deducted directly from each investment option's daily value.

Withdrawal of NYCE IRA Assets

NYCE IRA account owners can withdraw assets from their account at anytime. Subject to certain exceptions, the withdrawal of assets from an IRA prior to age 59½ is subject to a 10% early withdrawal penalty.

Assets in a traditional NYCE IRA account are tax-deferred until the account owner takes a withdrawal. Upon withdrawal, the account owner is responsible for federal income tax and applicable state and local taxes on the taxable amount of the withdrawal. Distributions from a NYCE IRA may be fully or partially taxable, depending on whether the NYCE IRA account includes any non-deductible contributions.

A Qualified Distribution from the Roth NYCE IRA is income tax free. A Qualified Distribution is any payment or distribution from a Roth NYCE IRA account that meets the following requirements:

It is made after the 5-year period beginning with the first taxable year for which an account was established AND

The payment or distribution is:

a. Made on or after the date the account owner reaches age 59½,
b. Made because the account owner is disabled, or
c. Made to a beneficiary or to the account owner's estate after his or her death.

If the Roth NYCE IRA account owner receives a distribution from his or her account that is not a Qualified Distribution, the earnings portion of it may be taxable and subject to an early withdrawal penalty.

A traditional NYCE IRA account owner must start receiving withdrawals from his or her account by April 1st of the year following the year in which the account owner reaches age 70½ (Required Minimum Distributions).

Roth NYCE IRA accounts are not subject to Required Minimum Distributions and account owners can leave amounts in their Roth NYCE IRA as long as they live. Upon the death of a NYCE IRA account owner, the assets in his or her Roth NYCE IRA will be paid to his or her designated beneficiaries.

Method of Withdrawal for Direct Payment

If a NYCE IRA account owner chooses to take direct payments, the following methods of distribution are available under the Plans:

1. Full withdrawal; or
2. A specified Amount Certain of a NYCE IRA account; or
3. Substantially equivalent monthly, quarterly, semi-annual or annual payments; or
4. A specified Amount Certain of a NYCE IRA account, with the remaining balance paid in substantially equivalent monthly, quarterly, semi-annual or annual payments.

Rollovers Out of the NYCE IRA

If a NYCE IRA account owner chooses to roll over his or her NYCE IRA account, or a portion thereof, it must be to an eligible retirement plan (457, 401(k), 403(b), 401(a), or rollover IRA).

Election of Length of Withdrawal

If a NYCE IRA owner elects payments, he or she may specify either: (1) the total number of payments, or (2) the dollar amount of each payment. In either case, distributions cannot be paid over a period of time which exceeds the life expectancy of the account owner or, in certain circumstances, the joint life expectancy of the account owner and a "designated beneficiary" (as defined by the Code). Payments will be recalculated annually and will be paid until the account is exhausted.

Distribution Elections by Beneficiaries

Beneficiaries of NYCE IRA accounts may select how to receive distributions from the decedent's account by the submission of a NYCE IRA Beneficiary Withdrawal Form.

Spousal beneficiaries have the option of establishing a NYCE IRA beneficiary account from assets they inherit from their deceased spouses. With an inherited NYCE IRA account, the amount of the Required Minimum Distributions will be based on age and will be recalculated each year. Surviving spouses older than age 70½ must begin taking Required Minimum Distributions by December 31st of the year following the spouse's death. Spouses younger than age 70½, can delay Required Minimum Distributions until the deceased account owner would have turned age 70½. Surviving spouses also have the option to roll over their inherited NYCE IRA proceeds into their own new or existing IRA and treat the assets as if they were their own. Spouses can also consolidate their inherited NYCE IRA proceeds into their existing NYCE Spousal IRA account.

Non-spousal beneficiaries of a NYCE IRA account will control both how the inherited assets are invested and to whom they pass upon death. Required Minimum Distributions will also generally be based on their own life expectancy.

The management of the City of New York Deferred Compensation Plan is responsible for establishing and maintaining procedures to administer and oversee Plan operations. An internal control structure is designed to provide reasonable assurance that the assets of the system are safeguarded against loss, theft, or misuse, and that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

Furthermore, the concept of reasonable assurance recognizes that:

1. the cost of a control should not exceed the benefits likely to be derived from it; and
2. the valuation of cost and benefits requires estimates and judgment by management.

To be in accordance with these principles, an audit should be viewed as independent and impartial, by knowledgeable third parties. An audit includes examining, on a test basis, evidence supporting transactions recorded in the accounting and operations records, including assessing the estimates, judgments and decisions made by management.

Marks Paneth & Shron LLP
Certified Public Accountants & Consultants

To Members of the Board and Participants of the
Deferred Compensation Plan for Employees of the City of New
York and Related Agencies and Instrumentalities

We have audited each of the statements of net assets available for plan benefits of Deferred Compensation Plan for Employees of the City of New York and Related Agencies and Instrumentalities (the "457 Plan," the "401(k) Plan," the New York City Employee Individual Retirement Account "NYCE IRA" and the "401(a) Plan" or collectively the "Plans") as of December 31, 2010 and each of the related statements of changes in net assets available for plan benefits for the year then ended. These financial statements are the responsibility of the Plans' management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Plans as of December 31, 2009 were audited by other auditors whose report dated June 28, 2010 expressed an unqualified opinion on those statements.

We conducted our audit 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, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Plans' financial statements referred to above present fairly, in all material respects, the net assets available for Plan benefits of each Plan as of December 31, 2010, and the changes in net assets available for Plan benefits for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Plans' basic financial statements. The combining schedules of net assets available for Plan benefits as of December 31, 2010, and schedules of cash receipts and disbursements and administrative expenses, custodial and recordkeeping fees and investment management fees for the year then ended, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other supplementary information as of and for the year ended December 31, 2009 was subject to the auditing procedures applied in the audit of the December 31, 2009 basic financial statements by other auditors, whose report on such other supplementary information stated that it was fairly stated in all material respects in relation to the December 31, 2009 basic financial statements taken as a whole.

Marks Paneth & Shron LLP

New York, NY
June 29, 2011

Using These Financial Statements

These financial statements consist of two basic financial statements. The Statements of Net Assets Available for Plan Benefits and the Statements of Changes in Net Assets Available for Plan Benefits (on pages 26 and 27) provide information about the 457, the 401(k), the 401(a) Plans, and the NYCE IRA employee benefit plans (collectively the "Plans.") These statements are prepared using the accrual basis of accounting. All of the current year's revenues and expenses are recorded when earned or incurred regardless of when cash is received or paid.

The discussion and analysis of the Deferred Compensation Plan for Employees of the City of New York and Related Agencies and Instrumentalities' financial performance provides an overview of the Plans' financial activities for the year ended December 31, 2010 and 2009. Please read it in conjunction with the Plans' financial statements which begins on page 17.

457 Plan, 401(k) Plan, NYCE IRA and 401(a) Plan History

457 Plan

The 457 Plan was established in 1986 to provide employees of the City of New York and related agencies and instrumentalities the ability to defer a portion of current earnings on a pre-tax basis. The 457 Plan has steadily grown over the years. As of December 31, 2010, the Plan had 117,785 participants. This compares to 117,673 participants at December 31, 2009 and 117,530 participants at December 31, 2008.

401(k) Plan

The 401(k) Plan was implemented in 2002 and, as a result, employees have an opportunity to further defer additional current earnings. The 401(k) Plan had 29,861, 27,847 and 26,356 participants as of December 31, 2010, 2009 and 2008, respectively. This represents an increase of 3,505 participants over two years.

NYCE IRA Plan

In 2006, the New York City Employee Individual Retirement Account (NYCE IRA) was established to offer City employees and their spouses, as well as City retirees and their spouses, a further retirement savings vehicle which they can use to make contributions, consolidate their retirement assets through rollovers and deposit their income tax refunds. The NYCE IRA had 2,121 account holders as of December 31, 2010, which represents an increase of 599 participants since 2009.

401(a) Plan

The 401(a) Plan, which began accepting employer contributions in 2007 from the City of New York for eligible members of the Lieutenants' Benevolent Association, had 2,026 participants at December 31, 2010. This represents an increase of 124 participants over 2009.

Self-Directed Brokerage Account

In mid-2004, the Plans added the option of investing in a Self-Directed Brokerage (SDB) account, opening up the opportunity for participants to invest in over 11,000 mutual funds outside of the Plans' core investment options, including a broad range of no transaction fee (NTF) funds. The maximum percentage of account balance that can be transferred from the 457 or 401(k) plans into the SDB option is 20% and participants are required to have a minimum of $5,000 in either their 457 or 401(k) to be eligible to enroll in this option. As of December 31, 2010, the SDB option had over $18 million in assets.

Plan Administration

In 2003, the Plans initiated a commission recapture program and the securities lending program in an effort to reduce overall fees being charged to participants. The commission recapture program allows the Plans' eligible investment managers to trade with Plans-selected brokers, who return a portion of their commissions to the Plans which are used to defray other expenses of the Plans on behalf of participants. The securities lending program, provided through the Plans' global master custodian, allows the Plans' securities to be lent out in exchange for specified cash collateral, which was invested in accordance with the Plans' guidelines. The securities lending program was discontinued in November 2010.

Financial Highlights

457 Plan

Plan Assets, Deferrals and Deductions

Net assets available for Plan benefits exceeded $9 billion at the end of 2010, which represents an increase of approximately 15% over the previous year-end and an increase of approximately 42% since 2008. The number of participants increased slightly to 117,785 as of December 31,2010 from 117,673 at December 31,2009 and from 117,530 at December 31,2008. The increase in net assets available was attributed to total Plan additions in 2009 and 2010.

Statements of Net Assets Available for Plan Benefits at December 31 (in thousands)		2010		2009		2008
Total assets	$	9,257,878	$	8,628,347	$	7,607,129
Total liabilities	$	3,601	$	546,605	$	1,102,990
Net assets available for Plan benefits	$	9,254,277	$	8,081,742	$	6,504,139

Additions (Deductions) (in thousands)		2010		2009		2008
Employee contributions	$	564,744	$	567,581	$	591,673
Interest and dividends		153,137		138,859		139,908
Appreciation (depreciation) in fair value – net		791,073		1,086,969		(2,068,341)
Investment management fees		(16,984)		(13,756)		(13,413)
Custodial fees		(581)		(833)		(1,151)
Securities lending interest income		2,010		5,477		49,920
Securities lending fees		(84)		(1,297)		(42,058)
Appreciation (depreciation) in fair value on securities lending collateral invested		(487)		42,247		(60,185)
Commission recapture		57		92		95
Total Plan additions (deductions)	$	1,492,885	$	1,825,339	$	(1,403,552)

Deductions (in thousands)		2010		2009		2008
Distributions to participants	$	308,620	$	235,595	$	312,638
Recordkeeping/Loan fees		5,650		5,568		5,337
Administrative expenses		6,080		6,573		6,412
Total Plan deductions	$	320,350	$	247,736	$	324,387
Increase (decrease) in net assets available for Plan benefits	$	1,172,535	$	1,577,603	$	(1,727,939)

401(k) Plan

Plan Assets, Deferrals and Deductions

Net assets available for Plan benefits exceeded $1 billion at the end of 2010, an increase of approximately 28% over the previous year-end and an increase of approximately 79% since 2008. Contributions from participants were approximately $150 million, as compared to $129 million in 2009 and $136 million in 2008. The number of participants has increased to 29,861 as of December 31, 2010 from 27,847 at December 31, 2009 and from 26,356 at December 31, 2008. The increase in net assets available was attributed to the total Plan additions in 2009 and 2010.

Statements of Net Assets Available for Plan Benefits at December 31 (in thousands)		2010		2009		2008
Total Assets	$	1,000,963	$	837,205	$	653,912
Total liabilities	$	253	$	52,968	$	95,141
Net assets available for Plan benefits	$	1,000,710	$	784,237	$	558,771

Additions (Deductions) (in thousands)		2010		2009		2008
Employee contributions and rollovers	$	149,558	$	128,566	$	135,615
Interest and dividends		15,977		12,646		10,939
Appreciation (depreciation) in fair value – net		74,802		99,286		(149,325)
Investment management fees		(2,023)		(1,342)		(1,289)
Custodial fees		(62)		(68)		(96)
Securities lending interest income		211		534		4,273
Securities lending fees		(9)		(140)		(3,637)
Appreciation (depreciation) in fair value on securities lending collateral invested		1,195		3,458		(5,208)
Commission recapture		6		9		8
Total Plan additions (deductions)	$	239,655	$	242,949	$	(8,720)

Deductions (in thousands)		2010		2009		2008
Distributions to participants	$	22,265	$	16,504	$	17,376
Recordkeeping/Loan fees		505		357		428
Administrative expenses		412		622		496
Total Plan deductions	$	23,182	$	17,483	$	18,300
Increase (decrease) in net assets available for Plan benefits	$	216,473	$	225,466	$	(27,020)

NYCE IRA Plan

Plan Assets, Deferrals and Deductions

Net assets available for benefits exceeded $87 million at the end of 2010. This represents an increase of approximately $58 million which represents an increase of approximately 200% since 2008. Contributions and rollovers from participants were approximately $36 million. The number of account holders in the NYCE IRA at December 31, 2010, 2009 and 2008 was 2,121, 1,522, and 1,150, respectively.

Statements of Net Assets Available for Plan Benefits at December 31 (in thousands)		2010		2009		2008
Total Assets	$	87,413	$	55,017	$	34,376
Total liabilities	$	60	$	3,633	$	5,213
Net assets available for Plan benefits	$	87,353	$	51,384	$	29,163

Additions (Deductions) (in thousands)		2010		2009		2008
Employee contributions and rollovers	$	36,162	$	18,761	$	19,477
Interest and dividends		1,910		1,031		491
Appreciation (depreciation) in fair value – net		3,715		4,110		(5,186)
Investment management fees		(175)		(89)		(64)
Custodial fees		(5)		(4)		(5)
Securities lending interest income		18		36		223
Securities lending fees		(1)		(11)		(195)
Appreciation (depreciation) in fair value on securities lending collateral invested		93		159		(276)
Commission recapture		1		1		-
Total Plan additions	$	41,718	$	23,994	$	14,465

Deductions (in thousands)		2010		2009		2008
Distributions to participants	$	5,699	$	1,723	$	1,164
Recordkeeping/Loan fees		24		13		12
Administrative expenses		26		37		23
Total Plan deductions	$	5,749	$	1,773	$	1,199
Increase in net assets available for Plan benefits	$	35,969	$	22,221	$	13,266

401(a) Plan

Plan Assets, Deferrals and Deductions

Net assets available for benefits exceeded $7 million at the end of 2010. This represents an increase of over $7 million since 2008. Contributions were approximately $.5 million. The $5.2 million contribution in 2009 included a one-time contribution of $3,000 per participant. The number of participants in the 401(a) Plan at December 31, 2010, 2009 and 2008 was 2,026, 1,902 and 1,769, respectively.

Statements of Net Assets Available for Plan Benefits at December 31 (in thousands)		2010		2009		2008
Total assets	$	7,763	$	6,648	$	800
Total liabilities	$	-	$	427	$	115
Net assets available for Plan benefits	$	7,763	$	6,221	$	685

Additions (Deductions) (in thousands)		2010		2009		2008
Contributions	$	525	$	5,291	$	484
Interest and dividends		41		42		4
Appreciation (depreciation) in fair value – net		994		233		(285)
Investment management fees		(14)		(11)		(1)
Securities lending interest income		-		4		4
Securities lending fees		-		(4)		(4)
Appreciation (depreciation) in fair value on securities lending collateral invested		12		(14)		-
Total Plan additions	$	1,558	$	5,541	$	202

Deductions (in thousands)		2010		2009		2008
Distributions to participants	$	14	$	4	$	1
Recordkeeping/Loan fees		2		1		1
Total Plan deductions	$	16	$	5	$	2
Increase in net assets available for Plan benefits	$	1,542	$	5,536	$	200

Plans' Activities

Combined net assets available for Plan benefits for all Plans at December 31, 2010, 2009 and 2008 exceeded $10 billion, $8.9 billion and $7 billion, respectively. During the same three years, the Plans had a combined net investment income/(loss) of $1.0 billion in 2010, $1.3 billion in 2009, and $(2.1) billion in 2008.

The Plans' securities lending program had a $66 million loss exposure due to the 2008 financial and credit crisis in the subprime mortgage area. The Plans recorded an unrealized loss of approximately $66 million in the 2008 financial statements. In 2009 the program recovered approximately $46 million as a result of the financial markets returning to more normal conditions.

During 2010, after extensive consultation and consideration, the Board determined that the most prudent course of action for the Plan was to terminate the Securities Lending Program as the continued risks of dislocating market events outweighed the steadily declining benefits of securities lending. In March 2010, the Board advised participants that the value of underlying Lehman Brothers securities purchased with the cash collateral related to the Securities Lending Program became impaired as a result of the Lehman Brothers' bankruptcy. The total value of the Lehman securities was $24.3 million. In October 2010, working with the Plan's custodian and external managers, the Plan sold the Lehman Brothers securities at prevailing market prices, allowing the Plan to recover $5.3 million. From September 2008 forward, the Plan continued to lend securities and the investment income earned by the program was set aside as a reserve to offset the collateral shortfall. Through these actions, the original $24.3 million shortfall was reduced to approximately $10 million. The balance of the shortfall was applied to participant accounts during the fourth quarter of 2010 as a one-time assessment and was reflected on participants' fourth quarter statements.

Fund Performances	2010		2009		2008	
Fund Name	**Annual Return**	**Market Benchmark**	**Annual Return**	**Market Benchmark**	**Annual Return**	**Market Benchmark**
Stable Income Fund	4.3%	2.4%	4.2%	0.8%	4.9%	6.7%
Bond Fund	8.0%	6.5%	12.9%	5.9%	(3.4)%	5.2%
Equity Index Fund	14.9%	15.1%	26.4%	26.5%	(37.1)%	(37.0)%
Global Socially Responsible Fund	11.1%	12.7%	37.5%	30.8%	(40.0)%	(40.3)%
Mid-Cap Equity Fund	24.8%	25.5%	45.2%	40.5%	(42.6)%	(41.5)%
International Equity Fund	5.9%	8.2%	31.9%	32.5%	(45.4)%	(43.1)%
Small-Cap Equity Fund	27.7%	26.9%	34.4%	27.2%	(36.0)%	(33.8)%

Overall Fund Review – 2010

2010 was a strong year for the markets, despite increasing concerns about the health of the global economy. The strong returns were generally produced in the latter third of the year, and led to modest underperformance in several actively-managed funds that were defensively positioned earlier in the year.

The financial markets were buoyed by an unprecedented global response from governments to provide liquidity and generally support the markets. The U.S. equity market, as measured by the S&P 500 Index returned more than 15% and the Equity Index Fund which seeks to track this index trailed its benchmark by 0.2%. Mid-cap stocks strongly outperformed the overall domestic equity market, returning more than 25%, and the Mid-Cap Equity Fund modestly trailed this benchmark by less than 1%. The Small-Cap Equity Fund also strongly outperformed the broad equity market and exceeded its benchmark by nearly 1%. The performance of the international developed markets was much more muted, with the MSCI EAFE Index returning 8%, while the International Equity Fund returned approximately 6%. These results generally reflected the challenging, but positive, markets experienced in 2010.

The fixed income market mirrored the continued rebound in the equity market. The corporate and mortgage segments of the bond market were substantially strengthened by the various US government assistance programs for the financial marketplace, including the “QE2” program launched in mid-2010. Bond investments continued to experience much greater liquidity and more risky bonds produced higher returns. As bond prices rebounded, the Bond Fund had a return of 8%, which was 1.5% above its benchmark.

In spite of an extremely low interest rate environment, the Stable Income Fund was able to maintain its reasonably high rate of return in 2010. Relative to short-term interest rates which were close to zero, the 4.3% return on the Stable Income Fund was very competitive, and, in fact, the Fund outperformed its benchmark by nearly 2%.

~ End ~

Statements of Net Assets Available for Plan Benefits
December 31, 2010 and 2009 (in thousands)

	457 Plan		401(k)		NYCE IRA		401(a)	
ASSETS	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Investments: (Notes 1 and 2)								
Stable Income Fund	$ **3,390,919**	$ 3,083,098	$ **398,915**	$ 318,470	$ **55,484**	$ 31,218	$ **1,044**	$ 867
VARIABLE INVESTMENT OPTIONS:								
Bond Fund	**368,157**	307,817	**68,173**	53,123	**3,944**	2,658	**248**	203
Equity Index Fund	**2,629,778**	2,329,390	**203,959**	163,159	**12,745**	7,768	**3,010**	2,492
Global Socially Responsible Fund	**278,146**	257,537	**16,407**	13,530	**997**	806	**232**	209
Mid-Cap Equity Fund	**372,459**	274,496	**75,103**	53,312	**3,495**	2,090	**507**	353
International Equity Fund	**727,784**	680,981	**116,909**	98,882	**5,432**	4,069	**873**	782
Small-Cap Equity Fund	**1,205,807**	925,649	**81,082**	55,557	**3,767**	2,101	**1,768**	1,267
Treasury Inflation Protected Securities (TIPS)	**106,265**	86,701	**23,816**	18,440	**1,503**	884	**79**	61
Self-Directed Brokerage Option	**16,637**	13,588	**1,638**	1,254	**-**	-	**-**	-
	$ **9,095,952**	$ 7,959,257	$ **986,002**	$ 775,727	$ **87,367**	$ 51,594	$ **7,761**	$ 6,234
Participant loans receivable	**149,546**	126,595	**12,812**	9,026	**-**	-	**-**	-
Securities lending collateral, invested (Note 3)	**-**	524,788	**-**	51,187	**-**	3,404	**-**	412
Other assets	**826**	1,574	**3**	2	**-**	-	**2**	2
Cash and cash equivalents	**11,554**	16,133	**2,146**	1,263	**46**	19	**-**	-
Total assets	$ **9,257,878**	$ 8,628,347	$ **1,000,963**	$ 837,205	$ **87,413**	$ 55,017	$ **7,763**	$ 6,648
LIABILITIES								
Securities lending collateral, due to borrowers (Note 3)	$ **-**	$ 542,726	$ **-**	$ 52,937	$ **-**	$ 3,521	$ **-**	$ 426
Accounts payable and accrued expenses	**3,601**	3,879	**253**	31	**60**	112	**-**	1
Total liabilities	**3,601**	546,605	**253**	52,968	**60**	3,633	**-**	427
NET ASSETS AVAILABLE FOR PLAN BENEFITS	$ **9,254,277**	$ 8,081,742	$ **1,000,710**	$ 784,237	$ **87,353**	$ 51,384	$ **7,763**	$ 6,221

See Notes to Financial Statements.

Statements of Changes in Net Assets Available for Plan Benefits
Years Ended December 31, 2010 and 2009 (in thousands)

	457 Plan		401(k)		NYCE IRA		401(a)	
ADDITIONS (DEDUCTIONS) ATTRIBUTED TO NET ASSETS:	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
NET INVESTMENT INCOME:								
Interest and dividends	$ **153,137**	$ 138,859	$ **15,977**	$ 12,646	$ **1,910**	$ 1,031	$ **41**	$ 42
Appreciation (Depreciation) in fair value – net	**791,073**	1,086,969	**74,802**	99,286	**3,715**	4,110	**994**	233
Investment management fees	**(16,984)**	(13,756)	**(2,023)**	(1,342)	**(175)**	(89)	**(14)**	(11)
Custodial fees	**(581)**	(833)	**(62)**	(68)	**(5)**	(4)	**-**	-
Securities lending interest income	**2,010**	5,477	**211**	534	**18**	36	**-**	4
Securities lending fees	**(84)**	(1,297)	**(9)**	(140)	**(1)**	(11)	**-**	(4)
Gain (loss) on securities lending	**(487)**	42,247	**1,195**	3,458	**93**	159	**12**	(14)
Commission recapture income	**57**	92	**6**	9	**1**	1	**-**	-
	928,141	1,257,758	**90,097**	114,383	**5,556**	5,233	**1,033**	250
CONTRIBUTIONS:								
Deferrals of compensation	$ **564,744**	$ 567,581	$ **115,724**	$ 105,964	$ **4,075**	$ 1,838	$ **525**	$ 5,291
Participant rollovers	**-**	-	**33,834**	22,602	**32,087**	16,923	**-**	-
	$ **564,744**	$ 567,581	$ **149,558**	$ 128,566	$ **36,162**	$ 18,761	$ **525**	$ 5,291
Total additions	**1,492,885**	1,825,339	**239,655**	242,949	**41,718**	23,994	**1,558**	5,541
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:								
Benefits paid to participants and beneficiaries	$ **308,620**	$ 235,595	$ **22,265**	$ 16,504	$ **5,699**	$ 1,723	$ **14**	$ 4
Recordkeeping/Loan Fees	**5,650**	5,568	**505**	357	**24**	13	**2**	1
Administrative expenses	**6,080**	6,573	**412**	622	**26**	37	**-**	-
Total deductions	$ **320,350**	$ 247,736	$ **23,182**	$ 17,483	$ **5,749**	$ 1,773	$ **16**	$ 5
Increase in net assets available for Plan benefits	$ **1,172,535**	$ 1,577,603	$ **216,473**	$ 225,466	$ **35,969**	$ 22,221	$ **1,542**	$ 5,536
NET ASSETS AVAILABLE FOR PLAN BENEFITS, Beginning	$ **8,081,742**	$ 6,504,139	$ **784,237**	$ 558,771	$ **51,384**	$ 29,163	$ **6,221**	$ 685
NET ASSETS AVAILABLE FOR PLAN BENEFITS, Ending	$ **9,254,277**	$ 8,081,742	$ **1,000,710**	$ 784,237	$ **87,353**	$ 51,384	$ **7,763**	$ 6,221

See Notes to Financial Statements.

Note 1 - Description of Plans and Significant Accounting Policies

Plan Description

The following description of the Deferred Compensation Plan for Employees of the City of New York and Related Agencies and Instrumentalities (the “457 Plan,” the “401(k) Plan,” the New York City Employee Individual Retirement Account “NYCE IRA” and the “401(a) Plan” or collectively the “Plans”) provides only general information. Participants should refer to the respective Plan documents for a more complete description of the Plans’ provisions.

General

The 457 and 401(k) Plans are defined contribution plans which permit employees of the City of New York (the “City”) and related agencies and instrumentalities (together, the “Employer”) to defer receipt of a portion of their current salary until future years. The 457 Plan is intended to satisfy the requirements for an “eligible State deferred compensation plan” under Section 457 of the Internal Revenue Code of 1986, as amended (the “Code”). In 2010, a Roth component was added to the 457 Plan. The 401(k) Plan is a “qualified plan” under Section 401(k) of the Code. The NYCE IRA is a deemed IRA under Section 408(q) of the Code. The 401(a) Plan is a defined contribution plan that is qualified under section 401(a) of the code, and is comprised of pre-tax and Roth components, and a governmental plan under section 414(d) of the Code.

The NYCE IRA is comprised of a traditional IRA and a Roth IRA, both of which are available to current and former City employees (with a termination date of 1985 or after) and their spouses as an additional retirement savings vehicle. Employees and their spouses can use the NYCE IRA to make contributions, consolidate their retirement assets through rollovers, and make deposits of their income tax refunds.

Assets in the Plans are held in a custodial account for the exclusive benefit of the Plans’ participants and their beneficiaries.

The Plans are reported as employee benefit trust funds within the City of New York’s Comptroller’s Comprehensive Annual Financial Report.

Employer Contributions

During 2007, as a result of collective bargaining agreements, the 401(a) Plan was implemented to accept Employer contributions made on behalf of City of New York employees who are members of the Lieutenant’s Benevolent Association.

Employer contributions to the 401(a) Plan were $300 per participant for 2010 and 2009. In addition, in 2009, participants received a one-time contribution in the amount of $3,000. Therefore, the contribution for 2009 totaled $3,300 per participant.

Participant Contributions

Participants in the 457 and 401(k) Plans could contribute up to $16,500 in 2010 and 2009 of “Includible Compensation” (as defined by the Code) to each plan. If an employee was age 50 or older, the employee was permitted to contribute up to $22,000 to each plan in 2010 and 2009.

Participants in the NYCE IRA may make contributions annually subject to a contribution limit. The yearly contribution limit for the NYCE IRA was $5,000 for 2010 and 2009 and $6,000 if age 50 and older.

Vesting

Participants are fully vested in their account balances at all times.

Participant Loans

Participants may borrow, from their 457 and/or pre-tax 401(k) accounts, a minimum of $2,500 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. The loans are secured by the balance in the participant’s account and bear interest equal to one percentage point above the prime interest rate as published in the Wall Street Journal on the first business day of each month, or such other reasonable rate of interest as the Board shall determine. Principal and interest are paid through payroll deductions. All loans are to be repaid over a nonrenewable period not to exceed five years.

Participants' Accounts

Each participant's account is credited with the participant's contributions as remitted, with a daily allocation of earnings on the investment options in which the participant is invested, and is charged with a quarterly administrative expense fee, and a daily reduction of the net asset value of an annualized five basis points (0.05%). Each participant's account balance is invested in accordance with the investment option(s) selected by the participant.

Payment of Benefits

457 Plan

A participant's 457 deferred compensation account balance is available upon severance from City service, attainment of age 70½, death, or the occurrence of certain unforeseeable emergencies as set forth by the Code. A participant may elect to receive: 1) one lump sum amount equal to the value of the account, 2) a specified amount certain, 3) periodic payments paid in substantially equivalent installments monthly, quarterly, semi-annually or annually over a period not exceeding the life expectancy of the participant, or, in certain circumstances, the joint life expectancy of the participant and a "designated beneficiary" (as defined by the Code), or 4) an amount certain with the balance paid as periodic payments. Funds can also be rolled over into an Eligible Retirement Plan (as defined in the Code) or an Individual Retirement Account (IRA).

Certain eligible participants are entitled to a full distribution of their account prior to severance from service if the total account balance does not exceed $5,000; there were no contributions or loans during the two-year period ending on the date of distribution; and there have been no prior distributions of this type.

457 Plan participants are eligible to use their 457 Plan assets as a source of funding for the purchase of permissive service credits (as defined in Section 415(n)(3)(A) of the code) via a direct transfer in accordance with procedures established by the 457 Plan.

401(k) Plan

A participant's 401(k) deferred compensation account balance is available upon severance from City service, attainment of age 59½, death, or the occurrence of an immediate and heavy financial need as defined by the Code. 401(k) Plan participants age 59½ and older are eligible to take distributions, without penalty, from their 401(k) accounts while still in service. A participant may elect to receive: 1) one lump sum amount equal to the value of the account, 2) a specified amount certain, 3) periodic payments paid in substantially equivalent installments monthly, quarterly, semiannually or annually over a period not exceeding the life expectancy of the participant, or, in certain circumstances, the joint life expectancy of the participant and a "designated beneficiary" (as defined by the Code), or 4) an amount certain with the balance paid as periodic payments. Upon severance from service, or attainment of age 59½, funds may be rolled over into an Eligible Retirement Plan (as defined in the Code), or an Individual Retirement Account (IRA).

NYCE IRA

The owner may elect to receive: 1) one lump sum amount equal to the value of the account, 2) a specified amount certain, 3) periodic payments paid in substantially equivalent installments monthly, quarterly, semiannually or annually over a period not exceeding the life expectancy of the participant, or, in certain circumstances, the joint life expectancy of the participant and a "designated beneficiary" (as defined by the Code), or 4) an amount certain with the balance paid as periodic payments. Funds withdrawn prior to age 59½ may be subject to a penalty. Funds may be transferred to another Eligible Retirement Plan (as defined in the Code) or an Individual Retirement Account (IRA) at any time.

401(a) Plan

A participant's 401(a) deferred compensation account balance is available upon severance from City service, attainment of age 62, or death. 401(a) Plan participants age 62 and older are eligible to take distributions, without penalty, from their 401(a) accounts while still in service. A participant may elect to receive: 1) one lump sum amount equal to the value of the account, 2) a specified amount certain, 3) periodic payments paid in substantially equivalent installments monthly, quarterly, semiannually or annually over a period not exceeding the life expectancy of the participant, or, in certain circumstances, the joint life expectancy of the participant and a "designated beneficiary" (as defined by the Code), or 4) an amount certain with the balance paid as periodic payments. Upon severance from service, or attainment of age 62, funds may be rolled over into an Eligible Retirement Plan (as defined in the Code), or an Individual Retirement Account (IRA).

Basis of Presentation

The Plans present their financial statements on the accrual basis of accounting in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standard Board.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Plans Termination

The Plans' Board has the right under each of the Plans to amend, suspend or terminate the Plans, any deferrals thereunder, or add or eliminate any investment option, in whole or in part. Upon termination of the Plans all amounts deferred shall be payable to beneficiaries as provided in the Plans.

Income Tax Status

The Plans are periodically reviewed and updated as required by federal law and, at the time of this publication, are in compliance with the applicable requirements of the Internal Revenue Code and therefore qualify as tax-favored plans.

Cash and Cash Equivalents

Cash includes cash on hand and demand deposits with financial institutions. All highly liquid investments with a maturity of 90 days or less when purchased are considered to be cash equivalents. Cash equivalents are stated at cost, which approximates fair value.

Investment Policy

The Plans' investment policy was developed by the Board. The Plans' policy allows for a selection choices within three broad risk/return categories:

- Low risk, with the primary investment objective being protection of principal,
- Moderate risk, with the objective of higher return at the cost of low to moderate fluctuation in principal value,
- High risk, with the objective of maximum returns with commensurately higher risk and principal volatility.

The Board has overall responsibility for establishing and maintaining this investment policy, selecting the investment options available under the Plans, regularly evaluating the Plans' investment performance, providing participants with investment education and communications regarding the Plans and their investments, and ensuring that the assets of the Plans are in compliance with all applicable laws governing the operations of the Plans.

The Board has authorized the Plans to invest in the following investment types that fall within the broad categories listed above:

- Stable income fund which holds guaranteed investment contracts with insurance companies and managed fixed-income portfolios.
- Bond fund whose individual bond holdings average duration typically ranges between three and six years. The fund emphasizes investments in high-quality bonds, including U.S. Treasury bonds, agency securities, corporate bonds, mortgage-backed bonds and asset-backed bonds.
- Equity index fund whose objective is to replicate the return of the Standard & Poor's 500 Composite Stock Price Index.
- Global socially responsible equity fund that invests in companies that meet certain defined societal objectives.
- Mid-cap equity fund that invests in U.S.-based medium-sized companies and is benchmarked to the Russell MidCap Index.
- International equity fund that invests in international equity markets that focus on countries where growth opportunity is expected.
- Small-cap equity fund which invests in small- to medium-sized companies that are expected to grow at a faster rate than the average company.
- Treasury Inflation Protected Securities ("TIPS") allocation which helps protect against inflation and increases the risk-adjusted returns of the portfolio. TIPS are included in some of the pre-arranged portfolios, but not available as a core investment option.
- Self-directed brokerage option which allows participants to invest a portion of their assets in mutual funds offered outside the Plans (not available in the NYCE IRA).

The Plans also provide options called pre-arranged portfolios to provide diversified investment options for participants with different time horizons. Each portfolio consists of varying percentages of the existing investment options described above with the exception of the global socially responsible equity fund.

Contributions are allocated among investment options based on participant designations through the Plans' record keeper.

Fair Values

Investments are reported at fair value by the custodian daily, with the exception of the Stable income Fund, which is valued quarterly. Fair value is determined by the Plans' management based on quoted market price and information provided by various investment managers, after review by the Plans' custodian bank. The investment managers determine fair value using the last available quoted price for each security owned, adjusted by any contributions to, or withdrawals from, the fund during the period. Guaranteed investment contracts (GICs) are valued at contract value as estimated by the respective insurance companies or investment managers. GICs provide for a guaranteed return on the principal invested over a specified time period.

Purchases and sales of securities are reflected on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded as earned on an accrual basis.

Risks and Uncertainties

The Plans provide for participant directed investments including a stable income fund which is composed of guaranteed investment contracts and synthetic investment contracts. All of the Plans' 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 statements of net assets available for plan benefits and the statements of changes in net assets available for plan benefits.

Securities Lending

The Plans follows GASB Statement No. 28, "Accounting and Financial Reporting for Securities Lending Transactions", which provides accounting and financial reporting standards for securities lending transactions. The standard requires governmental entities to report securities lent as assets in their balance sheets. Cash received as collateral and investments made with that cash must also be reported as assets with a corresponding liability. The standard also requires the costs of the securities lending transactions to be reported as expenses separately from income received and disclosure about the transaction and collateral related to them. The securities lending program was terminated during 2010.

Note 2 - Investments (in thousands)

The fair value of the Plan's investments at December 31, 2010 and 2009, segregated by funds, are as follows (in thousands):

	457 Plan		401(k)		NYCE IRA		401(a)	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009
Low Risk:								
Stable Income Fund:								
Aegon	**$ 47,569**	$ 69,638	**$ 5,596**	$ 7,193	**$ 778**	$ 705	**$ 15**	$ 20
Bank of New York Mellon	**27,232**	10,967	**3,204**	1,133	**445**	111	**8**	3
Monumental Life (formerly common wealth general corporation)	**477,127 ***	519,181 *	**56,130 ***	53,629 *	**7,807 ***	5,257 *	**147**	146
Genworth	**39,540**	64,312	**4,652**	6,643	**647**	651	**12**	18
Hartford Life Insurance Company	**13,509**	21,398	**1,589**	2,210	**221**	217	**4**	6
ING Investment Management Company	**47,263**	54,450	**5,560**	5,624	**773**	551	**15**	15
Jackson National Life Insurance Company	**40,201**	54,599	**4,729**	5,640	**658**	553	**12**	15
JP Morgan Chase	**579,312 ***	817,904 *	**68,152 ***	84,486 *	**9,479 ***	8,282 *	**178**	230
ICMA - RC	**460,578**	415,057 *	**54,183 ***	42,874 *	**7,536 ***	4,203 *	**142**	117
Metropolitan Life Insurance Company	**1,120,860 ***	74,867	**131,860 ***	7,733	**18,341 ***	758	**345**	21
Mutual of America	**9,304**	16,106	**1,095**	1,664	**152**	163	**3**	5
New York Life Insurance Company	**167,844**	77,750	**19,746**	8,031	**2,746**	787	**52**	22
Ohio National	**54,917**	60,739	**6,461**	6,274	**899**	615	**17**	17
Pacific Life	**19,761**	19,138	**2,325**	1,977	**323**	194	**6**	5
Principal Life Insurance Company	**124,932**	44,383	**14,697**	4,585	**2,044**	449	**38**	13
Protective Life	**44,086**	42,653	**5,186**	4,406	**721**	432	**14**	12
Prudential Life Insurance Company	**96,406**	60,701	**11,341**	6,270	**1,577**	615	**30**	17
State Street Bank and Trust Company	**-**	654,403 *	**-**	67,597 *	**-**	6,626 *	**-**	184
United of Omaha	**20,478**	4,852	**2,409**	501	**335**	49	**6**	1
	$ 3,390,919	$ 3,083,098	**$ 398,915**	$ 318,470	**$ 55,484**	$ 31,218	**$ 1,044**	$ 867
Bond Fund:								
Pacific Investment Management Company	**$ 284,712**	$ 233,769	**$ 52,721 ***	$ 40,344 *	**$ 3,050**	$ 2,019	**$ 192**	$ 154
Blackrock	**83,445**	74,048	**15,452**	12,779	**894**	639	**56**	49
	$ 368,157	$ 307,817	**$ 68,173**	$ 53,123	**$ 3,944**	$ 2,658	**$ 248**	$ 203
Moderate Risk:								
Equity Index Fund:								
Bank of New York Mellon	**$ 2,629,778 ***	$ 2,329,390 *	**$ 203,959 ***	$ 163,159 *	**$ 12,745 ***	$ 7,768 *	**$ 3,010 ***	$ 2,492 *
Global Socially Responsible Fund:								
Aberdeen Asset Management, Inc	**$ 278,146**	$ 257,537	**$ 16,407**	$ 13,530	**$ 997**	$ 806	**$ 232**	$ 209

Note 2 - Investments (continued) (in thousands)

	457 Plan		401(k)		NYCE IRA		401(a)	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
Moderate Risk:								
Mid-Cap Fund:								
Earnest Partners, LLC	**$ 139,339**	$ 105,380	**$ 28,097**	$ 20,467	**$ 1,308**	$ 802	**$ 190**	$ 136
State Street Global Advisors	**91,868**	62,981	**18,524**	12,232	**862**	480	**125**	81
Wellington Management Company, LLP	**141,252**	106,135	**28,482**	20,613	**1,325**	808	**192**	136
	$ 372,459	$ 274,496	**$ 75,103**	$ 53,312	**$ 3,495**	$ 2,090	**$ 507**	$ 353
High Risk:								
International Equity Fund:								
Morgan Stanley	**$ 127**	$ 165,466	**$ 20**	$ 24,027	**$ 1**	$ 989	**$ -**	$ 190
Mondrian Investment Partners, Ltd.	**175,347**	168,574	**28,168**	24,478	**1,309**	1,007	**211**	194
State Street Bank and Trust Company	**195,794**	187,765	**31,452**	27,264	**1,461**	1,122	**235**	216
New Star Institutional Managers, Ltd.	**150**	308	**24**	45	**1**	2	**-**	-
Alliance Capital Management L.P.	**179,478**	158,646	**28,831**	23,036	**1,339**	948	**215**	182
Northern Trust Investments N.A.	**130**	222	**20**	32	**2**	1	**-**	-
Baille Gifford Overseas Ltd.	**176,758**	-	**28,394**	-	**1,319**	-	**212**	-
	$ **727,784**	$ 680,981	$ **116,909**	$ 98,882	**$ 5,432**	$ 4,069	**$ 873**	$ 782
Small-Cap Equity Fund:								
T. Rowe Price Associates, Inc	**273,617**	204,847	**18,399**	12,295	**855**	465	**401** *	280
Wellington Management Company, LLP	**254,620**	210,531	**17,121**	12,636	**795**	478	**373**	288
Dimensional Fund Advisors LP	**247,310**	191,242	**16,630**	11,478	**773**	434	**363**	262
State Street Bank and Trust Company	**430,260**	319,020	**28,932**	19,147	**1,344**	724	**631**	437 *
Mellon Equity Associates LLP	**-**	9	**-**	1	**-**	-	**-**	-
	$ 1,205,807	$ 925,649	**$ 81,082**	$ 55,557	**3,767**	$ 2,101	**1,768**	$ 1,267
Low Risk:								
Treasury Inflation Protected Securities:								
Pacific Investment Management Company LLC	**106,265**	86,701	**23,816**	18,440	**1,503**	884	**79** *	61
	9,079,315	7,945,669	**984,364**	774,473	**87,367**	51,594	**7,761**	6,234
Self-Directed Brokerage Option**								
TD Ameritrade	**16,637**	13,588	**1,638**	1,254	**NA**	NA	**NA**	NA
Total	**$ 9,095,952**	$ 7,959,257	**$ 986,002**	$ 775,727	**$ 87,367**	$ 51,594	**$ 7,761**	$ 6,234

* Represents 5% or more of net assets available for benefits of the respective Plans.

** Participants manage their own accounts in the Self-Directed Brokerage Options.

Transfers out of the Plans' core investment options were assessed a 2% redemption fee on the amounts transferred into another fund within the previous 32 consecutive calendar days. Any amounts held longer than 32 consecutive calendar days were not assessed the redemption fee. The fees collected are reinvested back into the applicable fund. Lump sum withdrawals and periodic distributions do not incur the redemption fee, and payroll contributions held less than the 32 days are not included in the calculation of the redemption fee if they are transferred out of the fund.

Note 2 - Investments (continued) (in thousands)

Net investment income for the years ended December 31, 2010 and 2009, segregated by investment fund, was as follows (in thousands):

457 Plan	2010	Interest and Dividends		Appreciation (Depreciation) in Fair Market Value - Net		Investment Management Fees		Total
	Stable Income Fund	$	145,826	$	-	$	(7,128)	$ 138,698
	Bond Fund		-		28,173		(800)	27,373
	Equity Index Fund		-		338,190		(160)	338,030
	Global Socially Responsible Fund		-		28,958		(1,069)	27,889
	Mid-Cap Equity Fund		-		80,707		(1,446)	79,261
	International Equity Fund		-		48,420		(2,179)	46,241
	Small-Cap Equity Fund		-		256,886		(3,965)	252,921
	TIPS		-		7,793		(237)	7,556
	Self-Directed Brokerage Option		-		1,946		-	1,946
	Interest on Participant Loans		7,161		-		-	7,161
	Other		150		-		-	150
	Totals	$	153,137	$	791,073	$	(16,984)	$ 927,226
	2009							
	Stable Income Fund	$	130,725	$	-	$	(5,949)	$ 124,776
	Bond Fund		-		35,053		(677)	34,376
	Equity Index Fund		-		474,910		(142)	474,768
	Global Socially Responsible Fund		-		68,590		(840)	67,750
	Mid-Cap Equity Fund		-		91,281		(1,130)	90,151
	International Equity Fund		-		173,169		(2,036)	171,133
	Small-Cap Equity Fund		-		230,430		(2,783)	227,647
	TIPS		-		10,808		(199)	10,609
	Self-Directed Brokerage Option		-		2,728		-	2,728
	Interest on Participant Loans		7,944		-		-	7,944
	Other		190		-		-	190
	Totals	$	138,859	$	1,086,969	$	(13,756)	$ 1,212,072

Note 2 - Investments (continued) (in thousands)

401(k)	2010	Interest and Dividends		Appreciation (Depreciation) in Fair Market Value - Net		Investment Management Fees		Total
	Stable Income Fund	$	15,387	$	-	$	(838)	$	14,549
	Bond Fund		-		2,764		(148)		2,616
	Equity Index Fund		-		32,303		(12)		32,291
	Global Socially Responsible Fund		-		1,721		(63)		1,658
	Mid-Cap Equity Fund		-		7,865		(292)		7,573
	International Equity Fund		-		4,768		(350)		4,418
	Small-Cap Equity Fund		-		24,426		(267)		24,159
	TIPS		-		776		(53)		723
	Self-Directed Brokerage Option		-		179		-		179
	Interest on Participant Loan		513		-		-		513
	Other		77		-		-		77
	Totals	$	15,977	$	74,802	$	(2,023)	$	88,756
	2009								
	Stable Income Fund	$	12,158	$	-	$	(581)	$	11,577
	Bond Fund		-		3,301		(66)		3,235
	Equity Index Fund		-		44,686		(14)		44,672
	Global Socially Responsible Fund		-		3,414		(82)		3,332
	Mid-Cap Equity Fund		-		8,593		(110)		8,483
	International Equity Fund		-		16,300		(199)		16,101
	Small-Cap Equity Fund		-		21,691		(271)		21,420
	TIPS		-		1,017		(19)		998
	Self-Directed Brokerage Option		-		284		-		284
	Interest on Participant Loan		446		-		-		446
	Other		42		-		-		42
	Totals	$	12,646	$	99,286	$	(1,342)	$	110,590

Note 2 - Investments (continued) (in thousands)

NYCE IRA	2010	Interest and Dividends	Appreciation (Depreciation) in Fair Market Value - Net	Investment Management Fees	Total
	Stable Income Fund	$ 1,908	$ -	$ (116)	$ 1,792
	Bond Fund	-	140	(9)	131
	Equity Index Fund	-	1,604	(1)	1,603
	Global Socially Responsible Fund	-	93	(4)	89
	Mid-Cap Equity Fund	-	391	(14)	377
	International Equity Fund	-	235	(16)	219
	Small-Cap Equity Fund	-	1,213	(12)	1,201
	TIPS	-	39	(3)	36
	Other	2	-	-	2
	Totals	**$ 1,910**	**$ 3,715**	**$ (175)**	**$ 5,450**
	2009				
	Stable Income Fund	$ 1,031	$ -	$ (40)	$ 991
	Bond Fund	-	137	(4)	133
	Equity Index Fund	-	1,832	(1)	1,831
	Global Socially Responsible Fund	-	174	(5)	169
	Mid-Cap Equity Fund	-	355	(7)	348
	International Equity Fund	-	674	(13)	661
	Small-Cap Equity Fund	-	896	(18)	878
	TIPS	-	42	(1)	41
	Totals	$ 1,031	$ 4,110	$ (89)	$ 5,052

Note 2 - Investments (continued) (in thousands)

401(a)	2010	Interest and Dividends		Appreciation (Depreciation) in Fair Market Value - Net		Investment Management Fees		Total	
	Stable Income Fund	$	41	$	-	$	(2)	$	39
	Bond Fund		-		36		(1)		35
	Equity Index Fund		-		430		-		430
	Global Socially Responsible Fund		-		25		(1)		24
	Mid-Cap Equity Fund		-		103		(2)		101
	International Equity Fund		-		62		(3)		59
	Small-Cap Equity Fund		-		328		(5)		323
	TIPS		-		10		-		10
	Totals	$	41	$	994	$	(14)	$	1,021
	2009								
	Stable Income Fund	$	42	$	-	$	(4)	$	38
	Bond Fund		-		10		(1)		9
	Equity Index Fund		-		118		-		118
	Global Socially Responsible Fund		-		10		(1)		9
	Mid-Cap Equity Fund		-		23		(1)		22
	International Equity Fund		-		11		(2)		9
	Small-Cap Equity Fund		-		58		(2)		56
	TIPS		-		3		-		3
	Totals	$	42	$	233	$	(11)	$	264

The Plans conform to the reporting requirements of GASB's Deposit and Investment Risk Disclosure. As of December 31, 2010, the Plans had the following investments in fixed earnings investments:

Fixed Earning Investments	457 Plan Fair Value (In thousands)	401(k) Plan Fair Value (In thousands)	NYCE IRA Fair Value (In thousands)	401(a) Plan Fair Value (In thousands)	Weighted Average Maturity (In years)
Stable Income Fund	$ 3,390,919	$ 398,915	$ 55,484	$ 1,044	3.90
Bond Fund	368,157	68,173	3,944	248	6.69
TIPS	106,265	23,816	1,503	79	9.25
	$ 3,865,341	**$ 490,904**	**$ 60,931**	**$ 1,371**	

Interest Rate Risk

As a means of limiting exposure to rising interest rates in the stable income funds, the Plans structured the funds to gradually track the general level of interest rates and reduce the interest rate volatility. Investments held in the portfolio are limited to those issuers which meet stringent criteria with respect to diversification and credit quality.

Interest rate risk is the risk that the fair value of investments could be adversely affected by the change in interest rates. Duration limits are used to control the portfolio's exposure to interest rate changes. Duration is limited to 0 to 5 years. Duration limit is a measure of the overall portfolio, while statements of the stated maturity reflect the specific maturities of the individual securities held. The lengths of investment maturities (in years), as shown by the percent of the rated portfolio, are as follows:

Years to maturity Investment Type December 31, 2010	Investment Maturities		
	Zero to One Year	One to Five Years	More than Five Years
Stable Income Fund	9%	66%	25%
Bond Fund	0%	27%	73%
Treasury Inflation Protected Securities	0%	14%	86%

Years to maturity Investment Type December 31, 2009	Investment Maturities		
	Zero to One Year	One to Five Years	More than Five Years
Stable Income Fund	13%	58%	29%
Bond Fund	0%	40%	60%
Treasury Inflation Protected Securities	0%	29%	71%

Note 2 - Investments (continued) (in thousands)

Credit Risk

The Plans' credit risks are limited to the Stable Income Fund, the Bond Fund, and Treasury Inflation Protected Securities ("TIPS"). In accordance with the Plans' investment guidelines, the New York City Deferred Compensation Plans' Stable Income Fund investment option maintained a minimum weighted average quality of Aa3/AA- by two of the three major rating agencies (Moody's, Standard & Poor's and Fitch Investors Service). The Bond Fund investment option maintained a minimum average quality rating of A-/A3 by any one of the three major rating agencies. The TIPS (which may invest in securities other than U.S. Treasury securities) maintained a minimum average portfolio quality of A using the middle rating of Moody's, Standard & Poor's and Fitch Investors Service. At December 31, 2010 and 2009, the TIPS portfolio has maintained a minimum of 80% AAA quality securities as required by the TIPS guideline. The quality ratings of investments, determined by using the Highest Rating Methodology, by percentage of the rated portfolios, as described by nationally recognized statistical rating organizations, are as follows:

Investment Type December 31, 2010	Ratings						
	AAA	AA	A	BBB	Below BBB	Agency	US Treasury
Stable Income Fund	19%	24%	13%	4%	0%	13%	27%
Bond Fund	15%	3%	13%	7%	4%	30%	28%
Treasury Inflation Protected Securities	9%	5%	9%	2%	3%	1%	71%

Investment Type December 31, 2009	Ratings						
	AAA	AA	A	BBB	Below BBB	Agency	US Treasury
Stable Income Fund	19%	23%	16%	5%	0%	17%	20%
Bond Fund	20%	3%	12%	6%	2%	27%	30%
Treasury Inflation Protected Securities	5%	2%	11%	2%	1%	2%	77%

Custodial Credit Risk

For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Plans will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Plans, and are held by either the counterparty or the counterparty trust department. The investments are held by the trustee in the Plans' name. At December 31, 2010 and 2009, operating cash of approximately $13 million and $17 million, respectively, was being held in short-term investment accounts by the trustee in the Plans' name and therefore, not exposed to custodial credit risk.

Note 3 - Securities Lending Transactions (in thousands)

The Plans have designated their master custodian bank to manage the securities lending program, which was instituted in 2003, in accordance with the guidelines of a written contract between the Plans and the custodian who acts as security lending agents for the Plans. The custodian is authorized to lend securities within the borrower limits and guidelines established by the Plans. The custodian is authorized to invest the cash collateral in short-term investments that meet the guidelines of the Plans. Because these transactions are terminable at will, their duration generally does not match the duration of the investments made with cash collateral. There were no violations of the provisions of the securities lending program and no borrower or lending agent default losses.

During the year, the custodian lent U.S. Government and agency securities, domestic fixed income and equity securities, and repurchased agreements to broker/dealers on behalf of the Plans for cash collateral of 102% of the fair market value of the underlying securities loaned where the collateral was denominated in the same currency as the loan securities: and 105% where the collateral was denominated in a currency that differs from the currency of the loaned securities.

The Plans did not impose any restrictions during the fiscal year on the amount of loans the custodian made on its behalf. The Plans do not have the ability to pledge or sell collateral securities absent a borrower default. The custodian is contractually obligated to indemnify the Plans for losses which arise from managing the program in a manner inconsistent with the contract. The custodian's responsibilities include performing appropriate borrower and collateral investment credit analyses, securing adequate types of and levels of collateral, and complying with the guidelines of the securities lending program with the Plans.

In March 2010, the Plans advised participants that the value of underlying Lehman Brothers securities in the cash collateral related to the Securities Lending Program became impaired as a result of the Lehman Brothers' bankruptcy. The total value of the Lehman securities was $24,300. In October 2010, working with the Plan's custodian and external managers, the Plan sold the Lehman Brothers securities at prevailing market prices, allowing the Plan to recover $5,300. From September 2008 forward, the Plan continued to lend securities and the investment income earned by the program was set aside as a reserve to offset the collateral shortfall. Through these actions, the original $24,300 shortfall was reduced to approximately $10,000. The balance of the shortfall was applied to participant accounts during the fourth quarter of 2010 as a one-time assessment and was reflected on participants' fourth quarter statements.

During 2010, the Board terminated the securities lending programs and all related assets and liabilities associated with the securities lending program have been liquidated. This resulted in a realized cumulative gain of $813 as of December 31, 2010 as compared to the unrealized cumulative losses of $19,819 as of December 31, 2009.

As of December 31, 2010 and 2009, the fair values of securities on loan were $0 and $583,679, respectively. The associated fair values of the invested cash collateral received of $0 and $599,610 were $0 and $579,791 as of December 31, 2010 and 2009, respectively.

The Plans earn interest income in connection with securities lending and pay borrowers and the custodian a portion of the revenue as fees. Gross interest income earned in 2010 by the 457, 401(k), NYCE IRA and 401(a) Plans amounted to $2,010, $211, $18, and $0, respectively, and $5,477, $534, $36 and $4, respectively, for 2009. Borrowing rebates and custodial costs amounted to $84, $9, $1, and $0, respectively, in 2010, and $1,297, $140, $11 and $4, respectively, in 2009.

Note 3 - Securities Lending Transactions (continued) (thousands)

The following represents the combined balances relating to the securities lent and cash collateral received at December 31, 2010 and 2009:

457, 401(k), 401(a) Plans and NYCE IRA				
	2010		2009	
Securities Lent	**Fair Value of Underlying Securities**	**Cash Collateral Received**	**Fair Value of Underlying Securities**	**Cash Collateral Received**
U.S. Government and Agencies	$ -	$ -	$ 202,329	$ 206,602
U.S. Corporate Fixed Income	-	-	37,980	38,883
U.S. Equities	-	-	343,370	354,125
Non-U.S. Equities	-	-	-	-
	$ -	$ -	$ 583,679	$ 599,610

	2010	2009
Type of Collateral	***Collateral Investment Value***	**Collateral Investment Value**
U.S. Government and Agencies	$ -	$ 840
U.S. Corporate Obligations with Fixed/Variable Rates	-	295,348
Repurchase Agreements	-	283,603
	$ -	$ 579,791

Note 4 - Participant Loans (in thousands)

Participants in active payroll status are eligible to apply for a loan from the 457 and the pre-tax portion of the 401(k) Plans. The minimum loan amount is $2,500. The maximum amount of an approved loan shall not exceed the lesser of: (i) 50% of the participant's 457 or 401(k) Plan account balance; or (ii) $50,000 less the combined balance of all outstanding loans a participant may have from pension loans, 403(b) and other Deferred Compensation Plan loans. Loans are not permitted from the 401(a) Plan. The balance of member loans receivable at December 31, 2010 and 2009 is $162,358 and $135,621, respectively.

Note 5 - Related Parties (in thousands)

The Office of Labor Relations of the City of New York ("City") provides cash receipt and cash disbursement services to the Plans. The Office of Labor Relations also pays certain administrative services including salaries, rents, utilities and overhead expenses. These expenses are reimbursed to the Office of Labor Relations by the Plans. Total amount reimbursed by the Plans to the Office of Labor Relations amounted to $1,672 and $1,861 as of December 31, 2010 and 2009, respectively.

Note 6 - Administrative Expenses (in thousands)

The costs of administering the Plans are paid with the quarterly administrative fee charged to participant accounts, an annualized asset-based fee assessed to the Plans' investment funds, securities lending, commission recapture and interest earned on assets held in the Plans' custodial account (which are administered by the Plans' custodian and consists of cash and other rights and properties arising from amounts deferred).

Each Plan investment contract is competitively bid according to New York City and State regulations and awarded to the manager with the best combination of investment experience, performance history and management fees. The investment management fee is $19,196 and $15,198 as of December 31, 2010 and 2009, respectively.

The Plans share leased office space with the City of New York. The City allocates a portion of its rent to the Plans; such expense totaled $115 annually for 2010 and 2009 and is recorded as administrative expenses in the statements of changes in net assets available for plan benefits.

The Plans also reimbursed FASCore, LLC., the third party administrator for recordkeeping services, the office space leased in New York City on a monthly basis. Such expense totaled $836 and $910 annually for 2010 and 2009, respectively.

~ End ~

Combining Schedules of Net Assets Available for Plan Benefits December 2010 and 2009 (In thousands)

457 Plan	Program Fund	Administration Fund	Total 2010	Total 2009
Asset:				
Investments	$ 9,095,952	$ -	**$ 9,095,952**	$ 7,959,257
Participant loans receivable	149,546	-	**149,546**	126,595
Securities lending collateral, invested	-	-	**-**	524,788
Other assets	-	826	**826**	1,574
Cash and cash equivalents	-	11,554	**11,554**	16,133
Total Assets	$ 9,245,498	$ 12,380	**$ 9,257,878**	$ 8,628,347
Liabilities:				
Securities lending collateral, due to borrowers	$ -	$ -	**$ -**	$ 542,726
Accounts payable and accrued expenses	-	3,601	**3,601**	3,879
Total liabilities	$ -	$ 3,601	**$ 3,601**	$ 546,605
Net Assets Available for Benefits:				
Assets available for program benefits	$ 9,245,498	$ -	**$ 9,245,498**	$ 8,085,852
Designated for administration	-	8,779	**8,779**	(4,110)
Total net assets available for plan benefits	$ 9,245,498	$ 8,779	**$ 9,254,277**	$ 8,081,742

Program Fund represents all participant assets currently invested in the Plan, as well as any outstanding loan balances.
Administrative Fund is the amount available for recordkeeping, communications, and administrative expenses.

Combining Schedules of Net Assets Available for Plan Benefits December 2010 and 2009 (In thousands)

401(k) Plan	Program Fund	Administration Fund	Total 2010	Total 2009
Asset:				
Investments	$ 986,002	$ -	**$ 986,002**	$ 775,727
Participant loans receivable	12,812	-	**12,812**	9,026
Securities lending collateral, invested	-	-	**-**	51,187
Other assets	-	3	**3**	2
Cash and cash equivalents	-	2,146	**2,146**	1,263
Total Assets	$ 998,814	$ 2,149	**$ 1,000,963**	$ 837,205
Liabilities:				
Securities lending collateral, due to borrowers	$ -	$ -	**$ -**	$ 52,937
Accounts payable and accrued expenses	-	253	**253**	31
Total liabilities	$ -	$ 253	**$ 253**	$ 52,968
Net Assets Available for Benefits:				
Assets available for program benefits	$ 998,814	$ -	**$ 998,814**	$ 784,753
Designated for administration	-	1,896	**1,896**	(516)
Total net assets available for plan benefits	$ 998,814	$ 1,896	**$ 1,000,710**	$ 784,237

Program Fund represents all participant assets currently invested in the Plan, as well as any outstanding loan balances.
Administrative Fund is the amount available for recordkeeping, communications, and administrative expenses.

Combining Schedules of Net Assets Available for Plan Benefits December 2010 and 2009 (In thousands)

NYCE IRA	Program Fund	Administration Fund	Total 2010	Total 2009
Asset:				
Investments	$ 87,367	$ -	**$ 87,367**	$ 51,594
Securities lending collateral, invested	-	-	**-**	3,404
Cash and cash equivalents	-	46	**46**	19
Total Assets	$ 87,367	$ 46	**$ 87,413**	$ 55,017
Liabilities:				
Securities lending collateral, due to borrowers	$ -	$ -	**$ -**	$ 3,521
Accounts payable and accrued expenses	-	60	**60**	112
Total liabilities	$ -	$ 60	**$ 60**	$ 3,633
Net Assets Available for Benefits:				
Assets available for program benefits	$ 87,367	$ -	**$ 87,367**	$ 51,594
Designated for administration	-	(14)	**(14)**	(210)
Total net assets available for plan benefits	$ 87,367	$ (14)	**$ 87,353**	$ 51,384

Program Fund represents all participant assets currently invested in the Plan, as well as any outstanding loan balances.
Administrative Fund is the amount available for recordkeeping, communications, and administrative expenses.

Combining Schedules of Net Assets Available for Plan Benefits December 2010 and 2009 (In thousands)

401(a)	Program Fund	Administration Fund	Total 2010	Total 2009
Asset:				
Investments	$ 7,761	$ -	$ 7,761	$ 6,234
Securities lending collateral, invested	-	-	-	412
Other assets	-	2	2	2
Cash and cash equivalents	-	-	-	-
Total Assets	$ 7,761	$ 2	$ 7,763	$ 6,648
Liabilities:				
Securities lending collateral, due to borrowers	$ -	$ -	$ -	$ 426
Accounts payable and accrued expenses	-	-	-	1
Total liabilities	$ -	$ -	$ -	$ 427
Net Assets Available for Benefits:				
Assets available for program benefits	$ 7,761	$ -	$ 7,763	$ 6,234
Designated for administration	-	2	-	(13)
Total net assets available for plan benefits	$ 7,761	$ 2	$ 7,763	$ 6,221

Program Fund represents all participant assets currently invested in the Plan, as well as any outstanding loan balances.
Administrative Fund is the amount available for recordkeeping, communications, and administrative expenses.

Schedules of Cash Receipts and Disbursements For the Years Ended December 2010 and 2009 (In thousands)

	457 Plan		401(k)		NYCE IRA		401(a)	
	2010	2009	2010	2009	2010	2009	2010	2009
Cash and cash equivalents - beginning	$ 16,133	$ 12,938	$ 1,263	$ 598	$ 19	$ 10	$ -	$ -
Receipts:								
Employee contributions	564,744	567,581	149,558	128,566	36,162	18,761	525	5,291
Investment withdrawals for distribution	308,620	235,595	22,265	16,504	5,699	1,723	14	4
Securities lending interest income	2,759	6,435	-	-	-	-	-	-
Miscellaneous income	5,235	3,179	118	397	1	-	-	-
Total receipts	$ 881,358	$ 812,790	$ 171,941	$ 145,467	$ 41,862	$ 20,484	$ 539	$ 5,295
Disbursements:								
Distributions to participants	308,620	235,595	22,265	16,504	5,699	1,723	14	4
Investment purchases	546,411	560,139	148,238	127,926	36,113	18,739	523	5,291
Administrative expenditures	12,396	12,564	-	372	-	13	-	-
Securities lending fees	84	1,297	-	-	-	-	-	-
Security lending dispositions	18,426	-	555	-	23	-	2	-
Total disbursements	885,937	809,595	171,058	144,802	41,835	20,475	539	5,295
Cash and cash equivalents - ending	$ 11,554	$ 16,133	$ 2,146	$ 1,263	$ 46	$ 19	$ -	$ -

Schedules of Administrative Expenses and Recordkeeping /Loan Fees For the Years Ended December 2010 and 2009 (In thousands)

	457 Plan		401(k)		NYCE IRA		401(a)	
	2010	2009	2010	2009	2010	2009	2010	2009
Salaries	$ 988	$ 1,172	$ 102	$ 99	$ 8	$ 6	$ -	$ -
Communications expenses	1,832	2,094	74	220	6	13	-	-
Advisory and Auditing Fees	552	631	56	47	2	2	-	-
Reimbursement to the City	515	511	55	70	4	3	-	-
Administrative support	2,193	2,165	125	186	6	13	-	-
Recordkeeping/Loan fees	5,650	5,568	505	357	24	13	2	1
Total	$ 11,730	$ 12,141	$ 917	$ 979	$ 50	$ 50	$ 2	$ 1

Schedules of Investment Management Fees For the Years Ended December 2010 and 2009 (In thousands)

	457 Plan		401(k)		NYCE IRA		401(a)	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009
Stable Income Fund	**$ 7,128**	$ 5,949	**$ 838**	$ 581	**$ 116**	$ 40	**$ 2**	$ 4
Bond Fund	**800**	677	**148**	66	**9**	4	**1**	1
Equity Index Fund	**160**	142	**12**	14	**1**	1	**-**	-
Global Socially Responsible Fund	**1,069**	840	**63**	82	**4**	5	**1**	1
Mid-Cap Equity Fund	**1,446**	1,130	**292**	110	**14**	7	**2**	1
International Equity Fund	**2,179**	2,036	**350**	199	**16**	13	**3**	2
Small-Cap Equity Fund	**3,965**	2,783	**267**	271	**12**	18	**5**	2
TIPS	**237**	199	**53**	19	**3**	1	**-**	-
Total	**$ 16,984**	$ 13,756	**$ 2,023**	$ 1,342	**$ 175**	$ 89	**$ 14**	$ 11

	457 Plan	401(k) Plan	NYCE IRA	401(a) Plan
Pre-Arranged Portfolios				
Static Allocation Fund	0.3%	0.5%	1.7%	<0.1%
2000 Fund	<0.1%	0.1%	0.7%	<0.1%
2005 Fund	0.8%	2.1%	0.4%	0.4%
2010 Fund	1.3%	3.7%	3.2%	0.9%
2015 Fund	4.7%	7.7%	4.7%	4.3%
2020 Fund	1.4%	3.4%	2.1%	1.8%
2025 Fund	3.0%	6.7%	2.2%	4.2%
2030 Fund	0.9%	2.3%	1.0%	1.6%
2035 Fund	0.5%	1.6%	0.8%	0.8%
2040 Fund	0.4%	1.2%	0.6%	0.6%
2045 Fund	0.7%	1.8%	1.6%	1.1%
2050 Fund	<0.1%	0.2%	0.1%	0.1%
Core Options				
Stable Income Fund	35.7%	37.0%	60.4%	12.3%
Bond Fund	2.4%	3.3%	2.5%	1.3%
Equity Index Fund	24.1%	9.8%	8.5%	32.9%
Socially Responsible Fund	3.1%	1.7%	1.1%	3.0%
Mid-Cap Equity Fund	3.3%	5.8%	2.9%	5.6%
International Equity Fund	4.8%	4.5%	2.2%	7.3%
Small-Cap Equity Fund	12.4%	6.4%	3.3%	21.8%
Self-Directed Brokerage Option	0.2%	0.2%	-	-

Asset Allocation of the Plans

The City of New York Deferred Compensation Plan is an "unbundled" program, where both the recordkeeper and the custodian are independently bid from the Plan's investment managers. As a result, each investment contract is competitively selected according to New York City and State regulations and awarded to the manager with the best combination of investment experience, performance history and management fees. By the end of 2010, the combined assets of the nineteen investment options and the Self-Directed Brokerage option exceeded $10.3 billion.

Prepared by:
Georgette Gestely and Joan Barrow

Pre-Arranged Portfolios

The Pre-Arranged Portfolios are made up of varying percentages of the following core investment options: Stable Income Fund, Bond Fund, Equity Index Fund, Mid-Cap Equity Fund, International Equity Fund, and Small-Cap Equity Fund. They are designated by payout years. In 2007, U.S. Treasury Inflation Protected Securities ("TIPS") were added as a component of some of the portfolios. The portfolios are designed to meet certain expected rate of return requirements over time horizons, and balance the rate of return needs with the appropriate amount of risk. Each portfolio is rebalanced periodically to lower its equity exposure over time.

To pick a portfolio, participants need to use their current age or the number of years until they expect to begin distribution payments as a guide, whichever better suits their personal circumstances.

Fund Name	Composition At December 31, 2010	Return 2010	Expense Ratio
Static Allocation Fund	60% Stable Income; 15% TIPS; 5% Bond; 10% Equity Index; 3% Mid-Cap; 4% International; and 3% Small-Cap	7.4%	.29%
2000 Fund	48.8% Stable Income; 15% TIPS; 9% Bond; 12.4% Equity Index; 3.8% Mid-Cap; 7.2% International and 3.8% Small-Cap	8.1%	.30%
2005 Fund	38% Stable Income; 15% TIPS; 10.8% Bond; 17% Equity Index; 4.4% Mid-Cap; 10.4% International; and 4.4% Small-Cap	9.3%	.29%
2010 Fund	26.4% Stable Income; 15% TIPS; 11.8% Bond; 22% Equity Index; 4.9% Mid-Cap; 15% International; and 4.9% Small-Cap	10.2%	.29%
2015 Fund	12.8% Stable Income; 12.6% TIPS; 12.8% Bond; 30.2% Equity Index; 5.4% Mid-Cap; 20.8% International; and 5.4% Small-Cap	11.3%	.27%
2020 Fund	5.2% Stable Income; 8% TIPS; 13.8% Bond; 36.8% Equity Index; 5.9% Mid-Cap; 24.4% International; and 5.9% Small-Cap	12.0%	.27%
2025 Fund	2.4% Stable Income; 3% TIPS; 14% Bond; 40.8% Equity Index; 6.4% Mid-Cap; 27.0% International; and 6.4% Small-Cap	12.5%	.27%
2030 Fund	0.4% Stable Income; 0.4% TIPS; 12.4% Bond; 44.3% Equity Index; 6.9% Mid-Cap; 28.7% International; and 6.9% Small-Cap	12.9%	.26%
2035 Fund	10.4% Bond; 45.8% Equity Index; 7% Mid-Cap; 29.8% International; and 7% Small-Cap	12.8%	.26%
2040 Fund	6% Bond; 47.6% Equity Index; 7.4% Mid-Cap; 31.6% International; and 7.4% Small-Cap	13.1%	.26%
2045 Fund	1% Bond; 50% Equity Index; 7.9% Mid-Cap; 33.2% International; and 7.9% Small-Cap	13.3%	.26%
2050 Fund	50.5% Equity Index; 8% Mid-Cap; 33.5% International; 8% Small-Cap	8.5%	.26%
	*Inception Return Since Second Quarter 2010		

Stable Income Fund

The investment objective of the Stable Income Fund is to conserve principal and to provide a steady rate of return. The Fund invests in a combination of insurance company general account investment contracts, a "wrapped" portfolio of high quality bonds, and other fixed income investments as well as cash equivalents. A portfolio is "wrapped" when an insurance company or bank issues a form of investment contract (or wrapper agreement) providing a guarantee that member withdrawals from the portfolio will not be adjusted for changes in market conditions. A wrapper agreement provides price stability by helping to protect the Fund from severe changes in market value and, subject to certain conditions, provide repayment of principal and interest to Plan participants. Fiduciary Capital Management is the manager for the traditional GIC portfolio, the buy and hold synthetic GIC portfolio, and an insurance company separate account. ICMA manages the liquidity buffer that handles cash flow activity. The actively managed synthetic GIC portfolios within the Stable Income Fund are managed by NISA Investment Advisors, Pacific Investment Management Company, JP Morgan Investment Management, Inc., and BlackRock Financial Management. The actively managed synthetic GIC portfolios, the insurance company separate account portfolio, and the buy and hold portfolio are wrapped with a global book value guarantee provided by Monumental Life, JPMorgan Chase, and the Metropolitan Life Insurance Company.

The top ten holdings of the Stable Income Fund are as follows:

#	ASSET LONG DESCRIPTION	MATURITY DATE	PERCENTAGE
1	UNITED STATES TREASURY NOTE	11/30/2012	3.04
2	UNITED STATES TREASURY NOTE	12/15/2013	2.89
3	UNITED STATES TREASURY NOTE	11/30/2015	2.73
4	TBC INC POOLED EMP DAILY LIQ	12/31/2049	2.00
5	UNITED STATES TREASURY NOTE	12/15/2013	1.19
6	UNITED STATES TREASURY NOTE	8/31/2011	0.92
7	UNITED STATES TREASURY NOTE	11/30/2015	0.92
8	UNITED STATES TREASURY NOTE	7/31/2012	0.90
9	UNITED STATES TREASURY NOTE	9/30/2017	0.82
10	UNITED STATES TREASURY NOTE	8/15/2019	0.82

Stable Income Fund Portfolios

Security Description	Credit Rating Moody/S&P/Fitch	Maturity	Crediting	Total Assets (IN THOUSANDS)
Stable Value Fund				
ICMA		N/A	3.77%	$522,439
The Bank of New York Mellon		N/A	-	30,890
Total Stable Value Fund				**553,329**
Security Description	Credit Rating Moody/S&P/Fitch	Maturity	Crediting	Total Assets (IN THOUSANDS)
GICs				
Aegon	A3/A-/A	7/31/2012	5.36%	8,778
Aegon	A3/A-/A	8/31/2012	5.22%	11,915
Aegon	A3/A-/A	8/31/2012	5.12%	8,617
Aegon	A3/A-/A	2/28/2013	5.15%	6,030
Aegon	A3/A-/A	7/1/2013	5.45%	3,348
Aegon	A3/A-/A	9/30/2014	5.95%	15,270
Genworth Life	A2/A/A+	3/31/2011	4.94%	3,469
Genworth Life	A2/A/A+	1/3/2012	5.24%	6,413
Genworth Life	A2/A/A+	3/31/2012	5.37%	6,432
Genworth Life	A2/A/A+	10/31/2012	5.37%	8,154
Genworth Life	A2/A/A+	5/31/2013	5.20%	4,892
Genworth Life	A2/A/A+	1/31/2014	4.75%	15,491
Hartford	A3/A/A-	11/30/2012	5.27%	6,218
Hartford	A3/A/A-	4/30/2013	5.17%	4,848
Hartford	A3/A/A-	8/30/2013	5.63%	4,257
ING	A1/A/A	9/30/2013	5.13%	6,488
ING	A1/A/A	4/30/2014	4.25%	9,894
ING	A1/A/A	5/30/2014	4.47%	8,536
ING	A1/A/A	12/31/2014	4.59%	12,825
ING	A1/A/A	5/31/2014	4.59%	15,868
Jackson National	A1/AA/AA	8/31/2011	5.20%	10,391
Jackson National	A1/AA/AA	11/30/2011	5.03%	10,533
Jackson National	A1/AA/AA	12/30/2011	5.26%	7,960
Jackson National	A1/AA/AA	7/31/2012	5.69%	5,156
Jackson National	A1/AA/AA	5/31/2013	5.22%	6,732
Jackson National	A1/AA/AA	4/30/2013	5.17%	4,828
Metropolitan Life	Aa/AA-/AA	6/30/2013	5.48%	4,069
Metropolitan Life	Aa/AA-/AA	9/30/2013	5.24%	11,749
Metropolitan Life	Aa/AA-/AA	8/31/2014	4.55%	16,368
Metropolitan Life	Aa/AA-/AA	9/30/2014	5.37%	5,813
Metropolitan Life	Aa/AA-/AA	11/30/2014	4.80%	16,172
Metropolitan Life	Aa/AA-/AA	3/31/2015	3.91%	11,050
Metropolitan Life	Aa/AA-/AA	9/30/2014	3.40%	13,654
Metropolitan Life	Aa/AA-/AA	12/01/2014	3.17%	8,166
Metropolitan Life	Aa/AA-/AA	12/21/2014	3.10%	5,147
Metropolitan Life	Aa/AA-/AA	6/30/2015	3.20%	14,126

Security Description	Credit Rating Moody/S&P/Fitch	Maturity	Crediting	Total Assets (IN THOUSANDS)
Metropolitan Life	Aa/AA-/AA	4/30/2015	3.12%	3,061
Metropolitan Life	Aa/AA-/AA	5/31/2015	2.03%	10,080
Metropolitan Life	Aa/AA-/AA	5/31/2015	2.32%	9,688
Metropolitan Life	Aa/AA-/AA	3/30/2014	1.50%	20,167
Metropolitan Life	Aa/AA-/AA	8/31/2014	1.47%	1,303
Mutual of America	NR/AA-/AA-	1/31/2011	4.24%	10,554
New York Life	Aaa/AAA/AAA	9/30/2011	4.87%	5,273
New York Life	Aaa/AAA/AAA	9/28/2012	5.27%	15,346
New York Life	Aaa/AAA/AAA	9/30/2013	5.20%	16,702
New York Life	Aaa/AAA/AAA	1/31/2014	4.50%	18,307
New York Life	Aaa/AAA/AAA	3/31/2014	4.38%	15,834
New York Life	Aaa/AAA/AAA	10/31/2014	3.10%	5,692
New York Life	Aaa/AAA/AAA	12/31/2014	2.73%	5,130
New York Life	Aaa/AAA/AAA	6/30/2015	2.70%	11,243
New York Life	Aaa/AAA/AAA	3/02/2015	2.58%	11,232
New York Life	Aaa/AAA/AAA	2/02/2015	2.93%	11,263
New York Life	Aaa/AAA/AAA	3/31/2015	2.71%	5,099
New York Life	Aaa/AAA/AAA	3/31/2015	3.21%	15,197
New York Life	Aaa/AAA/AAA	4/30/2015	2.57%	17,796
New York Life	Aaa/AAA/AAA	6/30/2015	1.83%	4,137
New York Life	Aaa/AAA/AAA	8/31/2014	1.00%	20,227
New York Life	Aaa/AAA/AAA	7/31/2015	1.60%	11,910
Ohio National	A1/AA/NR	2/28/2011	4.60%	2,810
Ohio National	A1/AA/NR	5/31/2011	5.23%	4,553
Ohio National	A1/AA/NR	6/30/2011	5.13%	4,828
Ohio National	A1/AA/NR	1/31/2012	5.50%	8,616
Ohio National	A1/AA/NR	2/28/2012	5.15%	7,873
Ohio National	A1/AA/NR	4/30/2013	5.31%	6,357
Ohio National	A1/AA/NR	8/31/2012	4.82%	5,425
Ohio National	A1/AA/NR	4/30/2014	5.40%	4,579
Ohio National	A1/AA/NR	8/29/2014	4.05%	4,006
Ohio National	A1/AA/NR	5/29/2015	2.97%	5,121
Ohio National	A1/AA/NR	5/29/2015	2.80%	8,125
Pacific Life	A1/AA-/AA-	12/31/2014	5.17%	22,415
Principal Life	Aa3/A+/AA-	4/29/2011	4.99%	3,381
Principal Life	Aa3/A+/AA-	1/31/2012	5.64%	11,627
Principal Life	Aa3/A+/AA-	5/31/2012	5.79%	8,737
Principal Life	Aa3/A+/AA-	12/31/2012	5.00%	6,100
Principal Life	Aa3/A+/AA-	6/30/2013	5.25%	1,184
Principal Life	Aa3/A+/AA-	11/30/2013	4.66%	2,747
Principal Life	Aa3/A+/AA-	4/29/2015	2.85%	10,160
Principal Life	Aa3/A+/AA-	5/28/2015	2.90%	7,419
Principal Life	Aa3/A+/AA-	8/31/2015	2.55%	20,249
Principal Life	Aa3/A+/AA-	8/31/2015	2.55%	20,249
Principal Life	Aa3/A+/AA-	11/30/2015	2.15%	31,104
Principal Life	Aa3/A+/AA-	10/30/2015	1.89%	7,531

Security Description	Credit Rating Moody/S&P/Fitch	Maturity	Crediting	Total Assets (IN THOUSANDS)
Principal Life	Aa3/A+/AA-	07/30/2015	1.63%	11,224
Protective Life	A2/AA-/A	10//1/2012	5.46%	18,001
Protective Life	A2/AA-/A	3/30/2012	5.66%	11,638
Protective Life	A2/AA-/A	8/30/2013	5.48%	7,867
Protective Life	A2/AA-/A	12/31/2013	4.51%	12,501
Prudential	A2/AA-/A+	6/30/2012	5.52%	8,863
Prudential	A2/AA-/A+	8/31/2012	5.12%	4,924
Prudential	A2/AA-/A+	6/30/2013	5.25%	2,495
Prudential	A2/AA-/A+	10/31/2013	4.95%	21,456
Prudential	A2/AA-/A+	12/31/2014	5.00%	9,722
Prudential	A2/AA-/A+	4/30/2015	3.85%	7,440
Prudential	A2/AA-/A+	4/30/2015	3.80%	14,079
Prudential	A2/AA-/A+	4/30/2015	3.10%	4,081
Prudential	A2/AA-/A+	12/31/2013	1.08%	16,239
Prudential	A2/AA-/A+	06/30/2014	1.24%	20,055
United of Omaha	Aa3/AA-/NR	11/29/2012	4.17%	3,451
United of Omaha	Aa3/AA-/NR	01/31/2014	2.65%	3,486
United of Omaha	Aa3/AA-/NR	02/26/2015	2.77%	6,136
United of Omaha	Aa3/AA-/NR	03/31/2014	2.35%	10,155
Total GICs				$ 973,907
Book Value Wrap Providers for Actively Managed and Buy & Hold Portfolios				
Monumental Life (Aegon)	A3/A-/A-	N/A	4.29%	541,211
JP Morgan Chase Bank, N.A.	Aa1/AA-/AA-	N/A	4.29%	657,122
Metropolitan Life	Aa/AA-/AA-	N/A	4.29%	1,120,793
Sub-Total				**2,319,126**
Total 457, 401(k), NYCE IRA, and 401(a) Balance				**$ 3,846,362**

Bond Fund

The investment objective of the Bond Fund is to maximize total return over a full market cycle while actively managing risk. An allocation to this fund may be beneficial as a part of a balanced portfolio to hedge against the significantly higher risk of equities. The Fund employs multiple active management strategies, typically investing in a diversified portfolio including government, government agency, corporate (including high yield), mortgage and foreign securities (including emerging market bonds); derivatives may be actively used for return enhancement as well as risk hedging. The return of the Fund will consist of interest income and market appreciation (or depreciation). While typically seeking opportunity to provide capital gains, there may be periods of time when the return on the Bond Fund is negative. The fund is currently managed by Pacific Investment Management Company (PIMCO) and BlackRock.

The top ten holdings of the Bond Fund are as follows:

#	ASSET LONG DESCRIPTION	MATURITY DATE	PERCENTAGE
1	FNMA POOL #0AE0113	7/1/2040	4.36
2	UNITED STATES TREASURY NOTE	7/31/2014	3.66
3	UNITED STATES TREASURY NOTE	8/15/2019	3.22
4	UNITED STATES TREASURY NOTE FAMILY	12/31/2014	2.51
5	FNMA POOL #06432	6/1/2040	2.09
6	ROYAL BK SCOTLAND GRP PLC	5/11/2012	2.03
7	UNITED STATES TREASURY NOTE	1/1/2041	2.01
8	COMMIT TO PUR FNMA SF MTG	1/1/2041	1.96
9	UNITED STATES TREASURY BILL	5/5/2011	1.96
10	UNITED STATES TREASURY NOTE	7/31/2015	1.79

Equity Index Fund

The Equity Index Fund is managed by The Bank of New York Mellon. It seeks to replicate the performance of the Standard & Poor's 500 Composite Stock Price Index ("S&P 500 Index") by investing in all 500 stocks listed in the S&P 500 Index in approximately the same proportions as they are represented in the index. The Equity Index Fund offers participants exposure to the stocks of large corporations through a passive investment vehicle. Over time, the S&P 500 Index is expected to provide total returns in excess of both inflation and fixed income funds.

The top ten holdings of the Equity Index Fund are as follows:

#	ASSET LONG DESCRIPTION	PERCENTAGE
1	EXXON MOBIL CORP	3.24
2	APPLE COMPUTER INC	2.59
3	MICROSOFT CORP	1.85
4	GENERAL ELECTRIC CO	1.72
5	CHEVRON CORP	1.62
6	INTL BUSINESS MCHN	1.60
7	PROCTER & GAMBLE CO	1.58
8	AT&T INC	1.53
9	JOHNSON & JOHNSON	1.49
10	J P MORGAN CHASE & CO	1.46

Global Socially Responsible Fund

The Socially Responsible Fund invests 100% of assets in the stocks of companies which display good corporate citizenship, while excluding companies that do not pass social and environmental screens. Aberdeen Asset Management, Inc. is the manager of the fund. As with any investment in the global stock markets, substantial fluctuations in the unit value of this option are possible. The Socially Responsible Fund option is expected to generate total returns at a rate in excess of inflation over the long term.

The top ten holdings of the Global Socially Responsible Fund are as follows:

#	ASSET LONG DESCRIPTION	PERCENTAGE
1	TAIWAN SEMICONDUCTOR	4.03
2	VODAPHONE GROUP	3.86
3	QBE INSURANCE GROUP	3.79
4	NOVARTIS AG	3.66
5	ZURICH FINANCIAL SER	3.55
6	ENI	3.45
7	ROCHE HOLDINGS AG	3.32
8	TENARIS	3.09
9	CANON INC	3.03
10	CENTRICA	3.00

Mid-Cap Equity Fund

The Mid-Cap Equity Fund invests in the stock of medium-sized companies. Earnest Partners manages the value, Wellington Management Company, LLP manages the growth portion, and State Street Global Advisors manages the index portion of the fund. Over longer time periods, mid-cap equity funds are expected to provide substantial total returns above inflation.

The top ten holdings of the Mid-Cap Equity Fund are as follows:

#	ASSET LONG DESCRIPTION	PERCENTAGE
1	JOY GLOBAL INC	2.14
2	CUMMINS ENGINE INC	2.13
3	NEWFIELD EXPL CO	1.75
4	GLOBAL PAYMENTS INC	1.52
5	EXPRESS SCRIPTS INC	1.46
6	ITT EDUCATIONAL SERV	1.39
7	BORG-WARNER AUTOMOTIVE	1.27
8	TJX COMPANIES INC NEW	1.23
9	FLOWSERVE CORP	1.17
10	WHITING PETE CORP	1.13

International Equity Fund

The International Equity Fund invests in companies that are not domiciled in the United States. The fund seeks to provide long-term growth of capital, with investments primarily made in middle- to large-capitalization stocks in developed countries. Due to a relatively low correlation between the foreign and domestic equity markets, the International Equity Fund provides diversification. There is, however, major fluctuation as this fund is invested across the developed world and each market has its own currency changes and stock market movements. The fund is managed by AllianceBernstein (Core), Mondrian Investment Partners (Value), and State Street Global Advisors (Index). In December 2010, Baillie Gifford assumed management of the growth portion of the fund.

The top ten holdings of the International Equity Fund are as follows:

#	ASSET LONG DESCRIPTION	PERCENTAGE
1	NOVARTIS	1.83
2	BP	1.51
3	GLAXOSMITHKLINE	1.30
4	TOTAL	1.29
5	TOTAL PREFERRED	1.24
6	SANOFI-AVENTIS	1.24
7	TELEFONICA SA	1.24
8	CANON INC	1.20
9	ENI	1.18
10	VODAFONE GROUP	1.13

Small-Cap Equity Fund

The Small-Cap Equity Fund seeks long-term growth of capital by investing primarily in the common stocks of small companies which are believed to have good prospects for capital appreciation. The fund's management concentrates on companies that may offer accelerated earnings growth because of new management, new products, or structural changes in the economy. Small-cap stocks offer the opportunity for greater long-term capital appreciation. In the short-term, however, these stocks may display substantial fluctuations in the unit price. The Small-Cap Equity Fund is comprised of the following managers: Dimensional Fund Advisors (Value), T. Rowe Price Associates, Inc. (Growth), Wellington Management Company, LLP (Core), and State Street Global Advisors (Index).

The top ten holdings of the Small-Cap Equity Fund are as follows:

#	ASSET LONG DESCRIPTION	PERCENTAGE
1	SCHEIN HENRY INC	0.66
2	O'REILLY AUTOMOTIVE INC	0.58
3	FMC TECHNOLOGIES INC	0.56
4	HEALTH MANAGEMENT ASSOC	0.50
5	INCYTE PHARMACEUTICA	0.44
6	FASCTSET RESH SYSTEMS INC	0.42
7	RASKSPACE HOSTING	0.41
8	SIGAN HOLDINGS INC	0.40
9	TIVO INC	0.40
10	ROPER INDUSTRIES	0.39

Complete holdings information for each fund manager is available to participants upon request.

Self-Directed Brokerage Option

The Self-Directed Brokerage (SDB) option allows participants with account balances of at least $5,000 to invest in mutual funds, including no-load/no-transaction fee funds, which are outside of the Deferred Compensation Plan's investment fund line-up. The SDB is for knowledgeable investors who acknowledge and understand the risks associated with many of the investments contained in the SDB option. The SDB is available through TD Ameritrade.

INVESTMENT SUMMARY FOR THE 457 PLAN

Type of Investment	Fair Value (in thousands)	Date	Percent of Fair Market Value
Stable Income Fund	$3,246,730	12/31/2010	35.7%
Bond Fund	215,786	12/31/2010	2.4%
Equity Index Fund	2,192,123	12/31/2010	24.1%
Socially Responsible Fund	278,146	12/31/2010	3.1%
Mid-Cap Equity Fund	297,901	12/31/2010	3.3%
International Equity Fund	434,133	12/31/2010	4.8%
Small-Cap Equity Fund	1,131,494	12/31/2010	12.4%
Static Allocation Fund	24,119	12/31/2010	0.3%
2000 Fund	3,508	12/31/2010	-
2005 Fund	72,272	12/31/2010	0.8%
2010 Fund	121,490	12/31/2010	1.3%
2015 Fund	428,788	12/31/2010	4.7%
2020 Fund	132,320	12/31/2010	1.4%
2025 Fund	275,602	12/31/2010	3.0%
2030 Fund	77,959	12/31/2010	0.9%
2035 Fund	45,033	12/31/2010	0.5%
2040 Fund	34,508	12/31/2010	0.4%
2045 Fund	63,316	12/31/2010	0.7%
2050 Fund	4,087	12/31/2010	-
Self-Directed Brokerage Option	16,637	12/31/2010	0.2%
Total	$9,095,952		100%

INVESTMENT SUMMARY FOR THE NYCE IRA

Type of Investment	Fair Value (in thousands)	Date	Percent of Fair Market Value
Stable Income Fund	$52,789	12/31/2010	60.4%
Bond Fund	2,174	12/31/2010	2.5%
Equity Index Fund	7,468	12/31/2010	8.5%
Socially Responsible Fund	997	12/31/2010	1.1%
Mid-Cap Equity Fund	2,566	12/31/2010	2.9%
International Equity Fund	1,924	12/31/2010	2.2%
Small-Cap Equity Fund	2,841	12/31/2010	3.3%
Static Allocation Fund	1,451	12/31/2010	1.7%
2000 Fund	596	12/31/2010	0.7%
2005 Fund	339	12/31/2010	0.4%
2010 Fund	2,776	12/31/2010	3.2%
2015 Fund	4,144	12/31/2010	4.7%
2020 Fund	1,823	12/31/2010	2.1%
2025 Fund	1,944	12/31/2010	2.2%
2030 Fund	910	12/31/2010	1.0%
2035 Fund	668	12/31/2010	0.8%
2040 Fund	484	12/31/2010	0.6%
2045 Fund	1,385	12/31/2010	1.6%
2050 Fund	88	12/31/2010	0.1%
Self-Directed Brokerage Option	-	12/31/2010	-
Total	$87,367		100%

INVESTMENT SUMMARY FOR THE 401(k) PLAN

Type of Investment	Fair Value (in thousands)	Date	Percent of Fair Market Value
Stable Income Fund	$364,699	12/31/2010	37.0%
Bond Fund	32,219	12/31/2010	3.3%
Equity Index Fund	96,420	12/31/2010	9.8%
Socially Responsible Fund	16,407	12/31/2010	1.7%
Mid-Cap Equity Fund	56,849	12/31/2010	5.8%
International Equity Fund	45,024	12/31/2010	4.5%
Small-Cap Equity Fund	62,888	12/31/2010	6.4%
Static Allocation Fund	5,343	12/31/2010	0.5%
2000 Fund	725	12/31/2010	0.1%
2005 Fund	20,917	12/31/2010	2.1%
2010 Fund	36,533	12/31/2010	3.7%
2015 Fund	75,445	12/31/2010	7.7%
2020 Fund	34,080	12/31/2010	3.4%
2025 Fund	66,455	12/31/2010	6.7%
2030 Fund	22,889	12/31/2010	2.3%
2035 Fund	16,269	12/31/2010	1.6%
2040 Fund	11,595	12/31/2010	1.2%
2045 Fund	17,924	12/31/2010	1.8%
2050 Fund	1,683	12/31/2010	0.2%
Self-Directed Brokerage Option	1,638	12/31/2010	0.2%
Total	$986,002		100%

INVESTMENT SUMMARY FOR THE 401 (a) PLAN

Type of Investment	Fair Value (in thousands)	Date	Percent of Fair Market Value
Stable Income Fund	$953	12/31/2010	12.3%
Bond Fund	104	12/31/2010	1.3%
Equity Index Fund	2,554	12/31/2010	32.9%
Socially Responsible Fund	232	12/31/2010	3.0%
Mid-Cap Equity Fund	432	12/31/2010	5.6%
International Equity Fund	568	12/31/2010	7.3%
Small-Cap Equity Fund	1,693	12/31/2010	21.8%
Static Allocation Fund	3	12/31/2010	-
2000 Fund	-	12/31/2010	-
2005 Fund	27	12/31/2010	0.4%
2010 Fund	73	12/31/2010	0.9%
2015 Fund	332	12/31/2010	4.3%
2020 Fund	140	12/31/2010	1.8%
2025 Fund	326	12/31/2010	4.2%
2030 Fund	122	12/31/2010	1.6%
2035 Fund	66	12/31/2010	0.8%
2040 Fund	45	12/31/2010	0.6%
2045 Fund	86	12/31/2010	1.1%
2050 Fund	5	12/31/2010	0.1%
Self-Directed Brokerage Option	-	12/31/2010	-
Total	$7,761		100%

Investment Management and Administrative Fees for the 457, 401(k), 401(a) Plans, and NYCE IRA for 2010 (in thousands)

	Total Assets	Investment Management Fees	Administrative Fees (.05%)	Expense Ratio	Total Money Management and Administrative Fees
Stable Income Fund	$ 3,846,362	$ 8,084	$ 1,809	$ .29%	$ 9,893
Bond Fund	440,522	957	205	.29%	1,162
Equity Index Fund	2,849,492	174	1,294	.06%	1,468
Socially Responsible Fund	295,782	1,137	134	.47%	1,271
Mid-Cap Equity Fund	451,564	1,753	187	.52%	1,940
International Equity Fund	850,998	2,548	388	.38%	2,936
Small-Cap Equity Fund	1,292,424	4,249	548	.44%	4,797
TIPS	131,663	294	58	.31%	352
Total	**$ 10,158,807**	**$ 19,196**	**$ 4,623**	**$**	**$ 23,819**

Commission Recapture Summary for the 457 & 401(k) Plans and NYCE IRA for 2010

The commission recapture program sets goals for the Deferred Compensation Plan's eligible investment managers to perform a certain percentage of their trades with plan-selected brokers, who return a portion of their commissions to the Plans, offsetting the Plans' expenses. The chart below provides a summary of commission recapture activity for 2010.

	Shares Traded	Total Commissions	Total Commissions Per Share	Commissions Received	Percentage of Total Commissions Recaptured
Abel Noser	385,670	$ 14,957	.04	$ 4,394	29.38%
CAPIS	513,641	19,100	.04	9,483	49.65%
Knight Capital Group (Formerly Donaldson & Co.)	1,004,674	39,246	.04	23,837	60.74%
Frank Russell	16,479	383	.02	162	42.30%
Lynch, Jones & Ryan	2,720,212	52,606	.02	26,740	50.83%
Total	**4,640,676**	**$ 126,292**	**.03**	**$ 64,616**	**51.16%**

Core Fund Name Market Benchmark	Annualized Returns			Expense Ratio
	1 - YR	3 - YR	5 -YR	
Stable Income Fund Barclays 1-3 Year Bond	4.3% 1.9%	4.5% 2.4%	4.5% 4.0%	0.29%
Bond Fund Bond Fund/PIMCo Benchmark (Benchmark is the Barclay's U.S Aggregate since the 4th quarter of 2006. It is 80% Barclay's U.S. Aggregate, 10% ML High Yield Index and 10% Citigroup non-US Gov't Bond Index – hedged for all periods prior to the 4th quarter of 2006.)	8.0% 6.5%	5.6% 5.9%	5.5% 5.9%	0.29%
Equity Index Fund S&P 500 Index	14.9% 15.1%	-3.0% -2.9%	2.2% 2.3%	0.06%
Socially Responsible Fund MSCI World (since March 2007); Domini 400 for all prior periods	11.1% 12.7%	-2.9% -4.2%	2.6% 1.6%	0.47%
Mid-Cap Equity Fund Russell Midcap® Index	24.8% 25.5%	1.3% 1.1%	5.2% 4.7%	0.52%
International Equity Fund MSCI EAFE Index The index is stated gross of foreign dividend withholding taxes.	5.9% 8.2%	-8.6% -6.6%	1.2% 2.9%	0.38%
Small-Cap Equity Fund Russell 2000® Index	27.7% 26.9%	3.2% 2.2%	4.2% 4.5%	0.44%

Source: Milliman USA. Returns were calculated using industry standard "modified time weighted methodology".

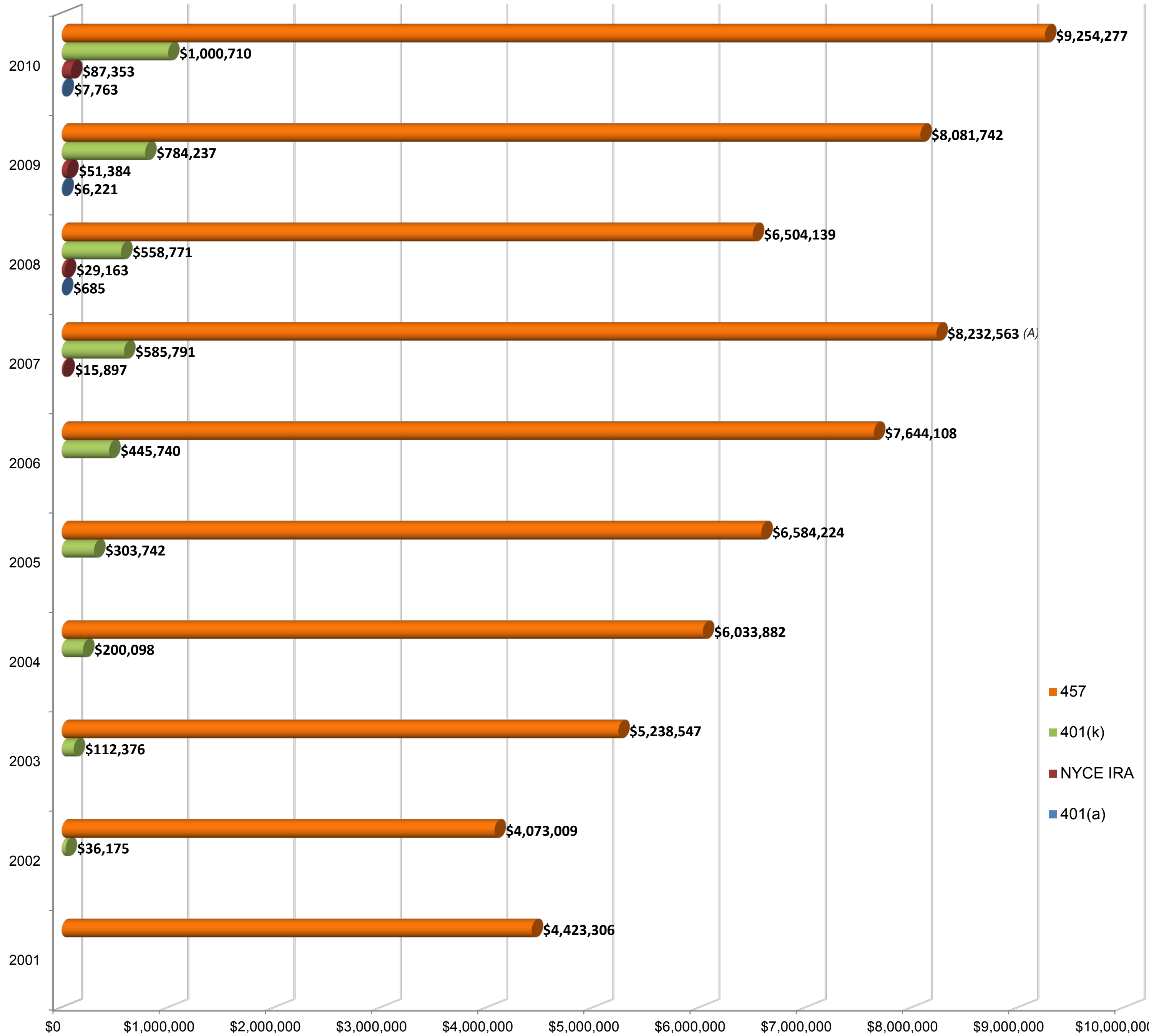
Note: Past investment returns are no guarantee of future returns and should not be relied upon as a sole source for investment decision-making. All returns shown are net of fees.

Financial Trend Information

In 2010, the twenty-fifth year of the 457, the ninth year of the 401(k), the fifth year of the NYCE IRA, and the fourth year of the 401(a), the Deferred Compensation Plan's combined assets available for plan benefits approximated $10 billion. The combined net assets available for Plan benefits increased by 16% over the previous year.

(A) Includes the 401(a)

Net assets available for Plan Benefits 2001 to 2010 (in thousands)



Additions (Deductions) to Assets by type (in thousands) from 2001 to 2010

Year Ended	Contributions (A)	Stable Value Income	Net gains (Losses) on Variable Investments	Total
457 Plan				
2001	$ 457,357	$ 71,474	$ (329,204)	$ 199,627
2002	$ 496,153	$ 84,705	$ (680,873)	$ (100,015)
2003	$ 493,796	$ 87,612	$ 798,693	$ 1,380,101
2004	$ 510,854	$ 85,574	$ 456,755	$ 1,053,183
2005	$ 518,634	$ 90,497	$ 234,086	$ 843,217
2006	$ 573,777	$ 103,783	$ 699,810	$ 1,377,370
2007	$ 563,442	$ 114,337	$ 277,716	$ 955,495
2008	$ 538,294	$ 135,295	$ (2,077,141)	$ (1,403,552)
2009	$ 613,267	$ 132,910	$ 1,079,162	$ 1,825,339
2010	**$ 565,659**	**$ 146,009**	**$ 781,217**	**$ 1,492,885**
401(k) Plan				
2002	$ 36,952	$ 101	$ (430)	$ 36,623
2003	$ 66,123	$ 1,113	$ 10,308	$ 77,544
2004	$ 77,185	$ 2,918	$ 11,453	$ 91,556
2005	$ 95,787	$ 4,085	$ 10,370	$ 110,304
2006	$ 113,445	$ 6,468	$ 32,089	$ 152,002
2007	$ 129,727	$ 7,647	$ 19,874	$ 157,248
2008	$ 130,955	$ 10,525	$ (150,200)	$ (8,720)
2009	$ 132,359	$ 12,065	$ 98,525	$ 242,949
2010	**$ 150,899**	**$ 15,139**	**$ 73,617**	**$ 239,655**
NYCE IRA				
2007	$ 15,536	$ 89	$ 209	$ 15,834
2008	$ 19,224	$ 461	$ (5,220)	$ 14,465
2009	$ 18,942	$ 991	$ 4,061	$ 23,994
2010	**$ 36,268**	**$ 1,794**	**$ 3,656**	**$ 41,718**
401(a) Plan				
2008	$ 484	$ 3	$ (285)	$ 202
2009	$ 5,277	$ 38	$ 226	$ 5,541
2010	**$ 537**	**$ 39**	**$ 982**	**$ 1,558**

Deductions From Assets by Type (in thousands) from 2001 to 2010

Year Ended	Distributions	Administrative Expenses	Total
457 Plan			
2001	$ 113,885	$ 6,118	$ 120,003
2002	$ 243,316	$ 6,966	$ 250,282
2003	$ 205,956	$ 7,424	$ 213,380
2004	$ 236,081	$ 8,174	$ 244,255
2005	$ 284,249	$ 8,626	$ 292,875
2006	$ 308,207	$ 9,277	$ 317,484
2007	$ 355,893	$ 11,149	$ 367,042
2008	$ 312,638	$ 11,749	$ 324,387
2009	$ 235,595	$ 12,141	$ 247,736
2010	**$ 308,620**	**$ 11,730**	**$ 320,350**
401(k) Plan			
2002	$ 166	$ 282	$ 448
2003	$ 1,016	$ 302	$ 1,318
2004	$ 3,245	$ 200	$ 3,445
2005	$ 6,337	$ 261	$ 6,598
2006	$ 9,552	$ 452	$ 10,004
2007	$ 16,473	$ 724	$ 17,197
2008	$ 17,376	$ 924	$ 18,300
2009	$ 16,504	$ 979	$ 17,483
2010	**$ 22,265**	**$ 917**	**$ 23,182**
NYCE IRA			
2007	$ 321	$ 94	$ 415
2008	$ 1,164	$ 35	$ 1,199
2009	$ 1,723	$ 50	$ 1,773
2010	**$ 5,699**	**$ 50**	**$ 5,749**
401(a) Plan			
2008	$ 1	$ 1	$ 2
2009	$ 4	$ 1	$ 5
2010	**$ 14**	**$ 2**	**$ 16**

(A) **Contributions include contribution from participants, rollovers, securities lending and Commission recapture less custodial fees.**

Changes in Net Assets Available for Plan Benefits (in thousands) from 2001 to 2010

Year Ended		457 Plan Totals		401(k) Plan Totals		NYCE IRA Totals		401(a) Plan Totals
2001	$	79,624		-		-		-
2002	$	(350,297)	$	36,175		-		-
2003	$	1,166,621	$	76,226		-		-
2004	$	808,925	$	88,111		-		-
2005	$	550,342	$	103,644		-		-
2006	$	1,059,886	$	141,998		-		-
2007	$	588,453	$	140,051	$	15,419		-
2008	$	(1,727,940)	$	(27,020)	$	13,266	$	200
2009	$	1,577,603	$	225,466	$	22,221	$	5,536
2010	**$**	**1,172,535**	**$**	**216,473**	**$**	**35,969**	**$**	**1,542**

Employee Participation and Deferred Trends

Year Ended	Number of Participants (A)		Average Annual Deferred Per (in thousands) (A)		Total Annual Deferrals (in thousands)		Net Assets Available for Benefits (in thousands)
457 Plan							
2001	108,703	$	5	$	456,688	$	4,423,306
2002	107,822	$	5	$	495,610	$	4,703,009
2003	106,866	$	5	$	492,211	$	5,283,547
2004	107,652	$	5	$	495,729	$	6,033,882
2005	110,013	$	5	$	516,286	$	6,584,224
2006	112,775	$	6	$	570,488	$	7,644,110
2007	115,416	$	5	$	557,846	$	8,232,563
2008	117,530	$	5	$	591,673	$	6,504,,139
2009	117,673	$	5	$	567,581	$	8,081,742
2010	**117,785**	**$**	**5**	**$**	**564,744**	**$**	**9,254,277**
401(k) Plan							
2002	5,189	$	7	$	36,952	$	36,175
2003	7,992	$	8	$	66,091	$	112,376
2004	10,879	$	7	$	76,755	$	200,098
2005	14,296	$	7	$	95,667	$	303,742
2006	18,885	$	7	$	113,270	$	445,740
2007	23,166	$	6	$	129,349	$	585,791
2008	26,356	$	5	$	135,615	$	558,771
2009	27,847	$	5	$	128,566	$	784,237
2010	**29,861**	**$**	**5**	**$**	**149,558**	**$**	**1,000,710**
NYCE IRA							
2007	596		N/A	$	15,528	$	15,897
2008	1,150		N/A	$	19,477	$	29,163
2009	1,522		N/A	$	18,761	$	51,384
2010	**2,121**	**$**	**N/A**	**$**	**36,162**	**$**	**87,353**
401(a) Plan							
2008	1,769		N/A	$	484	$	685
2009	1,902		N/A	$	5,291	$	6,221
2010	**2,026**	**$**	**N/A**	**$**	**525**	**$**	**7,763**

(A) Information provided by the Plans' recordkeeper, FASCore, LLP

Summary of Administrative Revenues and Expenses from 2001 to 2010 (in thousands)*

Year	Plan	Revenues [1]	EXPENSES	Salaries	Communication Expenses	Auditing and Advisory Fees	Reimbursement to the City for Overhead	Administrative Support	Recordkeeping Loan Fees [2]	Custodian Fees	Total Expenses
2001	457	$6,412		$554	1,492	360	243	975	2,494	-	$6,118
2002	457	$6,555		$484	1,189	393	339	1,377	3,184	-	$6,966
	401(k)	$197		$3	-	130	1	32	116	-	$282
2003	457	$7,566		$426	1,210	421	386	1,522	3,3459	584	$8,008
	401(k)	$394		$7	10	28	7	27	223	13	$315
2004	457	$9,442		$498	965	548	400	1,713	4,050	715	$8,889
	401(k)	$251		$16	10	41	12	27	94	23	$223
2005	457	$10,622		$453	1,223	587	400	1,736	4,227	918	$9,544
	401(k)	$466		$20	25	24	17	32	143	62	$323
2006	457	$12,221		$769	1,095	508	423	1,775	4,707	1,132	$10,409
	401(k)	$664		$43	63	28	26	69	223	63	$515
2007	457	$15,420		$1,160	1,575	643	774	1,827	5,170	1,437	$12,586
	401(k)	$988		$79	109	40	28	155	313	100	$824
	NYCE IRA	$24		$2	80	-	1	2	9	2	$96
2008	457	$17,640		$965	2,162	522	543	2,220	5,338	1,151	$12,901
	401(k)	$1,448		$77	181	41	43	154	428	96	$1,020
	NYCE IRA	$88		$3	7	2	2	9	12	5	$40
	401(a)	-		-	-	-	-	-	$1	-	$1
2009	457	$14,411		$1,172	2,094	631	511	2,165	5,568	833	$12,974
	401(k)	$1,329		$99	$220	47	70	186	357	68	$1,047
	NYCE IRA	$62		$6	$13	2	3	13	13	4	$54
	401(a)	-		-	-	-	-	-	1	-	$1
2010	**457**	**$16,473**		**$988**	**1,832**	**552**	**515**	**2,193**	**5,650**	**581**	**$12,311**
	401(k)	**$1,630**		**$102**	**74**	**56**	**55**	**125**	**505**	**62**	**$979**
	NYCE IRA	**$85**		**$8**	**6**	**2**	**4**	**6**	**24**	**5**	**$55**
	401(a)	**$2**		**-**	**-**	**-**	**-**	**-**	**2**	**-**	**$2**

* The Summary of Administrative Revenues and Expenses is presented on the accrual basis of accounting.

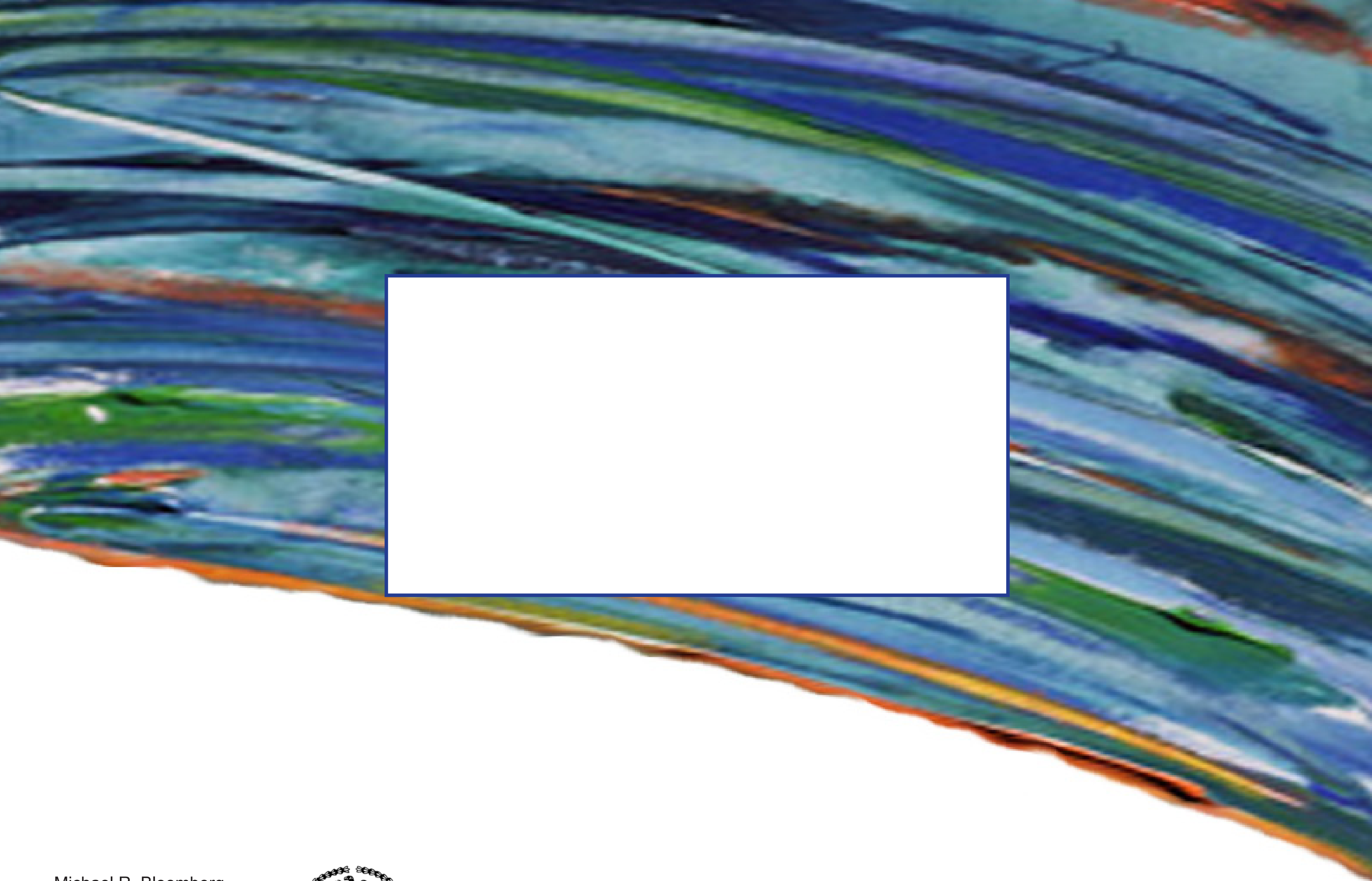
(1) Revenues include:

(a) the annual administrative fees collected from participants;
(b) communications rebates from mutual funds (1998-2003);
(c) interest earned on assets held in the Plans' custodial account;
(d) amounts deducted from the net asset values (beginning in 2002);
(e) securities lending and commission recapture (beginning in 2003); and
(f) loan origination and maintenance fees charged to participants who requested a loan during the year and have an outstanding balance.

Administrative fees:

$50.00 from 1/1/01-12/31/04;
$46.03 from 1/1/05-12/31/05;
$37.50 from 1/1/06-12/31/07;
$50.00 from 1/1/08-12/31/08;
$57.50 from 1/1/09-12/31/09 and
$80.00 from 1/1/10 to 12/31/10.

(2) Expenses include loan fees beginning in 2006.



Michael R. Bloomberg
Mayor
City of New York

James F. Hanley
Commissioner
Office of Labor Relations

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