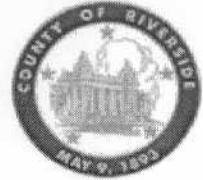


**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
REDEVELOPMENT AGENCY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

598



FROM: Redevelopment Agency

SUBMITTAL DATE:
July 20, 2005

SUBJECT: Investment Policy and Annual Portfolio Disclosure Report For The Year Ending June 30, 2005.

RECOMMENDED MOTION: That the Board of Directors receive and file the attached Disclosure Report on the Redevelopment Agency's Investment Portfolio for the year ending June 30, 2005 and adopt the Agency's Investment Policy dated June 30, 2005.

BACKGROUND: On December 1, 2003, the Board of Supervisors adopted an umbrella investment policy which directs those departments and special districts whose funds reside in Trust or in separate operating funds other than the Treasurer's pool to establish an Investment Policy establishing authority for investing, minimum requirements for quality investment practices, reporting and auditing standards. This policy also requires the Redevelopment Agency to annually adopt the Agency's Investment Policy and file annual Disclosure Reports with the Board of Directors, the Auditor Controller and the Investment Oversight Committee. Enclosed is the Redevelopment Agency's Investment Policy and Disclosure Report for the year ending June 30, 2005. The only change made to the Agency's Investment Policy is to the signature list of Authorized Designees.

Departmental Concurrence

Robin Zimpfer

RZ:DL:DB:SF
S:\RDACOM\RDACOM_ADMIN\Investment Policy Reports\04-05\IRDA-F11-04-05.doc

Robin Zimpfer
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: No

SOURCE OF FUNDS: N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

FORM APPROVED
COUNTY COUNSEL

AUG 09 2005

County Executive Office Signature

Bhonda King

BY *Lee A. Anderson*

- Dep't Recomm.: Consent Policy
- Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: N/A

District: All

Agenda Number:

**Riverside County Redevelopment Agency
Disclosure Report on Investment Portfolio
June 30, 2004**

Purpose: The following report is provided annually by the Riverside County Redevelopment Agency to the members of the Board of Directors, County Auditor-Controller, County Investment Oversight Committee, and to any member of the public interested in the information.

The report will consider the following two areas involving the Redevelopment Agency's management of the portfolio;

(1) The preservation of the principal in the funds invested, the cost (i.e., book value) vs. the current market value of the securities in the portfolio, and

(2) The liquidity position of the portfolio.

Portfolio: The following is the composition of the portfolio showing the book and current market value of the securities in the portfolio reported by the Agency's fiscal agents (i.e. Bank of New York) as of June 30, 2005.

Type	Book Value	Market Value	%
U.S. Treasury Bills & Notes	\$ -	\$ -	
Federal Agency Securities	\$ -	\$ -	
Repurchase Agreements	\$ -	\$ -	
Investment Agreements	\$ 138,202,813.71	\$ 138,202,813.71	78.61%
Money Market Fund	\$ 214,639.19	\$ 214,639.19	0.12%
Pooled Investment Account	\$ 37,391,897.64	\$ 37,391,897.64	21.27%
Commercial Paper	\$ -	\$ -	
Bankers Acceptances	\$ -	\$ -	
State, local govt. bonds, notes, etc.	\$ -	\$ -	
Totals	\$ 175,809,350.54	\$ 175,809,350.54	100.00%

As of June 30, 2004, the liquidity position of the portfolio was:

Type	Amount	Available
Redevelopment Fund	\$ 160,955,599.51	Immediately
Reserve Fund	\$ 14,650,242.72	As Needed
Principal Fund	\$ 23.84	Immediately
Interest Fund	\$ 1,107.23	Immediately
Revenue Fund	\$ 554.22	As Needed
Capitalized Interest	\$ 0.87	As Needed
Escrow Account	\$ -	As Needed
Cost of Issuance Fund	\$ 3,072.82	As Needed
Custody Fund	\$ 198,749.33	As Needed
Total	\$ 175,809,350.54	\$ 175,809,350.54

The pooled investments shown above provide sufficient cash flow liquidity to meet the next six months estimated expenditures. I certify that this report accurately reflects all pooled investments and is in conformity with the investment policy approved by the Board of Directors of the County of Riverside, State of California.



 Robin Zimpfer
 Executive Director

Riverside County Redevelopment Agency
Statement of Investments, June 30, 2005

Account Name	Security Purchased	Rating	Settlement Date	Maturity Date	Coupon Rate/Yield	Investment Value	Market Value
<u>97 Bond Reserve Account</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	3.05%	5.24	5.24
Investment Agreement	American Int'l. Group Inc.-Matched Funding	AA/AA	9/30/1997	10/1/2033	6.48%	638,980.80	638,980.80
Sub Total						638,986.04	638,986.04
<u>97 Custody Account</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	3.00%	198,749.33	198,749.33
Sub Total						198,749.33	198,749.33
<u>97 Revenue Fund</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	3.00%	554.22	554.22
Sub Total						554.22	554.22
<u>97 Project Area #1 Reserve Account</u>							
Investment Agreement	American Int'l. Group Inc.-Matched Funding	AA/AA	9/30/1997	10/1/2033	6.48%	109,043.52	109,043.52
Sub Total						109,043.52	109,043.52
<u>97 Project Area #2 Reserve Account</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	2.99%	8,297.39	8,297.39
Investment Agreement	American Int'l. Group Inc.-Matched Funding	AA/AA	9/30/1997	10/1/2033	6.48%	1,166,955.98	1,166,955.98
Sub Total						1,175,253.37	1,175,253.37
<u>97 Project Area #3 Reserve Account</u>							
Investment Agreement	American Int'l. Group Inc.-Matched Funding	AA/AA	9/30/1997	10/1/2033	6.48%	263,275.26	263,275.26
Sub Total						263,275.26	263,275.26
<u>97 Project Area #3-89 Reserve Account</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	0.00%	-	-
Investment Agreement	American Int'l. Group Inc.-Matched Funding	AA/AA	9/30/1997	10/1/2033	6.48%	426,911.76	426,911.76
Sub Total						426,911.76	426,911.76
<u>97 Project Area #4 Reserve Account</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	0.00%	-	-
Investment Agreement	American Int'l. Group Inc.-Matched Funding	AA/AA	9/30/1997	10/1/2033	6.48%	625,968.50	625,968.50
Sub Total						625,968.50	625,968.50
<u>97 Project Area #5 Reserve Account</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	0.00%	-	-
Investment Agreement	American Int'l. Group Inc.-Matched Funding	AA/AA	9/30/1997	10/1/2033	6.48%	607,450.00	607,450.00
Sub Total						607,450.00	607,450.00
<u>97 Project Area Principal Account</u>							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	3.02%	23.84	23.84
Sub Total						23.84	23.84

Riverside County Redevelopment Agency
Statement of Investments, June 30, 2005

Account Name	Security Purchased	Rating	Settlement Date	Maturity Date	Coupon Rate/Yield	Investment Value	Market Value
97 Project Area Interest Account							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	0.00%	0.04	0.04
Sub Total						0.04	0.04
01 JV Redevelopment Fund							
Money Market Account	U/O/P in Federated Treasury Obligations	Aaa/AAA(m)	N/A	N/A	2.99%	3.41	3.41
Sub Total						3.41	3.41
01 JV Debt Service Reserve Account							
Money Market Account	U/O/P Federated U.S. Treasury	Aaa/AAA(m)	6/30/1998	N/A	2.99%	213.46	213.46
Investment Agreement	Ambac Capital Funding, Inc.	Aaa/AAA	4/25/2001	10/1/2035	6.07%	4,409,342.51	4,409,342.51
Investment Agreement	FSA Capital Management Services LLC	Aaa/AAA	11/6/2003	9/26/2035	5.12%	770,800.91	770,800.91
Pooled Investment Account	MBIA, Inc.	Aaa/AAA	2/15/2005	10/1/2035	4.73%	1,846,164.58	1,846,164.58
Sub Total						7,026,521.46	7,026,521.46
01 JV Capitalized Interest Account							
Money Market Account	U/O/P in Federated Treasury Obligations	Aaa/AAA(m)	N/A	N/A	3.40%	0.87	0.87
Sub Total						0.87	0.87
01 JV Interest Account							
Money Market Account	U/O/P in Federated Treasury Obligations	Aaa/AAA(m)	N/A	N/A	3.02%	1,098.18	1,098.18
Sub Total						1,098.18	1,098.18
04 Redevelopment Fund Account (01-86)							
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.58%	2,523.82	2,523.82
Investment Agreement	American Int'l. Group Inc.	AA/AA	2/10/2005	9/1/2008	3.67%	15,729,962.60	15,729,962.60
Sub Total						15,732,486.42	15,732,486.42
04 Redevelopment Fund Account (JVPA)							
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.59%	8.88	8.88
Investment Agreement	American Int'l. Group Inc.	AA/AA	2/10/2005	9/1/2008	3.67%	16,372,948.92	16,372,948.92
Sub Total						16,372,957.80	16,372,957.80
04 Redevelopment Fund Account (MCPA)							
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.63%	3.04	3.04
Investment Agreement	American Int'l. Group Inc.	AA/AA	2/10/2005	9/1/2008	3.67%	5,246,680.07	5,246,680.07
Sub Total						5,246,683.11	5,246,683.11
04 Redevelopment Fund Account (DCPA)							
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.56%	0.39	0.39
Investment Agreement	American Int'l. Group Inc.	AA/AA	2/10/2005	9/1/2008	3.67%	33,150,681.36	33,150,681.36
Sub Total						33,150,681.75	33,150,681.75

Riverside County Redevelopment Agency
Statement of Investments, June 30, 2005

Account Name	Security Purchased	Rating	Settlement Date	Maturity Date	Coupon Rate/Yield	Investment Value	Market Value	
04 Redevelopment Fund Account (I-215)								
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.59%	10.06	10.06	
Investment Agreement	American Intl. Group Inc.	AA/AA	2/10/2005	9/1/2008	3.67%	18,602,382.31	18,602,382.31	
Sub Total						18,602,392.37	18,602,392.37	
04 Debt Service Reserve Account (01-86)								
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	0.00%	0.04	0.04	
Investment Agreement	American Intl. Group Inc.	AA/AA	2/10/2005	10/1/2037	4.90%	1,627,500.00	1,627,500.00	
Sub Total						1,627,500.04	1,627,500.04	
04 Debt Service Reserve Account (MCPA)								
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	0.00%	-	-	
Investment Agreement	American Intl. Group Inc.	AA/AA	2/10/2005	10/1/2037	4.90%	532,303.31	532,303.31	
Sub Total						532,303.31	532,303.31	
04 Debt Service Reserve Account (I-215)								
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	0.00%	0.04	0.04	
Investment Agreement	American Intl. Group Inc.	AA/AA	2/10/2005	10/1/2037	4.90%	1,617,029.42	1,617,029.42	
Sub Total						1,617,029.46	1,617,029.46	
04 Interest Account								
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.55%	9.01	9.01	
Sub Total						9.01	9.01	
04 Redevelopment Housing A Fund Account								
Non-Taxable Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	3.09%	0.97	0.97	
Pooled Investment Account	MBIA, Inc.	Aaa/AAA	2/10/2005	9/1/2008	3.52%	35,545,733.06	35,545,733.06	
Sub Total						35,545,734.03	35,545,734.03	
04 Redevelopment Housing A-T Fund Account								
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.57%	64.14	64.14	
Investment Agreement	American Intl. Group Inc.	AA/AA	2/10/2005	9/1/2008	3.63%	36,304,596.48	36,304,596.48	
Sub Total						36,304,660.62	36,304,660.62	
05A Cost of Issuance Account								
Money Market Account	JPM Morgan Institutional Treasury MM	Aaa/AAA(m)	N/A	N/A	2.58%	3,072.82	3,072.82	
Sub Total						3,072.82	3,072.82	
						TOTAL INVESTMENT	175,806,277.72	175,809,350.54

* Yield for the quarter.

Riverside County Redevelopment Agency
 Statement of Investments, June 30, 2005

Account Name	Security Purchased	Rating	Settlement Date	Maturity Date	Coupon Rate/Yield	Investment Value	Market Value
Total by Fund Type							
	Redevelopment Fund:						160,955,599.51
	Reserve Fund:						14,650,242.72
	Principal Fund:						23.84
	Interest Fund:						1,107.23
	Revenue Fund:						554.22
	Capitalized Interest:						0.87
	Escrow Account:						-
	Cost of Issuance Account:						3,072.82
	Custody Account:						198,749.33
	TOTAL INVESTMENT:						175,809,350.54
Total by Investment Type							
	Total Money Market Account Funds:						214,639.19
	Total Investment Agreement Funds:						138,202,813.71
	Pooled Investment Accounts:						37,391,897.64
	TOTAL INVESTMENT:						175,809,350.54