

M2 Expenditure Report
Fiscal Year Ended June 30, 2025
Beginning and Ending Balances

Description	Line No.	Amount	Interest
Balances at Beginning of Fiscal Year			
A-M: Freeway Projects	1	\$ (36,889.00)	\$ -
O: Regional Capacity Program (RCP)	2	\$ 221,547.98	\$ -
P: Regional Traffic Signal Synchronization Program (RTSSP)	3	\$ (810,904.29)	\$ -
Q: Local Fair Share	4	\$ 8,413,292.26	\$ -
R: High Frequency Metrolink Service	5	\$ -	\$ -
S: Transit Extensions to Metrolink	6	\$ -	\$ -
T: Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	7	\$ -	\$ -
U: Senior Mobility Program or Senior Non-Emergency Medical Program	8	\$ (61,520.73)	\$ -
V: Community Based Transit/Circulators	9	\$ (11,401.00)	\$ -
W: Safe Transit Stops	10	\$ 577.91	\$ -
X: Environmental Cleanup Program (Water Quality)	11	\$ (110,222.54)	\$ -
Other*	12	\$ 92,570.88	\$ -
Balances at Beginning of Fiscal Year	13	\$ 7,697,051.47	\$ -
Monies Made Available During Fiscal Year	14	\$ 4,098,300.70	\$ 340,136
Total Monies Available (Sum Lines 13 & 14)	15	\$ 11,795,352.17	\$ 340,136
Expenditures During Fiscal Year	16	\$ 6,225,207.08	\$ 340,136
Balances at End of Fiscal Year			
A-M: Freeway Projects	17	\$ (36,889.00)	\$ -
O: Regional Capacity Program (RCP)	18	\$ 221,547.98	\$ -
P: Regional Traffic Signal Synchronization Program (RTSSP)	19	\$ (978,709.55)	\$ -
Q: Local Fair Share	20	\$ 6,536,470.31	\$ -
R: High Frequency Metrolink Service	21	\$ -	\$ -
S: Transit Extensions to Metrolink	22	\$ -	\$ -
T: Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	23	\$ -	\$ -
U: Senior Mobility Program or Senior Non-Emergency Medical Program	24	\$ (256,770.34)	\$ -
V: Community Based Transit/Circulators	25	\$ (11,401.00)	\$ -
W: Safe Transit Stops	26	\$ 577.91	\$ -
X: Environmental Cleanup Program (Water Quality)	27	\$ 2,747.90	\$ -
Other*	28	\$ 92,570.88	\$ -

* Please provide a specific description

*Beginning and Ending Balance for Other -Line 12 and Line 28 was the accumulated total of following items that were previously funded by Measure M funds and reported on Prior Year's M2 reports:

\$ 15,931 Reimbursement from SCE for the Harbor Widening Project (O-CTFP).

\$ 64,568.32 :Reimbursement from City of Santa Ana for MacArthur Boulevard Rehabilitation project. reported on FY2021 M2 report.

\$ 6,600 : Reimbursement from Mesa Consolidated Water District for East 19th Street Improvement project. reported on FY2021 M2 report.

\$ 5,471.56: Reimbursement from City of Santa Ana for Bear Street SSP. Reported on FY2023 M2 report.

City of Costa Mesa

M2 Expenditure Report
Fiscal Year Ended June 30, 2025
Sources and Uses

Schedule 2

Description	Line No.	Amount	Interest
Revenues:			
A-M : Freeway Projects	1	\$ -	\$ -
O : Regional Capacity Program (RCP)	2	\$ -	\$ -
P : Regional Traffic Signal Synchronization Program (RTSSP)	3	\$ -	\$ -
Q : Local Fair Share	4	\$ 3,485,654.34	\$ 340,135.86
R : High Frequency Metrolink Service	5	\$ -	\$ -
S : Transit Extensions to Metrolink	6	\$ -	\$ -
T : Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	7	\$ -	\$ -
U : Senior Mobility Program or Senior Non-Emergency Medical Program	8	\$ 123,490.36	\$ -
V : Community Based Transit/Circulators	9	\$ -	\$ -
W : Safe Transit Stops	10	\$ -	\$ -
X : Environmental Cleanup Program (Water Quality)	11	\$ 489,156.00	\$ -
Other*	12	\$ -	\$ -
TOTAL REVENUES (Sum lines 1 to 12)	13	\$ 4,098,300.70	\$ 340,135.86
Expenditures:			
A-M : Freeway Projects	14	\$ -	\$ -
O : Regional Capacity Program (RCP)	15	\$ -	\$ -
P : Regional Traffic Signal Synchronization Program (RTSSP)	16	\$ 167,805.26	\$ -
Q : Local Fair Share	17	\$ 5,362,476.29	\$ 340,135.86
R : High Frequency Metrolink Service	18	\$ -	\$ -
S : Transit Extensions to Metrolink	19	\$ -	\$ -
T : Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems	20	\$ -	\$ -
U : Senior Mobility Program or Senior Non-Emergency Medical Program	21	\$ 318,739.97	\$ -
V : Community Based Transit/Circulators	22	\$ -	\$ -
W : Safe Transit Stops	23	\$ -	\$ -
X : Environmental Cleanup Program (Water Quality)	24	\$ 376,185.56	\$ -
Other*	25	\$ -	\$ -
TOTAL EXPENDITURES (Sum lines 14 to 25)	26	\$ 6,225,207.08	\$ 340,135.86
TOTAL BALANCE (Subtract line 26 from 13)	27	\$ (2,126,906.38)	\$ -

* Please provide a specific description

Revenue for Water Quality project (X)- line 11

City recorded following two payments received from OCTA in September 2025 for Water Quality Program (project X) on the accrual basis and reported as FY24-25 revenue on M2 report :

\$375,000 received on 9/10/25 and \$114,156 received on 9/30/25

Interest Revenue for Local Fair Share (Q) - line 4

This amount included an interest adjustment (-\$34,464) made in FY23-24 after filing M2 report.

City reported \$330,259 Interest for M2 Fairshare fund on FY2024 M2 report but the final Investment income was adjusted and reduced to \$295,795 on City's FY23-24 Annual Comprehensive Financial Report (ACFR).

M2 Expenditure Report
Fiscal Year Ended June 30, 2025
Streets and Roads Detailed Use of Funds

Type of Expenditure	Line No.	MOE	Developer / Impact Fees ¹	O	O Interest	P	P Interest	Q	Q Interest	X	X Interest	Other M2 Interest	Other* ²	TOTAL
Indirect and/or Overhead	1	\$ 1,531,342.51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,531,342.51
Construction & Right-of-Way														
New Street Construction	2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Reconstruction	3a	\$ -	\$ 1,248,255.26	\$ -	\$ -	\$ -	\$ -	\$ 1,283,403.83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,531,659.09
Street Reconstruction - Pavement	3b	\$ 872,358.07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 872,358.07
Signals, Safety Devices, & Street Lights	4	\$ 155,830.06	\$ 23,049.07	\$ -	\$ -	\$ 167,805.26	\$ -	\$ 299,399.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 646,083.71
Pedestrian Ways & Bikepaths	5	\$ 325,564.24	\$ 309,865.51	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 835,429.75
Storm Drains	6	\$ 225,425.65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 376,185.56	\$ -	\$ -	\$ -	\$ 601,611.21
Storm Damage	7a	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storm Damage - Pavement	7b	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Construction ¹ (Sum Lines 2 to 7b)	8	\$ 1,779,178.02	\$ 1,581,169.84	\$ -	\$ -	\$ 167,805.26	\$ -	\$ 1,582,803.15	\$ -	\$ 376,185.56	\$ -	\$ -	\$ -	\$ 5,487,141.83
Right of Way Acquisition	9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Construction & Right-of-Way (Sum Lines 8 & 9)	10	\$ 1,779,178.02	\$ 1,581,169.84	\$ -	\$ -	\$ 167,805.26	\$ -	\$ 1,582,803.15	\$ -	\$ 376,185.56	\$ -	\$ -	\$ -	\$ 5,487,141.83
Maintenance														
Patching	11	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overlay & Sealing	12	\$ 1,659,298.93	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,779,673.14	\$ 340,135.86	\$ -	\$ -	\$ -	\$ -	\$ 5,779,107.93
Street Lights & Traffic Signals	13	\$ 2,434,707.66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,434,707.66
Storm Damage	14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Street Purpose Maintenance	15a	\$ 4,001,115.87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,001,115.87
Other Street Purpose Maintenance - Pavement	15b	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Maintenance ¹ (Sum Lines 11 to 15b)	16	\$ 8,095,122.46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,779,673.14	\$ 340,135.86	\$ -	\$ -	\$ -	\$ -	\$ 12,214,931.46
Other	17	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
GRAND TOTALS (Sum Lines 1, 10, 16, 17)	18	\$ 11,405,642.99	\$ 1,581,169.84	\$ -	\$ -	\$ 167,805.26	\$ -	\$ 5,362,476.29	\$ 340,135.86	\$ 376,185.56	\$ -	\$ 318,739.97	\$ -	\$ 19,552,155.77
Any California State Constitution Article XIX streets and road eligible expenditure may be "counted" in local jurisdictions' calculation of MOE if the activity is supported (funded) by a local jurisdiction's discretionary funds (e.g. general fund). The California State Controller also provides useful information on Article XIX and the Streets and Highways Code eligible expenditures in its "Guidelines Relating to Gas Tax Expenditures for Cities and Counties".														
Finance Director Confirmation	19	I have reviewed and am aware of these guidelines and their applicability in calculating and reporting on Maintenance of Effort expenditures. Finance Director Initial: 												

¹ Includes direct charges for staff time² Other M2 includes A-M, R,S,T,U,V, and W

* Transportation related only

* Please provide a specific description

Legend

Project	Description
A-M	Freeway Projects
O	Regional Capacity Program (RCP)
P	Regional Traffic Signal Synchronization Program (RTSSP)
Q	Local Fair Share
R	High Frequency Metrolink Service
S	Transit Extensions to Metrolink
T	Convert Metrolink Station(s) to Regional Gateways that connect Orange County with High-Speed Rail Systems
U	Senior Mobility Program or Senior Non-Emergency Medical Program
V	Community Based Transit/Circulators
W	Safe Transit Stops
X	Environmental Cleanup Program (Water Quality)

GRAND TOTAL PROJECT Q EXPENDED	\$ 5,702,612.15
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M2 Expenditure Report
Fiscal Year Ended June 30, 2025

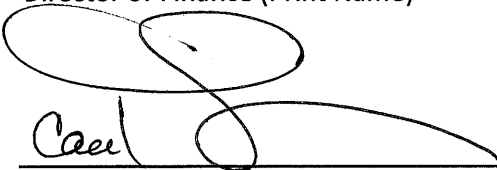
I hereby certify that:

- ☒ All the information attached herein and included in schedules 1 through 4 is true and accurate to the best of my knowledge;
- ☒ The interest earned on Net Revenues allocated pursuant to the Ordinance shall be expended only for those purposes for which the Net Revenues were allocated;
- ☒ The City of Costa Mesa is aware of the State Controller's "Guidelines Relating to Gas Tax Expenditures for Cities and Counties", which is a guide for determining MOE Expenditures for M2 Eligibility purposes;
- ☒ The City's Expenditure Report is in compliance with direction provided in the State Controller's "Guidelines Relating to Gas Tax Expenditures for Cities and Counties;" and
- ☒ The City of Costa Mesa has expended in this fiscal year an amount of local discretionary funds for streets and roads purposes at least equal to or exceeding the FY 2024-25 MOE benchmark dollar amount ¹¹.

Carol Molina

Director of Finance (Print Name)

November 17, 2025
Date



Signature

¹¹ Jurisdictions are encouraged to submit MOE eligible expenditures higher than their MOE benchmark, so that should certain expenses be ruled ineligible during an MOE audit, the local jurisdiction still has sufficient MOE expenditures to demonstrate continued achievement of the MOE benchmark.