

M2 Expenditure Report Template

Measure M2 Expenditure Report Template**Schedule 1: Summary Statement of Beginning and Ending Balances****Lines 1 – 12: Balances at Beginning of Fiscal Year**

Report all fund balances and interest intended for transportation purposes at the beginning of the fiscal year. These balances should be classified by funding source as illustrated in the table below. To provide for continuity of reporting, the beginning balances of any restricted funds must agree with the ending balances of such funds as shown in the prior year's report.

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)
Other	Please provide description for other categories

Line 13: Balances at Beginning of Fiscal Year - TOTAL

Sum of Lines 1 – 12 in the "Amount" and "Interest" columns

Line 14: Monies Made Available During Fiscal Year

Report total available monies (revenues) from Schedule 2, Line 13 in the "Amount" and "Interest" columns

Line 15: Total Monies Available

Sum of Lines 13 - 14 in the "Amount" and "Interest" columns

Line 16: Expenditures During Fiscal Year

Report total available monies (revenues) from Schedule 2, Line 26 in the "Amount" and "Interest" columns

Lines 17 - 28: Balances at End of Fiscal Year

Report by funding source all fund balances and interest for transportation purposes at the end of the fiscal year. To provide for continuity of reporting, the beginning balances of the fund sources in next year's report must agree with the ending balances of such funds as shown in this year's report (or otherwise reconciled).

**M2 Expenditure Report
Fiscal Year Ended June 30, 20____
Beginning and Ending Balances**

Description	Line No.	Amount	Interest
Balances at Beginning of Fiscal Year			
A-M Freeway Projects	1		
O Regional Capacity Program (RCP)	2		
P Regional Traffic Signal Synchronization Program (RTSSP)	3		
Q Local Fair Share	4		
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		
V Community Based Transit/Circulators	9		
W Safe Transit Stops	10		
X Environmental Cleanup Program (Water Quality)	11		
Other*	12		
Balances at Beginning of the Fiscal Year (Sum Lines 1 to 12)	13		
Monies Made Available During Fiscal Year	14		
Total Monies Available (Sum Lines 13 & 14)	15		
Expenditures During Fiscal Year	16		
Balances at End of Fiscal Year			
A-M Freeway Projects	17		
O Regional Capacity Program (RCP)	18		
P Regional Traffic Signal Synchronization Program (RTSSP)	19		
Q Local Fair Share	20		
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		
V Community Based Transit/Circulators	25		
W Safe Transit Stops	26		
X Environmental Cleanup Program (Water Quality)	27		
Other*	28		

* Please provide a specific description

Measure M2 Expenditure Report

Schedule 2: Summary Statement of Sources and Uses

Lines 1 - 12: Report the Following Revenue Sources and Interest on the Appropriate Line

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)
Other	Please provide description for other categories

Line 13: Total Revenues

Sum of Lines 1 - 12 (should match Total in Schedule 1, Line 14 in the "Amount" and "Interest" columns)

Lines 14 - 25: Report the Following Expenditures on the Appropriate Line

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)
Other	Please provide description for other categories

Line 26: Total Expenditures

Sum of Lines 14 - 25 (should match Total in Schedule 1, Line 16 in the "Amount" and "Interest" columns)

Line 27: Total Balance

Subtract Line 26 from Line 13 in the "Amount" and "Interest" columns

M2 Expenditure Report
Fiscal Year Ended June 30, 20__
Sources and Uses

	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		
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		
V	Community Based Transit/Circulators	9		
W	Safe Transit Stops	10		
X	Environmental Cleanup Program (Water Quality)	11		
	Other*	12		
	TOTAL REVENUES: (Sum Lines 1 to 12)	13	\$	\$
	Expenditures:			
A-M	Freeway Projects	14		
O	Regional Capacity Program	15		
P	Regional Traffic Signal Synchronization Program	16		
Q	Local Fair Share	17		
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		
V	Community Based Transit/Circulators	22		
W	Safe Transit Stops	23		
X	Environmental Cleanup Program (Water Quality)	24		
	Other*	25		
	TOTAL EXPENDITURES: (Sum Lines 14 to 25)	26	\$	\$
	TOTAL BALANCE (Subtract line 26 from 13)	27	\$	\$

* Please provide a specific description

Measure M2 Expenditure Report Template Instructions

Schedule 3: Summary Statement of Detailed Use of Funds

Line 1: Indirect and/or Overhead

This line covers local jurisdiction costs that cannot be readily identified to a specific project. The costs listed in this line item represent an equitable share of expenditures for activities not directly allocated to right-of-way, construction, or other categories. Allocations must be based on a reasonable, documented methodology.

This includes, but is not limited to:

Payroll	General accounting/finance
Personnel	Departmental accounts/finance
Purchasing/Procurement	Facilities
Advertising	Data processing
Legal costs	Top management
General government	Bids

Lines 2 - 7: Construction

Construction expenditures include the following:

- Planning, environmental, or design related to construction.
- Salaries and expenses of employees in connection with construction (direct costs).

Line 2: New Street Construction

- Projects developing new streets, bridges, lighting facilities, storm drains, etc. in locations that formerly had no such facilities, or projects departing to such an extent from existing alignment and grade that no material salvage value is realized from the old facilities.
- Additions and betterments to the street system and its rights-of-way, including grade separations and urban extensions.
- Streetscape including original landscaping, tree planting, and similar work.

Line 3a: Street Reconstruction

- Any non-pavement related work that materially increases the service life of the original project.

Line 3b: Street Reconstruction - Pavement

- Improvement of pavement surfaces through heavy, non-routine maintenance designed to achieve a ten-year service life, which typically includes:
 - Resurfacing to a thickness greater than one inch.
 - Resurfacing to a thickness less than one inch if the project has been determined by the city engineer that such work is properly classified as construction.
 - Placing sufficient new material on the street or road to substantially improve the quality of the original surface

Line 4: Signals, Safety Devices, & Street Lights

- Construction of traffic islands and other traffic safety devices.
- Transit facilities including, but not limited to, bus stops, shelters, and maintenance facilities.
- Acquisition and installation of street lighting facilities, traffic signals, and/or street signs (only when such signs are installed in connection with developing new streets).

Line 5: Pedestrian Ways & Bike paths

- Construction of bikeways when they are an integral part of the roads and highways system.
- Construction of bicycle or pedestrian underpasses or overhead crossings for general public use.
- Installation or extension of curbs or sidewalks.

Line 6: Storm Drains

- A complete reconstruction or an addition to a culvert.
- Extending old culverts and drains and replacing headwalls.
- Installation or extension of gutters, or underdrains.

Line 7a: Storm Damage

- Extensive repair or replacement due to damage resulting from storm or flood.

Line 7b: Storm Damage - Pavement

- Extensive pavement repair due to damage resulting from storm or flood.

Line 8: Total Construction

Sum of Lines 2 - 7

Line 9: Right-of-Way Acquisition

Right-of-way expenditures include the following:

- The acquisition of land or interest for use as a right-of-way in connection with the city's street system; the amount reported should include the cost of acquisition of any improvements situated on the real property at the date of its acquisition by the city.
- The cost of removing, demolishing, moving, resetting, and altering buildings or other structures that obstruct the right-of-way.
- The court costs of condemnation proceedings.
- Title searches and reports.
- Salaries and expenses of employees and right-of-way agents in connection with the acquisition of rights-of-way (direct costs).
- Severance damage to property sustained due to the city's street projects.
- All other costs of acquiring rights-of-way free and clear of all physical obstructions and legal encumbrances.

Line 10: Total Construction and Right-of-Way

Sum of Lines 8-9

Line 11 - 15: Maintenance / Operations

Maintenance is defined as the preservation and upkeep of a street or road constructed condition, and the operation of a street or road facility and its integral services to provide safe, convenient, and economical highway transportation.

Maintenance expenditures include the following:

- Salaries and expenses of employees in connection with maintenance and/or operations (direct costs).

Line 11: Patching

- Patching, repairing, surface treating, and joint filling on traveled ways and shoulders.
- Jacking concrete pavements and patching operations including base restoration.

Line 12: Overlay & Sealing

- Resealing street or road shoulders and side street and road approaches.
- Street and road resurfacing projects.

Line 13: Street Lights & Traffic Signals

- Maintenance of traffic signal equipment, coordination and timing on the city streets, as well as the city's share of such expenditures covering traffic signals situated at intersections of city streets and state highways within the incorporated area of the city.

Line 14: Storm Damage

- Repairs or other work necessitated by damage to street structures or facilities resulting from storms, slides, settlements, or other causes unless it has been determined by the city engineer that such work is properly classified as construction.

Line 15a: Other Street Purpose Maintenance

- The preservation and keeping of rights-of-way, street structures, and facilities in the safe and usable condition, to which they have been improved or constructed, but not reconstruction or other improvements.
- General utility services such as roadside planting, tree trimming, street cleaning, snow removal, and general weed control.

Line 15b: Other Street Purpose Maintenance - Pavement

- Pavement management program administration (direct costs)

Line 16: Total Maintenance

Sum of Lines 11 - 15

Line 17: Other

Please provide description for other categories. For example: transit, Senior Mobility Program, water quality, transit operations such as vehicle leases and other related operating expenses, etc. This category is not applicable to the MOE column as MOE expenditures would fall into the categories listed above.

Line 18: Grand Totals

Sum of Lines 1, 10, 16, and 17

Line 19: Finance Director Confirmation

Finance Director initials to confirm understanding of MOE.

City/County of: _____

**M2 Expenditure Report
Fiscal Year Ended June 30, 20____
Streets and Roads Detailed Use of Funds**

Type of Expenditure	Line Item	MOE	Developer / Impact Fee ⁺	O	O Interest	P	P Interest	Q	Q Interest	X	X Interest	Other M2 ²	Other M2 Interest	Other*	TOTAL
Indirect and/or Overhead	1														\$
Construction & Right-of- Way															
New Street Construction	2														\$
Street Reconstruction	3a														\$
Street Reconstruction - Pavement	3b														\$
Signals, Safety Devices, & Street Lights	4														\$
Pedestrian Ways & Bike paths	5														\$
Storm Drains	6														\$
Storm Damage	7a														\$
Storm Damage - Pavement	7b														\$
Total Construction¹	8														\$
Right of Way Acquisition	9														\$
Total Construction & Right-of-Way	10														\$
Maintenance															
Patching	11														\$
Overlay & Sealing	12														\$
Street Lights & Traffic Signals	13														\$
Storm Damage	14														\$
Other Street Purpose Maintenance	15a														\$
Other Street Purpose Maintenance - Pavement	15b														\$
Total Maintenance¹	16														\$
Other	17														\$
GRAND TOTALS (Sum Lines 1, 10, 16, 17)	18	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Finance Director Confirmation	19	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". I have reviewed and am aware of these guidelines and their applicability in calculating and reporting on Maintenance of Effort expenditures. Finance Director initials: _____													

¹ Includes direct charges for staff time

+ Transportation related only

² Other M2 includes A-M, R, S, T, U, V, and W

* Please provide a specific description

Measure M2 Expenditure Report Template Instructions

Schedule 4: Summary Statement of Local Fair Share Project List

List the project titles and brief description (maximum of one sentence) for all projects that utilized any portion of Measure M2 (M2) Local Fair Share funding. Select the type of expenditure category from the drop-down list that best applies to the project. Please include the total amount of **M2 Local Fair Share funds only** that were expended, as well as any Local Fair Share interest expended. A map of the listed project/improvement locations may be requested by staff.

City/County of: _____

Signature Page

**M2 Expenditure Report
Fiscal Year Ended June 30, 20____**

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/County of _____ 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/County'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/County of _____ 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 amount¹⁰.

Director of Finance (Print Name)

Date

Signature

¹⁰ 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.

[EXPENDITURE REPORT RESOLUTION]

A RESOLUTION OF THE CITY COUNCIL/BOARD OF SUPERVISORS OF THE CITY/COUNTY OF _____ CONCERNING THE MEASURE M2 (M2) EXPENDITURE REPORT FOR THE CITY/COUNTY OF _____.

WHEREAS, local jurisdictions are required to meet eligibility requirements and submit eligibility verification packages to the Orange County Transportation Authority (OCTA) in order to remain eligible to receive M2 funds; and

WHEREAS, local jurisdictions are required to adopt an annual M2 Expenditure Report as part of one of the eligibility requirements; and

WHEREAS, local jurisdictions are required to account for Net Revenues, developer/traffic impact fees, and funds expended by the local jurisdiction in the M2 Expenditure Report that satisfy the Maintenance of Effort requirements; and

WHEREAS, the M2 Expenditure Report shall include all Net Revenue fund balances, interest earned and expenditures identified by type and program or project; and

WHEREAS, the M2 Expenditure Report must be adopted and submitted to the OCTA each year within six months of the end of the local jurisdiction's fiscal year to be eligible to receive Net Revenues as part of M2.

NOW, THEREFORE, BE IT RESOLVED that the City Council/Board of Supervisors for the City/County of _____ does hereby inform OCTA that:

- a) The M2 Expenditure Report is in conformance with the template provided in the Measure M2 Eligibility Guidelines and accounts for Net Revenues including interest earned, expenditures during the fiscal year, and balances at the end of fiscal year.
- b) The M2 Expenditure Report is hereby adopted by the City/County of _____.
- c) The City/County of _____ Finance Director is hereby authorized to sign and submit the M2 Expenditure Report to OCTA for the fiscal year ending June 30, 2025.

PASSED, APPROVED, AND ADOPTED THIS [Insert Day] day of [Insert Month], [Insert Year].