Analysis of Financial Performance of Local Government through South Tangerang Calculation of Realization Regional Budget

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Abstract
Regional autonomy is the authority of the autonomous regions to organize and take care of its people, in accordance with the regulations applicable law. To assess the performance of local government (local government) in managing local financial is to perform financial ratio analysis of the financial statements and the realization of local government budgets. The purpose of this study was to determine the financial performance of South Tangerang City Government for 2010-2014 as well as to determine the level of efficiency and effectiveness of South Tangerang city government in managing its resources. The data used in this research is descriptive quantitative research that the financial statements of Local Government. Furthermore, the data will be analyzed using a number, ranging from data collection, interpretation of the data and the appearance of the resultsData used are secondary data from Revenue Budget Realization Report and Expenditure South Tangerang City in 2010-2014 After analysis, the results showed that (1) Financial performance Revenue South Tangerang City Regional are generally said to be good. This is evidenced (a) Ratio Independence Regional Income average above 100%, (b) Ratio Effectiveness and Efficiency of Local Taxes, the general effectiveness ratio average of 55.002% and the ratio of average efficiency of 5.3304%, Degree (2) Financial performance Regional Shopping South Tangerang City Government in general can be quite good.
Keywords: Financial Performance, independence ratio, the ratio of the effectiveness of efficiency, the ratio growth

I.   Introduction
Act - Act No. 22 of 1999 on Regional Government began effectively implemented since January 1, 2001. The Act authorizes local governments organize all administrative matters, ranging from planning, implementation, monitoring, control and evaluation, unless the authority field of foreign policy, defense and security, justice, monetary, fiscal, religious and other authorities stipulated by government regulations. As a consequence of extensive autonomy, local governments have an obligation to improve services and welfare in a democratic society, a fair equitable and sustainable. That obligation can be met if the government is able to manage the potential of the region, namely the potential of natural resources, human resources and financial power potential optimally (Halim, 2007; 229).

Further increase in the independence of local governments are expected to be achieved through decentralization (Halim 2007; 1). The purpose of regional autonomy program is to accelerate economic growth and reduce regional development disparities between regions and improving the quality of public services to be more efficient and responsive to the needs, potential, and the characteristics of each region. This is achieved through an increase in the rights and responsibilities of local governments to manage their own household. Tangerang City is located in Banten province, Indonesia, just west of Jakarta, and is surrounded by the Tangerang District in the south, west, and east. Tangerang is the biggest and most important city in Banten Province and the third largest urban area after Jakarta Greater Jakarta.

Research Question
Based on the background of the above problems, it can be the formulation of the problem as follows:
"How would you rate the performance of South Tangerang city government based on the calculation of APBD realization through effectiveness ratio, efficiency ratio, activity ratio and the ratio of growth?"

Research Objectives and Usability Research
This study aims to determine the performance assessment of South Tangerang city government based on the calculation of budget realization by the calculation of the effectiveness ratio, efficiency ratio, activity ratio and the ratio of growth? "

II.   Review of Literature
a.   Definition of Revenue and Expenditure Budget
According Mardiasmo (2005: 61) "Revenue and Expenditure Budget is the main policy instrument for local governments. As an instrument of policy, local budgets occupy a central position in the development of capabilities and effectiveness. The regional budget is used as a tool to determine the amount of revenue and expenditure, aid decision-making and development planning, expenditure authorizations future the future, the source of the development of the size of a standard size for performance evaluation, a tool to motivate employees, and coordination tools for all the activities of the various work unit.

Budget Revenue and Expenditure views of the function:

In the implementation of the Regional Budget adopted the system as follows:

1) the Administrative Board, the authority in order to conduct actions for the implementation of regional household expenditures resulting burden on the budget.

2) Board Kebendaharawan, which is authorized to receive, store, pay or spend money and goods and the duty to stand by the Regional Head.

b.   Calculation Reports Revenue and Expenditure (Budget)

The report provides an overview of the realization of resources, the use of the allocation of economic resources that are managed by the government, which illustrates a comparison between the budget revenues, expenditures and financing with the realization in the reporting period. Components covered directly by the Budget Realization Report includes elements of income, expenditure and financing.

Each component is defined as follows:

1) Revenues are all common cash receipts country or region which adds cash equity funds in the relevant fiscal year period are entitled to central or local government, which does not need to be paid is obtained repaid payment by the government. Realization in the form of a cash budget (Cash Budget) Cash Budget is a budget that is used as a guideline in spending because of their acceptance of the unstable realization

2) Shopping is all cash disbursements general state or the local cash equity menguarangi current draft of the relevant fiscal year period that will not be recouped payment by the government.

   In the shopping area of the Regional Budget is divided into Routine Expenditure and Development Expenditure. In accordance with Annex VII decision of the Minister of the Interior 29, 2002 states that in the allocation of expenditure in the budget is based on the Standard Spending Analysis (SAB). SAB is one component that must be developed as the basis for strengthening of financial performance in budgeting with performance approach. SAB is the standard for analyzing budgets Yanga used in a program or activity to generate a certain level of service in accordance with the requirements of the community.

Characteristics of local financial statements are the traits that make information in financial statements useful to users. There are four principal characteristics are: understandable, relevant, reliability and comparability.

c.   Regional Financial Statements of Interest

According to Indra Bastian (2001: 128) Public Sector Financial Reporting objectives, namely:

1) The general purpose
    a) Provide useful information.
    b) Meeting the needs of user

2) Where specifically
    a) Identify the resources are obtained and used in accordance with the approved budget in general.
    b) Mengidentifukasi resources are obtained and used accordingly.
    c) Provide information about resource allocation and use of financial resources.
    d) Provide information on how to finance the activities of public sector organizations and meet cash requirements.
    e) Providing information that is useful in evaluating management's ability to finance its activities and fulfill the commitments and obligations.
    f) Providing information about the financial condition and changes oranisasi public sector.
    g) Provide information to evaluate the performance of public sector organizations, particularly related to operating cost efficiency and target achievement.

Each entity's financial statements have an obligation to report on the efforts undertaken and the results achieved in the implementation of systematic and structured manner on a reporting period for the purpose of:

a) Accountability

   Accounting for resource management and policy implementation is entrusted to entities in order to achieve the goals set periodically.

b) Managerial

   Helps users to evaluate an entity palaksanaan government activities in the reporting period, so as to facilitate the planning, management and control over all assets, liabilities and government entities for the benefit of society.

c) Transparency

   Provide financial information that is open and honest with the public based on the consideration that the public has a right to find out openly and comprehensively on government accountability in managing resources used to him and obedience to perturan legislation.

d. regional income

   Regional Income is all receipts representing the right areas during the budget year that will be the Regional Cash receipts. Sources of Local Revenue consists of Regional Finance, Article 28):

   Regional Income consists of:

1) PAD, namely:

a) Results of Local Taxes

b) The results of the Regional Reribusi

c) Results The company owned the area and the results of the cash management area Separated.

d) etc. legitimate local revenue;

2) Balance Fund

3) Local Borrowing

4) Other - Other revenue legitimate area (grant or acceptance of the Provincial or District / cities other revenues in accordance with the legislation)

e. Shopping Area, covering all expenses which are liabilities of Regions in the budget year that will be the Regional Treasury expenditure.

f. Funding, including financial transactions to cover the deficit or to utilizing surplus.

As stipulated in the decision of the Minister of the Interior No. 110 1998 Challenge Forms and Structure of the budget and subsequently amended by Decree of the Minister of the Interior No. 29 of 2002, that the financial resources regency / municipality, consisting of:

1) Budget Surplus Last Year

The remainder is one indicator of the success rate of budget planning and execution in which the smaller the value will show good capacity planning and execution of last year's budget, insofar as it held above the balance of value for money.

2). Locally-generated revenue

Source - source of revenue is the financial resources of the area excavated in the area concerned. Sources of revenue consists of:; - local taxes, local levies, Section profit public agency belonging to the area (enterprises), Acceptance of agencies, etc. Admission ynag legitimate, such as results-Owned Sales of Goods Sales of Used, Installment Houses are built of Local Government and others.

g. Local Government Financial Performance

Financial performance of local governments is measured through some calculations ratio, among others:

1) Ratio Effectiveness

Effectiveness ratio according Mahmudi (2010: 143) describes the The ability of local governments in realizing the planned local revenues compared to the target set by the real potential of the area. The greater the realization of revenue from local revenues compared to the target from local revenues, it can be said to be more effective, and vice versa.

The formula for calculating the effectiveness ratio is

Effectiveness Ratio =

$$\frac{\text{Revenues Local Revenue}}{\text{Revenue Target Revenue Potential areas defined by the Regional Rill}}$$

Effectiveness of Local Revenue ratio shows the ability of local governments to mobilize acceptance in accordance with the regional revenue target. The financial performance of local governments are categorized effective if the ratio is less than 1 or 100%.

2) Efficiency Ratio

Efficiency ratio according Mahmdi (2010: 143) describes the ratio between the costs incurred to earn income and realization of income received.

According to Halim (2007: 234) The efficiency ratio is a ratio that describes the ratio between output and input or expenditures to the realization reception area. The smaller this ratio, the greater the efficiency, as well as otherwise.

The ratio of the efficiency of =

$$\frac{\text{Costs incurred to collect the original income}}{\text{Revenues Local Revenue}} \times 100\%$$

3) Ratio Activities

This ratio is measured by calculating:

a) The ratio of Harmony

According to Widodo (2000: 153) describes how the ratio harmony   Local governments prioritize the allocation of funds to the routine, and   optimal development expenditure. The higher the percentage of funds   allocated for recurrent expenditure means the percentage of expenditure which is used for providing economic infrastructure of society tend to be smaller   According Mahsun (2006: 154) describes how the ratio harmony   local government to prioritize the allocation of funds to the

Regional Administrative Expenditure and Public Service Expenditure in optimal.Semakin high percentage of funds allocated to the Regional Administrative Expenditure Expenditure Public Service means the percentage used to provide facilities and infrastructure

Against Routine Expenditure Budgets ratio =

$$\frac{\text{Total Expenditure Routine (TBR)}}{\text{Total Budget Revenue and Expenditure}}$$

The ratio of the Development Expenditure Budget Revenue and Expenditure

$$= \frac{\text{Total Expenditure Development (TBP)}}{\text{Total Budget Revenue and Expenditure}} -$$

b) Debt Service Coverage Ratio (DSCR)

DSCR according to Widodo (2000: 156) is the ratio between Summation PAD, Regional Section (BD) of the Land and Building Tax, Customs Acquisition of Land and Building (BPHTB), Reception resources Nature and parts of other regions as well as the General Allocation Fund (DAU) after Mandatory spending is reduced by (BW), with a total principal, interest and other borrowing costs are maturing

DSCR can be formulated as follows:

$$\frac{(PAD + BD + DAU) - BW}{\text{Total (principal + interest + fees Installment Loans}} \geq 2.5$$

4) Ratio of Growth

Growth ratio illustrates how much the government's ability area in maintaining and improving the success that reached from period to other periods. Growth of Revenue and Expenditure Budget. Judging from the various components of the preparation of the Regional Budget which consists of local revenue, total revenues, recurrent and development expenditure (Widodo 2000: 270)

The formula is used:

$$r = \frac{Pn - Po}{Po} \times 100\%$$

Information :
Pn = Data calculated in years - n
Po = Data calculated in years - o
r = Growth

III. Research Methods

To get the data and information in the study, the authors take the analysis unit of local government South Tangerang.

a. Population

Data taken in this study is the research and the data contained in the report of Actual Budget of the Regions "Local Government Tangerang

b. Samples

In order to study the effectiveness of using sample research studies that Realization and target of locally-generated revenue South Tangerang City Government. Revenue Sources in South Tangerang City Government In the period 2009 to 2014 and the history of South Tangerang City Government.

c. Personality Research

This research is descriptive quantitative look at the relationship between two or more variables. According Sugiono (2005: 21) explains in detail that the purpose of descriptive research is a statistic that is used to describe or provide an overview of the object under study through a data sample of the population financial data (numerical) as it is without doing the analysis and make conclusions applicable general.

d. Data analysis

Methods of data analysis in this research is quantitative method with the use of financial ratios, which formulation is done through ratio:

1) Ratio of Independence

According to Widodo (2000: 150) independence ratio is the ratio that indicates the regional government in financing its own activities of government, development services to the people who have paid taxes and levies as a source of regional revenue compared with local revenue derived from other sources, such as government assistance center or loans.

$$\text{Independence Ratio} = \frac{\text{Regional Income Assistance Central Government}}{\text{Provincial Loans}}$$

2) Ratio Effectiveness and Efficiency

a) Ratio Effectiveness

Effectiveness ratio according Mahmudi (2010: 143) describes the ability of Local Government in the realization of the planned regional revenue compared with the targets set by the real potential of the area

$$\text{Effectiveness ratio} = \frac{\text{Actual receipts Local Revenue}}{\text{Regional Income revenue target}}$$

Regional Income effectiveness ratio shows the ability of local governments to mobilize revenue from locally-generated revenue in accordance with the target.

b) Efficiency Ratio

The efficiency ratio by Mahmudi (2010: 143) describes the ratio between the costs incurred to earn income and realization of income received.

$$\text{Efficiency Ratio} = \frac{\text{Cost of Acquiring Local Revenue}}{\text{Revenues Local Revenue}}$$

The financial performance of local governments are categorized efficiency if the ratio is less than 1 or 100%. The smaller this ratio, the more efficient performance of local governments.

3) The ratio of activity as measured by the measuring instrument

a) The ratio of Harmony

According to Widodo (2001: 262) describes how the compatibility of the ratio of local government to prioritize the allocation of funds to the recurrent and development expenditure optimally. The higher the percentage of funds allocated for recurrent expenditure means the percentage of expenditure which is used to provide the economic infrastructure of society tend to be smaller. In simple terms, the ratio of harmony can be formulated as follows:

$$\text{Routine Expenditure Ratio to the Budget Revenue and Expenditure} = \frac{\text{Total Expenditure Routine (TBR)}}{\text{Total Budget Revenue and Expenditure}}$$

$$\text{The ratio of the Development Expenditure Budget Revenue and Expenditure} = \frac{\text{Total Expenditure Development (TBB)}}{\text{Total Budget Revenue and Expenditure}}$$

4) Ratio of Growth

Growth ratio illustrates how large the ability of local governments to maintain and improve the success achieved from period to other periods. Budget growth seen from the various components of the budget process that consists of local revenue, total revenue, recurrent and development expenditure (Widodo, 2007: 270)

The formula used is:

$$r = \frac{P_n - P_o}{P_o} \times 100\%$$

Information :

P_n = Data calculated in year n

P_o = Data calculated in all o

r = Growth

IV.   Discussion

Ratio of Regional Financial Independence

Based on the calculation of normative data Regional Revenue Realization of the help of the Central Government, provincial, and loans in the Summary Budget South Tangerang City Fiscal Year 2010 - 2014, the ratio of the independence of South Tangerang City Government in 2010-2014 are as follows:

Fiscal year	Realization of Local Revenue	Government Aid And Loans	ratio of Independence	Pattern Relationship
2010	131,503,971,623	226,790,716,257	57.98%	Partisipatif
2011	420,663,048,857	391,839,028,305	107%	Delegatif
2012	576,304,771,005	397,781,847,969	145%	Delegatif
2013	728,965,301,483	486,001,109,827	150%	Delegatif
2014	1,023,817,429,319	585,764,503,818	175%	Delegatif
Average Ratio of Independence			**126,996%**	**Delegatif**

Table 1: Ratio of Independence of South Tangerang City Government Fiscal Year 2010 - 2014

ratio of Independence 2010

$$\frac{131.503.971,623}{226.790.716,257}$$

57,98 %

ratio of Independence 2011

$$\frac{420.663.048.857}{391.839.028.305} \times 100\%$$

$$= 107 \%$$

ratio of Independence 2012

$$\frac{576.304.771.005}{397.781.847.969} \times 100\%$$

$$= 145 \%$$

ratio of Independence 2013

$$\frac{728.965.301.483}{486.001.109.827} \times 100\%$$

$$= 150 \%$$

ratio of Independence 2014

$$\frac{1.023.817.429.319}{585.764.503.818} \times 100\%$$

$$= 175 \%$$

Based on data contained in tables and graphs, ratios Independence City South Tangerang Fiscal Year 2010 to the Year 2014 increased from the previous year. The data showed that year 2010 Realization of the original income of Rp. 131 503 971 623 and the Central Government Assistance Provincial and loans of Rp. 226 790 716 257, so that the ratio of Independence Realization of Regional Income to help the central government and the Province of Loans 57.98%. In 2011 realization of the original income of Rp. 420 663 048 857 and Help Provincial and Central Government Loans amounting to Rp. 391 839 028 305, thus Realization Ratio Independence Regional Revenue to Help Central Government Provincial and loans amounted to 107%. Actual revenue in 2012 amounted to Rp. 576 304 771 005 Provincial and Central Government Aid and Loans of Rp. 397 781 847 969, so that the ratio of Independence Regional Revenue Actual against Provincial Government Assistance Center at 145%. 2013. Realization of Local Revenue Rp. 728 965 301 483 and the Provincial and Central Government Assistance

Loans amounting to Rp. 486 001 109 827 Ratio of Independence realization that regional revenue to help the central government and the Province of Loans of 150%. 2014 Realization of the original income of Rp. 1,023,817,429,319 and the Provincial and Central Government Assistance Loans of Rp. 585 764 503 818 so that the ratio of Independence Actual PAD to help the Central Government and the Provincial Loans of 175%. So the

average ratio of the independence of South Tangerang city over a period of 5 years amounted to 126.996%. With this amount, according to the category of relationship pattern Level Independence area is written by, Level Independence Regional Government of South Tangerang City is said to be very good at all, so that in the category of relationship pattern discretionary, the role of central government is not there because the area is considered to have truly capable and self-reliant carry out the affairs of regional autonomy. This is indicated by the ratio of Independence ranged between 75% - 100%.

Effectiveness ratio
Based on the calculation of normative and Revenues Local Revenue on Target Revenue Revenue Region based Potential of Real Regional Summary Budget South Tangerang City Fiscal Year 2010 - 2014, the ratio of Effectiveness of Local Government of South Tangerang Year 2010 - 2014 are as follows :

Table 2. Effectiveness Ratio of South Tangerang City Fiscal Year 2010 - 2014

Fiscal Year	Realization of Local Revenue	Acceptance Based Local Revenue Potential of Regional Rill **Target**	Effectiveness ratio	**Effectiveness Ratio Criteria**
2010				
2011	131.503.971.623	568.648.701.312	23.12%	Ineffective
2012	420.663.048.857	914.858.774.569	45.98%	Ineffective
2013	576.304.771.005	1.154.878.432.848	49.90%	Effective nough
2014	728.965.301.483	804.124.931.617	90.65%	Effective nough
	1.023.817.429.319	1.566.314.356.884	65.36 %	Effective nough
Average Ratio Effectiveness			**55.002 %**	**Ineffective**

Effectiveness ratio =

$$\frac{\text{Revenues Local Revenue}}{\text{Target Acceptance Regional Income Based Regional Real Potential}} \times 100\%$$

Effectiveness ratio
The year 2010 =

$$\frac{\text{Rp. 131 503 971 623}}{\text{Rp. 568 648 701 312}} \times 100\%$$

= 23.12%

Effectiveness ratio
Year 2011

$$\frac{\text{Rp. 420 663 048 857}}{\text{Rp. 914 858 774 569}} \times 100\%$$

= 45.98%

Effectiveness ratio
In 2012

$$= \frac{\text{Rp. 576 304 771 005}}{\text{Rp. 1,154,878,432,848}} \times 100\%$$

= 49.90%

**Effectiveness ratio
Year 2013**

= $\dfrac{\text{Rp. 728 965 301 483}}{\text{Rp. 804 124 931 617}}$ X 100%

= 90.65%

**Effectiveness ratio
Year 2014**

= $\dfrac{\text{Rp. 1,023,817,429,319}}{\text{Rp. 1,566,314,356,884}}$ X 100%

= 65.36%

Efficiency ratio

Based on the calculation of normative data Costs incurred for gleaning regional revenue to the realization of regional revenue in the Summary of Budget South Tangerang City Fiscal Year 2010 - 2014, the Efficiency Ratio City Government of South Tangerang years 2010 - 2014 are as follows:

Tabel 3 :Costs incurred for gleaning Regional Revenue

Fiscal Year	Cost of Land and Building Tax Collection	Fees Local Tax Collection	Regional Incentive Fee Levy
2010	7.513.014.391	3.760.000.000	1.571.509.250
2011	9.448.049.720	9.315.875.000	1.407.243.750
2012	8.500.000.000	14.916.815.350	1.473.382.010
2013	12.500.000.000	21.058.200.000	3.175.105.500
2014	-	24.237.859.702	3.744.362.670
Total	**37.961.064.100**	**73.288.751.000**	**11.371.603.180**

Table 4. Efficiency Ratio South Tangerang City budget
Fiscal Year 2010 – 2014

Fiscal Year	fee charged for picking up local revenue	Realization from local revenues	Efficiency ratio	criteria of efficiency ratio
2010	12.844.523.641	131.503.971.623	9.767%	extremely Efficient
2011	20.171.168.470	420.663.048.857	4.795%	extremely Efficient
2012	24.890.197.360	576.304.771.005	4.318%	extremely Efficient
2013	36.733.307.513	728.965.301.483	5.039%	extremely Efficient
2014	27.982.222.372	1.023.817.429.319	2.733%	extremely Efficient
Rata - rata Rasio Efisiensi			**5,330**	**extremely Efficient**

Source: Summary of Revenue and Expenditure Budget South Tangerang City, Fiscal Year 2010 - 2014 (Data Processed)

Efficiency ratio

$$= \frac{\text{Costs Incurred for gleaning Regional Revenue}}{\text{Revenues Local Revenue}} \times 100\%$$

Efficiency ratio
The year 2010

$$= \frac{\text{Rp. } 12{,}844{,}523{,}641}{\text{Rp. } 131\ 503\ 971\ 623} \times 100\%$$

$$= 9.76\%$$

Efficiency ratio
Year 2011

$$= \frac{\text{Rp. } 20{,}171{,}168{,}470}{\text{Rp. } 420\ 663\ 048\ 857} \times 100\%$$

$$= 4.79\%$$

Efficiency ratio
In 2012

$$= \frac{\text{Rp. } 24{,}890{,}197{,}360}{\text{Rp. } 576\ 304\ 771\ 005} \times 100\%$$

$$= 4.32\%$$

Efficiency ratio
Year 2013

$$= \frac{\text{Rp. } 36{,}733{,}307{,}513}{\text{Rp. } 728\ 965\ 301\ 483} \times 100\%$$

$$= 5.04\%$$

The efficiency ratio in 2014

$$= \frac{\text{Rp. } 27{,}982{,}222{,}372}{\text{Rp. } 1{,}023{,}817{,}429{,}319} \times 100\%$$

$$= 2{,}73\%$$

Activity ratios
a. The ratio of Harmony

1). The ratio of Indirect Expenditures

Based on the calculation of normative data Total Indirect Expenditures to Total Regional Shopping in the Summary Budget South Tangerang City Fiscal Year 2010 -2014, the ratio Indirect Expenditures South Tangerang City Government Year 2010 - 2014 are as follows:

Table 5.Ratio Indirect Expenditures South Tangerang City budget
In Fiscal Year 2010 – 2014

Fiscal Year	Total indirect expenditures	Total regional spending	Ratio of indirect spending
2010	419.775.348.884	830.239.232.362	50,560%
2011	526.334.901.939	1.532.443.424.679	34,346%
2012	526.565.512.195	1.980.014.399.350	26,590%
2013	564.334.923.165	2.216.935.334.777	25,455%
2014	656.984.074.469	2.695.143.977.457	24,376%
Average of indirect expenditure ratio		**32,266%**	

2) The ratio of direct expenditure

Based on the calculation of normative data Total direct expenditure to the total regional expenditure in the Budget Summary South Tangerang City Fiscal Year 2010 -2014, the ratio of direct expenditure Regional Government of South Tangerang City Year 2010 - 2014 are as follows

Tabel 6 .The total direct expenditure for Fiscal Year 2010 - 2014

Tahun Anggaran	Belanja Pegawai	Belanja Barang & Jasa	Belanja Modal	Total Belanja Langsung
2010	72.022.136.200	156.107.932.537	182.333.814.740	410.463.883.477
2011	100.159.940.080	355.900.891.495	550.047.691.165	1.006.108.522.740
2012	158.503.097.750	499.448.900.323	795.496.889.082	1.453.448.887.155
2013	189.061.945.900	640.714.339.287	822.824.126.425	1.652.600.411.612
2014	227.755.860.625	737.071.435.069	1.076.332.607.294	2.041.159.902.988

Tabel 7 The ratio of direct expenditure Budget South Tangerang City Regional Fiscal Year 2010 - 2014 (Rupiah)

Fiscal year	Direct expenditutr Total	Total Regional expenditure	Direct expenditure ratio
2010	410.463.883.477	830.239.232.362	49%
2011	1.006.108.522.740	1.532.443.424.679	66%
2012	1.453.448.887.155	1.980.014.399.350	73%
2013	1.652.600.411.612	2.216.935.334.777	75%
2014	2.041.159.902.988	2.695.143.977.457	76%
Average of direct expenditure ratio			**68%**

V. Conclusions

South Tangerang government's financial performance is based on the calculation of the ratio

a. Effectiveness ratio in 2011 increased from the previous year by 22.78%. After that, in 2012 Effectiveness ratio continues to increase up to 40.75%, in 2013 and 2014 effectiveness ratio decreased to 25.29%.

b. The entire effectiveness ratio is still included in the group is very efficiency, because it is below the minimum limit, ie less than 10%.

c. Judging from the calculation ratio Indirect Expenditures and Ratio of direct expenditure, local government less use of funds utuk activities Expenditure not directly comparable activities of direct expenditure because it was supposed to direct expenditure is greater than expenditure Indirect two ratios difference of 35.734% means that the local government has managed to increase Direct expenditures, it is seen from the quality of its output it means the function of the budget as a means of distribution, allocation and stability is good enough.

d. Viewed from the South Tangerang City DSCR calculation for Fiscal Year 2010 to 2011, DSCR is increasing very good ie loan receivables greater than 16%. The data show the region's ability to make payments of loans are very good, while in 2011 to 2014 was thus the regional power in reimbursing the loan is very good and the average of the Debt Service Coverage ratio for five years amounted to 124.4%, this shows the comparison between the summation of Revenue PAD, General Allocation Fund after deducting Shopping

obliged to cover any mandatory spending that is Installment loans local government and loan interest to do well because the value of the average Debt Service Coverage ratio is greater than the provisions DSCR in general, ie 2, 5%.

e. The level of independence of South Tangerang City Government is said to be very good at all, so that in the category of discretionary relationship patterns, the role of central government is not there because the area is considered to have truly capable and independently carry out the affairs of regional autonomy. This is indicated by the ratio of Independence ranged between 75% - 100%.

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