ANALYSIS OF THE FINANCIAL PERFORMANCE OF THE SIGI REGENCY GOVERNMENT

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Abstract

This study focuses on assessing the low level of success achieved by Sigi Regency in implementing regional autonomy, which remains far from reaching fiscal independence. It also highlights the necessary measures to develop local potential in order to enhance locally generated revenue (PAD). The analysis is conducted using seven regional financial ratios through a quantitative descriptive method, based on secondary data obtained from the 2019-2023 Regional Budget Realization Reports, as stated in local accountability regulations and data published by the Central Bureau of Statistics of Sigi Regency. The findings indicate that the fiscal independence of Sigi Regency is categorized as extremely low, reflecting a continued high dependency on central government transfer funds, mainly due to the very limited contribution of PAD. Furthermore, although the effectiveness of PAD is rated as very good, its efficiency remains poor, as it is predominantly allocated to operational expenditures. This expenditure pattern has implications for regional development and signals the need for improved fiscal management. The financial growth ratio demonstrates fluctuating trends across all sectors, suggesting the region's inability to maintain consistent financial performance. These results underscore the urgency of conducting a comprehensive evaluation and formulating strategic actions to enhance regional autonomy. This can be achieved through optimizing the potential of PAD and implementing more accurate and efficient budgetary and expenditure management practices.

Keywords: ***Financial Performance, Public Finance, Regional Financial Ratios***

INTRODUCTION

To address interregional disparities in Indonesia, regional development functions as a national strategy aimed at providing sustainable solutions. This development is implemented through regional autonomy, which offers equal opportunities for each region to govern its own administrative affairs (Rahman et al., 2022). The implementation of regional autonomy encourages local governments to optimize public service delivery, improve community welfare, and achieve national equity through sustainable public participation (Sartika, 2019). The success of regional autonomy is reflected in the extent to which local governments can manage their resource potential effectively and utilize it as a revenue source to support autonomous governance (Alvianto et al., 2018). Law No. 22 of 1999 on Regional Governance and Law No. 25 of 1999 on Fiscal Balance between Central and Regional Governments initially served as the legal foundation for the implementation of regional autonomy in Indonesia (Tope & Darman, 2014). These laws have since been replaced by Law No. 23 of 2014 on Regional Governance and Law No. 1 of 2022 on Financial Relations between Central and Regional Governments (Din et al., 2022; Keintjem & Murni, 2022). Wiratna (2017, as cited in Sumani et al., 2022) financial performance reflects the outcome of an evaluation of financial management conducted based on predetermined criteria. The implementation of sound regional financial performance represents the optimization of locally generated revenue (PAD) to support autonomous governance and development independence, thereby reducing reliance on the central government. In the case of Sigi Regency, financial performance evaluation is conducted by comparing outcomes from one fiscal period to another to identify observable trends that can serve as a guide in assessing the region's financial condition.

According to Law No. 1 of 2022, regional finance encompasses all rights and obligations inherent to the region in the administration of government that have financial value, including all assets that may be classified as regional property in connection with those rights and obligations. The main components of regional finance consist of Locally Generated Revenue (PAD), Transfer Revenues, and Other Legitimate Regional Revenues (Oki et al., 2020). In accordance with Law No. 1 of 2022, PAD is derived from regional taxes, user charges, proceeds from

separated regional assets, and other legitimate PAD. Transfer Revenues, also referred to as balancing funds, include revenue-sharing funds, general allocation funds, and special allocation funds. Meanwhile, Other Legitimate Regional Revenues consist of grant income and emergency funds. Furthermore, the contents of accountability reports on budget management are outlined in Law No. 17 of 2003 (Ridwan et al., 2021) which was subsequently replaced by Law No. 2 of 2020.

Law No. 27 of 2008 concerning the Establishment of Sigi Regency in Central Sulawesi Province provides the legal foundation for the formation of Sigi Regency. As a result of the regional division of Donggala Regency, Sigi is one of the 13 regencies/municipalities in Central Sulawesi Province, with its administrative center located in Sigi Kota District. The regency is composed of 16 districts and 177 villages, covering a total area of 5,196.02 square kilometers. The region possesses considerable tourism potential, including Lore Lindu National Park, Oloboju Nature Tourism, Bora Hot Springs, and various other attractions.

The regional revenue pattern of Sigi Regency has shown annual fluctuations over the past five years. These fluctuations primarily occur in Transfer Revenues, which constitute the largest portion of the regional revenue structure, indicating a high level of dependency on transfer funds. In 2019, regional revenue reached a relatively high level, driven by an increase in Other Legitimate Regional Revenues, which nearly equaled the amount of transfer revenues. This increase was due to a rise in grant and emergency funds following the natural disasters that struck Sigi Regency, Palu City, and Donggala Regency in 2018. However, in 2020, Sigi Regency failed to maintain the revenue growth trend of previous periods, experiencing a significant decline of 34.93%, even falling below the revenue level of 2018 (Simanjuntak, 2021). This decline was caused by a decrease in Other Legitimate Regional Revenues and the onset of the COVID-19 pandemic. In response to the pandemic, the government introduced several measures, such as social restrictions, transportation limitations, and regional lockdowns (Kasim et al., 2022), which had adverse impacts on economic sustainability.
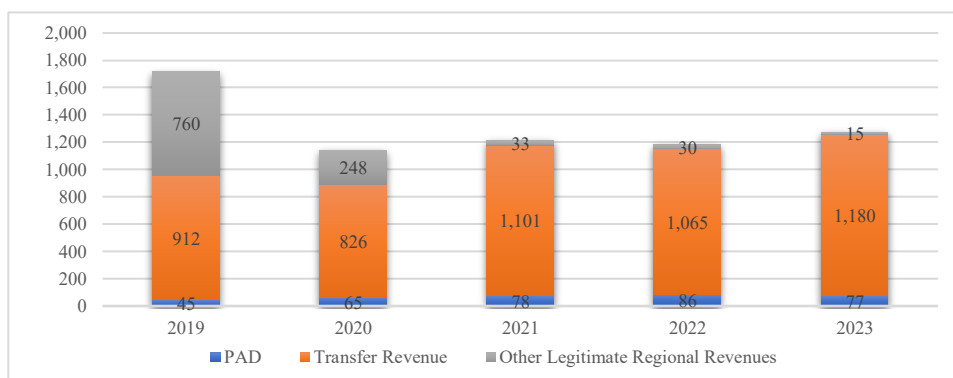
Source: Sigi Regency Budget Realization Reports, 2019-2023
Figure 1.1 Regional Revenue of Sigi Regency, 2019-2023 (in billion Rupiah)

The Locally Generated Revenue (PAD) of Sigi Regency has shown consistent growth over four consecutive years, albeit with a relatively small proportion in the overall structure of regional revenue. This trend reflects the continuous efforts of the local government to increase PAD. However, the relatively low contribution of PAD indicates a limited level of regional financial independence and highlights the underutilization of the region's resource potential by the local government, which could otherwise serve as a source of income to support regional autonomy. Moreover, the decline in PAD in 2023 even falling below the level recorded in 2021 demonstrates ongoing challenges in enhancing locally generated revenues.

This condition suggests that the implementation of regional autonomy has not yet been successful or effectively realized. As a result, innovative strategies are needed to develop local potential and gradually reduce dependency on central government funding. In light of this context, this study aims to analyze the financial performance of the Sigi Regency Government. The main objectives are to explore the underlying factors behind the suboptimal implementation of regional autonomy in Sigi Regency, the region's continued lack of fiscal independence, and to identify actionable steps for optimizing local resource potential to increase PAD. This study focuses on the fiscal years 2019-2023 using financial ratio-based performance indicators. Through this research, the author seeks to contribute meaningful insights and recommendations to support decision-making processes that aim to improve regional financial performance in Sigi Regency.

LITERATURE REVIEW

Regional Financial Performance

Callahan (2006, as cited in Kaunang, 2020) defines performance as the achievement of an organization over a specific period, evaluated by comparing it to previous performance, similar organizations, and the goals set at the beginning of the period. Ronald & Sarmiyatiningsih (2010) argue that financial performance is the output of program or activity implementation that aligns with budget allocations and can be measured in terms of both quality and quantity. Financial performance reflects how efficiently an organization utilizes its resources to generate profits (Pagaddut, 2021). Lubis & Ningsi (2022) define regional financial performance as the result of measuring regional financial management in relation to accountability, with the outcomes serving as a guideline for future improvements.

Analysis of Regional Financial Performance

In accordance with Government Regulation No. 8 of 2006 on Financial and Performance Reporting of Government Agencies, the financial reports of regional governments serve as an accountability instrument for the management of regional finances over a specific period (Karim et al., 2023). To implement accountable, transparent, efficient, effective, and honest regional financial management, performance measurement using ratio analysis based on the budget realization report is necessary (Halim, 2007, as cited in Purwanti & Noviyanti, 2021). This measurement is carried out by comparing performance across periods, thus producing performance trends of regional governments in managing available resources. Mahmudi (2010, as cited in Oki et al., 2020) employs the dependency ratio, independence ratio, and fiscal decentralization ratio to analyze regional financial performance. Meanwhile, Halim (2007, as cited in Pundissing & Pagiu, 2020) utilizes activity ratios, effectiveness ratios, efficiency ratios, and growth ratios.

1. Fiscal Decentralization Ratio

   This ratio illustrates the proportion of locally generated revenue (PAD) within the structure of regional income (Mahmudi, 2010, as cited in Oki et al., 2020). The formula is:

   $$FDR = \frac{PAD}{Total\ Regional\ Revenue} x100\%$$

   Tabel 2.1 Fiscal Decentralization Ratio Assessment Criteria

Percentage (%)	Category
>50%	Very Good
40% - 50%	Good
30% - 40%	Moderate
20% - 30%	Fair
10% - 20%	Poor
0% - 10%	Very Poor

   Source: Mahmudi (2010)

2. Regional Financial Dependency Ratio

   This ratio reflects the proportion of transfer revenue within the total regional revenue structure (Mahmudi, 2010, as cited in Oki et al., 2020). The formula is:

   $$Dependency\ Ratio = \frac{Transfer\ Revenue}{Total\ Regional\ Revenue} x100\%$$

   Tabel 2.2 Regional Dependency Ratio Assessment Criteria

Percentage (%)	Category
>50%	Very High
40% - 50%	High
30% - 40%	Moderate
20% - 30%	Fair
10% - 20%	Low
0% - 10%	Very Low

   Source: Mahmudi (2010)

3. Regional Financial Independence Ratio

   This ratio indicates the degree of independence a region has in managing its own finances and funding government operations using locally generated revenue, without relying on external sources (Mahmudi, 2010, as cited in Oki et al., 2020) The formula is:

   $$Independence\ Ratio = \frac{PAD}{Transfer\ Revenue} x100\%$$

Tabel 2.3 Regional Financial Independence Ratio Assessment Criteria

Category	Percentage (%)	Relationship Pattern
High	75% - 100%	Delegative
Moderate	50% - 75%	Participatory
Low	25% - 50%	Consultative
Very Low	0% - 25%	Instructive

Source: Mahmudi (2010)

4. PAD Effectiveness Ratio

This ratio shows the regional government's ability to mobilize PAD revenue in accordance with the predetermined target (Halim, 2007, as cited in Pundissing & Pagiu, 2020). The formula is:

$$PAD\ Effectiveness\ Ratio = \frac{Actual\ PAD}{Budgeted\ PAD} x 100\%$$

Tabel 2.4 PAD Effectiveness Ratio Assessment Criteria

Percentage (%)	Category
>100%	Effective
100%	Balanced Effective
<100%	Ineffective

Source: Halim (2007)

5. Regional Financial Efficiency Ratio

This ratio indicates the amount of expenditure required to generate revenue compared to the actual revenue received. (Halim, 2007, as cited in Pundissing & Pagiu, 2020) The formula is:

$$Efficiency\ Ratio = \frac{Actual\ Regional\ Expenditure}{Actual\ Regional\ Revenue} x 100\%$$

Tabel 2.5 Efficiency Ratio Assessment Criteria

Percentage (%)	Category
>100%	Inefficient
100%	Balanced Efficient
<100%	Efficient

Source: Halim (2007)

6. Activity Ratio

This ratio measures the ability of regional governments to prioritize resource allocation between operational and development expenditures (Halim, 2007, as cited in Pundissing & Pagiu, 2020). Two formulas are used:

$$Operational\ Expenditure\ Ratio = \frac{Operational\ Expenditure}{Total\ Regional\ Expenditure} x 100\%$$

Operational expenditure refers to budget allocations with short-term or recurring benefits within a fiscal year. While capital expenditure represents investments in long-term assets within the fiscal year.

$$Capital\ Expenditure\ Ratio = \frac{Capital\ Expenditure}{Total\ Regional\ Expenditure} x 100\%$$

Tabel 2.6 Activity Ratio Assessment Criteria

Percentage (%)	Category
50% - 100%	Good
0% - 50%	Not Good

Source: Halim (2007)

7. Growth Ratio

This ratio indicates the regional government's capacity to maintain performance and improve results over time (Halim, 2007, as cited in Pundissing & Pagiu, 2020). The formula is:

$$Growth\ Ratio = \frac{Pn - (Pn - 1)}{Pn - 1} x 100\%$$

Where Pn = Current Year Value, Pn-1 = Previous Year Value

Tabel 2.7 Growth Ratio Assessment Criteria

Percentage (%)	Category
50% - 100%	High
25% - 50%	Moderate
0% - 25%	Low

Source: Halim (2007)

Previous Studies

In their study on the financial performance of the City of Salatiga, Purwanti & Noviyanti (2021) found that operational expenditures dominated the budget allocation, experienced negative revenue growth, and exhibited a low level of fiscal independence. These findings are supported by Saragih & Siregar (2020), who obtained similar results in their study of Tebing City. Using a different set of ratios, (Susanto, 2019) found that the financial performance of the City of Mataram was effective in mobilizing local revenue (PAD) but was inefficient in managing its overall finances. Similarly, Sartika (2019) reported that the Meranti Regency was both effective and efficient in managing its finances, as it succeeded in realizing its PAD budget targets and in minimizing expenditures so that they did not exceed revenues. However, the region still exhibited a very low degree of financial independence. Furthermore, Oki et al., (2020) concluded that Belu Regency suffered from low fiscal independence, accompanied by minimal fiscal capacity, resulting in a high level of dependence on the central government.

This study shares both similarities and differences with previous research. The similarity lies in the use of financial ratios comparable to those employed by earlier researchers and in comparing performance across multiple fiscal years. However, unlike previous studies, this research uses realized budget data from Sigi Regency covering the fiscal years 2019 to 2023.
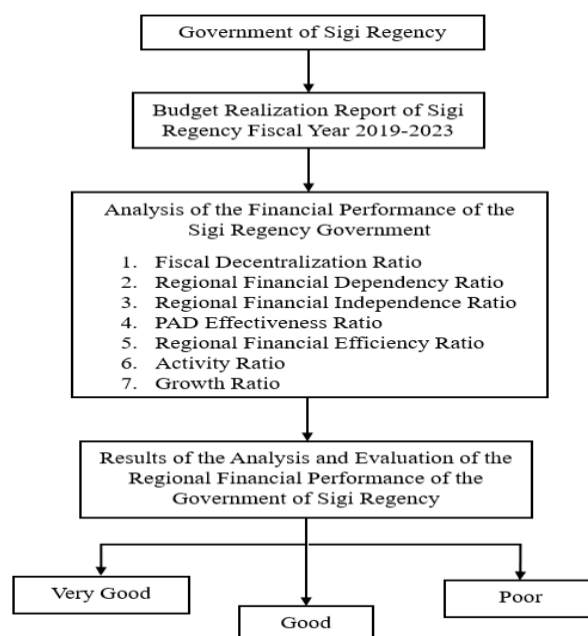
Conceptual Framework

Figure 2.1 Research Analysis Diagram

METHOD
Data Collection Method

This study employs a quantitative research approach. The data used consist of secondary data derived from the Regional Budget Realization Reports for the fiscal years 2019-2023, obtained from Regional Regulations and the Central Bureau of Statistics of Sigi Regency. The data collection methods used include a literature review, which involves studying relevant theories and scholarly journal articles related to the research problem, as well as a documentation method, which involves collecting and reviewing documents relevant to the required information.

Data Analysis Method

This research utilizes a quantitative descriptive analysis method to examine the issues discussed. Through this method, the regional financial performance is measured using several financial ratios, including the fiscal decentralization ratio, financial dependency ratio, financial independence ratio, local revenue (PAD) effectiveness ratio, financial efficiency ratio, activity ratio, and growth ratio.

RESULTS AND DISCUSSION

Research Results

The analysis of the regional financial performance of the Sigi Regency Government in this study represents an assessment process of performance in achieving financial execution for the fiscal years 2019-2023. The following tables present the revenue and expenditure data for Sigi Regency during 2019-2023.

Tabel 4.1 Regional Revenue of Sigi Regency (in thousand Rupiah)

Type of Revenue	2019	2020	2021	2022	2023
Regional Revenue	1.718.525.610	1.141.165.481	1.212.982.259	1.182.841.489	1.273.640.919
Locally Generated Revenue (PAD)	45.550.972	65.998.999	78.737.016	86.478.313	77.277.140
Regional Taxes	10.011.837	12.903.567	16.050.787	24.314.374	29.530.695
Regional Retribution	2.125.419	1.946.354	1.945.614	1.912.096	2.579.448
Separated Regional Assets	860.103	865.426	1.104.070	1.147.120	1.654.363
Other Legitimate PAD	32.553.613	50.283.652	59.636.545	59.104.723	43.512.632
Transfer Revenue	912.367.787	826.824.691	1.101.049.984	1.065.974.352	1.180.889.116
Other Legitimate Revenue	760.606.851	248.341.791	33.195.259	30.388.824	15.474.661

Source: BPS Sigi

Tabel 4.2 Regional Expenditure of Sigi Regency (in thousand Rupiah)

Type of Expenditure	2019	2020	2021	2022	2023
Regional Expenditure	1.217.441.276	1.500.624.994	1.283.553.436	1.247.162.377	1.307.795.789
Operating Expenditure	727.102.532	1.090.639.128	907.187.464	857.569.118	851.511.411
Capital Expenditure	225.172.650	148.298.590	165.199.514	95.241.443	225.855.920

Source: BPS Sigi

After calculating the regional financial ratios based on the data above, the percentage results of Sigi Regency's financial performance ratios for the fiscal years 2019-2023 are presented below

Tabel 4.3 Analysis of Regional Financial Ratios

Financial Ratio Analysis	2019	2020	2021	2022	2023
Fiscal Decentralization Ratio	2,65%	5,78%	6,49%	7,31%	6,06%
Financial Dependency Ratio	53,09%	72,45%	90,77%	90,11%	92,71%
Financial Independence Ratio	4,99%	7,98%	7,15%	8,11%	6,54%
PAD Effectiveness Ratio	122,08%	124,70%	149,64%	121,14%	113,43%
Financial Efficiency Ratio	70,84%	131,84%	105,81%	105,43%	102,68%
Activity Ratios :					
Operating Expenditure Ratio	59,72%	72,67%	70,67%	68,76%	65,11%
Capital Expenditure Ratio	18,49%	9,88%	12,87%	7,63%	17,26%
Growth Ratios :					
Revenue Growth		-33,59%	6,29%	-2,48%	7,67%
PAD Growth		44,89%	19,30%	9,83%	-10,63%
Operating Expenditure Growth		49,99%	-16,82%	-5,46%	-0,70%
Capital Expenditure Growth		-34,14%	11,39%	-42,34%	137,14%

Source: Processed Data 2025

Discussion

Financial Performance Capacity of Sigi Regency

Through regional autonomy, local governments are encouraged to optimally utilize their potential to independently finance all operational and development activities (Purwanti & Noviyanti, 2021). Based on the financial data of Sigi Regency, there is a notable gap between locally generated revenue (PAD) and transfer funds. PAD contributes only a small proportion to the total regional revenue, indicating that the local government has not yet fully optimized the management and utilization of its regional potential. As a result, dependency on transfer funds remains significantly high. This reflects the weak capacity for regional autonomy in Sigi Regency and its distance from achieving financial independence. The Fiscal Decentralization Ratio shows that over the five-year period, the

contribution of PAD to the total regional revenue remains very low, falling into the category of "very poor." This implies that the regional revenue structure is still largely dominated by transfer funds. Such a situation indicates that Sigi Regency is in an instructive pattern of autonomy with very low financial capacity. The low level of PAD is due, in part, to underdeveloped regional infrastructure that could otherwise support increased local revenue. The region is not yet able to rely on PAD to finance its operational and development activities, and thus, dependency on the central government remains high.

PAD can be maximized through regional taxes and retribution, as these components typically account for a large portion of PAD (Tope & Darman, 2014). However, types of regional taxes such as entertainment tax, hotel tax, swiftlet nest tax, and advertising tax have not been fully optimized in Sigi Regency due to the limited number of facilities and infrastructure supporting such revenues. The local government can also collect retribution from public services such as healthcare, markets, and terminals. In Sigi Regency, terminal retribution has yet to be utilized effectively, as many terminals remain non-operational following the 2018 earthquake. The management of separated regional assets also holds only a minor portion of PAD, and profits from state-owned or region-owned enterprises (BUMN/BUMD), regional investments, and asset management have not made significant contributions due to underutilization.

In terms of PAD effectiveness, Sigi Regency's performance is categorized as effective, reflecting a positive outcome where the local government was able to meet its revenue targets. However, this contrasts with the assessment of financial efficiency, which shows inefficiency, as the proportion of regional expenditure exceeded that of revenue. In particular, the 2020 fiscal year saw a surge in expenditure due to fund reallocations for COVID-19 pandemic response, while revenue realization was unable to keep pace due to the economic disruption caused by the pandemic. Most of the regional budget was allocated for operational expenditures, while capital expenditures received a smaller share. The government prioritized routine administrative spending over investments in infrastructure and facilities development. This likely contributed to the relatively low PAD, as regional spending has not been sufficiently directed toward economic and infrastructure development.

The financial performance growth of Sigi Regency has been relatively slow, with fluctuations occurring each year. PAD has shown an increasing trend over the past four years, indicating a continued effort by the local government to explore and develop its economic potential, despite the decline in PAD in 2023, which suggests new challenges. This fluctuation did not significantly affect overall revenue growth, given the small share of PAD in total revenue. Therefore, Sigi Regency has not yet been able to maintain its previous performance achievements. Regional expenditure growth has started to shift slightly from operational to capital spending, although this shift remains minimal. Nevertheless, this change reflects a growing focus on regional development, which is expected to have a positive impact on the local government's financial performance in the future.

Efforts to Increase Regional Financial Performance

To enhance locally generated revenue (PAD), the author proposes several recommendations that may serve as references for the Sigi Regency Government. The tourism sector has the potential to drive economic development, particularly in developing countries, due to its significant role in generating tax revenues, foreign exchange, and contributions to gross domestic product (GDP) (Suparman et al., 2024). Sigi Regency, with its natural landscape of hills and mountains, possesses considerable tourism potential that must be preserved and developed to contribute to PAD. The diversity of tourist destinations such as Lore Lindu National Park, Vatunonju Village, Lindu Lake Forest Reserve, Wera Waterfall Nature Park, Matantimali Paragliding Peak, Bora Hot Springs, Oloboju Village White-Water Rafting, and other attractions offers great opportunities for increasing PAD through the tourism sector.

In recent times, mountain hiking activities have become increasingly popular in Sigi Regency, with destinations such as Batu Gantung at Mount Gawalise, Mount Nokilalaki, Matinti Peak, Vulumehi Hill, and Tana Tobe Hill attracting visitors. This trend presents a promising opportunity to increase PAD not only through taxes and retribution associated with tourism sites but also by promoting these attractions to a wider audience, thereby drawing more visitors and generating substantial revenue for the region. To support this, the local government could prioritize infrastructure development, including roads connecting tourist areas with the regency's urban center, as well as cleanliness, security, and facility improvements at tourist sites. Beyond tourism access, better road infrastructure can also facilitate the distribution of local products around tourist areas (Sutomo et al., 2024).

With regard to local taxes, several types such as property tax, street lighting tax, restaurant tax, and the tax on the acquisition of land and building rights have potential for optimization, particularly considering the growing number of residential developments in Sigi Biromaru and Marawola sub-districts, which border the provincial capital of Palu City. In addition to taxes, retribution enhancement also presents an opportunity to increase PAD. For instance, Kalukubula Village has begun providing waste management services to its residents, contributing positively to public service standards. Consistent with the findings of Gea et al., (2022), the effectiveness of waste service retributions

should be improved, as it has the potential to become a significant source of PAD. In terms of public services and facilities, the local government can improve them as a strategic effort to strengthen the reciprocal relationship between the government and the community, which ultimately generates regional income. This includes enhancing healthcare services and facilities at community health centers across all sub-districts to ensure equitable access to quality healthcare. Currently, healthcare access is limited in remote sub-districts such as Pipikoro, West Marawola, and South Dolo. In addition, more structured and organized markets should be established in every village, from those close to the urban center to more remote areas. The local government should also assist in distributing local agricultural products to maintain economic stability within the regency.

Sigi Regency is among the leading cocoa producing regions in Central Sulawesi, contributing to the province's status as the top cocoa producing region in Indonesia (Sari et al., 2024). This presents a significant opportunity for the regency to increase PAD through the cocoa plantation sector. Revenue growth can also be supported by the active role of the government in implementing ESG (Environmental, Social, and Governance) principles through concrete regulations and policies. ESG has been shown to play a crucial role in influencing regional investment decisions (Husnah et al., 2023). Ultimately, revenue enhancement efforts are intended to support the broader goals of regional development and economic growth.

Moreover, improvements in PAD can also be achieved through the quality of financial reporting and audit opinions. Kahar et al., (2023) assert that improving the performance of local governments reflected in high quality financial reports and positive audit opinions can strengthen legitimacy and public trust, thereby encouraging greater resource transfers from citizens to the government and ultimately increasing PAD. In line with this, Furqan et al., (2020) argue that high-quality financial statements serve as an effective strategy to enhance public service quality and strengthen public trust in local governments. Furqan et al., (2023) further note that improving ICT (information and communication technology) infrastructure and facilities at the village level is a strategic step toward achieving inclusive development and growth. In addition to accelerating development, such initiatives also help ensure equitable distribution of progress across all areas of the region.

CONCLUSION

It can be concluded that the regional financial performance of the Sigi Regency Government remains highly dependent on transfer funds from the central government. Although the decentralization ratio has gradually increased, the improvement is still minimal. The persistently high dependency ratio has significantly affected the self-reliance ratio, which remained in the very low category throughout the 2019-2023 period. Therefore, the Sigi Regency Government is urged to continuously explore local potential and seek new opportunities to enhance its locally generated revenue (PAD), with the goal of improving fiscal self-reliance and gradually reducing dependence on transfer revenues.

The inefficiency of Sigi Regency's financial management during the 2020-2023 period indicates that the local government has not yet optimized its expenditure management in relation to the revenues received. This is consistent with the activity ratio, which shows that operational expenditures still constitute a dominant portion of total spending. Hence, efforts to improve efficiency are necessary to ensure that regional expenditures are more proportional to revenues. Furthermore, a stronger focus should be placed on controlling operational costs and periodically evaluating the effectiveness of local government programs.

Given the fluctuating trend in Sigi Regency's financial growth ratios, it is evident that there is considerable room for evaluation and performance improvement. The Sigi Regency Government must pursue efforts to strengthen financial performance, achieve greater optimization, and maintain consistency in its financial management over time.

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