



# ANALYSIS OF REGIONAL REVENUE AND EXPENDITURE BUDGET FOR KEDIRI REGENCY DURING THE COVID-19 PANDEMIC

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## ABSTRACT

The existence of the Covid-19 pandemic has had an impact on all economic sectors including the financial performance of local governments. Regional financial analysis is one tool that can be used as a benchmark to assess the extent to which local government performance is in managing its finances. Regional capability in managing finances is described in the form of APBD which directly or indirectly reflects the ability of local governments to finance the implementation of governmental tasks, development and community social services. The purpose of this study was to determine the financial management performance of the Regional Government of Kediri Regency based on the analysis of Financial Ratios in the APBD of Kediri Regency. This research is a data series research in the form of realization of the 2020 to 2022 APBD in Kediri Regency. This research uses case study method and descriptive analysis accompanied by normative juristic. From the results of the analysis it is known that during the Covid-19 pandemic there was a decrease in tax effectiveness, a decrease in the ratio of paying taxes per capita, an increase in spending activities on regional priorities, a decrease in the value of dependence on Regional Revenue, fluctuations in the ability of income to finance employees, not optimal expenditure, an increase in financial aids expenditure, an increase in idle funds that cannot be used, fluctuations in growth, the effectiveness of the APBD target, and the inefficiency of revenue and expenditure.

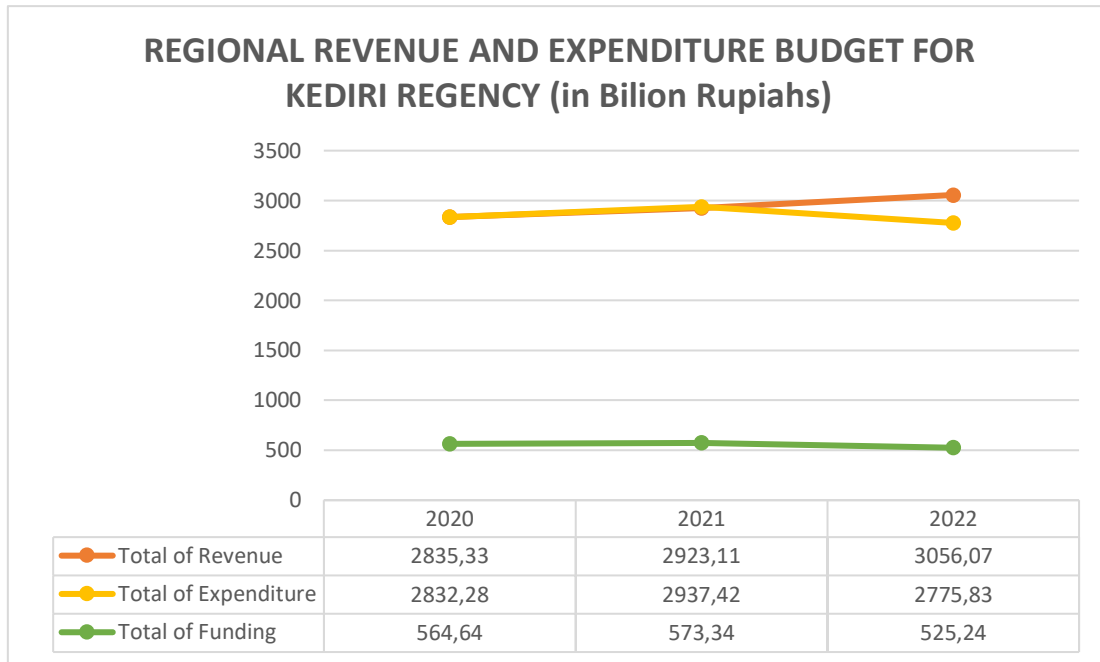
## 1. INTRODUCTION

Based on Perppu Numb, 1 of 2020 concerning State Financial Policy and Financial System Stability for Handling the Corona Pandemic, regional governments are given exclusive rights to prioritize imposing budget allocations and use the budget under the supervision of the ministry of finance. In addition, in the era of regional autonomy, it is necessary to change the paradigm from regional development to development areas, this is because those who understand the conditions of the regions, of course, with regional autonomy, they free the regions to manage their own regions in accordance with the potential conditions and conditions of the regions so that they are able to compete with other areas through the development of its potential. With this autonomy program, of course, the Regional Government is more required to regulate a good financial system to process the Regional Revenue and Expenditure Budget (APBD) in an efficient and accountable manner (Purba & Silitonga, 2022). Therefore, maximum synergy is needed in preparing the APBD.

Regional governments are required to be able to carry out work program planning accompanied by consideration of the benefits that will be obtained by the wider community so that a multiplier effect is created because programs without planning are actually bad, and planning without measurement is useless (Hasnita, 2021). The planning certainly takes into account the results of program evaluations in previous years. So that this evaluation really needs to be done to analyze in depth which is then used as a maximum consideration. Planning requires a budget. The planning and realization of the regional government budget is outlined in the APBD which describes the government's ability to fund the implementation of government tasks, development and community social services and is able to increase regional income (Tani et al., 2023). With a mature APBD, it is hoped that it will facilitate local governments in synergizing to develop the region and be able to compete in a healthy manner with other regions.

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**Figure 1.** Regional Revenue and Expenditure Budget Summary Chart

The realization of the Kediri Regency Regional Revenue and Expenditure Budget for 2020-2022 has fluctuations except for the total of Revenue. It can be seen in Figure 1. The total conditions for the realization of the APBD during the three years the pandemic hit Indonesia. The Total of Revenue APBD in Kediri Regency has increased every year. This is an effect of the adaptation of society in the new normal era. However, in terms of expenditure, Kediri Regency has fluctuated, after experiencing an increase in 2022, in 2022 it will actually decrease even lower than in 2022. This is due to Unpredicted Expenditures which have decreased significantly in 2022. Meanwhile, Funding has the same conditions as Expenditures. where after experiencing an increase in 2022, it will fall again in 2022 even lower than in 2020. Apart from that, in 2021 where Expenditure is higher than Revenue, resulting in a budget deficit. Therefore, an analysis of regional financial ratios is urgently needed to be able to improve APBD performance when unexpected disasters occur again such as during the Covid-19 Pandemic, so that the government can improve its performance in the future.

This research was inspired by similar research that has been done before. Based on research conducted by (Purba & Silitonga, 2022) regarding the analysis of financial ratios for Medan City in 2016, it shows that each average calculation result has not reached maximum results, so that its financial performance tends to be unfavorable. According to research conducted by (Sholikhah et al., 2022), the Jepara City government has an effective ratio, especially in Regional Revenue. Meanwhile, (Perdana et al., 2020) research on the performance of the Surabaya City APBD resulted in good performance. Furthermore, based on research conducted (Sudarlan et al., 2022), the financial performance of the Bontang city in the management of the Regional Revenue and Expenditure Budget, seen from income in general, is still not good. A similar research conducted by (Nuzullestary & Mulyaningsih, 2021) based on an analysis of the Cilegon City APBD does not yet have independence, has attempted to realize Regional Revenue according to the target, and focuses more on operating expenditure activities rather than development spending.

By updating the research that was done, in which this study analyzed financial ratios by taking samples when a disaster occurred, namely Pandemi-19. Apart from that, the research object was also taken differently, namely in Kediri Regency with APBD data for 2020-2022. The analysis used in this study is also more complete. So the purpose of conducting this research is to find out the financial management performance of the Regional Government of Kediri Regency based on the analysis of Financial Ratios in the APBD of Kediri Regency. Analysis of regional financial management is basically intended to produce an overview of regional financial capacity or capability in funding regional development implementation. Regional financial policies are also directed at improving the management of regional assets. Limited sources of fiscal revenue have placed the management of regional assets in a very important position to support regional revenues.

## 2. METHODS

### The Scope of Research

This research uses a data series, namely APBD realization data when the Covid-19 pandemic occurred in Kediri Regency, namely from 2020 to 2022. APBD realization was chosen, because APBD is the result of budget planning which has better predictive accuracy than the APBD plan. The APBD has displayed the results of the fact added to the excess of the previous fiscal year (SiLPA), where this SiLPA was only known after the realization of the previous year's APBD. In addition, in terms of spending, income, financing, as well as the surplus or deficit of an area and a one-year period that can be used for the next year's Revised APBD plan.

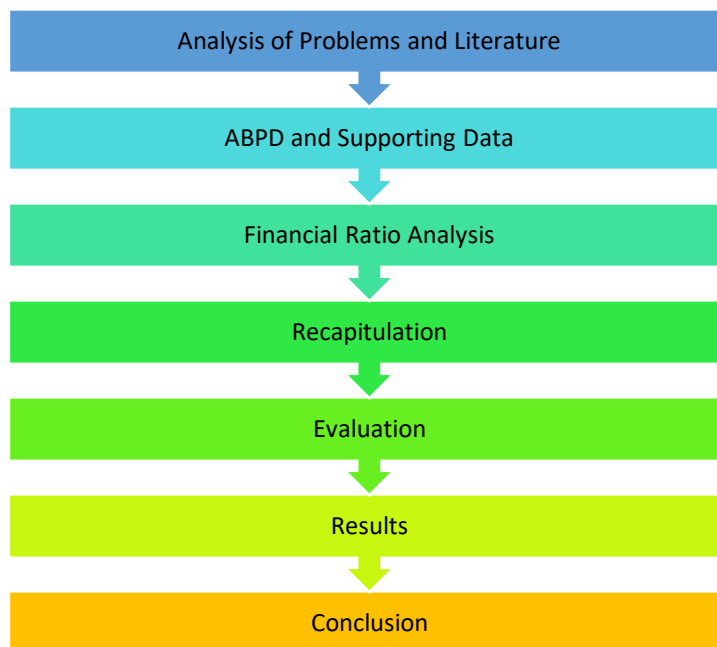
### Research Method

This study analyzes the APBD, with the application of a normative juristic approach. Normative juristic is a research data analysis approach using the basics as stipulated in the laws and regulations that apply in the research area. As is currently happening, the Ministry of Finance of the Republic of Indonesia releases APBD descriptions throughout Indonesia in parallel every year. So using this data in this study using a similar approach by using data series when the Covid-19 pandemic occurred or from 2020 to 2022.

The method used is the case study method and descriptive approach. Case study is an empirical inquiry that investigates phenomena in real-life contexts, where the boundaries between phenomena and contexts are not clearly visible. This case study is limited to quantitative evidence. The data analysis method used also uses descriptive analysis. Descriptive analysis is statistics used to analyze data by describing or describing the data that has been collected as it is without intending to make general conclusions. The APBD ratios used are measured by comparing between account posts in the APBD, total population, number of employees, and GRDP.

### Research Framework

The research framework begins with problem analysis and literature studies, then processing APBD data and supporting data obtained (Gross Domestic Regional Gross and Total Population), then conducting analysis, recapitulating the results of the analysis, evaluating the recapitulation, generating an opinion to arrive at a conclusion as described in Figure 2.



**Figure 2. Research Framework**

### Analysis Tools

The analytical tools used are tax ratio, per capita tax, regional fiscal space, regional dependency ratio, ratio of personnel expenditure to total regional expenditure, ratio of capital expenditure to total regional expenditure, ratio of capital expenditure to population, ratio of financial aids expenditure to total

regional expenditure, idle funds, growth ratio, effectiveness ratio, and efficiency ratio. The following is the analysis formula for each analytical tool used.

$$\text{Tax Ratio} = \frac{\text{Local Tax Revenue}}{\text{GRDB}} \times 100\% \quad (1)$$

$$\text{Tax Per Capita} = \frac{\frac{\text{Tax}}{\text{GDRB}} \times \frac{\text{GDRB}}{\text{Personal}}}{\text{Total Revenue} - (\text{Special Allocation Fund} + \text{Grant Income} + \text{Emergency Fund} + \text{Adj. Fund}) - \text{Indirect Personnel Exp.}} \quad (2)$$

$$\text{Regional Fiscal Space} = \frac{\text{Total of Revenue}}{\text{Regional Revenue}} \times 100\% \quad (3)$$

$$\text{Regional Independency Ratio} = \frac{\text{Regional Revenue}}{\text{Total of Revenue}} \times 100\% \quad (4)$$

$$\text{Personnel Expenditure Ratio} = \frac{\text{Indirect Personnel Expenditure}}{\text{Total of Expenditure} + \text{Capital Expenditure}} \times 100\% \quad (5)$$

$$\text{Capital Expenditure Ratio} = \frac{\text{Goods and Services Expenditures}}{\text{Total of Expenditure}} \times 100\% \quad (6)$$

$$\text{Capital Expenditure Ratio Per Capita} = \frac{\text{Capital Expenditure}}{\text{Total of Population}} \times 100\% \quad (7)$$

$$\text{Financial Aids Expenditure Ratio} = \frac{\text{Assistance Expenditure Ratio}}{\text{Total of Expenditure}} \times 100\% \quad (8)$$

$$\text{Idle Fund} = \frac{\text{SiLPA}}{\text{Expenditure}} \quad (9)$$

$$\text{Growth Ratio} = \frac{\text{Data for the Current Year} - \text{Data for the Previous Year}}{\text{Data for the Previous Year}} \times 100\% \quad (10)$$

$$\text{Effectiveness Ratio} = \frac{\text{Regional Revenue Realization}}{\text{Regional Revenue Target}} \times 100\% \quad (11)$$

$$\text{Efficiency Ratio} = \frac{\text{Total of Expenditure}}{\text{Regional Revenue}} \times 100\% \quad (12)$$

### 3. RESULTS AND DISCUSSIONS

#### Regional Revenue and Expenditure Budget Summary

In Table 1 is the results of the Kediri Regency Regional Revenue and Expenditure Budget data in 2020 to 2022 consisting of Revue, Expenditure, and Funding.

**Table 1.** Regional Revenue and Expenditure Budget Summary (in Billion Rupiahs)

Kind of Budget	2020	2021	2022
<b>1 Total of Revenue</b>	<b>2.835,33</b>	<b>2.923,11</b>	<b>3.056,07</b>
<b>1.1 Regional Revenue</b>	<b>494,41</b>	<b>513,77</b>	<b>661,16</b>
1.1.1 Regional Tax	215,30	211,90	249,54
1.1.2 Regional Retribution	25,58	26,81	26,37
1.1.3 Regional Separated Management of Regional Wealth	10,08	10,53	11,15
1.1.4 Other Regional Revenue	243,45	264,54	374,09
<b>1.2 Balance Funds</b>	<b>2.033,31</b>	<b>2.158,75</b>	<b>2.128,63</b>
1.2.1 Tax and Non-Tax Profit Sharing	115,71	156,44	172,17
1.2.2 General Allocation Fund	1.166,59	1.149,91	1.141,97
1.2.3 Special Allocation Fund	378,15	475,57	447,84
1.2.4 Other Central & Provincial Government Transfer	372,86	376,81	336,20
<b>1.3 Other Revenue</b>	<b>307,61</b>	<b>250,59</b>	<b>266,28</b>
1.3.1 Grant	135,54	7,86	17,32
1.3.2 Emergency Fund	-	-	-
1.3.3 Tax Sharing Revenue from Prov. & Other Regional Government	164,77	253,38	227,03
1.3.4 Regional Adjustment and Autonomy Fund	-	-	-
1.3.5 Financial Assistance from Prov. or Other Regional Government	7,30	7,35	7,34
1.3.6 Other	-	-	-
<b>2 Total of Expenditure</b>	<b>2.832,28</b>	<b>2.937,42</b>	<b>2.775,83</b>
<b>2.1 Indirect Expenditures</b>	<b>1.854,25</b>	<b>1.884,72</b>	<b>1.935,01</b>
2.1.1 Personnel Expenditures	1.020,71	1.045,36	1.014,46
2.1.2 Interest Expenditures	-	-	-
2.1.3 Subsidies Expenditures	-	-	-
2.1.4 Grant Expenditures	151,19	131,72	163,58
2.1.5 Social Aid Expenditures	71,23	84,09	114,12
2.1.6 Sharing Fund Expenditures	22,24	23,89	23,64

2.1.7	Financial Aids Expenditures	500,45	565,39	273,26
2.1.8	Unpredicted Expenditures	88,42	34,26	3,02
<b>2.2</b>	<b>Direct Expenditures</b>	<b>978,03</b>	<b>1.052,71</b>	<b>1.177,62</b>
2.2.1	Personnel Expenditures	-	-	-
2.2.2	Good and Services	577,28	733,39	831,14
2.2.3	Capital Expenditure	400,75	319,31	346,48
	<b>Surplus/Deficit</b>	<b>3,05</b>	<b>-14,31</b>	<b>280,24</b>
<b>3</b>	<b>Total of Funding</b>	<b>564,64</b>	<b>573,34</b>	<b>525,24</b>
<b>3.1</b>	<b>Receipt of Financing</b>	<b>564,64</b>	<b>578,34</b>	<b>559,02</b>
3.1.1	Remaining Budget Calculation for Previous Fiscal Year	524,63	567,69	559,02
3.1.2	Disbursement of Reserve Funds	40,00	0,00	0,00
3.1.3	Proceeds from the sale of separated regional assets	-	-	-
3.1.4	Regional Loan Receipts	-	-	-
3.1.5	Re-receipt of Loans	-	-	-
3.1.6	Receipt of Regional Receivable	0,01	10,65	-
<b>3.2</b>	<b>Funding Expenditures</b>	<b>-</b>	<b>5,00</b>	<b>33,78</b>
3.2.1	Formation of Reserve Funds	-	-	30,00
3.2.2	Equity Participation (investment) Regional Government	-	5,00	3,78
3.2.3	Payment of Principal Debt	-	-	-
3.2.4	Provision of Regional Loans	-	-	-
3.2.5	Financing Refunds	-	-	-
3.2.6	Debt Payment/Third Party Obligations	-	-	-
3.2.7	Payment of Debt/Indirect Shopping Obligations	-	-	-

### Supporting Data Summary

In Table 2 is the results of the Gross Regional Domestic Product at Current Market Prices, Gross Regional Domestic Product at Constant Market Prices, and Total Population of Kediri Regency data in 2020 to 2022.

**Table 2.** Supporting Data Summary

Kind of Budget	2020	2021	2022
At Current Market Prices (in Billion Rupiahs)	40.626,77	42.692,71*	46.665,03**
At Constant Market Prices (in Billion Rupiahs)	28.490,95	29.361,67*	30.800,71**
Number of Population (Thousand)	1.635,29	1.644,40	1.656,02

Note: \* Preliminary Figures

\*\* Very Preliminary Figures

### Tax Ratio

Tax ratio is a ratio that describes the comparison between total tax revenue and Gross Regional Domestic Product. The function of the tax ratio is to determine the effectiveness of local tax collection. The GRDP that will be used in this analysis is the Gross Regional Domestic Product at current market prices, namely the added value of goods and services calculated using the prices prevailing in each calculation year. It can be seen that the peak of the Covid-19 Pandemic, which is expected to be around 2021, will reduce the effectiveness of the tax ratio. However, in 2022 when Covid-19 began to be under control, the tax ratio improved even better than in 2020.

**Table 3.** Tax Ratio

Description	2020	2021	2022
Regional Tax (in Billion Rupiahs)	215,30	211,90	249,54
GRDP at Current Market Prices (in Billion Rupiahs)	40.626,77	42.692,71*	46.665,03**
<b>Tax Ratio (%)</b>	<b>0,530</b>	<b>0,496</b>	<b>0,535</b>

Note: \* Preliminary Figures

\*\* Very Preliminary Figures

### Tax Per Capita

Tax ratio is a ratio that describes the comparison between total tax revenue and GRDP. The function of the tax ratio is to determine the effectiveness of local tax collection. The GRDP that will be used in this

analysis is the GRDP at current prices, namely the added value of goods and services calculated using the prices prevailing in each calculation year. From the results of per capita tax calculations it can be seen that this declining tax ratio is predicted to be due to the tax breaks provided by the government during the pandemic and the ability of the people because almost all sectors are experiencing difficulty adapting. However, with the improving economy, the tax rate will increase again in 2022.

**Table 4.** Tax Per Capita

Description	2020	2021	2022
Regional Tax (in Billion Rupiahs)	215,30	211,90	249,54
GRDP at Current Market Prices (in Billion Rupiahs)	40.626,77	42.692,71*	46 665,03**
Tax Ratio (%)	0,530	0,496	0,535
Number of Population (Thousand)	1.635,29	1.644,40	1.656,02
GDRP Per Capita (in Million Rupiahs)	24,84	25,96	28,18
Tax Per Capita (in Million Rupiahs)	13,17	12,88	15,08

Note: \* Preliminary Figures

\*\* Very Preliminary Figures

### Regional Fiscal Space

Regional fiscal space is one of the analyzes to measure the flexibility that local governments have in allocating all aspects of the APBD to finance activities that are priority areas for the region within a certain time. The fiscal space of Kediri Regency has increased successively, this shows that there is a high flexibility that is owned by the Kediri Regency government to allocate spending on activities that are regional priorities.

**Table 5.** Regional Fiscal Space

Description	2020	2021	2022
Total of Revenue (in Billion Rupiahs)	2.835,33	2.923,11	3.056,07
Special Allocation Fund (in Billion Rupiahs)	378,15	475,57	447,84
Grant (in Billion Rupiahs)	135,54	7,86	17,32
Indirect Personnel Expenditures (in Billion Rupiahs)	1.020,71	1.045,36	1.014,46
<b>Regional Fiscal Space</b>	<b>0,46</b>	<b>0,48</b>	<b>0,52</b>

### Regional Independency Ratio

The regional Independence ratio serves to assess the level of regional Independence on assistance provided by external parties. This assistance can come from the central government or other regional governments. According to Undang-Undang Nomor 28 Tahun 2009 concerning Regional Taxes and Restraints, the tendency for an increase in the independence ratio is one of the benchmarks for successful. This ratio is shown by the Regional Revenue to total income and the transfer funds to total income. The independence ratio for Kediri Regency during the pandemic had an upward trend indicating that the dependency value was decreasing.

**Table 6.** Regional Independency Ratio

Description	2020	2021	2022
Regional Revenue (in Billion Rupiahs)	494,41	513,77	661,16
Total of Revenue (in Billion Rupiahs)	2.835,33	2.923,11	3.056,07
Regional Independency Ratio (%)	17,44	17,58	21,63

### Personnel Expenditure Ratio

The Personnel Expenditure Ratio is used as a benchmark for the use of income to finance employees. In 2022 there will be a thirteenth salary increase as stipulated in PP Nomor 16 Tahun 2022. This regulation will also be applied for 2023. With this thirteenth salary increase it is hoped that it will increase government and household consumption thereby encouraging economic growth. This thirteenth salary is given in the amount of the basic salary/pension and the salary attached to it and 50 percent of the performance allowance that is received every month. Meanwhile, the basic salary of civil servants still refers to the basic salary of civil servants regulated in PP Nomor 15 Tahun 2019. However, in planning the Draft Law on the State Budget, President Joko Widodo revealed that there would be an increase in the salaries of

civil servants on August 16, 2023. The Personnel Expenditure Ratio for Kediri Regency during the Covid-19 pandemic was quite volatile. This is influenced by termination of employment, reduction in salary, and others.

**Table 7.** Personnel Expenditure Ratio

Description	2020	2021	2022
Personnel Expenditures (in Billion Rupiahs)	1.020,71	1.045,36	1.014,46
Total of Expenditure (in Billion Rupiahs)	2.832,28	2.937,42	2.775,83
Personnel Expenditure Ratio (%)	36,038	35,588	36,546

### Capital Expenditure Ratio

The Capital Expenditure Ratio is a comparison between capital expenditure and total expenditure. Capital expenditure is very important because it can cause a multiplier effect in boosting the economy. Referring to Article 64 Peraturan Pemerintah Nomor 12 Tahun 2019 concerning provisions related to Capital Expenditures, Capital expenditures are used to budget expenditures made in the context of procuring fixed assets and other assets. Procurement of fixed assets meets the following criteria: 1) has a useful life of more than 12 (twelve) months; 2) used in Regional Government Activities; and 3) minimum asset capitalization limit. In addition to the criteria, it also contains other criteria, namely: 1) tangible; 2) the cost of acquiring fixed assets can be measured reliably; 3) are not intended for sale in the normal course of the entity's operations; and 4) acquired or constructed with the intention of being used. Similar to the Personnel Expenditure Ratio, the Capital Expenditure Ratio also experienced fluctuations during the Covid-19 pandemic. This proves that in Expenditure APBD performance is not optimal.

**Table 8.** Capital Expenditure Ratio

Description	2020	2021	2022
Capital Expenditure (in Billion Rupiahs)	400,75	319,31	346,48
Total of Expenditure (in Billion Rupiahs)	2.832,28	2.937,42	2.775,83
Capital Expenditure Ratio (%)	14,15	10,87	12,48

### Capital Expenditure Ratio Per Capita

The Capital Expenditure Ratio Per Capita shows how the government's concern is in improving the economy of its population, especially through infrastructure development. During the Covid-19 emergency, the government actually reduced Capital Expenditure so that the ratio of the economic level of the population fluctuated and tended to decrease.

**Table 9.** Capital Expenditure Ratio

Description	2020	2021	2022
Capital Expenditure (in Billion Rupiahs)	400,75	319,31	346,48
Number of Population (Thousand)	1.635,29	1.644,40	1.656,02
Capital Expenditure Ratio Per Capita (in Thousand Rupiahs)	245,06	194,18	209,22

### Financial Aids Expenditure Ratio

Financial Aids Expenditure Ratio is the level of government spending to provide social assistance. In accordance with Permendagri number 13 of 2006 in Article 45 Paragraph 1, in principle, the cost of social assistance is used to improve people's welfare. The Financial Aids Expenditure Ratio is measured by comparing the Financial Aids Expenditure to the Total of Expenditure. Along with the development of Covid-19, the Financial Aids Expenditure Ratio has increased. So that in 2022 when Covid-19 is under control there will be a decrease in the Financial Aids Expenditure Ratio.

**Table 10.** Financial Aids Expenditure Ratio

Description	2020	2021	2022
Financial Aids Expenditure (in Billion Rupiahs)	500,45	565,39	273,26
Total of Expenditure (in Billion Rupiahs)	2.832,28	2.937,42	2.775,83
Financial Aids Expenditure Ratio (%)	17,67	19,25	9,84

### Idle Fund

Idle funds are described in SiLPA ratios. The results of the SiLPA ratio, which is getting bigger, shows that there are more idle funds that cannot be utilized. From the calculation results, there is an increase in the SiLPA ratio every year, which of course has an impact on the greater number of idle funds that cannot be utilized.

**Table 11.** SiLPA Ratio

Description	2020	2021	2022
Remaining Budget Calculation for Previous Fiscal Year (in Billion Rupiahs)	524,63	567,69	559,02
Total of Expenditure (in Billion Rupiahs)	2.832,28	2.937,42	2.775,83
SiLPA Ratio (%)	18,52	19,33	20,14

### Growth Ratio

The growth ratio illustrates the level of development of the realization of the State Budget for the previous period. In 2020 there was a decrease in Revenue and Expenditure, the cause of which was none other than the pandemic. Then from the Regional Revenue perspective, this positive value indicates that Regional Revenue elements such as Regional Owned Enterprises can survive. Then from the financing side it increased significantly due to the previous year's Disbursement of Reserve Funds and SiLPA. In the following year 2021 the performance of the elements of the State Budget is quite good where all elements experience an increase. Furthermore, in 2022 there will be a decrease in Expenditure and Funding.

**Table 12.** Growth Ratio

Description	2020	2021	2022
Total of Revenue (in Billion Rupiahs)	2.835,33	2.923,11	3.056,07
<b>Total of Revenue Growth Ratio (%)</b>	<b>-5,45</b>	<b>3,10</b>	<b>4,55</b>
Regional Revenue (in Billion Rupiahs)	494,41	513,77	661,16
<b>Regional Revenue Growth Ratio (%)</b>	<b>8,01</b>	<b>3,92</b>	<b>28,69</b>
Total of Expenditure (in Billion Rupiahs)	2.832,28	2.937,42	2.775,83
<b>Total of Expenditure Growth Ratio (%)</b>	<b>-5,31</b>	<b>3,71</b>	<b>-5,50</b>
Total of Funding (in Billion Rupiahs)	564,64	573,34	525,24
<b>Total of Funding Growth Ratio (%)</b>	<b>42,25</b>	<b>1,54</b>	<b>-8,39</b>

### Effectiveness Ratio

Proportionally regional financial resources are achieved through regulation, distribution and exploration of potential new sources to increase Regional Revenue, as well as fiscal balance between the central and regional governments. Sources of regional government funds are obtained in the context of balancing the finances of the central government and regional governments based on the principles of decentralization, decentralization and joint management. In the context of regional autonomy, budget allocation and use of regional capacities and resources depend heavily on creativity and willingness to manage regional budgets in order to achieve maximum results according to plan, including increasing the welfare of the people who are more equitable.

Regional financial effectiveness ratios are useful for comparing the level of achievement of local government goals, namely the link between output and targets that must be achieved. The effectiveness ratio is calculated by dividing the Regional Revenue realization by the Regional Revenue target. The results of the Effectiveness Ratio show that each year the Regional Revenue target is achieved with a percentage above 100%. This ratio continues to increase, therefore it can be calculated to increase the Regional Revenue target in the following year.

**Table 13.** Effectiveness Ratio

Description	2020	2021	2022
Regional Revenue Realization (in Billion Rupiahs)	494,41	513,77	661,16
Regional Revenue Target (in Billion Rupiahs)	424,92	425,69	454,11
<b>Effectiveness Ratio (%)</b>	<b>116.35</b>	<b>120.69</b>	<b>145.59</b>

### Efficiency Ratio

The efficiency ratio serves to calculate the comparison between the amount of actual spending spent and the realization of Regional Revenue. The efficiency ratio can be found by dividing the actual

expenditure by the regional revenue realization. The result is that the lower the level of efficiency, the better the productivity level of local government financial performance. Even though the Efficiency Ratio during the Covid-19 pandemic had a downward trend, its value was still very large. This value illustrates the inefficiency of the Kediri Regency Revenue and Expenditure Budget during the Covid-19 pandemic.

**Table 14.** Efficiency Ratio

Description	2020	2021	2022
Total of Expenditure (in Billion Rupiahs)	2.832,28	2.937,42	2.775,83
Regional Revenue (in Billion Rupiahs)	494,41	513,77	661,16
<b>Efficiency Ratio (%)</b>	<b>572,86</b>	<b>571,74</b>	<b>419,84</b>

#### 4. CONCLUSION

The conclusion that can be drawn is the calculation of the Financial Ratio Analysis of the Kediri Regency Regional Revenue and Expenditure Budget during the Covid-19 Pandemic (2020-2022), showing that Covid-19 has caused the Regional Financial Performance of the Kediri Regency Government for the 2020 to 2022 fiscal years to tend to be less than good. When the pandemic occurred there was: From the results of the analysis it is known that during the Covid-19 pandemic there was a decrease in tax effectiveness, a decrease in the ratio of paying taxes per capita, an increase in spending activities on regional priorities, a decrease in the value of dependence on Regional Revenue, fluctuations in the ability of income to finance employees, not optimal expenditure, an increase in financial aids expenditure, an increase in idle funds that cannot be used, fluctuations in growth, the effectiveness of the APBD target, and the inefficiency of revenue and expenditure. It can be concluded that the Covid-19 pandemic really had an impact on all sectors including the economic sector. Based on these conclusions and with the existing limitations, the researcher provides several suggestions for further researchers, including (1) For future research it is expected to use other data, namely in the form of primary data in the form of interviews or observations with regional revenue managers such as BPKAD or BAPPEDA regarding APBD performance ; (2) For future research, it is expected to use other analytical tools that can measure government financial performance so that it is more varied and has many points of view; (3) Future research is expected to be able to compare local government performance with higher government performance such as provincial and national; (4) For future research, it is expected to increase the time span of research data such as before and after regional autonomy. This suggestion aims to improve the quality of future research.

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