Research Paper

Analysis Of Regional Financial Independence Level In The Autonomic Era In The Government Of Tana Toraja Regency

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Based on the phenomenon that shows that Tana Toraja Regency's financial independence is lacking, indicating that Tana Toraja Regency has a high dependence on assistance from the central government through Fiscal Balances, researchers want to analyze how the level of regional financial independence, regional financial capability, and the level of effectiveness and efficiency of local government revenues in the Autonomy Era in the Tana Toraja Regency Government from 2016-2020. This study uses a quantitative descriptive method. The results show that in the 2016-2020 fiscal year, when viewed from the Ratio of General Allocation Funds to Total Regional Revenue, it is in the Enough category, the ratio of Tana Toraja Regency is in the Adequate category, the Average Growth Rate of Regional Revenue is in the fluctuating category, the ratio of Regional Revenue to Total Regional Expenditures in other words is in the Poor category. This shows that the Tana Toraja Regency area has not been optimal in managing the potential of existing resources in the area, or in other words the costs incurred are much greater than the results obtained.
Keywords: Regional Financial Independence, Regional Financial Capability, Local Government Revenue

I. INTRODUCTION

Decentralization or regional autonomy is a concept that implies a delegation of authority from the central government to lower-level local governments to manage their own territory (Sakinah Nadir, 2013). One of the regional government policies in the era of regional autonomy is the management of regional finances through fiscal decentralization.

One of the most important parts in implementing regional autonomy is to determine the level of regional financial independence in financing its own regional affairs in the context of realizing regional autonomy. Regional financial independence shows the ability of local governments to finance their own government activities, development and financing for the people who have paid taxes and levies as a source and revenue needed by the region. Therefore, regional financial independence is a component of public administration, which is similar to fiscal decentralization.

In addition, the success of regional autonomy will not be separated from the ability in the financial sector which is one of the important indicators. In this case, local governments must be able to carry out government activities effectively and efficiently to encourage community participation in development, as well as improve welfare by increasing equity and justice. In realizing regional autonomy, each autonomous region must be able to manage its government affairs independently.

The main characteristic of a region that can implement autonomy is regional financial capability, meaning that the region must have the authority to be able to explore existing financial sources in the region, manage and use its own finances to finance government activities, and dependence on funds from the central government must be kept to a minimum so that income Local origin is the main source of finance.

The ability of regional finance and budgets is basically the ability of local governments to increase local revenue. In this case, it is more directed to the aspect of regional government independence, especially in the field of regulating financial revenues and expenditures or fiscal decentralization, which can be measured by the degree of fiscal autonomy, through calculating the contribution of Regional Revenue (PAD) to the total Local government (APBD) as well as the contribution of donations and assistance to the total APBD (Syamsuddin Haris, 2007).

Tana Toraja Regency is one of the regencies in South Sulawesi Province which has a responsibility in running the government so that it can provide services for regional development. The amount of PAD's contribution to the total budget revenue of Tana Toraja Regency can be seen in the following table:

Table 1.1. Realization of Tana Toraja Regency Government Revenues and Expenditures for Fiscal Year 2016-2020 (Rp)

Year	PAD	Fiscal Balance	Realization		PAD/TPD	DBr/TPD
			Revenue (TPD)	Expenditure (TBD)	(100%)	(100%)
2016	101.993.901.924,93	756.949.422.675,00	1.008.014.776.094,20	856.771.358.483,89	10,118	75,093
2017	140.418.241.234,93	730.440.592.056,00	1.095.027.645.917,93	997.621.856.319,29	12,823	66,705
2018	106.108.442.618,94	702.129.367.000,00	1.071.079.856.692,94	961.218.936.919,34	9,907	65,553
2019	119.464.168.341,55	711.612.943.872,00	1.190.812.429.313,08	979.371.368.464,91	10,032	59,759
2020	110.936.063.512,19	648.460.785.466,00	1.132.684.863.534,75	925.348.493.641,58	9,794	57,250
Average					10,535	64,872

Based on the data from the table above, the factors that affect the Total Regional Revenue of Tana Toraja Regency include the condition of Human Resources (HR) both government officials and field officers who are still inadequate and competent, including in the context of coordination with stakeholders as well as the management of retribution posts that overlap each other. There are also several sources of levies and taxes that have not been implemented in 2016-2020, thereby reducing the realization of PAD. In addition, there are several fund posts which were later transferred to the handling of Covid-19 from the 2019-2020 budget year.

Overall, the realization of Tana Toraja Regency revenue related to PAD revenue from year to year always experiences ups and downs or fluctuates. The increase or decrease in the growth of Regional Revenue (PAD), is strongly influenced by the amount and type of taxes, user fees collected by local governments and the lack of incentives for management officials in carrying out tax and levy collections. If the number of types of regional taxes and levies collected is increasing, the result is that the Regional Revenue will be higher. Although in practice, the increase in Regional Revenue (PAD) is not only obtained from regional taxes and levies, but is also obtained from profit sharing posts for Regional Owned Enterprises (BUMD), revenue from regional revenue agencies and revenues from the government, as well as revenues generated by the Regional Owned Enterprises (BUMD). from local taxes and levies are the main indicators. Efforts to increase Regional Revenue (PAD) is not an easy thing, because there are many obstacles and factors that influence it, such as the level of regional economic development, population, and per capita income. These factors play a very important role in influencing efforts to increase the Regional Revenue (PAD) of Tana Toraja Regency.

Meanwhile, several regional development sectors in Tana Toraja Regency still receive assistance from the central government, this can be seen from the high income from the Fiscal Balance from 2016 to 2020 (BPS, 2021). The average percentage of income from Fiscal Balances to the total realization of TanaToraja Regency revenue from 2016 to 2020 is 64.872%. Regional financial independence can be realized by increasing the growth of Regional Revenue (PAD) and PAD is the backbone of regional financing. The ability of a region to explore PAD will affect the development and development of the region. The greater the contribution of PAD to the APBD, the less dependence on central government assistance. As for knowing the level of financial independence of the Tana Toraja Regency area, it can be seen in the table below:

Table 1.2. Level of Independence Ratio of Local Governmentof Tana Toraja Regency Budget 2016-2020

Year	Regional Revenue	Central Transfer + Provincial Transfer	Independence Ratio (%)	Information
2016	101.993.901.924,93	756.949.422.675,00	13,47	Kurang
2017	140.418.241.234,93	730.440.592.056,00	19,22	Kurang
2018	106.108.442.618,94	702.129.367.000,00	15,11	Kurang
2019	119.464.168.341,55	711.612.943.872,00	16,79	Kurang
2020	110.936.063.512,19	648.460.785.466,00	17,11	Kurang

Based on the ratio of the level of financial independence in table 1.2 above, the average level of regional financial independence of Tana Toraja Regency during the 2016-2020 fiscal year period is 16.34% so that it is classified according to the research criteria of financial independence in Tana Toraja Regency is less. This shows that Tana Toraja Regency has a high dependence on assistance from the central government through Fiscal Balances.

II. LITERATURE REVIEW

2.1. Regional Financial Independence

Regional financial independence is the ability of local governments to finance their own government activities, accountability and development, as well as services provided to people who have paid levies and taxes which are a source of income that is very much needed by the region. Regional financial independence is indicated by the size of the Regional Revenue (PAD) compared to regional revenue originating from other sources, such as central government assistance (Prihatiningsih, 2010).

2.2. Regional Financial Capability

Regional Financial Capability is the regional financial capability in financing household affairs, especially those originating from Regional Revenue. In ensuring the implementation of regional autonomy, efforts are needed to improve their own financial capability by seeking to increase PAD revenues (Zulyanto, 2010).

2.3. Fiscal Decentralization

Fiscal decentralization is a delegation of authority and responsibility from the central government to local governments for public functions or aims to improve people's welfare. The implementation of fiscal decentralization in Indonesia was initially aimed at creating aspects of regional independence. The concept of fiscal decentralization is also known as the money follow function, which means that the granting of authority from the central government to local governments will be followed by the division of authority in the aspect of receiving funding (Zulyanto, 2010).

2.4. Regional Autonomy

Regional Autonomy is an authority given to a certain area as an area that can regulate its own rules within its territory but remains within the territory of the Republic of Indonesia. In regulating and managing the potential of the region, the region given the regional autonomy policy can be more flexible in implementing various regulations aimed at advancing the region. According to Law Number 23 of 2014 concerning Regional Government, regional autonomy is defined as the rights, powers and obligations of regions to regulate and manage their own households. This right is obtained through the transfer of government affairs from the central government to the regional government in accordance with the conditions and capabilities of the region concerned.

2.5. Regional Revenue (PAD)

Each region must have a variety of potential resources that can be managed and developed by the region itself in order to generate income (income) to run the wheels of the economy. This income is known as Regional Revenue (PAD). With the aim of giving authority to local governments to fund the implementation of regional autonomy in accordance with the potential of the region as a manifestation of decentralization. As a source of regional revenue, Regional Revenue is able to reflect the level of regional independence in developing the potential of its resources (Andini, 2019).

Regional Revenue is a very influential source of regional financial revenue because it is in the form of self-generated income and is used freely by the region based on its potential, so that Regional Revenue requires special attention from local governments in reducing dependence on the central government. Because it is undeniable that although regional autonomy has taken place, regional dependence on the central government is still high. This is reflected in the larger General Allocation Fund (DAU) Subsidy to local revenue in the Regional Revenue and Expenditure Budget (APBD), which means that Regional Revenue is still relatively low in its contribution to regional development financing.

### 2.6. Regional Government Financial Performance

Regional government financial performance is the result of the achievement of a work performance in the area of regional finance which includes regional revenues and expenditures using financial indicators determined through a policy or statutory provision for one budget period. The form of performance is in the form of financial ratios formed from the elements of the Regional Head Accountability Report in the form of APBD calculations (Agustina, 2013). It can be concluded that Government Financial Performance is the ability of a region to explore and manage regional original financial sources, in order to meet the needs so as not to depend on the Central Government.

III. CONCEPTUAL FRAMEWORK

3.1. Conceptual Framework

To see how big the level of regional financial independence is, what needs to be done in this research is to calculate the ratio of regional financial independence, measure regional financial capability, measure the level of

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regional financial effectiveness ratio, and measure the level of regional financial efficiency ratio. The description of the conceptual framework of this research can be seen in the schematic drawing of the research framework below:
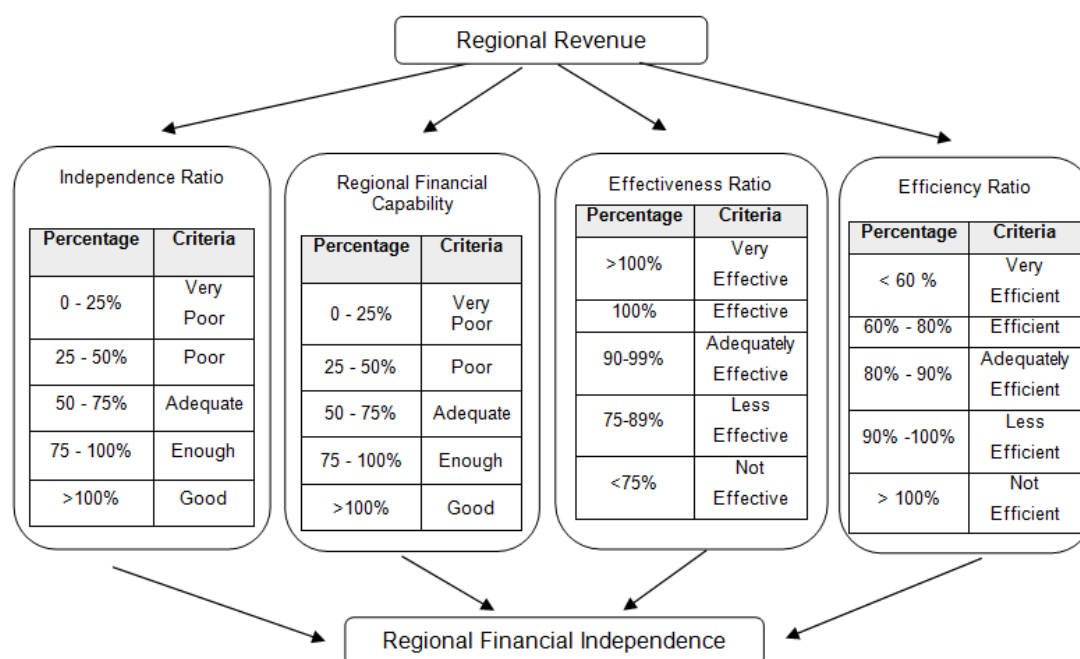
3.2 Hypothesis

Based on the literature review and review of previous research that has been stated above, a hypothesis/hypothesis with provisional assumptions is proposed as follows:

1.   It is thought that the level of regional financial independence in the Autonomy Era in the Tana Toraja Regency Government from 2016-2020 is still low.

2.   It is thought that the level of regional financial capability in the Autonomy Era at the Tana Toraja Regency Government from 2016-2020 is still low.

3.   It is thought that the level of effectiveness and efficiency of the Regional Financial Performance of the Tana Toraja Regency Government from 2016-2020 is less effective and efficient.

IV.   RESEARCH METHOD

4.1.   Research Design

The research that will be conducted is a descriptive type of research, this research is about regional financial independence conducted in the Tana Toraja Regency Government for the period 2016 to 2020. The analysis used in this study is descriptive analysis, which aims to explain the level of regional financial independence, the level of regional financial capability, and the level of effectiveness and efficiency of regional revenue in Tana Toraja Regency.

4.2.   Research Time and Location

This research will be conducted for two months focusing on the research location, namely Tana Toraja Regency, which is located at the office of the Regional Financial and Asset Management Agency of Tana Toraja Regency.

4.3.   Data Types and Source

1.   Data Types

a.   Quantitative Data, is a type of data that can be measured or calculated directly, in the form of information or explanation expressed in numbers or in the form of numbers. In this case, the quantitative data needed are: (1) Data on Realization of PAD Revenue in Tana Toraja Regency from the Office of the Regional Financial and Asset Management Agency in Tana Toraja Regency, (2) Comparison of PAD to Total Revenue Revenue from the Regional Financial and Asset Management Agency office in the Regency Tana Toraja, (3) The Level of Independence Ratio of the Regional Government of Tana Toraja Regency from the Regional Financial and Asset Management Agency office in Tana Toraja Regency.

b.   Qualitative data, namely data that is presented in the form of verbal words not in the form of numbers, which includes qualitative data in this study, namely sentences or responses, information obtained from employees of the Regional Financial and Asset Management Agency of Tana Toraja Regency.

2.   Data Sources
a.   Secondary Data, is data obtained based on references and literature related to materials and documents such as the Budget Realization Report (LRA) for the 2016-2020 fiscal year obtained from the office of the Regional Financial and Asset Management Agency of Tana Toraja Regency during the 2016-2020 Period and from literature review for several theories related to the problem.

4.4.   Data Gathering Source
The methods the author takes in collecting data are:
1.   Documentation, where the author records data through documents and reports on budget realization at the agency regarding the Regional Financial Independence of Tana Toraja Regency.

4.5.   Data Analysis Technique
1.   To find out the level of financial independence of the Tana Toraja Regency area, the author used the following formula:

$$Independence\ Ratio = \frac{Regional\ Revenue\ (PAD)}{Central\ Government\ Transfer + Province\ and\ Loan} \times 100\%$$

Percentage	Regional Financial Independence
0 - 25%	Very Less
25 - 50%	Less
50 - 75%	Adequate
75 - 100%	Good
> 100%	Very Good

2.   To find out the level of regional financial capability of the Tana Toraja Regency Government, the author used the following formula:

$$KKDT = \frac{TPD_t}{TBD_t} \times 100\%$$

Note:
KKDt   = Regional Financial Capability in Percent
TPDt   = Total Regional Income Year t
TBDt   = Total Regional Expenditure Year t

Percentage	Regional Financial Independence
0 - 25%	Very Less
25 - 50%	Less
50 - 75%	Adequate
75 - 100%	Good
> 100%	Very Good

3.   To determine the level of effectiveness and efficiency of Regional Revenue of the Tana Toraja Regency Government, the author used the following formula:

$$Effectiveness\ Ratio = \frac{PAD\ Revenue\ Realization}{PAD\ Revenue\ Target} \times 100\%$$

Financial Performance Percentage	Criteria
>100%	Very Effective
90-100%	Effective
80-90%	Adequately Effective
60-80%	Less Effective
<60%	Not Effective

4.   To measure the extent to which government efficiency in realizing revenue, the authors used the following formula:

$$Efficiency\ Ratio = \frac{Costs\ incurred\ to\ collect\ PAD}{PAD\ Revenue\ Realization} \times 100\%$$

Financial Performance Percentage	Criteria
< 60 %	Very Efficient
60% - 80%	Efficient
80% - 90%	Adequately Efficient
90% -100%	Less Efficient
> 100%	Not Efficient

4.6. Operational Variable Definition

1. Regional Revenue (PAD) is income that is obtained by the region from sources within its own territory which is collected based on regional regulations in accordance with statutory regulations.
2. Regional Financial Independence is a condition in which in the process of administering the financing of the administration of a regional government, it is carried out independently originating from Regional Revenue. Financial independence of a region to meet all capital expenditure needs. The greater the need that can be met, the higher the level of regional independence, on the contrary, the smaller the expenditure filled with Regional Revenue, the lower the level of independence of a region. (Suhandak and Triaklasono, 2007).
3. Regional Financial Capability is the financial capacity of the region in financing its household affairs, especially those originating from Regional Revenue. Where the goal is to find out how far the regional financial condition can support regional autonomy (Sularso, 2011)
4. PAD Effectiveness Ratio is the level of achievement of the implementation of an activity or achievement achieved by the local government as measured by comparing the realization of revenue with the revenue budget, in percent (Suyana Utama, 2008).
5. Efficiency Ratio is the level of achievement of the implementation of an activity or achievement achieved by the regional government as measured by comparing the realization of expenditure with the budget that has been determined, in percent. The smaller this ratio, the more efficient it is, and vice versa. In the community service sector, it is an activity that is carried out well and sacrifices to a minimum. An activity is said to have been carried out efficiently if the implementation of the work has achieved the results (output) with the lowest cost (input) or with minimal costs the desired results are obtained (Mahsun, 2006).

V. RESULTS AND DISCUSSION

5.1. Data Description

The data used to see the level of independence, ability, level of effectiveness and efficiency of regional finances in Tana Toraja Regency is data from the Budget Realization Report (LRA) for the 2016-2020 fiscal year obtained from the Tana Toraja Regency Financial and Asset Management Agency (BPKAD) Tana Toraja Regency.In this study, the data needed to calculate regional financial ratios are:

1) Regional Financial Effectiveness Ratio, 2) Regional Financial Efficiency Ratio, 3) General Allocation Fund Ratio, 4) Regional Financial Dependency Ratio, 5) Growth Rate of Regional Revenue, 6) Degree of Fiscal Autonomy, and 7) The ability of PAD to finance Regional Expenditures.

Overall, the results of data acquisition derived from detailed documentation can be seen in the table below:

Table 5.1. Regional Financial Data for Tana Toraja Regency 2016-2020 (Rp)

Year	TPD	PAD	DAU	DAK	Expenditure	Fiscal Balance
2016	1.008.014.776.094,20	101.993.901.924,06	555.007.866.000,00	178.681.9540146,00	856.771.358.483,89	756.949.422.675,00
2017	1.095.027.645.917,93	140.418.241.234,93	550.123.359.000,00	163.447.984.653,00	997.621.856.319,29	730.440.592.056,00
2018	1.071.079.856.692.94	106.108.442.618,94	551.496.571.000,00	128.965.821.928,00	961.218.936.919,34	694.143.547.384,00
2019	1.190.812.429.313,08	119.464.168.341.55	592.384.301.000,00	106.188.499.822,00	979.371.368.464,91	711.612.943.872,00
2020	1.132.684.863.534,75	110.936.063.512,19	544.504.787.000,00	88.403.498.410.00	925.348.493.641,58	648.460.785.466,00

Based on the data from the table above, the factors that affect the Total Regional Revenue of Tana Toraja Regency include the condition of Human Resources (HR) both government officials and field officers who are still inadequate and competent, including in the context of coordination with stakeholders as well as the management of retribution posts that overlap each other. There are also several sources of levies and taxes that have not been implemented in 2016-2020, thereby reducing the realization of PAD. In addition, there are several fund posts which were later transferred to the handling of Covid-19 from the 2019-2020 budget year.

5.2. Data Analysis and Discussion

5.2.1. Level of Regional Financial Independence of Tana Toraja Regency in 2016-2020

To measure the level of regional financial independence can use the following formulas:

5.2.1.1. General Allocation Fund Ratio (RDAU)

The General Allocation Fund (DAU) is an allocation or transfer of funds from the center to autonomous regions in the form of blocks that are prioritized to finance basic regional government services. The General Allocation Fund Ratio (RDAU) is the level of distribution of funds that must be allocated by the central government to a

region in order to show regional financial independence in financing government affairs (Halim, 2004). So by looking at the data that has been obtained, the results of the calculation of the General Allocation Fund Ratio of Tana Toraja Regency are as follows:

Table 5.2.
DAU Ratio towards Total Regional Revenue of Tana Toraja Regency in 2016-2020 (Rp)

Year	DAU	TPD	RDAU (%)	Independence Category
2016	555.007.866.000,00	1.008.014.776.094,20	55,06	Adequate
2017	550.123.359.000,00	1.095.027.645.917,93	50,24	Adequate
2018	551.496.571.000,00	1.071.079.856.692.94	51,49	Adequate
2019	592.384.301.000,00	1.190.812.429.313,08	49,75	Poor
2020	544.504.787.000,00	1.132.684.863.534,75	48,07	Poor

Based on the calculations in table 5.2 above, which shows the Ratio of General Allocation Funds given by the central government to the regions to the Total Regional Revenue of Tana Toraja Regency between 2016 - 2020, on average the overall level of financial independence of the Tana Toraja Regency is included in the category Adequate, which means that the level of dependence of Tana Toraja Regency on the General Allocation Fund (DAU) from the center is still relatively balanced with the Regional Revenue of Tana Toraja Regency, this is seen from the percentage level of the General Allocation Fund which is on average 50.92%. For more details, the percentage of the General Allocation Fund Ratio of Tana Toraja Regency to Total Regional Revenue of Tana Toraja Regency can be seen in the graph below:

Graph 5.1. Percentage of DAU Ratio of Tana Toraja Regency
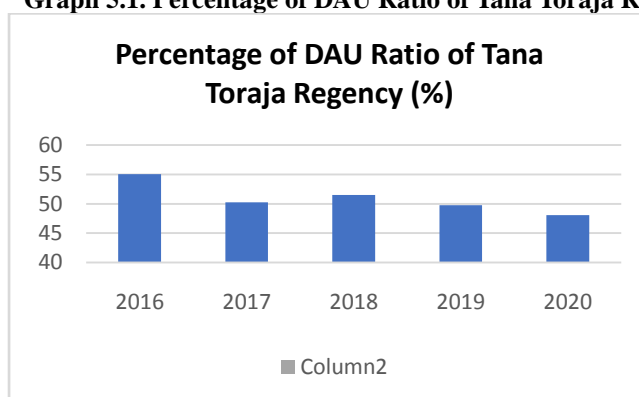
**5.2.1.2. Dependency Ratio (RK)**

The dependency ratio is the level of dependence of local governments on the allocation of aid funds from the central government which takes into account the readiness of the regions in exploring the local potential sources of funds contained in them (Halim, 2004). To be able to find out the percentage results of the Tana Toraja Regency Dependency Ratio, by comparing the amount of Fiscal Balances received by Tana Toraja Regency, then multiplied by 100% for more details, see the results of the Tana Toraja Regency Dependency Ratio calculation in the table below:

Table 5.3.Tana Toraja Regency Dependency Ratio 2016-2020 (Rp)

Year	Fiscal Balance Amount	TPD	Dependency Ratio (%)	Independence Category
2016	756.949.422.675,00	1.008.014.776.094,20	75,09	Good
2017	730.440.592.056,00	1.095.027.645.917,93	66,71	Adequate
2018	694.143.547.384,00	1.071.079.856.692.94	64,81	Adequate
2019	711.612.943.872,00	1.190.812.429.313,08	59,76	Adequate
2020	648.460.785.466,00	1.132.684.863.534,75	57,25	Adequate

By looking at the results of the Dependency Ratio calculation above, it can be concluded that the level of independence of Tana Toraja Regency in 2016-2020, almost all fiscal years fall into the Sufficient category, which means that the Total Revenue of the Tana Toraja Regency Government still receives donations from the Government Balance Fund. Central and South Sulawesi Provincial Government. This is known from the percentage of the Regional Dependency Ratio in Tana Toraja Regency, all of which show an average percentage of 64.82% which is included in the Adequate category. More details can be seen in the graphic below:

Graph 5.2. Dependency Ratio Percentage of Tana Toraja Regency
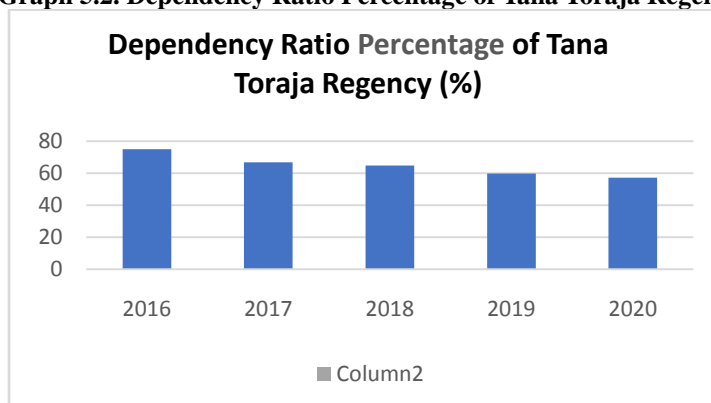
5.2.2.   Level of Regional Financial Capability of Tana Toraja Regency in 2016-2020
To see the level of regional financial capacity, we can use the following formulas:

5.2.2.1. Growth Rate of Regional Revenue (PAD) of Tana Toraja Regency in 2016-2020
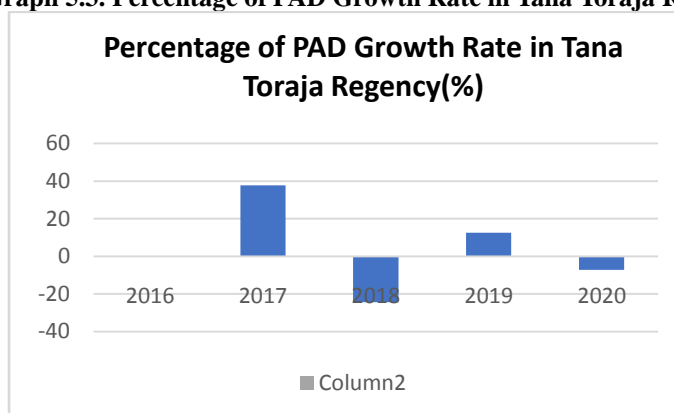The growth rate of Regional Revenue (PAD) of Tana Toraja Regency in 2016-2020 can be seen in the table below:

Table 5.4. Level of Regional Revenue (PAD) of Tana Toraja Regency 2016-2020 (Rp)

Year	Total Regional Revenue (PAD)	PAD Growth Rate (%)	Growth Rate (PAD) Category
2016	101.993.901.924,06	-	-
2017	140.418.241.234,93	37,67	Poor
2018	106.108.442.618,94	-24,43	Very Poor
2019	119.464.168.341.55	12,59	Very Poor
2020	110.936.063.512,19	-7,14	Very Poor

Based on the data from the table above, which shows that the growth rate of Regional Revenue (PAD) from the initial year of the study decreased due to several factors such as several sources of levies and taxes that were no longer implemented in 2016-2020, thereby reducing the realization of TPAD and lack of coordination. between officers at several local tax and retribution posts and the government so that they overlap. In addition, there are several fund posts which were later transferred to the handling of Covid-19 from the 2019-2020 budget year.For more details, we can see the percentage of the growth rate of the Regional Revenue of Tana Toraja Regency in 2016-2020 in the graph below:

Graph 5.3. Percentage of PAD Growth Rate in Tana Toraja Regency

**5.2.2.2. Degree of Fiscal Autonomy in Tana Toraja Regency 2016-2020**
The degree of Fiscal Autonomy is the size of a region's financial capacity in contributing to the realization of regional revenues. The way to see the Degree of Fiscal Autonomy of Tana Toraja Regency in 2016-2020 is to look at the percentage contribution of the Total Original Regional Revenue of Tana Toraja Regency in 2016-2020 to the Total Regional Income of Tana Toraja Regency in 2016-2020. The Fiscal Autonomy Degree of the Tana Toraja District can be seen in the table below:

Table 5.5. Degree of Fiscal Autonomy in Tana Toraja Regency 2016-2020 (Rp)

Year	Total Regional Revenue (PAD) (Rp.)	Total Regional Income (Rp)	Fiscal Autonomy Degree (DOF)	Fiscal Autonomy Degree Category(DOF)
2016	101.993.901.924,06	1.008.014.776.094,20	10,12	Poor
2017	140.418.241.234,93	1.095.027.645.917,93	12,82	Poor
2018	106.108.442.618,94	1.071.079.856.692.94	9,91	Very Poor
2019	119.464.168.341.55	1.190.812.429.313,08	10,03	Poor
2020	110.936.063.512,19	1.132.684.863.534,75	9,79	Very Poor

By looking at the degree of fiscal autonomy above, the Tana Toraja Regency in 2016 was included in the Poor category, this was due to the PAD of Tana Toraja Regency amounting to Rp. 101,993,901,924.06 or only 10.12% of the Total Regional Revenue of Tana Toraja Regency. So that the DOF category of Tana Toraja Regency in 2016 was included in the Poor category.For more details about the Degree of Fiscal Autonomy in Tana Toraja Regency in 2016-2020, we can see the graph below:

Graph 5.4. Degree of Fiscal Autonomy in Tana Toraja Regency
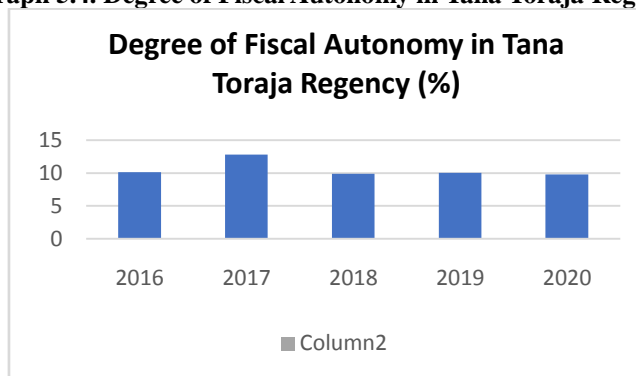
5.2.2.3. Ratio of PAD to Total Regional Expenditure of Tana Toraja Regency in 2016-2020
In assessing the financial capacity of the region, it can be seen from the extent to which PAD is able to finance its various expenditures. So in calculating the Ratio of Regional Revenue to Total Regional Expenditures of Tana Toraja Regency in 2016-2020 is to look at the contribution or contribution of Tana Toraja Regency's Original Regional Revenue in financing the total Regional Expenditures for Tana Toraja Regency in each from 2016-2020.
To measure the Regional Revenue Ratio using data from the Total Regional Expenditure of Tana Toraja Regency in 2016-2020, it can be seen in the calculation of the data that has been obtained previously, and the results are presented in the table below:

Table 5.6. Ratio of PAD to Total Regional Expenditure of Tana Toraja Regency in 2016-2020 (Rp)

Year	Total of Revenue Income (PAD) (Rp)	Total of Regional Expenditure	Routine Ability Index Ratio (IKR) (%)	Financial Capability Category
2016	101.993.901.924,06	856.771.358.483,89	11.90	Poor
2017	140.418.241.234,93	997.621.856.319,29	14.08	Poor
2018	106.108.442.618,94	961.218.936.919,34	11.04	Poor
2019	119.464.168.341.55	979.371.368.464,91	12.20	Poor
2020	110.936.063.512,19	925.348.493.641,58	11.99	Poor

By looking at the results of the calculation of the data above, It can be concluded that the Ratio of Regional Revenue to Total Regional Expenditure of Tana Toraja Regency during the 2016-2020 period provides a fluctuating or up and down contribution every year, in the category of Tana Toraja Regency's financial ability for 5 years with an average percentage of 12% which is in category of contributing Poorly. For more details about the Ratio of Original Regional Revenue of Tana Toraja Regency to Total Regional Expenditures of Tana Toraja Regency in 2016-2020 can be seen in the graph below:

Graph 5.5.Ratio of PAD to Total Regional Expenditure of Tana Toraja Regency for 2016-2020
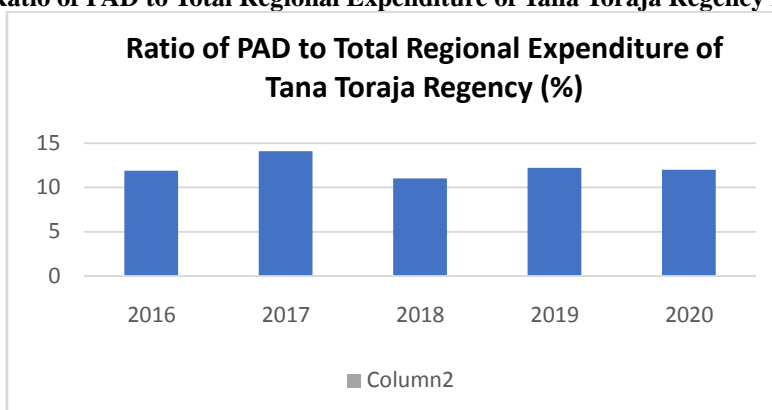
After the researchers conducted a more in-depth study of the sources of PAD in Tana Toraja Regency, it turned out that every year the targets that had been set were not able to be met in the APBD, this showed that with the low local revenue of Tana Toraja Regency, it was increasingly disproportionate to the Contribution of the Fiscal Balance from the Center to APBD of Tana Toraja Regency, thus causing a low level of independence and financial capacity of the Tana Toraja Regency area.

Based on the presentation of data from the analysis of regional financial capabilities in supporting the implementation of regional autonomy (average growth rate of Regional Revenue, degree of fiscal autonomy and the ratio of regional income to total regional expenditures), when compared with the objectives of regional autonomy, namely improving public services, improving welfare to increase the competitiveness of the region, it is necessary to make a harder effort to make it happen.

5.2.2.4. Ratio of Financial Effectiveness and Efficiency of Tana Toraja Regency 2016-2020
**a.   Regional Financial Effectiveness Ratio of Tana Toraja Regency**
The Regional Financial Effectiveness Ratio shows the ability of local governments to realize Regional Revenue (PAD) compared to the target set based on the real potential of the region (Halim, 2004). Therefore, by looking at the data that has been obtained, the calculation results are as follows:

Table 5.7. Regional Financial Effectiveness of Tana Toraja Regency in 2016-2020 (Rp)

Year	Regional Revenue Target(Rp.)	Regional RevenueRealization (Rp.)	Regional Financial Effectiveness Ratio (%)	Financial Effectiveness Ability
2016	93.231.216.000,00	101.993.901.924,06	109.40	Very Effective
2017	150.563.647.813,00	140.418.241.234,93	93.26	Effective
2018	184.700.000.000,00	106.108.442.618,94	57.45	Not Effective
2019	187.752.107.000,00	119.464.168.341.55	63.63	Less Effective
2020	125.559.974.000,00	110.936.063.512,19	88.35	Adequately Effective

Based on the results of the calculation table above, the realization of PAD in Tana Toraja Regency has fluctuated or it can be said that the percentage of its effectiveness ratio has fluctuated. In 2016, the Tana Toraja Regency Government targeted a total PAD of Rp 93,231,216,000.00 and it turned out that the realization exceeded the set target of Rp. 101,993,901,924.06, resulting in a regional financial effectiveness ratio of 109.40% in the Very Effective category.

Graph 5.6. Level of Financial Effectiveness Ratio of Tana Toraja Regency for the 2016-2020 period
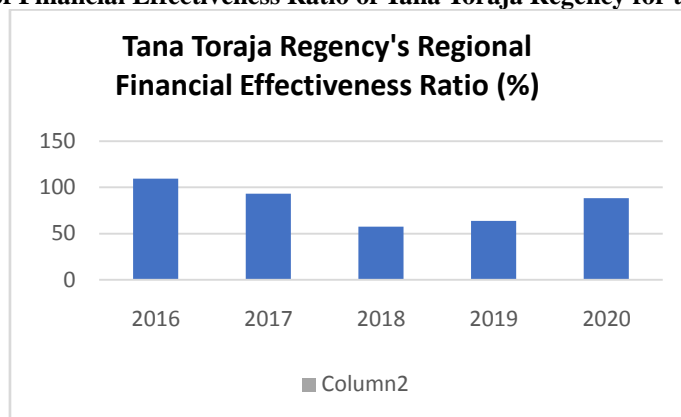

The largest contribution to Tana Toraja Regency's Original Regional Revenue from 2016-2020, can be seen in the table below:

Table 5.8.Regional Revenue of Tana Toraja Regency in 2016-2020 (Rp)

Year	Regional Tax	Regional Retribution	Revenue from Separated Regional Wealth Management	Other Legitimate Regional Income
2016	7.336.005.910,00	5.619.200.900,00	4.871.441.246,00	84.167.253.868,06
2017	9.211.461.706,70	8.146.401.492,00	5.782.413.940,16	117.277.964.096,07
2018	9.288.335.677,00	10.418.281.371,00	6.084.937.047,00	80.316.888.523,94
2019	12.366.450.845,00	12.803.711.427,00	7.443.699.740,00	86.850.306.329,55
2020	11.028.317.168,50	7.163.530.253,75	8.599.872.702,00	84.144.343.387,94

From year to year, Regional Taxes continue to provide the largest contribution to the total Regional Revenue of Tana Toraja Regency, and the amount of tax from each year has increased, this can be observed from the graphic image below:

Graph 5.7
PAD Graph of Tana Toraja Regency Period 2016-2020
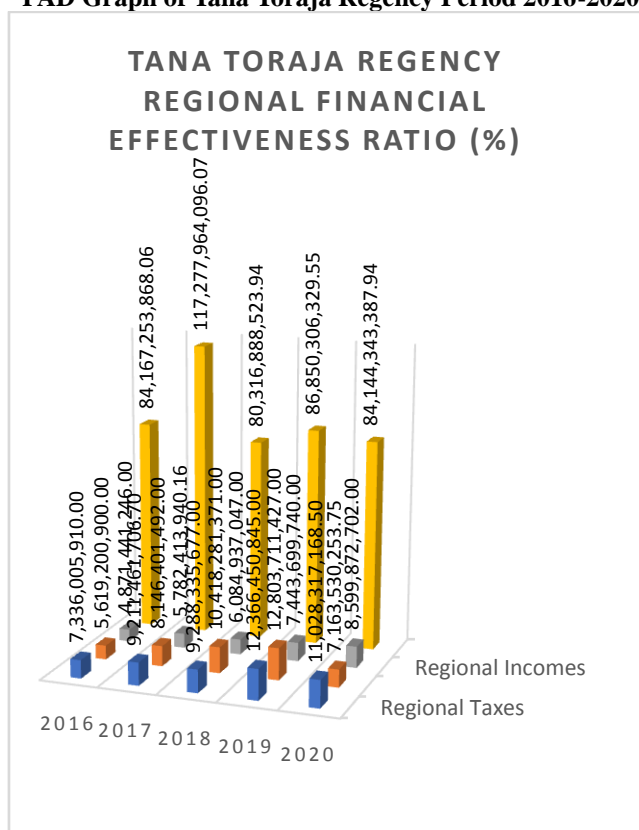
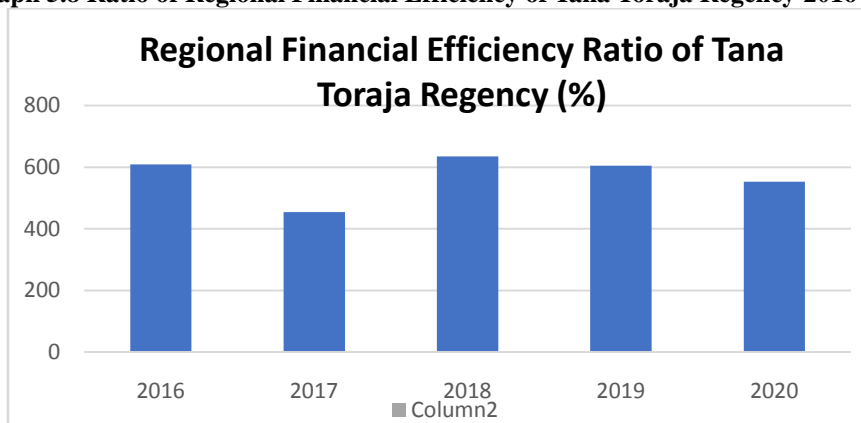**b.   Regional Financial Efficiency Ratio of Tana Toraja Regency 2016-2020**

Efficiency ratio is a ratio that describes the comparison between output and input or realization of expenditure with the realization of regional revenues, the smaller this ratio, the more efficient it is, and vice versa, in this case by assuming that the expenditures are spent according to their designation and fulfills what was planned. The level of efficiency during 2016-2020 in Tana Toraja Regency can be seen in the table below:

Table 5.9.
Regional Financial Efficiency of Tana Toraja Regency 2016-2020 (Rp)

Year	Regional Revenue Collection Fee (Rp)	Realized Regional Revenue (Rp)	Regional Financial Efficiency Ratio (%)	Financial Efficiency Ability
2016	621.391.805.307,41	101.993.901.924,06	60,92	Efficient
2017	637.715.203.189,83	140.418.241.234,93	45,41	Inefficient
2018	673.410.202.815,87	106.108.442.618,94	63,46	Efficient
2019	722.976.133.417,37	119.464.168.341.55	60,51	Efficient
2020	612.756.189.590,05	110.936.063.512,19	55,23	Inefficient

Overall, the average efficiency level of Tana Toraja Regency from 2016-2020 is 57.10%, meaning that the efficiency level is still Inefficient. This can be seen in the graphic image below:

Graph 5.8 Ratio of Regional Financial Efficiency of Tana Toraja Regency 2016-2020

VI. CONCLUSION

1.   Level of Regional Financial Independence of Tana Toraja Regency, when viewed from:
a.   The ratio of the General Allocation Fund (DAU) to Total Regional Revenue of Tana Toraja Regency in the 2016-2020 fiscal year period, shows that the proportion of DAU provided by the Central Government is very dominant to the Total Regional Revenue of Tana Toraja Regency, all above 48.07%. With details, in 2016 the proportion of DAU Tana Toraja Regency to the Total Regional Revenue of Tana Toraja Regency was 55.06%, in 2017 it was 50.24%, in 2018 it was 51.49%, in 2019 it was 49.75%, and in 2020 it was 48.07%, when viewed from The ratio of General Allocation Funds to Total Regional Revenue is in the Adequate category.
b.   Dependence Ratio in the 2016-2020 fiscal year period, the level of financial independence of the Tana Toraja Regency is included in the category of Regency with a Sufficient Level of Regional Financial Independence, because in the 2016-2020 fiscal year period the amount of Fiscal Balances received by Tana Toraja Regency both from the central government and the government South Sulawesi province is very dominant in the Total Regional Revenue of Tana Toraja Regency.
2.   Level of Regional Financial Capability of Tana Toraja Regency, when viewed from:
a.   Average Regional Revenue Growth Rate in the 2016-2020 Fiscal Year period. The level of financial capability of Tana Toraja Regency is included in the category of Regency with a fluctuating Level of Regional Financial Capability (Up and Down)
b.   With the degree of Fiscal Autonomy, Tana Toraja Regency in the 2016-2020 Fiscal Year is included in the category of Regency with an average level of ability that is less, because in that fiscal year the total contribution of Regional Revenue to the Total Regional Revenue of Tana Toraja Regency is an average of 10.53 %.
c.   The ratio of Regional Revenue to Total Regional Expenditure, then in the 2016-2020 fiscal year, the ability of Tana Toraja Regency's Original Regional Revenue to finance Total Regional Expenditures is an average of 12.24%, in other words, it is in the Less category.

3.   The Level of Effectiveness and Efficiency of the Tana Toraja Regency Regional Finance for the 2016-2020 period, shows the level of regional financial effectiveness that fluctuates (Up-Down), because during the 2016-2020 budget year period the Tana Toraja Regency Regional Government the highest effectiveness value is in 2016 with a percentage value of 109.40% and the lowest effectiveness value is in 2018 with a percentage value of 57.45% so that if averaged it is in the Quite Effective category, while the value of Regional Financial efficiency of Tana Toraja Regency during the 2016-2020 period, shows the level of regional financial efficiency which fluctuated (Up and Down), because during that period the local government of Tana Toraja Regency had the lowest level of efficiency in 2018 at 63.46% and the lowest efficiency level was in 2018 at 45.41%. The average level of financial efficiency for the Tana Toraja Regency during the 2016-2020 period is 57.11%, meaning that the efficiency level is still inefficient because the result is less than 60%. This shows that the Tana Toraja Regency area has not been optimal in managing the potential of existing resources in the area, or in other words the costs incurred are much greater than the results obtained.

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