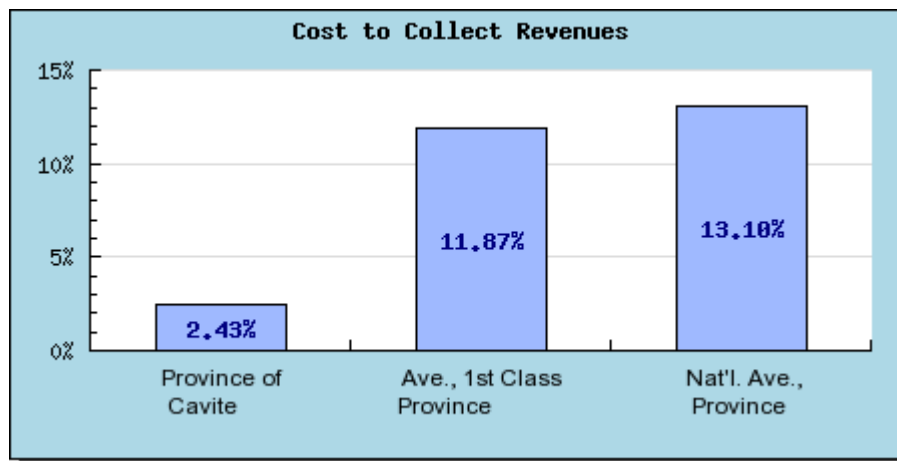


**PART 2. STATE OF FINANCIAL PERFORMANCE**

Province of Cavite, PY 2011

Revenue Generation



*Interpretation Guide*

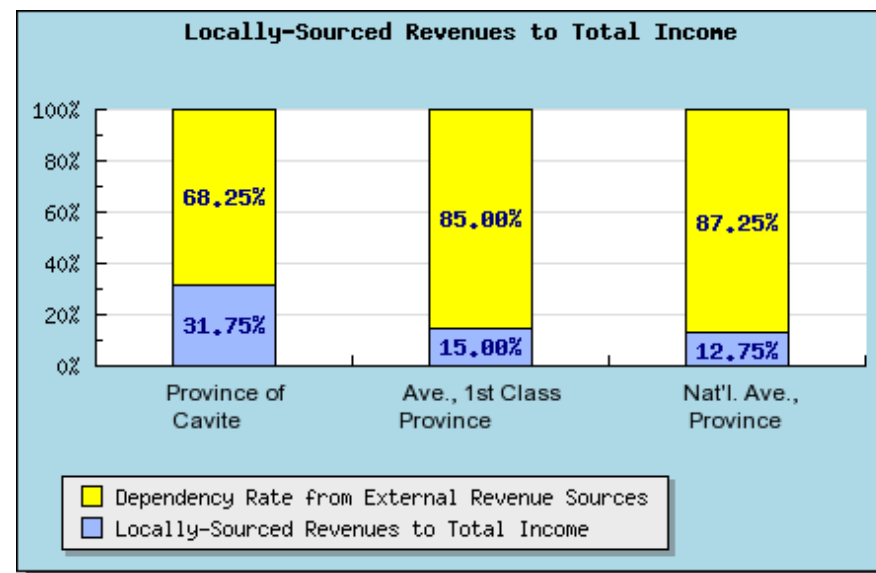
**Indicator:**  
Cost to Collect Revenues

**Computation:**  
(cost in collecting revenues/total local revenues collected) x 100

**Significance:**  
Determines local revenue collection efficiency

**Desired performance:**  
Should be lower than the average of LGUs with the same LGU type and income class

**Exceptional performance:**  
Lower for both conditions: (1) average of LGUs with the same LGU type and income class, (2) national average of the same LGU type regardless of income class



*Interpretation Guide*

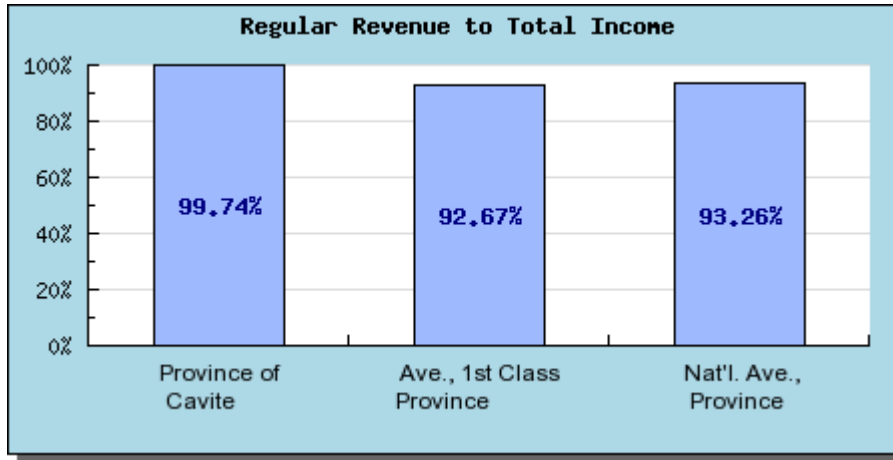
**Indicator:**  
Locally-Sourced Revenues to Total Income

**Computation:**  
(Amount of locally-sourced revenues/Total LGU Income) x 100

**Significance:**  
Determines local revenue collection effort and dependency from external revenue sources, eq. IRA & other inter-governmental fund transfer

**Desired performance:**  
Locally-sourced revenues to total income should be higher than the average of LGUs with the same LGU type and income class

**Exceptional performance:**  
Locally-sourced revenues to total income should be higher than the: (1) average of LGUs with the same LGU type and income class, (2) national average of the same LGU type regardless of income class



**Interpretation Guide**

**Indicator:**

Regular Revenues to Total Income

**Computation:**

$[(\text{Locally Sourced Revenues} + \text{IRA}) / \text{Total LGU Income}] \times 100$

**Significance:**

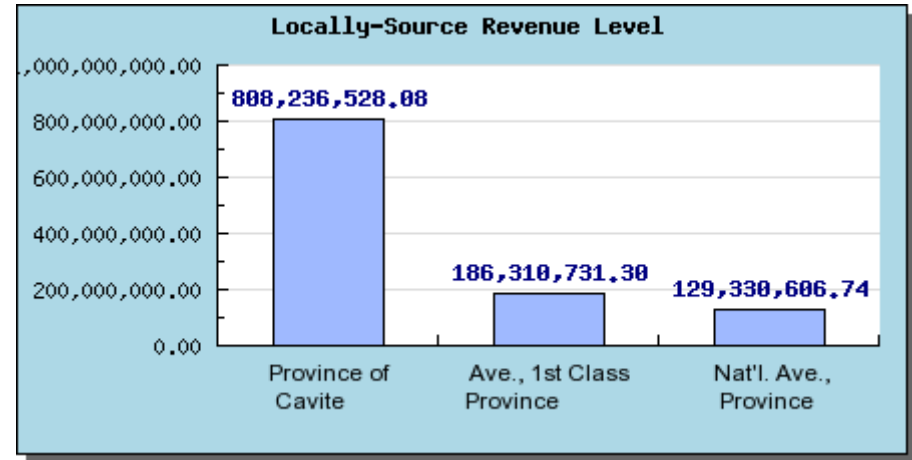
Describes reliability of funding sources

**Desired performance:**

Should be higher than the average of LGUs with the same LGU type and income class

**Exceptional performance:**

Should be higher than the: (1) average of LGUs with the same LGU type and income class, (2) national average of the same LGU type regardless of income class



**Interpretation Guide**

**Indicator:**

Locally-Sourced Revenue Level

**Computation:**

Amount of Locally-Sourced Revenue

**Significance:**

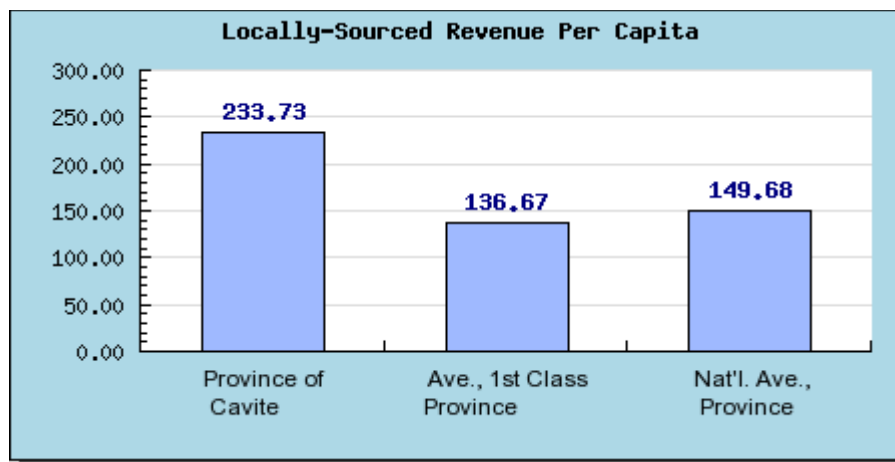
Describes locally-sourced revenue gap between the LGU and average of LGUs (by LGU type and income class)

**Desired performance:**

Should be higher than the average of LGUs with the same LGU type and income class

**Exceptional performance:**

Should be higher than the: (1) average of LGUs with the same LGU type and income class, (2) national average of the same LGU type regardless of income class



**Interpretation Guide**

**Indicator:**

Locally-Sourced Revenue Per Capita

**Computation:**

(amount of locally-sourced revenue/population)

**Significance:**

Describes locally-sourced revenue per capita gap between your LGU and average of LGUs

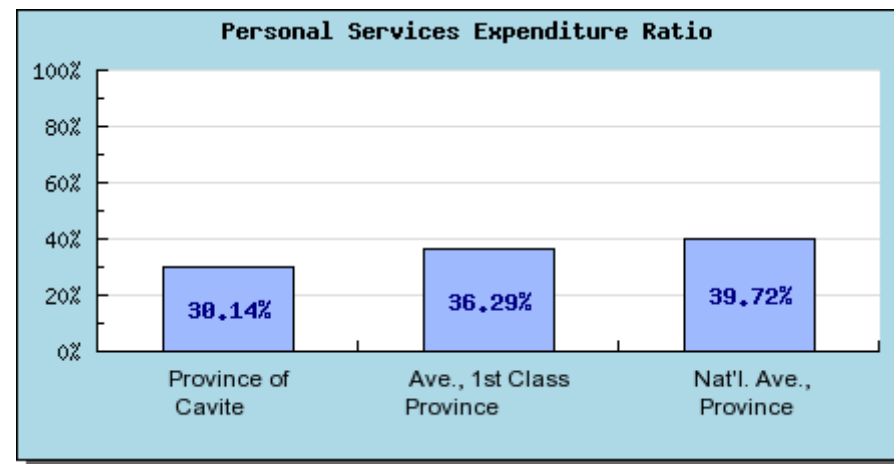
**Desired performance:**

Should be higher than the average of LGUs with the same LGU type and income class

**Exceptional performance:**

Should be higher than the: (1) average of LGUs with the same LGU type and income class, (2) national average of the same LGU type regardless of income class

**Resourced Allocation and Utilization**



**Interpretation Guide**

**Indicator:**

Personal Services Expenditure Ratio

**Computation:**

(Personnel services expenditures/Total expenditures) x 100

**Significance:**

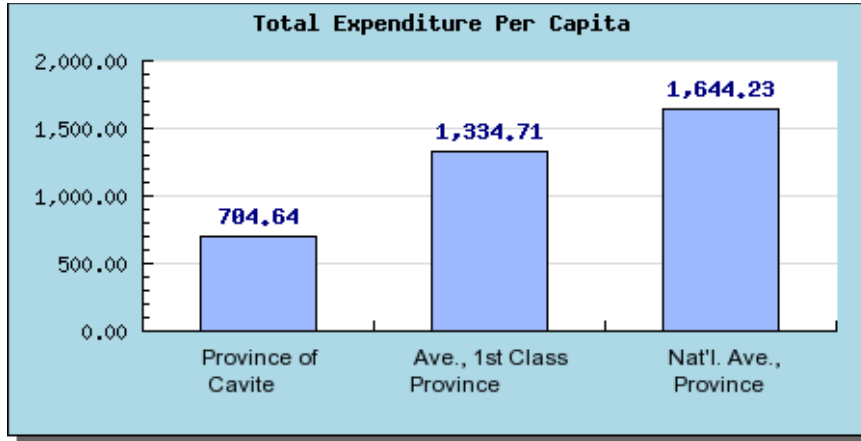
Determines the biases of the local government unit in terms of budget allocation

**Desired performance:**

Determines the biases of the local government unit in terms of budget allocation LGU type and income class. Should not exceed with the ceiling as mandated by law, i.e., for 1st - 3rd class LGUs - 45%, for 4th - 6th class LGUS - 55%.

**Exceptional performance:**

Met these three conditions: (1) lower than the average of LGUs with the same LGU type and income class, (2) lower than national average of LGUs with the same LGU type regardless of income class, (3) Did not exceed the 45-55 ceiling for P.S.



**Interpretation Guide**

**Indicator:**

Total Expenditure Per Capita

**Computation:**

Total expenditures/population

**Significance:**

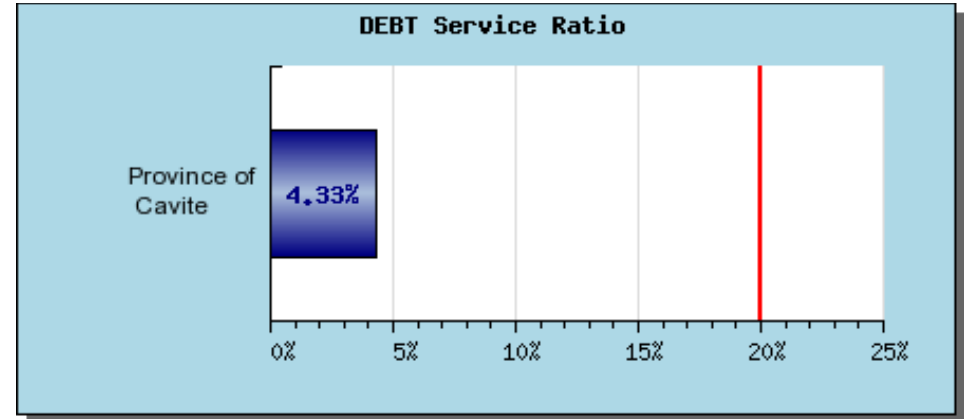
Describes how much was actually spent by the LGU in a per capita basis.

**Desired performance:**

Should be higher than the average of LGUs with the same LGU type and income class

**Exceptional performance:**

Should be higher than the: (1)average of LGUs with the same LGU type and income class, (2)national average of the same LGU type regardless of income class.



**Interpretation Guide**

**Indicator:**

Debt Service Ratio

**Computation:**

Actual debt service cost/regular income

**Significance:**

Considers the proportion of actual debt service costs to total regular income.

**Desired performance:**

Should not exceed 20% of the regular income. That is the debt servicing limitation set for under LG Code of 1991.