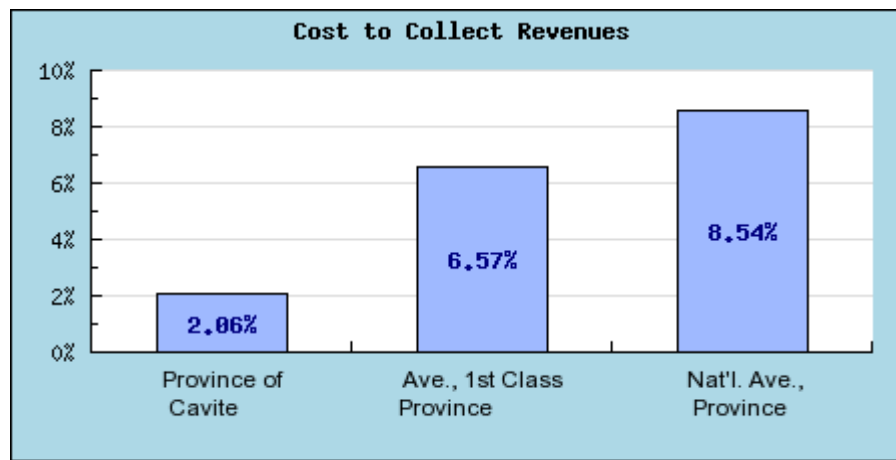


PART 2. STATE OF FINANCIAL PERFORMANCE

Province of Cavite, PY 2012

Revenue Generation



Interpretation Guide

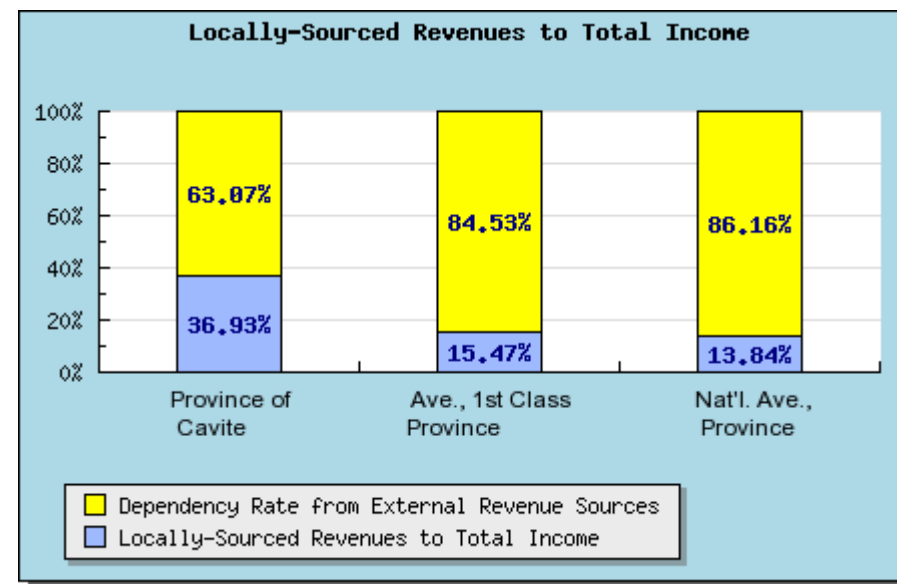
Indicator:
Cost to Collect Revenues

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

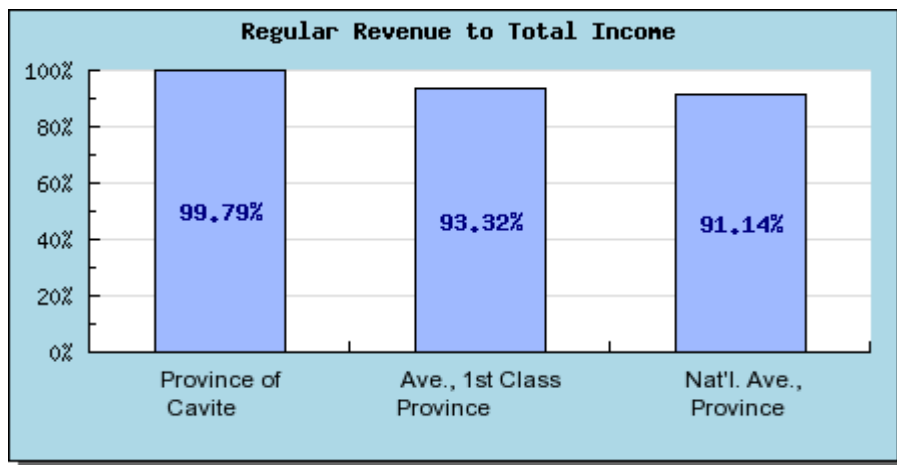
Indicator:
Locally-Sourced Revenues to Total Income

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

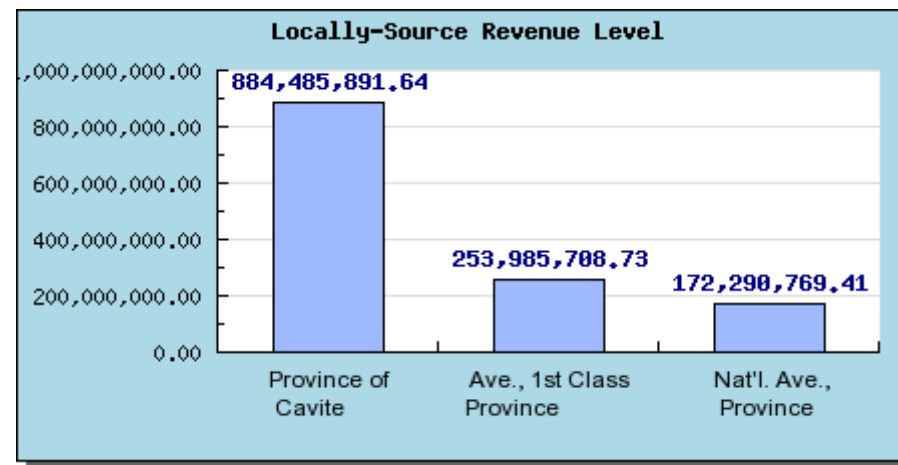
Computation:

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

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

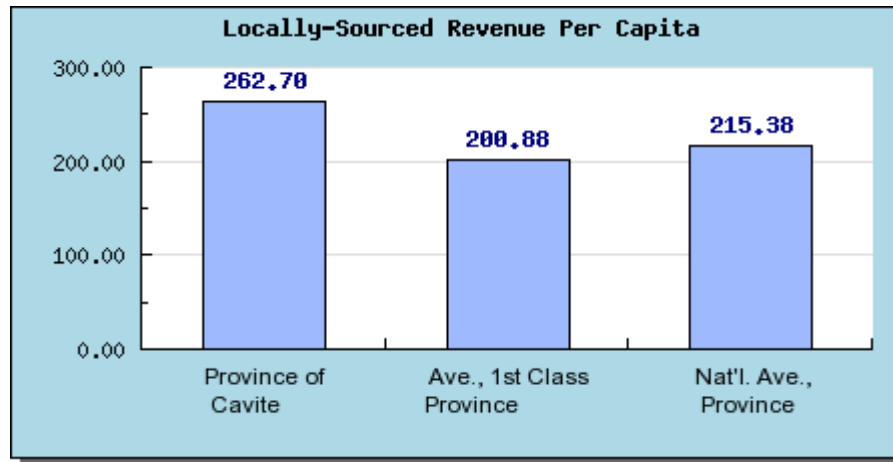
Indicator:
Locally-Sourced Revenue Level

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

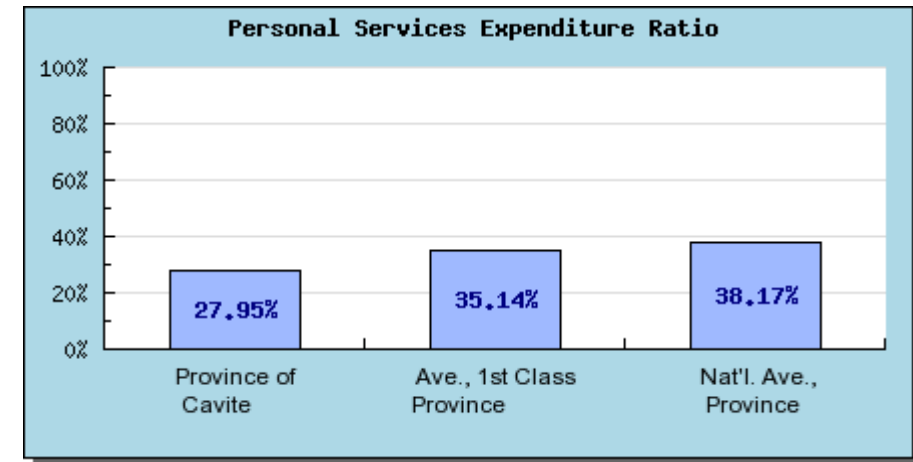
Desired performance:

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

Resource Allocation and Utilization



Interpretation Guide

Indicator:

Personal Services Expenditure Ratio

Computation:

(Personnel services expenditures/Total expenditures) x 100

Significance:

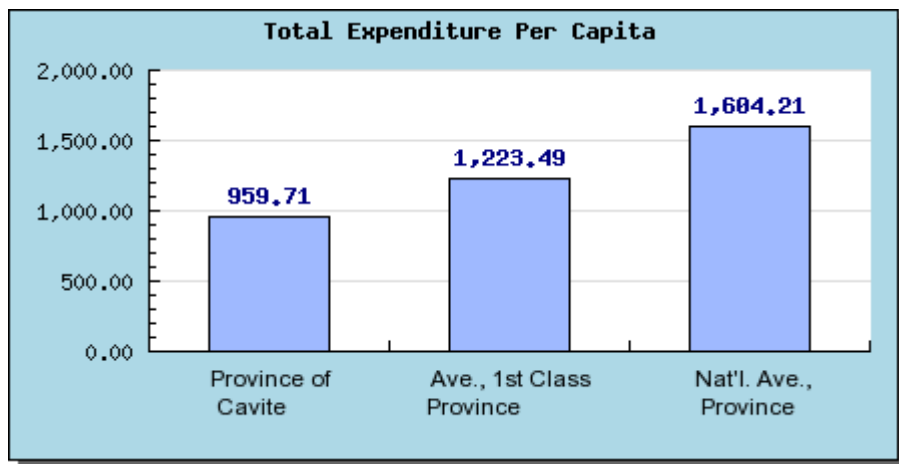
Determines the biases of the local government unit in terms of budget allocation

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:

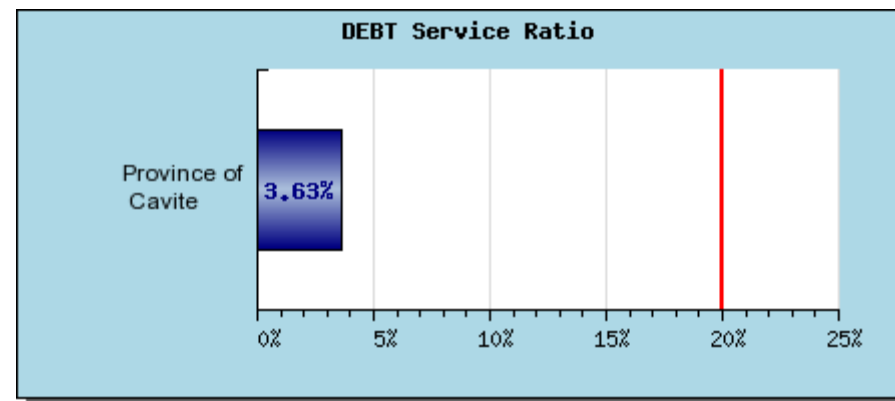
Total expenditures/population

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



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

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.