

Local Government Fiscal Performance Monitoring System

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LGU Fiscal and Financial Database

- LGU Statement of Income and Expenditures (SIE)
- LGU Fiscal Performance Monitoring System (LGFPMS)
- LGU Credit Monitoring Database
- Others Sub-Components

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Objectives of LGPFMS

- Assess Individual LGU Financial Performance
- Provide Active Advisory to LGUs
- Support LGU Credit Assessment
- Support Policy Formulation

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Baseline Data

- Statement of Income and Expenditures
- Monthly Report of Assessments
- LGU Credit Reports
- Population/Geographic Statistics
- Other Inputs

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Performance Indicators

Revenues

- Revenue Target Accomplishment rate*
- Real Property Tax Accomplishment Rate
- Cost to Collection Ratio
- Revenue Per Capita

Expenditures

- Expenditure Rate
- Social Expenditure Ratio

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Performance Indicators

- Economic Expenditure Ratio
- Personal Expenditure Ratio
- Internal Financing Ratio
- Expenditure per Capita

Debt

- Debt Servicing Ratio

Overall Financial Indicators

- Cash Target Accomplishment Rate*
- Savings/Dissavings Rate*
- Economic Enterprise Profitability Rate

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Sample Ratios (CY 2003)

FISCAL INDICATORS	Marikina City	Pasay City	Caloocan City
RPTAR	111%	106%	92%
CCR	0.02	0.01	0.05
RC	2,058.98	3,253.39	722.43
ER	66%	90%	76%
SER	20%	30%	45%
EER	29%	5%	7%
PSER	38%	32%	26%
IFR	1.17	0.82	0.48
EC	1,754.00	3,973.00	1,503.00
DSR	0.07	0.16	0.01
EPR	93%	51%	66%

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Sample Ratios

(CY 2003)

FISCAL INDICATORS	City of Samal	Dapitan City	Calbayog City
RPTAR	42%	87%	51%
CCR	1.23	1.59	1.06
RC	176.13	216.01	217.07
ER	66%	88%	86%
SER	17%	16%	13%
EER	14%	19%	15%
PSER	53%	69%	54%
IFR	0.07	0.08	0.08
EC	2,503.00	2,687.00	2,841.00
DSR	0.06	-	-
EPR	-2%	-2%	-2%

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Status to Date

- Performance Indicators are computed for all provinces, cities and municipalities from CY 2001-2003
- Posting in the BLGF Website held in abeyance
- Report to LGUs held in abeyance

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Current Issues

- Delays in Submission by the LGUs
- Centrally Managed (delays in encoding)
- Integrity of Data
- Need for Automated System
- 14 indicators may not be comprehensive to reflect on LGU performance

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Strategy for Integration

- Agree on the Indicators for Integration (LGFPMs & LGPMS)
- Decentralize Data Capture to LGUs
- Whenever possible, LGUs upload data electronically to BLGF and DILG
- BLGF-ROs to validate inputs
- BLGF & DILG exchange information

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Issues in the Integration

- Frequency of Data Capture
- Relating the Financial Indicators with Performance in Governance

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Support Needs for Integration

- Adoption to the System
 - Development of Encoding Templates
 - Training for LGUs
 - Automated Processing of Data
 - Incentives to LGUs in supporting the System
- Data Analysis
 - Performance Benchmarking
 - Preparation of Reports and Analysis
 - Linking the ratios with credit rating

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Next Steps for BLGF

- Process for Validation of LGU Inputs
- BLGF to move on to more sophisticated financial analysis for LGUs
- Concentrate on Creditworthiness Indicators (Support the Establishment of a Credit Rating Analysis)
- Start Coaching the LGUs on Fiscal and Financial Management

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