

The Influence Of Regional Original Income And Capital Expenditure On Regional Government Financial Performance With Economic Growth As A Moderating Variable In Lampung Province

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Abstract

Regional financial management is crucial for strengthening the financial independence of local governments, while regional original revenue and capital expenditure in Lampung Province continue to fluctuate. This study aims to analyze the influence of regional original revenue and capital expenditure on local government financial performance and examine the role of economic growth as a moderating variable. The study used a quantitative approach with secondary data from 15 districts/cities in Lampung Province during 2021–2025, resulting in 75 observations using a saturated sampling technique. Data were collected using documentation and analyzed using panel data regression and Moderated Regression Analysis using EViews 13. Regional original revenue was measured by the effectiveness ratio, capital expenditure by the capital expenditure ratio, financial performance by the regional financial independence ratio, and economic growth by the economic growth rate. The results showed that regional original revenue had a positive and significant effect, while capital expenditure had a negative and significant effect on financial performance. Simultaneously, both had a significant effect. Economic growth moderated the effect of regional original revenue, but not the effect of capital expenditure. In conclusion, strengthening the effectiveness of regional original revenue is a crucial aspect in enhancing regional financial independence.

Keywords: Capital Expenditure, Financial Performance, Regional Government, Local Original Income, Economic Growth



INTRODUCTION

Regional financial management is a fundamental aspect in supporting the implementation of governance, regional development, and public services. Within the framework of regional autonomy, local governments are required to manage financial resources effectively, efficiently, and accountably to optimize regional potential while reducing dependence on the central government. Good financial management reflects the ability of local governments to carry out their fiscal functions in accordance with applicable provisions and regulations, including Government Accounting Standards (SAP). Therefore, local government financial performance is a crucial indicator in assessing the effectiveness of regional revenue and expenditure management (Ardelia et al., 2022). This management effectiveness can be seen from the local government's ability to increase revenue and allocate spending appropriately to support development and public services (Hastuti & Nasution, 2024). In the context of Lampung Province, this condition is crucial because this region has significant economic potential supported by the agriculture, trade, industry, and services sectors, but this potential has not been fully matched by optimal regional financial management.

The regional financial condition of Lampung Province from 2021 to 2025 showed a fluctuating trend, particularly in local revenue and capital expenditure. In 2022, local revenue increased by 13.19%, followed by a 20.67% increase in capital expenditure. However, in 2024, local revenue increased again by 16.69%, while capital expenditure decreased by 30.10%. A different situation occurred in 2025, when local revenue decreased by 19.89%, while capital expenditure increased by 26.32%. During the same period, economic growth in Lampung Province showed a more stable trend, increasing from 2.77% in 2021 to 4.28% in 2022 and reaching 5.28% in 2025. Although economic activity showed positive developments, this condition has not been fully accompanied by stability in regional financial management, particularly in optimizing local revenue and consistent allocation of capital expenditure. Thus, increasing regional economic capacity has not yet fully aligned with optimizing revenue management and regional expenditure allocation.

Regional financial management issues are also evident in the disparity in the level of financial independence between regencies/cities in Lampung Province during the period 2021 to 2025. Regencies in general are still in the very low category, namely below 25%, even some areas such as West Lampung, Tanggamus, Way Kanan, and Pesisir Barat show ratios below 10%. In contrast, Bandar Lampung City and Metro City show higher levels of independence and are consistently above 40%. In 2025, Bandar Lampung City achieved an independence ratio of 64% and Metro City 53%, while South Lampung increased to 25%. On the other hand, Pesisir Barat Regency actually experienced a decline in its independence ratio from 5% in 2024 to 3% in 2025. This



condition indicates that the increase in fiscal independence has not occurred evenly and there are still differences in financial capacity between regions related to the ability of regions to manage revenue and allocate regional expenditures optimally. The regional financial independence ratio itself describes the region's ability to finance its fiscal needs independently without high dependence on transfer funds from the central government (Bilqis & Priyono, 2023).

The next issue relates to regional original revenue and capital expenditure, factors suspected of being related to regional government financial performance. Regional original revenue is a source of income derived from regional economic potential and reflects the level of regional independence in financing its government needs. Regional original revenue performance can be seen through the regional original revenue effectiveness ratio, which indicates the regional government's ability to realize predetermined revenue targets. The higher the regional original revenue effectiveness, the better the regional government's ability to optimize regional revenue, thereby improving regional government financial performance (Adri, 2024). On the other hand, capital expenditure is regional government expenditure to acquire fixed assets that provide long-term benefits, such as infrastructure and public facilities. The proportion of capital expenditure to total regional expenditure can be used to determine budget allocation for productive expenditures. Effective capital expenditure management reflects the regional government's ability to allocate budgets efficiently to support public services and regional development. The more optimal the proportion of capital expenditure allocation, the better the regional financial management, thus supporting improved regional government financial performance (Septiari et al., 2026).

The research problem is also reinforced by the inconsistency of previous research results regarding the relationship between local revenue and capital expenditure with local government financial performance. Hastuti and Nasution (2024) showed that local revenue has a positive and significant effect on local government financial performance, while Adri (2024) stated that increasing local revenue can improve the quality of local government financial performance through more efficient management of financial resources. However, Handayani and Muzdalifah (2024) showed that local revenue does not significantly affect local government financial performance because high local revenue is not always followed by optimal financial management. Differences in findings also exist in the relationship between capital expenditure and local government financial performance. Prasetiawati and Winarsih (2025) showed a positive effect, Hastuti and Nasution (2024) found a negative effect, while Adri (2024) showed that capital expenditure does not significantly affect local government financial performance due to suboptimal planning, implementation, and utilization of regional assets. This inconsistency indicates that the relationship between local revenue and capital



expenditure with local government financial performance still requires further testing. Furthermore, economic growth is thought to play a role in this relationship, as increased economic activity can broaden the regional revenue base and support increased regional original income. The effectiveness of capital spending in driving development will also be optimized if supported by strong economic growth (Prasetiawati & Winarsih, 2025).

Based on these phenomena and problems, this study aims to examine and analyze the influence of local revenue and capital expenditure on the financial performance of local governments in Lampung Province, both partially and simultaneously, and to examine the role of economic growth in moderating the influence of local revenue and capital expenditure on local government financial performance. This research is important because the condition of financial independence between regions in Lampung Province still shows differences and the management pattern of local revenue and capital expenditure during 2021 to 2025 is still fluctuating. This study is also expected to contribute ideas in the development of science in the field of accounting regarding local government financial performance that is influenced by local revenue and capital expenditure with economic growth as a moderating variable. The novelty of this research lies in testing local revenue and capital expenditure on local government financial performance by placing economic growth as a moderating variable in all regencies/cities in Lampung Province during the period 2021 to 2025, so that it can provide an overview of the relationship between these three aspects in the context of regional financial management in Lampung Province.

METHOD

This study uses a quantitative approach based on the philosophy of positivism to test hypotheses through statistical analysis (Amruddin et al., 2022). The study utilized secondary data obtained through electronic research from the Budget Realization Report at the Directorate General of Fiscal Balance and economic growth data from the Lampung Province Central Statistics Agency. Data collection was conducted using documentation techniques (Veronica et al., 2022).

The research instruments were data on Regional Original Income, Capital Expenditure, Regional Government Financial Performance, and Economic Growth of regencies/cities in Lampung Province for the period 2021 to 2025. Regional Original Income was measured by the effectiveness ratio, Capital Expenditure by the Capital Expenditure ratio, Regional Government Financial Performance by the Regional Financial Independence Ratio (Insani et al., 2023), and Economic Growth by the economic growth rate (Prasetiawati & Winarsih, 2025). Data analysis used panel data regression and Moderated Regression Analysis (MRA) with EVIEWS 13. Panel data regression was used to test the effect of Regional Original Income and Capital

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Expenditure, while MRA was used to test the role of Economic Growth as a moderating variable (Algifari, 2021; Ghozali, 2021).

The study population consisted of 15 districts/cities in Lampung Province, with an observation period from 2021 to 2025 (Amruddin et al., 2022). The sample was determined using a saturation sampling technique, thus all 15 districts/cities were used as samples. With a five-year observation period, 75 research observations were obtained.

The research procedure includes preparation, data collection, data processing, analysis, and compilation of research results. Data collected through documentation techniques were edited and tabulated, then processed using EViews 13 through panel data model estimation, classical assumption testing, hypothesis testing, panel data regression, and MRA. The analysis results were then integrated and interpreted according to the research objectives and hypotheses.

RESULTS AND DISCUSSION

Data analysis

1. Panel Data Model Estimation

A. Chow Test

Table 1. Chow Test

Effects Test	Statistics	df	Prob.
Cross-section F	52.992042	(14.58)	0.0000
Cross-section Chi-square	196.802208	14	0.0000

Source: Data processing output with EViews 13 (2026)

Based on the results of the Chow test, the cross-section chi-square probability value obtained is 0.0000, which is less than 0.05. These results conclude that the panel data model selected through this test is the Fixed Effect Model.

B. Hausman test

Table 2. Hausman Test

Test Summary	Chi-Sq. Statistic	Chi-Sq. df	Prob.
Random cross-section	1.061922	2	0.5880

Source: Data processing output with EViews 13 (2026)



Based on the Hausman test results, the random cross-section probability value obtained is 0.5880, which is greater than 0.05. These results conclude that the panel data model selected through this test is the Random Effects Model.

C. Lagrange Multiplier (LM) Test

Table 3. Lagrange Multiplier Test

	Hypothesis Test		
	Cross-section	Time	Both
Breusch-Pagan	117.6661 (0.0000)	0.719191 (0.3964)	118.3852 (0.0000)
Honda	10.84740 (0.0000)	-0.848051 (0.8018)	7.070606 (0.0000)
King Wu	10.84740 (0.0000)	-0.848051 (0.8018)	4.365602 (0.0000)
Standardized Honda	11.83437 (0.0000)	-0.583039 (0.7201)	4.848435 (0.0000)
Standardized King Wu	11.83437 (0.0000)	-0.583039 (0.7201)	2.234896 (0.0127)
Gourieroux, et al.	--	--	117.6661 (0.0000)

Source: Data processing output with EViews 13 (2026)

Based on the test results, the Breusch-Pagan cross-section probability value obtained is 0.0000, which is less than 0.05. These results conclude that the panel data model selected through this test is the Random Effects Model.

Based on the results of the three tests, it can be concluded that the Random Effect Model is the most appropriate model to be used in this study, so that all hypothesis testing and interpretation of subsequent research results refer to the estimated results of the Random Effect Model as the selected model.

2. Classical Assumption Test

A. Normality Test

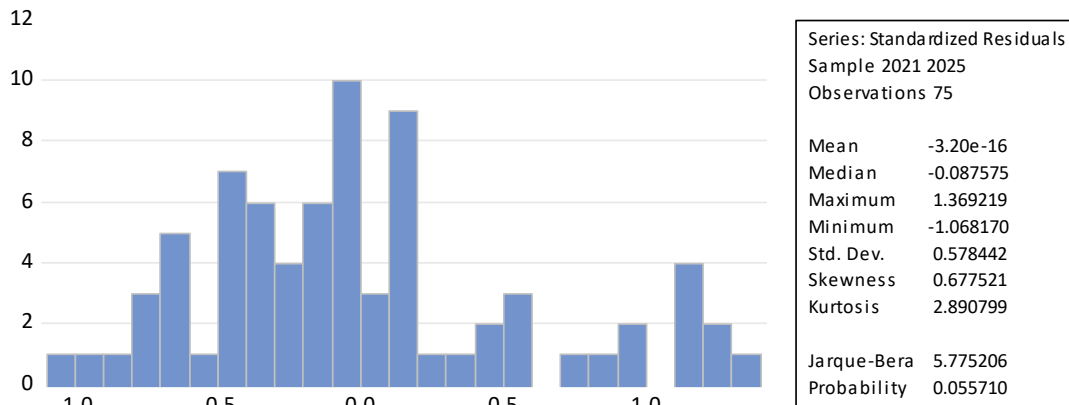


Figure 1. Normality Test

Source: Data processing output with EViews 13 (2026)

Based on the results of the normality test, a probability value of $0.0557 > 0.05$ was obtained. These results indicate that the residuals in the regression model are normally distributed, thus meeting the normality assumption in the regression model.

B. Multicollinearity Test

Table 4. Multicollinearity Test

	X1	X2
X1	1	-0.109095
X2	-0.109095	1

Source: Data processing output with EViews 13 (2026)

Based on the results of the multicollinearity test, the correlation value between the regional original income (X1) and capital expenditure (X2) variables was -0.109. This value is less than 0.90, thus it can be concluded that there are no symptoms of multicollinearity in the regression model. These results indicate that the independent variables used in this study do not have a strong correlation, thus meeting the assumption of freedom from multicollinearity.

C. Heteroscedasticity Test

Table 5. Heteroscedasticity Test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.298721	0.170200	1.755119	0.0835
X1	0.001192	0.001367	0.872219	0.3860

X2	0.002703	0.005992	0.451042	0.6533

Source: Data processing output with EViews 13 (2026)

Based on the results of the heteroscedasticity test using the Glejser test, it is known that the regional original income variable (X1) has a probability value of $0.3860 > 0.05$ and the capital expenditure variable (X2) has a probability value of $0.6533 > 0.05$. These results indicate that the residual variance is constant across all observations, so it can be concluded that there are no symptoms of heteroscedasticity in the regression model used in this study.

3. Hypothesis Testing

A. Coefficient of Determination (R²)

Table 6. Coefficient of Determination

R-squared	0.315420
Adjusted R-squared	0.296404

Source: Data processing output with EViews 13 (2026)

Based on the test results, the R-square value was 0.315, or 31.5%. This value indicates that the regional original income (X1) and capital expenditure (X2) variables together are able to explain 31.5% of the variation in regional government financial performance (Y). The remaining 68.5% is influenced by other factors not included in the research model.

Table 7. Coefficient of Determination After MRA Test

R-squared	0.479171
Adjusted R-squared	0.441430

Source: Data processing output with EViews 13 (2026)

The results of the Determination Coefficient after the Moderated Regression Analysis (MRA) test showed an R Square value of 0.479171 or 47.92%. This value is higher than the model before including the moderating variable which had an R Square of 0.315 or 31.5%. The increase of 16.42% indicates that the addition of moderating variables and interaction variables is able to improve the model's ability to explain variations in local government financial performance. Thus, the variables of local revenue (X1), capital expenditure (X2), economic growth (Z), and interactions between variables (X1Z and X2Z) are able to explain 47.92% of the variation in local

government financial performance (Y), while the remaining 52.08% is influenced by other factors outside the research model.

B. T-test

The t-test is used to examine the partial influence of each independent variable on the dependent variable. The decision-making criteria for the t-test based on a significance level of 0.05 are:

- If $T_{hitung} > T_{tabel}$ or Sig. value < 0.05 , then H_a is accepted and H_0 is rejected. This means that the independent variables individually influence the dependent variable.
- If $T_{hitung} < T_{tabel}$ or Sig. value > 0.05 , then H_0 is accepted and H_a is rejected. This means that the independent variables individually have no effect on the dependent variable.

The Ttable value is obtained based on a significance level (α) of 5% and degrees of freedom (df) calculated using the formula $df = n - k$. In this study, the number of samples used (n) = 75 with the number of parameters (k) as many as 3, so the df value = $75 - 3 = 72$, so that the Ttable value is 1.666.

Table 8. T-test

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.423844	0.213214	11.36813	0.0000
X1	0.003837	0.001414	2.713836	0.0083
X2	-0.030614	0.006113	-5.007747	0.0000

Source: Data processing output with EViews 13 (2026)

The results of the t-test can be concluded as follows:

- Based on the t-test results, the local revenue variable (X1) obtained a T-value of $2.713836 > T_{table} 1.666$ with a probability value of $0.0083 < 0.05$. These results indicate that local revenue has a significant effect on the financial performance of local governments. In addition, a positive t-statistic value indicates a unidirectional relationship between local revenue and local government financial performance. Thus, the first hypothesis (H_1) which states that local revenue has a positive effect on the financial performance of local governments is accepted.
- Based on the t-test results, the capital expenditure variable (X2) obtained a Tcount value of $-5.007747 > T_{table} 1.666$ with a probability value of $0.0000 < 0.05$. These results indicate that capital expenditure has a significant effect on the financial performance of local governments. However, a negative coefficient value indicates that an increase in capital expenditure tends to be followed by a

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decrease in the financial performance of local governments. Thus, the second hypothesis (H2) which states that capital expenditure has a positive effect on the financial performance of local governments is rejected.

C. F test

The f-test is used to examine the simultaneous influence of independent variables on the dependent variable. The decision-making criteria for the f-test based on a significance level of 0.05 are:

- If F count > F table or Sig. value < 0.05 then H_a is accepted and H_0 is rejected. This means that the independent variables jointly have an influence on the dependent variable.
- If F count < F table or Sig. value > 0.05 then H_0 is accepted and H_a is rejected. This means that the independent variables together have no influence on the dependent variable.

The Ftable value is obtained based on a significance level (α) of 5% and degrees of freedom (df) calculated using the formula $df \text{ denominator} = n - k$ and $df \text{ numerator}$. In this study, the number of samples (n) = 75 with the number of parameters (k) = 3, so the value of $df \text{ denominator} = 75 - 3 = 72$ and $df \text{ numerator} = 3 - 1 = 2$, so that Ftable = 3.12 is obtained. The following are the test results from the f test:

Table 9. F Test

F-statistic	16.58701
Prob(F-statistic)	0.000001

Source: Data processing output with EViews 13 (2026)

Based on the results of the f test, the F count value was $16.58701 > F \text{ table } 3.12$ with a probability value (Prob(F-statistic)) of $0.000001 < 0.05$. These results indicate that the variables of local revenue (X_1) and capital expenditure (X_2) simultaneously have a significant effect on the financial performance of local governments (Y). Thus, the third hypothesis (H3) which states that local revenue and capital expenditure simultaneously have an effect on the financial performance of local governments is accepted.

4. Regression Analysis

A. Panel Data Regression Analysis

Table 10. Panel Data Regression

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.423844	0.213214	11.36813	0.0000



X1	0.003837	0.001414	2.713836	0.0083
X2	-0.030614	0.006113	-5.007747	0.0000

Source: Data processing output with EViews 13 (2026)

Based on table 13, the panel data regression equation in this study is formulated as follows:

$$Y = \alpha + \beta_1 X_{1it} + \beta_2 X_{2it} + \epsilon_{it}$$

$$Y = 2.423844 + 0.003837 X_{1it} - 0.030614 X_{2it} + \epsilon_{it}$$

This equation can be interpreted as follows:

- The constant value of 2.423844 indicates that if the regional original income (X1) and capital expenditure (X2) variables are zero, then the value of the regional government financial performance variable (Y) is predicted to be 2.423844.
- The regression coefficient of the regional original income variable (X1) is 0.003837 with a positive relationship direction indicating that every increase in regional original income (X1) will increase the financial performance of the regional government (Y) by 0.003837.
- The regression coefficient of the capital expenditure variable (X2) is -0.030614. This value indicates that every increase in capital expenditure (X2) will decrease the financial performance of the regional government (Y) by 0.030614.

B. Moderated Regression Analysis (MRA)

Table 11. Moderated Regression Analysis (MRA)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.524139	0.363265	6.948475	0.0000
X1	-0.004540	0.003045	-1.490996	0.1405
X2	-0.002128	0.015908	-0.133784	0.8940
Z	-0.068888	0.081439	-0.845888	0.4005
X1Z	0.253902	0.079596	3.189871	0.0021
X2Z	-0.721083	0.414925	-1.737864	0.0867

Source: Data processing output with EViews 13 (2026)

Based on table 14, the panel data regression equation in this study is formulated as follows:

$$Y = \alpha + \beta_1 X_{1it} + \beta_2 X_{2it} + \beta_3 Z_{it} + \beta_4 X_1 * Z_{it} + \beta_5 X_2 * Z_{it} + \epsilon_{it}$$

$$Y = 2.524139 - 0.004540$$

This equation can be interpreted as follows:



- a. The constant value of 2.524139 indicates that if the variables of local revenue (X_1), capital expenditure (X_2), economic growth (Z), and interaction variables are zero, then the value of the local government finance variable (Y) is predicted to be 2.524139.
- b. The regression coefficient of the regional original income variable (X_1) of -0.004540 shows that every increase in regional original income will reduce the financial performance of the regional government (Y) by 0.004540.
- c. The regression coefficient of the capital expenditure variable (X_2) of -0.002128 shows that every increase in capital expenditure will reduce the financial performance of the regional government (Y) by 0.002128.
- d. The regression coefficient of the economic growth variable (Z) of -0.068888 shows that every increase in economic growth (Z) will decrease the financial performance of the regional government (Y) by 0.068888.
- e. The interaction coefficient of local original income with economic growth ($X_1 \cdot Z$) of 0.253902 shows that every increase in the coefficient value β_4 will increase the financial performance of the local government (Y) by 0.253902.
- f. The interaction coefficient of capital expenditure with economic growth ($X_2 \cdot Z$) of -0.721083 shows that every increase in the coefficient value of β_5 will decrease the financial performance of the regional government (Y) by 0.721083.

Discussion of Test Results

1. The Influence of Regional Original Income on the Financial Performance of Regional Governments

The test results show that local revenue has a positive and significant effect on the financial performance of local governments, with a probability value of $0.0083 < 0.05$ and a coefficient of 0.003837, so the first hypothesis is accepted.

These findings support the stewardship theory, which positions local governments as stewards in effectively managing resources. The higher the effectiveness of local revenue, the better the local government's financial performance. This demonstrates the local government's ability to achieve revenue targets, strengthen fiscal capacity, and enhance regional financial independence.

The results of this study are consistent with those of Adri (2024), Digidowiseiso et al. (2022), and Hastuti and Nasution (2024), which show that local revenue has a positive and significant effect on local government financial performance.

2. The Impact of Capital Expenditure on Regional Government Financial Performance

The test results show that capital expenditure has a negative and significant effect on the financial performance of local governments, with a probability value of $0.0000 < 0.05$ and a coefficient of -0.030614 , so the second hypothesis is rejected.

From a stewardship theory perspective, local governments are responsible for managing public resources through spending allocation, including capital expenditures. However, increased capital spending in districts/cities in Lampung Province has been accompanied by declining financial performance. This situation may indicate a time-lag effect, as the economic and fiscal benefits of public investment are not immediately felt in the same period. Therefore, increased capital spending has not proportionally increased fiscal capacity and regional financial independence.

The results of this study are in line with Hastuti and Nasution (2024) who showed that capital expenditure has a negative effect on the financial performance of local governments.

3. The Influence of Regional Original Income and Capital Expenditure on Regional Government Financial Performance

The results of simultaneous testing show that local revenue and capital expenditure together have a significant effect on the financial performance of local governments, with an F-statistic value of $16.58701 > F\text{-table } 3.12$ and a probability of $0.000001 < 0.05$, so the third hypothesis is accepted.

These findings support the stewardship theory that local governments, as stewards, need to manage revenue and expenditure optimally. The research shows that regional financial performance is influenced by the government's ability to realize local revenue and allocate capital expenditure appropriately, thereby strengthening fiscal capacity and regional financial independence.

The results of this study are consistent with Adri (2024), as well as Hastuti and Nasution (2024), who stated that local revenue and capital expenditure simultaneously have a significant effect on the financial performance of local governments.

4. Economic Growth Moderates the Effect of Local Original Income on the Financial Performance of Local Governments

The results of the MRA test show that the interaction of local revenue and economic growth has a significant effect on the financial performance of local governments, with a probability value of $0.0021 < 0.05$ and a coefficient of 0.253902 , so that the fourth hypothesis is accepted.

This finding aligns with stewardship theory and indicates that the influence of regional original revenue on financial performance is stronger when supported by economic growth. Economic growth can stimulate economic activity and expand the tax and levy base, thereby enhancing the ability of local governments to realize regional original revenue. This ultimately strengthens fiscal capacity and regional financial independence.

The results of this study are consistent with Prasetiawati and Winarsih (2025) who stated that economic growth is able to moderate the influence of regional original income on the financial performance of regional governments.

5. Economic Growth Moderates the Effect of Capital Expenditure on Regional Government Financial Performance

The results of the MRA test show that the interaction of capital expenditure and economic growth does not have a significant effect on the financial performance of local governments, with a probability value of $0.0867 > 0.05$ and a coefficient of -0.721083 , so the fifth hypothesis is rejected.

From a stewardship theory perspective, local governments are not only required to allocate capital expenditures but also to ensure that the resulting assets provide economic and fiscal benefits. The study's findings indicate that economic growth is unable to moderate the effect of capital expenditures on financial performance. This indicates that the relationship depends more on the effectiveness of planning, implementation, and utilization of capital expenditure assets than on the level of economic growth.

The results of this study are consistent with those of Prasetiawati and Winarsih (2025) and Burhan et al. (2022), who stated that economic growth is unable to moderate the effect of capital expenditure on local government financial performance.

CONCLUSION

The results show that Regional Original Revenue has a positive and significant effect on local government financial performance, while capital expenditure has a negative and significant effect. Simultaneously, Regional Original Revenue and capital expenditure significantly affect financial performance. Economic growth significantly moderates the effect of Regional Original Revenue on financial performance, indicating that stronger economic activity can strengthen the contribution of local revenue to fiscal capacity and financial independence. However, economic growth does not significantly moderate the effect of capital expenditure on financial performance. The study is limited to 15 regencies and cities in Lampung Province during 2021–2025 and uses a limited set of variables, so the findings may not capture other factors affecting local government financial performance.

For future research, the observation period may be extended and additional variables may be incorporated to provide a broader explanation of variations in local government financial performance. Future studies may also consider other moderating or intervening variables related to regional fiscal management. Practically, the findings imply that local governments should strengthen the effectiveness of Regional Original Revenue collection and improve the planning, implementation, and utilization of capital expenditure. Capital investment should be aligned with regional priorities and expected long-term economic and fiscal benefits. Local governments should also consider regional economic conditions when developing strategies to optimize local revenue and strengthen financial independence.

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