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Fiscal Performance Analysis of Local Government through an APBD-Based Financial Ratio Approach: Empirical Evidence from East Kalimantan Province, Indonesia (2020–2024)

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Abstract
Fiscal decentralization has expanded the authority of local governments in managing regional financial resources; however, greater fiscal authority does not necessarily guarantee stronger fiscal independence and sustainable fiscal performance. Evaluating local government fiscal performance is therefore essential to assess the effectiveness of regional financial management, particularly in resource-rich provinces with complex fiscal structures. This study aims to analyze the fiscal performance of the East Kalimantan Provincial Government during 2020–2024 using an APBD-based financial ratio approach.
This study employed a quantitative descriptive design using secondary data from the audited Regional Government Financial Reports (LKPD) of East Kalimantan Province for fiscal years 2020–2024. Fiscal performance was evaluated through several indicators, including fiscal decentralization ratio, fiscal independence ratio, fiscal dependency ratio, PAD effectiveness ratio, revenue-expenditure efficiency ratio, expenditure composition ratio, and fiscal growth ratio. The results indicate that East Kalimantan experienced strengthening fiscal capacity during the observation period, reflected in increasing regional revenue and consistently effective PAD realization. However, fiscal independence remained influenced by intergovernmental transfers, indicating that regional fiscal autonomy has not been fully achieved. The expenditure structure also shows a gradual increase in capital expenditure after the COVID-19 period, although operating expenditure remains the dominant component of regional spending. These findings demonstrate that strong fiscal capacity should be accompanied by revenue diversification, improved expenditure quality, and sustainable fiscal governance. This study contributes empirical evidence on the fiscal performance dynamics of a resource-rich Indonesian province during pandemic disruption and post-pandemic recovery, providing implications for strengthening local fiscal autonomy under the decentralization framework.

INTRODUCTION

Fiscal decentralization has fundamentally transformed the role of local governments by transferring greater authority over financial management, public expenditure allocation, and regional development planning. Through decentralization reforms, local governments are expected to improve public accountability, respond more effectively to local needs, and optimize the utilization of regional resources. However, greater fiscal authority does not automatically guarantee stronger fiscal performance. Many local governments continue to face challenges related to limited fiscal autonomy, dependence on intergovernmental transfers, uneven revenue-generating capacity, and difficulties in maintaining sustainable expenditure patterns. Therefore, evaluating local government fiscal performance has become an important issue in understanding whether decentralization policies have successfully strengthened regional financial capacity and governance.

In public sector management, fiscal performance reflects the ability of governments to mobilize revenues, allocate expenditures efficiently, and maintain sufficient fiscal capacity to support public services and development programs. Unlike private organizations that emphasize profitability, local governments are assessed based on their ability to generate revenue, manage public expenditures, and maintain accountability in the use of public resources. Financial ratio analysis based on budget realization data provides an important approach for evaluating these dimensions because it enables measurement of fiscal independence, revenue effectiveness, expenditure structure, and financial performance. Previous studies indicate that local government financial performance is influenced by fiscal capacity, revenue structure, and expenditure management practices (Lewis, 2019; Zamzami & Rakhman, 2023).

The implementation of fiscal decentralization has generated different outcomes among regions due to variations in economic structures, institutional capacity, and revenue potential. In Indonesia, decentralization has provided local governments with greater authority over financial management; however, differences in fiscal capacity remain substantial. Vidyattama (2021) highlights that subnational fiscal autonomy depends on the ability of local governments to strengthen own-source revenue while managing fiscal relationships with central government. Similarly, Khairin et al. (2022) demonstrate that the structure of local government budgets plays an important role in determining fiscal autonomy because regions with stronger own-source revenue contributions have greater flexibility in managing regional priorities.

A major challenge in decentralized fiscal systems is the continued dependence of local governments on intergovernmental transfers. Although transfers are designed to reduce fiscal disparities and support regional development, excessive dependence may limit fiscal autonomy and reduce incentives for improving local revenue mobilization. Empirical evidence from Indonesia shows that transfer mechanisms significantly influence local expenditure decisions, reflecting the persistence of the flypaper effect in regional fiscal management (Badrudin & Rimawan, 2022; Wati et al., 2022). Therefore, assessing fiscal performance requires not only examining the amount of regional revenue but also evaluating the composition of revenue sources and the balance between internally generated resources and external transfers.

Recent studies have increasingly emphasized the importance of fiscal resilience and financial sustainability, particularly after the COVID-19 pandemic created substantial pressure on regional budgets. The pandemic affected local government finances through revenue uncertainty, expenditure adjustments, and changing budget priorities. Studies in Indonesia show that local governments implemented fiscal adjustments and budget restructuring to maintain financial balance during periods of crisis (Wiyanti & Halimatussadiah, 2021; Desdiani et al., 2022). These findings suggest that fiscal performance should be examined through a longitudinal perspective that captures not only fiscal growth but also the ability of governments to maintain stability during periods of disruption.

Another important dimension of fiscal performance is expenditure quality. Increasing revenue capacity does not necessarily indicate effective fiscal management if public expenditure is dominated by routine spending and provides limited support for productive development activities. Fiscal decentralization influences expenditure allocation decisions, including the ability of local governments to increase capital expenditure and support regional development priorities (Ghozali, 2020). Recent evidence also indicates that financial performance and expenditure allocation are closely associated with broader regional development outcomes, including economic growth and public welfare (Zein et al., 2024; Indriani & Abdullah, 2025).

Despite extensive research on fiscal decentralization and local government finance, several gaps remain. First, previous studies often examine individual dimensions of fiscal performance, such as fiscal autonomy, transfer dependency, or expenditure allocation, rather than integrating multiple indicators into a comprehensive assessment framework. Second, many empirical studies focus on districts and municipalities, while provincial-level evidence, particularly from resource-rich provinces, remains relatively limited. Third, limited studies examine the trajectory of local fiscal performance during the transition from pandemic-related fiscal pressure toward post-pandemic recovery.

East Kalimantan provides an important empirical setting for addressing these gaps. As a resource-rich province, East Kalimantan possesses substantial fiscal potential derived from natural resource-related economic activities. However, resource-based fiscal capacity may also create challenges related to revenue concentration and long-term fiscal diversification. Arham and Dai (2019) highlight that resource revenue-sharing mechanisms can strengthen regional fiscal capacity while simultaneously creating dependence on specific revenue sources. This issue becomes increasingly relevant given East Kalimantan's strategic role as the location of Indonesia's new capital city, which requires stronger fiscal governance to support long-term development.

Based on these considerations, this study addresses the following research question: How has the fiscal performance of the East Kalimantan Provincial Government developed during 2020–2024 based on APBD financial ratios? This study aims to analyze the fiscal performance of East Kalimantan Province through an APBD-based financial ratio approach by examining fiscal decentralization, fiscal independence, fiscal dependency, revenue effectiveness, expenditure efficiency, expenditure composition, and fiscal growth. The novelty of this research lies in providing longitudinal evidence of fiscal performance in a resource-rich Indonesian province during a period covering pandemic disruption and post-pandemic recovery. By integrating financial ratio analysis with perspectives on fiscal autonomy, fiscal resilience, and sustainable fiscal governance, this study contributes to a deeper understanding of how regional governments manage fiscal capacity under Indonesia's decentralization framework.

METHODS

2.1 Research Design and Data Sources

This study employed a quantitative descriptive research design with a longitudinal fiscal performance assessment approach to analyze the fiscal performance of the East Kalimantan Provincial Government during 2020–2024. The longitudinal approach was applied to identify changes and trends in regional fiscal capacity, revenue performance, expenditure allocation, and fiscal dependency over a five-year period.

The study focused on the annual fiscal performance of the East Kalimantan Provincial Government as the unit of analysis. East Kalimantan was selected as the research setting because it represents a resource-rich province with distinctive fiscal characteristics, where strong revenue potential coexists with challenges related to fiscal diversification and sustainable expenditure management.

The study used secondary data obtained from the Audited Regional Government Financial Reports (Laporan Keuangan Pemerintah Daerah/LKPD) of East Kalimantan Province for fiscal years 2020–2024. The main sources of financial data were the Budget Realization Reports (Laporan Realisasi Anggaran/LRA) and relevant information from the Notes to Financial Statements (Catatan atas Laporan Keuangan/CaLK).

The extracted financial components included: regional own-source revenue (PAD); transfer revenue; total regional revenue; operating expenditure; capital expenditure; total expenditure; and budgeted and realized PAD.

The use of audited financial reports ensures that the analysis was based on officially reported fiscal information prepared according to government accounting standards.

2.2 Fiscal Performance Indicators

Fiscal performance was assessed using APBD-based financial ratios representing several dimensions of regional fiscal management, including fiscal autonomy, revenue capacity, expenditure management, and fiscal growth. The selection of indicators follows previous studies emphasizing that local government fiscal performance is multidimensional and should consider both revenue-generating capacity and expenditure allocation patterns (Khairin et al., 2022; Zamzami & Rakhman, 2023). The financial ratios applied in this study are presented in Table 1.

Table 1. Fiscal Performance Indicators

Dimension	Indicator	Formula
Fiscal decentralization	Fiscal decentralization ratio	PAD / Total Revenue × 100%
Fiscal independence	Fiscal independence ratio	PAD / Transfer Revenue × 100%
Fiscal dependency	Fiscal dependency ratio	Transfer Revenue / Total Revenue × 100%
Revenue performance	PAD effectiveness ratio	Realized PAD / Budgeted PAD × 100%
Fiscal efficiency	Revenue-expenditure efficiency ratio	Total Expenditure / Total Revenue × 100%
Expenditure structure	Operating expenditure ratio	Operating Expenditure / Total Expenditure × 100%
Development orientation	Capital expenditure ratio	Capital Expenditure / Total Expenditure × 100%
Fiscal growth	Growth ratio	(Current year value − Previous year value) / Previous year value × 100%

2.3 Data Analysis Procedure

The analysis was conducted in three stages. First, financial data from the LKPD were classified into revenue and expenditure components required for fiscal performance measurement. Second, financial ratios were calculated for each year from 2020 to 2024 to identify annual changes in fiscal capacity, revenue effectiveness, fiscal dependency, and expenditure allocation patterns. Third, trend analysis was conducted by comparing fiscal performance indicators across years, particularly between the pandemic period (2020–2021) and the post-pandemic recovery period (2022–2024). The interpretation of results considered the context of fiscal decentralization, local revenue capacity, and fiscal resilience.

This study focuses on fiscal performance based on APBD realization indicators; therefore, it does not evaluate broader socioeconomic outcomes or public service performance indicators.

RESULTS AND DISCUSSION

3.1 Results

Overview of APBD Revenue and Expenditure Performance

The fiscal performance of the East Kalimantan Provincial Government during 2020–2024 shows a consistent increase in the scale of regional financial management. Table 1 presents the realization of regional revenue and expenditure components during the observation period.

Table 2. Regional Revenue and Expenditure Realization of East Kalimantan Province, 2020–2024 *(Billion IDR)*

Year	Regional Own-Source Revenue (PAD)	Transfer Revenue	Total Revenue	Total Expenditure
2020	5,289.23	4,759.53	10,133.12	5,917.29
2021	6,111.92	4,094.32	10,220.14	6,719.02
2022	8,997.26	7,790.28	16,804.69	7,988.48
2023	10,334.81	7,006.93	17,750.99	13,341.38
2024	10,239.89	11,698.79	22,084.70	14,271.03

The results show that total regional revenue increased from IDR 10.13 trillion in 2020 to IDR 22.08 trillion in 2024. The largest annual increase occurred between 2021 and 2022, when revenue increased by 64.43%. During the same period, PAD increased from IDR 6.11 trillion to IDR 8.99 trillion.

PAD continued to increase until 2023, reaching IDR 10.33 trillion, before slightly declining to IDR 10.24 trillion in 2024. Meanwhile, transfer revenue increased substantially in 2024, reaching IDR 11.69 trillion compared with IDR 7.00 trillion in 2023.

Regional expenditure also increased throughout the observation period, from IDR 5.91 trillion in 2020 to IDR 14.27 trillion in 2024. The highest expenditure growth occurred in 2023, when total expenditure reached IDR 13.34 trillion.

Fiscal Capacity and Revenue Performance

Fiscal capacity was assessed through fiscal decentralization, fiscal independence, fiscal dependency, and PAD effectiveness ratios. These indicators describe the contribution of locally generated revenue, dependence on transfers, and the ability of the government to achieve revenue targets.

Table 3. Fiscal Capacity and Revenue Performance Ratios of East Kalimantan Province, 2020–2024

Year	Fiscal Decentralization Ratio (%)	Fiscal Independence Ratio (%)	Fiscal Dependency Ratio (%)	PAD Effectiveness Ratio (%)
2020	52.20	111.13	46.97	122.28
2021	59.80	149.27	40.06	113.25
2022	53.54	115.49	46.36	127.19
2023	58.22	147.47	39.47	111.78
2024	46.38	87.53	52.96	102.53

The fiscal decentralization ratio ranged from 46.38% to 59.80% during the study period. The highest value occurred in 2021, while the lowest value was recorded in 2024.

The fiscal independence ratio fluctuated between 87.53% and 149.27%. The highest level of independence was observed in 2021, whereas the lowest occurred in 2024.

The fiscal dependency ratio showed variations during the observation period. The lowest dependency level occurred in 2023 at 39.47%, while the highest dependency level was recorded in 2024 at 52.96%.

The PAD effectiveness ratio remained above 100% throughout 2020–2024. The highest effectiveness ratio occurred in 2022 (127.19%), while the lowest was recorded in 2024 (102.53%).

Expenditure Structure and Fiscal Efficiency

The expenditure analysis evaluated the allocation pattern between operating expenditure and capital expenditure, as well as the relationship between expenditure realization and regional revenue.

Table 4. Expenditure Structure and Revenue-Expenditure Efficiency Ratios of East Kalimantan Province, 2020–2024

Year	Operating Expenditure Ratio (%)	Capital Expenditure Ratio (%)	Revenue-Expenditure Efficiency Ratio (%)
2020	78.16	18.02	58.41
2021	74.16	22.54	65.74
2022	75.15	24.78	47.54
2023	61.97	37.65	75.16
2024	65.42	34.12	64.61

Operating expenditure remained the dominant component of regional expenditure during the observation period, ranging from 61.97% to 78.16% of total expenditure.

The proportion of capital expenditure increased from 18.02% in 2020 to 37.65% in 2023 before slightly declining to 34.12% in 2024.

The revenue-expenditure efficiency ratio ranged from 47.54% to 75.16%. The lowest ratio was recorded in 2022, while the highest ratio occurred in 2023.

Fiscal Growth Dynamics

Fiscal growth analysis was conducted to identify annual changes in revenue and expenditure components.

Table 5. Fiscal Growth Indicators of East Kalimantan Province, 2020–2024

Period	PAD Growth (%)	Revenue Growth (%)	Expenditure Growth (%)

2020–2021	15.55	0.86	13.55
2021–2022	47.21	64.43	18.89
2022–2023	14.86	5.63	66.98
2023–2024	-0.92	24.41	6.97

The highest PAD growth occurred between 2021 and 2022, reaching 47.21%. Revenue growth was also highest during the same period at 64.43%.

Expenditure growth showed the highest increase between 2022 and 2023, reaching 66.98%. Meanwhile, PAD growth slightly declined by 0.92% during 2023–2024.

Summary of Empirical Findings

The empirical results indicate several patterns in East Kalimantan's fiscal performance during 2020–2024.

First, regional fiscal capacity increased substantially, reflected by the growth of total revenue and PAD realization. Second, PAD effectiveness remained above the annual targets throughout the observation period. Third, fiscal independence and dependency ratios fluctuated, indicating changes in the composition between locally generated revenue and transfer revenue. Fourth, expenditure allocation gradually shifted toward higher capital expenditure after the pandemic period, although operating expenditure remained the dominant spending component.

3.2 Discussion

Fiscal Autonomy and Regional Fiscal Capacity in a Decentralized System

The results indicate that the fiscal performance of East Kalimantan Province during 2020–2024 was characterized by strengthening revenue capacity accompanied by continued reliance on intergovernmental fiscal transfers. The increasing contribution of regional own-source revenue (PAD) demonstrates the ability of the provincial government to mobilize internal fiscal resources; however, the fluctuating fiscal independence ratio indicates that local fiscal autonomy remains influenced by changes in transfer-based financing.

Fiscal decentralization is designed to provide local governments with greater authority to manage financial resources according to regional priorities. Nevertheless, decentralization outcomes depend heavily on the capacity of local governments to generate sustainable revenues and manage fiscal resources effectively. Vidyattama (2021) emphasizes that fiscal autonomy at the subnational level is closely associated with the ability of regional governments to strengthen own-source revenues while managing fiscal relations with central government. The findings from East Kalimantan support this perspective by showing that revenue capacity has improved, but fiscal independence remains sensitive to changes in transfer revenue.

The fiscal structure of East Kalimantan should also be understood within the context of its resource-based economy. As a province with substantial natural resource potential, East Kalimantan benefits from strong fiscal capacity; however, resource-based revenues may also create challenges related to revenue concentration and long-term sustainability. Arham and Dai (2019) highlight that natural resource revenue-sharing mechanisms can strengthen local fiscal capacity while simultaneously creating dependence on specific economic sectors. Therefore, fiscal performance should not only be evaluated based on the magnitude of revenue but also based on the ability to develop diversified and sustainable revenue sources.

This finding is consistent with Khairin et al. (2022), who argue that the structure of local government budgets influences fiscal autonomy because regions with stronger own-source revenue positions generally have greater flexibility in determining expenditure priorities. In the case of East Kalimantan, the relatively strong PAD performance indicates fiscal potential; however, strengthening local taxation capacity and expanding alternative revenue sources remain important to reduce vulnerability to external fiscal changes.

Revenue Effectiveness and Local Revenue Mobilization

The results show that East Kalimantan maintained effective PAD realization throughout the observation period, with actual PAD consistently exceeding annual targets. This indicates that regional revenue planning and implementation were relatively effective during 2020–2024. Revenue effectiveness represents an important dimension of fiscal performance because the success of decentralization depends not only on transferred authority but also on the capacity of local governments to mobilize financial resources.

The ability to generate local revenue is influenced by economic potential, administrative capacity, and the effectiveness of revenue management systems. Lewis (2019) demonstrates that fiscal capacity influences local government expenditure decisions because governments with stronger revenue bases have greater flexibility in allocating resources toward public programs. Similarly, Bawono (2021) emphasizes that optimizing local tax revenue is an essential component of regional autonomy because sustainable fiscal independence requires stronger internal revenue mobilization.

The positive PAD performance of East Kalimantan reflects its advantageous economic structure. However, high revenue realization does not necessarily indicate complete fiscal independence. Saptono (2023) highlights that intergovernmental transfers may influence local revenue behavior by affecting incentives for local tax mobilization. Therefore, improving fiscal autonomy requires a balanced strategy between utilizing transfer resources and strengthening internally generated revenue.

For East Kalimantan, this issue is particularly important because the province is entering a period of major economic transformation associated with the development of Indonesia's new capital city. Increased development activity may create new fiscal opportunities, but sustainable fiscal management requires ensuring that future revenue growth is supported by diversified and resilient sources rather than temporary economic advantages.

Transfer Dependency and the Flypaper Effect Perspective

Although East Kalimantan demonstrated relatively strong revenue capacity, transfer revenue remained an important component of its fiscal structure. This finding highlights that fiscal decentralization in Indonesia continues to operate within a framework where intergovernmental transfers play a significant role in supporting regional government activities.

The persistence of transfer dependence can be explained through the flypaper effect perspective, where transfers from higher levels of government tend to have a strong influence on local expenditure decisions. Badrudin and Rimawan (2022) demonstrate that intergovernmental transfers significantly affect regional spending behavior in Indonesia, indicating that local government expenditure remains influenced by external fiscal resources. Similar evidence from Wati et al. (2022) shows that transfer mechanisms continued to shape local fiscal responses during the COVID-19 period.

The existence of transfer dependency does not necessarily indicate poor fiscal management because intergovernmental transfers are an important mechanism for reducing fiscal disparities among regions. However, excessive reliance on transfers may limit fiscal flexibility and weaken incentives for strengthening local revenue capacity. Therefore, the challenge for East Kalimantan is not eliminating transfer financing but maintaining an appropriate balance between external support and internal fiscal capacity.

This finding is relevant for resource-rich regions because strong fiscal capacity may coexist with structural dependency. The ability to generate revenue must therefore be accompanied by institutional improvements that strengthen fiscal resilience and reduce vulnerability to changes in national fiscal policies.

Expenditure Structure and Quality of Fiscal Allocation

The expenditure analysis indicates that operating expenditure remained the dominant component of East Kalimantan's budget structure, although the proportion of capital expenditure increased after the pandemic period. This pattern suggests that regional fiscal management experienced a transition from short-term fiscal adjustment toward development-oriented spending.

Fiscal performance should not only be assessed through the amount of expenditure but also through the quality and allocation of spending. Ghozali (2020) demonstrates that fiscal decentralization influences regional expenditure composition, particularly capital expenditure allocation. This indicates that greater fiscal authority may provide opportunities for local governments to direct resources toward productive development activities.

The increasing capital expenditure allocation in East Kalimantan after 2021 reflects improved fiscal space following the pandemic period. During COVID-19, local governments faced challenges in maintaining essential services while responding to emergency needs, requiring adjustments in budget priorities. Desdiani et al. (2022) show that Indonesian local governments implemented budget restructuring strategies to maintain fiscal resilience during the crisis period.

However, the continued dominance of operating expenditure indicates that expenditure quality remains an important policy challenge. A sustainable fiscal structure requires a balance between administrative expenditure and productive investment. The increasing development demands associated with East Kalimantan's strategic role as the future capital region further emphasize the need for efficient and development-oriented expenditure management.

Fiscal Resilience and Sustainable Regional Fiscal Governance

The 2020–2024 period provides an important perspective for evaluating fiscal resilience because it includes both fiscal pressure during the COVID-19 pandemic and subsequent recovery. The results indicate that East Kalimantan was able to maintain revenue growth and expand fiscal capacity after the pandemic period, demonstrating relatively strong fiscal adaptability.

Fiscal resilience is closely related to the ability of governments to maintain financial stability during external shocks. Wiyanti and Halimatussadiah (2021) demonstrate that disasters and economic disruptions can influence regional fiscal balance, while Desdiani et al. (2022) show that Indonesian local governments adjusted budget structures to maintain fiscal stability during COVID-19.

Nevertheless, fiscal resilience requires more than short-term revenue recovery. Sustainable fiscal governance requires effective financial management, strong institutional capacity, and the ability to maintain a balanced relationship between revenue generation and expenditure commitments. Wibowo et al. (2022) emphasize that subnational fiscal risk management is an important element in ensuring long-term fiscal sustainability.

Recent evidence also highlights the importance of governance capacity in determining local fiscal outcomes. Hummel and Kusumasari (2026) and Wahyudi et al. (2026) demonstrate that institutional capacity influences how effectively local governments transform fiscal resources into improved financial performance. Therefore, strengthening governance capacity is essential for East Kalimantan to maximize the benefits of its fiscal advantages.

Theoretical and Policy Implications

This study contributes to the literature by demonstrating that local government fiscal performance should be understood as a multidimensional concept involving revenue capacity, fiscal autonomy, transfer dependency, expenditure quality, and fiscal resilience. The findings extend previous research by providing longitudinal evidence from a resource-rich Indonesian province during a period of fiscal disruption and recovery.

From a theoretical perspective, the study supports the argument that fiscal decentralization outcomes depend not only on the transfer of authority but also on the ability of local governments to build sustainable fiscal capacity. Fiscal autonomy is therefore not merely a consequence of decentralization but also a reflection of institutional capability in managing public resources.

From a policy perspective, East Kalimantan should continue improving local revenue mobilization, strengthening expenditure quality, and maintaining fiscal balance between internally generated revenue and transfer financing. These strategies are particularly important given the province's strategic role in Indonesia's future economic development.

CONCLUSION

This study examined the fiscal performance of the East Kalimantan Provincial Government during 2020–2024 using an APBD-based financial ratio approach. The findings indicate that East Kalimantan experienced a strengthening of fiscal capacity, reflected by the continuous improvement in regional revenue performance and the effectiveness of own-source revenue (PAD) realization. Throughout the observation period, PAD realization exceeded the annual targets, demonstrating the government's capacity to optimize regional revenue sources.

However, the results also reveal that improved fiscal capacity does not necessarily represent complete fiscal independence. Although East Kalimantan showed relatively strong fiscal autonomy compared with many regions, transfer revenue remained an important component of regional financing. This finding indicates that the provincial fiscal structure continues to be influenced by intergovernmental fiscal relations, requiring continuous efforts to strengthen revenue diversification and reduce vulnerability to external fiscal changes.

The expenditure analysis shows that regional fiscal management experienced a transition after the COVID-19 period, characterized by increasing allocation toward capital expenditure while operating expenditure remained dominant. This pattern indicates improved fiscal flexibility; however, maintaining a balance between administrative expenditure and productive investment remains an important challenge to ensure that fiscal resources contribute to sustainable regional development.

This study contributes to the literature on local government fiscal performance by providing longitudinal evidence from a resource-rich Indonesian province during a period of fiscal disruption and recovery. Unlike studies focusing on single fiscal indicators or short observation periods, this research integrates multiple APBD-based financial ratios to evaluate fiscal autonomy, revenue performance, expenditure structure, and fiscal resilience simultaneously. The case of East Kalimantan demonstrates that strong fiscal capacity must be accompanied by effective governance, sustainable revenue management, and strategic expenditure allocation.

From a policy perspective, the East Kalimantan Provincial Government should continue strengthening local revenue mobilization, improving expenditure quality, and maintaining a balanced fiscal structure between own-source revenue and transfer financing. These strategies are particularly important considering East Kalimantan's strategic position as the future location of Indonesia's new capital city, which requires sustainable fiscal governance to support long-term development.

This study has several limitations. First, the analysis relies primarily on APBD realization data and financial ratios, without incorporating broader socioeconomic outcomes or public service performance indicators. Second, the study focuses on a single provincial government, limiting generalization to regions with different fiscal characteristics. Future studies may extend this research through comparative analysis among resource-rich provinces or by integrating fiscal performance indicators with development outcomes and institutional governance measures.

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