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TANGLE TREASURY

QUARTERLY REPORT

JULY 1 - SEPT 30 , 2023

MORE INFO :
www.TangleTreasury.org
Github: Tangle-Community-Treasury-DAO

TANGLE
COMMUNITY TREASURY

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EXECUTIVE SUMMARY

Introduction

The second quarter showed an increase in grant requests and tested the committee. Further, even with a schedule delay, our planning was around Shimmer EVM launching in the July / August time frame. Given that this slipped to October, we continued to operate and manage funding in the most efficient ways possible, given not having a SMR multi-sig wallet that would come with the EVM network.

Quarterly Most Important Events

First and foremost, the committee was thrilled that the community framework worked. Yet there were a few inefficiencies and small things that could improve. Further, overall, the committee and the community felt the treasury management was a success. The Shimmer Community Treasury was always intended to test, prove, or disprove whether the community should use such a framework for the IOTA community funds. During this quarter, with weekly governance meetings hosted and supported by the IOTA Foundation, we went through a lessons-learned analysis. Then, we proposed revisions to the framework, including managing 10,000,000 IOTA from the community funds. This was another significant step forward in community governance in action.

In the second quarter of operations, the committee pulled back on approving grants due to the delay of the Shimmer EVM. Grant receivers requested a total of $1,674,072 in USDT from the treasury. The committee approved four grants totaling $41,070 (2.5%) of the requested funding. The committee archived two projects that requested $93,520 (5.6%) and declined 16 grants or $1,539,482 (92%) USDT worth of requests.

Path Forward

As the committee moves into the third quarter of operations, we look forward to seeing Shimmer EVM go live, a gnosis multi-sig wallet, and the DEFI explosion.

FINANCIAL STANDING
QUARTERLY KPI METRICS

The first quarter of operations for the treasury from July to September showed a diverse set of grants submitted to the treasury. Twenty-two grants were submitted to the treasury, encompassing ten web3 applications, five marketing and content, five utility applications, and one developer tooling.

The Soon Labs grant was finalized in the second quarter of operations. The tooling from the Soon Labs team was open-sourced, and then the evolution of Build.5 was presented openly to the community. With the team's devotion to the community, they exchanged 311,225 $SOON tokens for the funds received.

KPI	TREASURY START	30 JUNE, 2023	30 SEPT, 2023
SMR HOLDINGS	27,204,327 SMR	24,529,072 SMR	22,120,810 SMR
SMR PRICE AT END OF QUARTER	$0.067	$0.050	$0.051 USDT
USDT VALUE AT END OF QUARTER	1,822,689 USDT	1,226,453 USDT	1,128,161 USDT
USDT HOLDINGS	0 USDT	1,440.95 USDT	0 USDT
USDT REQUESTED	0 USDT	3,257,888 USDT	1,674,072 USDT
ADMIN & OPERATING COSTS		73,621 USDT	53,651 USDT
TOKEN DONATIONS	-	$SOON / $AUDIT / $BUILD	311,225 $SOON • $BUILD • $AUDIT
TREASURY DONATIONS (SMR / USDT)	0 SMR / 0 USDT	0 SMR / 0 USDT	0 SMR / 0 USDT

FINANCIAL STANDING

OPERATING COST BREAKDOWN

The treasury running costs were kept to a minimum and came under the estimated quarterly estimate of $28,313. Treasury tooling, legal, and transaction fees only comprised 7.9% of total operating costs, while salaries came in at 92.1%.

Legal Costs
5%

Salaries
92.1%
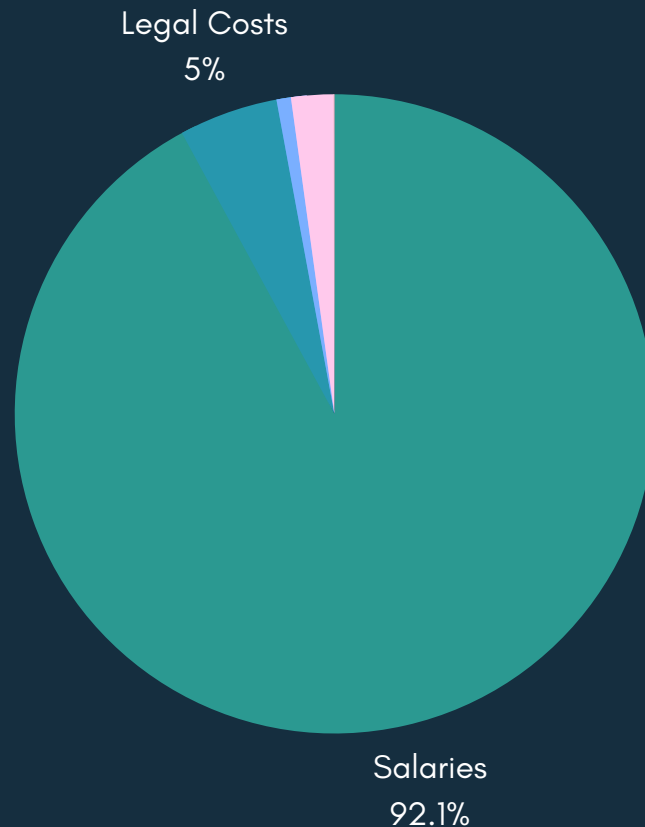
As expected, with more of the significant expenses incurred in the first quarter of operations, the distribution adjusted and overall operational costs have decreased.
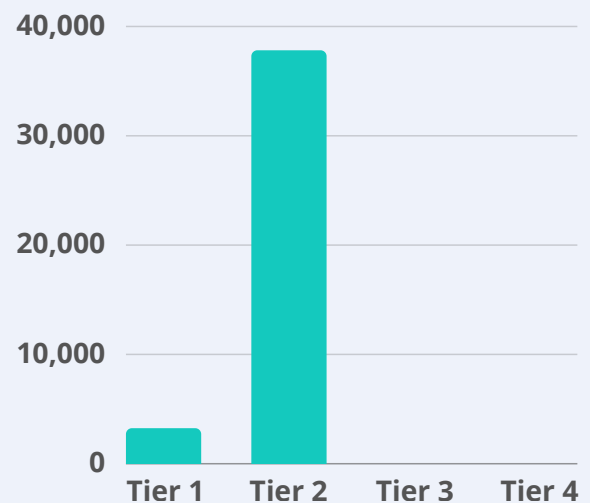
FINANCIAL STANDING
GRANT PAYOUT ANALYSIS

In the second quarter of operations the committee tightened up funding given the EVM release was delayed. Not just due to the uncertainty of Shimmer, but also with a pivot to focus on DEFI specific infrastructure on pools. As such the committee supported Dev Tooling grants and Utility Applications.

Treasury Admin Grants
0%

Utility Applications
30.4%

Web3 Applications
0%

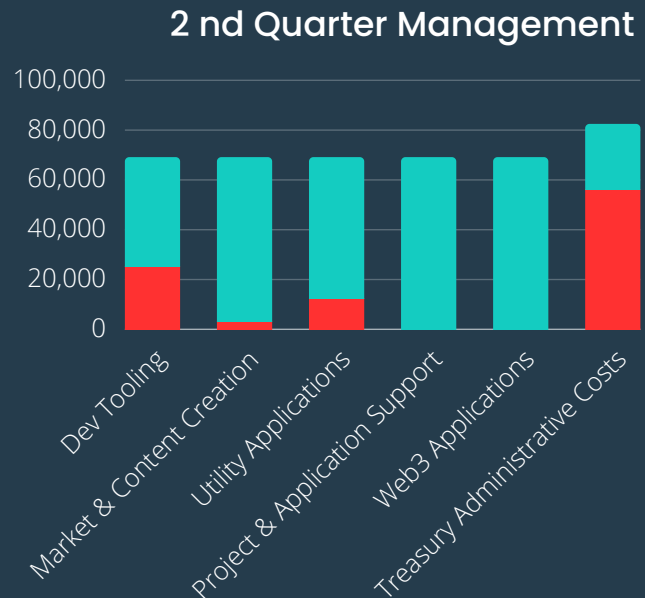Marketing & Content
7.9%

Dev Tooling
61.7%
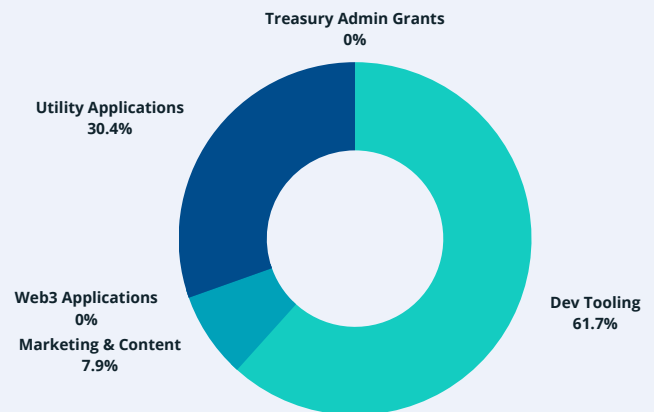
Out of the few approved grants it can be seen that Tier 2 grants (e.g. two grants) made up the 37,820 that funded the development of a C# library and utility application such as a block monitor wallet.

	Tier 1	Tier 2	Tier 3	Tier 4
40,000				
30,000				
20,000				
10,000				
0				

FUNDING STRATEGY
Allocation Management

Annual Management

| | 350,000 · 300,000 · 250,000 · 200,000 · 150,000 · 100,000 · 50,000 · 0 |

Categories: Dev Tooling, Marketing & Content, Utility Applications, Project & Application Support, Web3 Applications, Treasury Administrative Costs

2 nd Quarter Management

| | 100,000 · 80,000 · 60,000 · 40,000 · 20,000 · 0 |

Categories: Dev Tooling, Market & Content Creation, Utility Applications, Project & Application Support, Web3 Applications, Treasury Administrative Costs

The above graph shows that minimal spending was conducted in the second quarter of operations. We must understand that these estimates were based on the $USDT value of the treasury back on April 1st, 2023. Given the lower price, the committee tightened up on grant funding but also committed to this tightening due to the uncertainty around when EVM will launch.

When observing the annual grant strategy, we see that utility and web3 applications are the most funded. Moving into the next quarter, the committee will look at how much funding is available in the second half of operations. We will then adjust our funding strategy for dispersing them across our strategic designations.

COMMITTEE ACTIVITY
DATA METRICS

Evaluating the breakdown of activities by the committee review team (program lead time not included), we can see that the majority of the time spent by the review team was 34% reviewing and managing proposals. However, this is lower than the first quarter. Mainly due to the lesser amounts of grants submitted to the treasury. In the third quarter of operations the team focused on meetings and administration activities of how to update the treasury framework and a full understand of what DEFI infrastructure is needed.

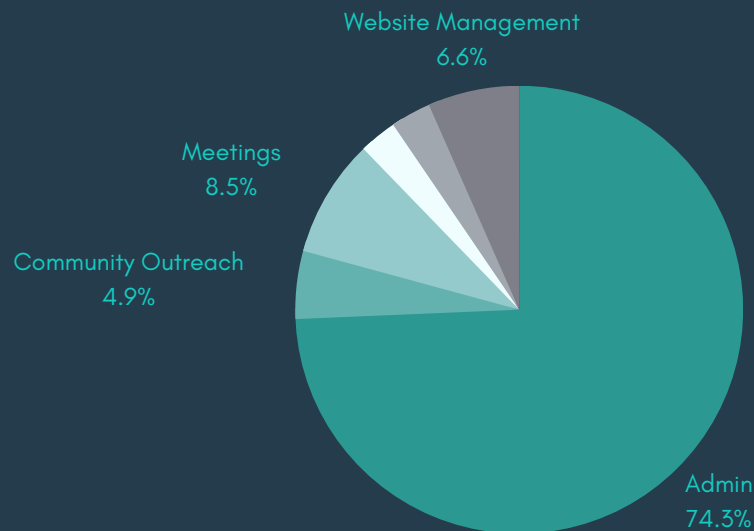|			
37% PROPOSAL REVIEW	**16%** TREASURY WORKING MEETINGS	**5%** MEETINGS	**21%** COMMUNITY OUTREACH
9% TREASURY RESEARCH	**11%** ADMINISTRATION	**0.2%** WEBSITE MANAGEMENT	**0.8%** SOCIAL MEDIA

238 hrs 42 min
TOTAL REVIEWER TIME
(PROGRAM LEAD TIME NOT INCLUDED)

COMMITTEE ACTIVITIES
PROGRAM LEAD DATA METRICS

Website Management
6.6%

Meetings
8.5%

Community Outreach
4.9%

Admin
74.3%

Looking at the analytics breakdown of the program leads to time, we can see that he spent 74.33% of his time on Treasury administrative activities which include:

- Vetting grant proposals.
- Downloading.
- Scanning and reposting attachment links.
- Scheduling treasury working meetings.
- Organizing and analyzing financial positions.
- Updating project trackers.
- Creating a liquidation procedure.
- Adding and tracking all treasury expenses.
- Working with a lawyer about setting up LLC contracts.
- Keeping up-to-date on the Marshall Islands creation, creating a quarterly report, etc.
- Website management

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Summary of Approved Projects are Below
Tier 1 Grants - 3,250 USDT

GRANT NAME	TIER	USDT VALUE	CATEGORY	LINK
TCT-56: FINANCIAL SUPPORT FOR SIDE EVENT AT BERLIN BLOCKCHAIN WEEK	TIER 1	1,500 USDT	MARKETING & CONTENT	HTTPS://WWW.TANGLETREASURY.ORG/PROPOSAL-DETAILED?RECORDID=RECX3ML5XDBKUYMBK
TCT-59: WEB3 CREATORS SOIRÉE - TOKEN 2049 SIDE EVENT	TIER 1	1,750 USDT	MARKETING & CONTENT	HTTPS://WWW.TANGLETREASURY.ORG/PROPOSAL-DETAILED?RECORDID=RECQBUX6SI3RI0IBC

Summary of Approved Projects are Below
Tier 2 Grants - 37,820 USDT

GRANT NAME	TIER	UST VALUE	CATEGORY	USDT VALUE
TCT-52 IOTA SDK.NET	TIER 2	25,320 USDT	DEV TOOLING	HTTPS://WWW.TANGLETREASURY.ORG/PROPOSAL-DETAILED?RECORDID=RECD7LHM1Q91LA4JA
TCT-55: BLOCK MONITOR - SHIMMER SUPPORT AND RENEWED SUPPORT FOR IOTA THROUGH 2024.	TIER 2	12,500 USDT	UTILITY APPLICATION	HTTPS://WWW.TANGLETREASURY.ORG/PROPOSAL-DETAILED?RECORDID=RECFBIVDKKILHQ5ZJ

THE ROAD AHEAD
October to December

The second quarter showed that the Treasury DAO's operating structure works! Though it could be improved with new learnings that only come from operating experience. The committee pivoted and focused on how we can support DEFI launch with the EVM release on Shimmer. This was seen distinctively by the fact the committee declined or archived several grant proposals.

With the launch of EVM on the horizon the committee is focused on supporting EVM and DEFI infrastructure and if needed, to support liquidity pools.

Of course, the treasury is highly affected by the Shimmer $SMR price and only the future will tell if that will support the treasuries supportive power or limit it. Additionally, with the revision of the framework supported by the community, we seek to not only support ecosystem projects but also capitalize on the return that ecosystem projects want to give to the community.

We look forward to taking the treasury to new heights and supporting the Shimmer ecosystem grow in a positive way.

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