

Greetings,

I am in the process of creating a calculator for validator ROI. Unfortunately, there has been a disconnect between reality and what I believe the equation to be. The following is the equation that is being used, if you could spot the discrepancy (as the amount is being vastly overcalculated) that would be helpful.

Validator Return Equation (VRE)

Total Delegators = T

Annual ROI = R

Commission Rate = C

$VRE = T * R * C$

Expanded:

I = Inflation Rate

F = Foundation Tax

C = Commission Rate

T = Community Tax

R = Staking Ratio

Staking Ratio = Total Staked SCRT / Total SCRT

D = Total SCRT Delegated to Validator

Validator annual ROI SCRT = $((I / R) * (1 - F - T) * C) * D$

With testing I am getting approximately 2.25x more SCRT from this equation than reality.

Any ideas where this discrepancy is from?