

Temperature check: Delegate Incentive Program Extension

Abstract

I already wrote a similar proposal in early August, but in the delegates section. Unfortunately, I didn't see any feedback, probably because almost no one saw this post.

So I'll repeat it here and update the numbers.

August is the last month of the Delegate Incentive Program.

Despite the fact that it is too early to draw conclusions, I would like to suggest in advance that this program be continued with the current budget.

Motivation

1,580,000 ARB were allocated for this program.

At the moment, there are [1,081,825 ARB left there](#).

Taking into account payments for 4 months, the cost of incentives for delegates amounts to 120,000 ARB per month on average.

This means that the remaining funds with current expenses are enough to continue the program for at least six months:

Funds after the end of the 6-month period (approximate calculation) will be 960.000 ARB.

Rationale

The idea itself is good and relatively inexpensive for a DAO.

I would like to say that my proposal is aimed at continuing to stimulate delegates after the end of 6 months, since compiling the results of the program, their discussion and conclusions will take a rather long period of time.

My calculations are intended only to show that the program has enough money for the interim period, when all conclusions have not yet been drawn and new decisions have not been made

Costs include administration costs and Karma.

Balance calculation for additional 6 months:

Month

Expenses (ARB)

Balance (ARB)

Add. month 1

120.000

840.000

Add. month 2

120.000

720.000

Add. month 3

120.000

600.000

Add. month 4

120.000

480.000

Add. month 5

120.000

360.000

Add. month 6

120.000

240.000

It is a little surprising that only 40-45 delegates are participating in the program each month.

One of the reasons why delegates are not so active in joining this program is insufficient funding.

We can try to solve this by increasing the maximum amount of payments per delegate.

Since the program has enough funds in its account for these experiments, we do not need additional funding.

Taking into account the significant drop in the value of the ARB token, payments that were approved in February 2024 fell by at least 2 times.

The price of the ARB token as of 02/01/2024 was \$1.76, and the current value is only \$0.7.

To partially compensate for delegates' expectations, these payments can be doubled and the maximum value set at 10,000 ARB.

So the above table will become like this and the budget will be enough for 4 months:

Month

Expenses (ARB)

Balance (ARB)

Add. month 1

240.000

720.000

Add. month 2

240.000

480.000

Add. month 3

240.000

240.000

Add. month 4

240.000

000.000

I think that 4 months will be enough for us to discuss the results of the program and make a decision about the future

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Steps to Implement

Due to the fact that it takes quite a lot of time to make a decision, I propose to pre-vote in this post for 3 options.

- Continuation of the program with original conditions
- Continuation of the program with double reward

- Make a decision after the completion of the program and the presentation of the results report

Based on the voting results, I will ask a delegate with more than 500,000 votes to submit a proposal to Snapshot (or not)

- Continuation of the program with original conditions
- Continuation of the program with double reward
- Make a decision after the completion of the program

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voters

Overall Cost

There are no additional costs required to continue this program