

First point covered was how to mitigate the negative effects of large, disinterested blocs of voters – blocs such as Binance Staking.

One suggestion brought up was fractional voting. A staking company could vote from one address but would have the ability to split its vote. For example, a proposal is submitted. Binance could use an internal mechanism and find 70% of its stakers want to vote “no” on a proposal while 30% want to vote “yes”. With fractional staking Binance would be able to vote 70% no and 30% yes from one address. Cosmos may allow this. More research will be needed.

Another suggestion was incentivizing voting and possibly disincentivizing not voting.

Another suggestion was switching the quorum mechanism. Instead of determining quorum from a percentage of voting power, would it be possible to determine quorum from a percentage of validators. This may mitigate the problem of large blocs of voting power not voting and no quorum is reached.

How soon do we want to try to mitigate this problem?

Next steps will be to research how other chains have handled similar problems in the past.

The next topics were new topics brought forward during the call.

Some would like to encourage greater separation between Enigma, Secret Foundation and node runners. They would like to see more people take up more roles.

Do we think there are enough people with the time, resources and commitment to take on these roles?

There was a concern that many leads are chosen by one person, which limits the paths for the community to contribute. There was disagreement about this point. It was pointed out there have been multiple opportunities in the past for volunteers to contribute and for people to step up as leads or co-leads for months.

One lead on the call stated they do have influence over who their co-leads would be, but they would still love to have one.

Another concern was we could be sourcing more voices and people beyond those who have the flexibility to attend meetings.

Some are concerned that people paid by the foundation and also run nodes are double-dipping.

There is a concern if we take away incentives from leads, you will get less work output, and that effort deserves compensation.

Infrastructure committee lead (Ian) never took compensation because they were a large node.

We have only been in this position for 2-3 months. Node runners' income from 2020 was much smaller than it is now. We are evaluating past efforts and their effects with current prices. In the past, any “double-dipping” was not significant. Committee leads are not paid anything close to resembling a full-time salary. It was conceded the concern is valid now and may need to be addressed going forward.

A suggestion was made that people not running a node should have first rights to stepping into community roles.

Another suggestion was made to separate committee funding from the foundation and have committee come directly from on-chain. It would give the community more input in the process and may be less opaque.

There was a doubt as to whether the foundation would be considered a pass-through entity by the IRS due to inflation being considered income.

The model of the chain directly funding the committees has been brought up in the past. After deciding instead to have the foundation allocate funds to the committees, the committees have been extremely successful. Someone else disagreed stating the model was not discussed much and there is no evidence that committees paid directly from the chain would be less efficient, but there is evidence that it would be less opaque.

Other chains that use a chain-to-committee funding model? Possibly Kava. More research would be needed.

A community member spoke up stating they were not here for incentives but to network, learn and get involved. They did not believe committees were structured by who-knows-who but instead the structures were based on experience, knowledge and skills. They also thought it is an easy path for community members to put themselves forward and lead a project. Another member disagreed that leads were the most qualified (ex. Cardiff) but instead are either the people that showed up or people who Tor (Secret Foundation) likes. We can hire professionals.

Professional project management can go a long way.

The awareness committee has been talking to professional PR and advertising firms. There is strong consideration by the awareness committee to bring on a professional PR firm, although when talking to several projects the consensus seems to be you do not really get what you pay for with many PR firms and grass roots efforts are much more effective. We should

strive for transparency and decentralization, but the Secret Foundation is needed for entering contracts. The objection was made we cannot fully decentralize while being centrally coordinated. Although we need Secret Foundation for entering contracts, we may need a better mechanism for deciding which contracts we enter.

It was also decided not to discuss governance committee funding for a website at this moment.