



Office of the Minnesota Secretary of State
Minnesota Public Benefit Corporation / Annual Benefit Report
Minnesota Statutes, Chapter 304A



Read the instructions before completing this form
 Must be filed by March 31
 Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.
 Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) Butter Bakery Cafe GBC

2. The public benefit corporation's board of directors has reviewed and approved this report.

3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

attached

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Daniel Swenson Klatt

Signature of Public Benefit Corporation's Chief Executive Officer

March 15, 2021

Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

Email Address for Official Notices

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

daniel@butterbakerycafe.com

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

Daniel Swenson-Klatt 612-227-9164

Contact Name

Phone Number

Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.

Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?

Yes No



Notes from the February 28, 2021 Meeting of the Butter Advisory Board

virtual meeting - in attendance: Daniel Swenson-Klatt, Deb Swenson-Klatt, Eleanor Balbach, Danielle Rasmussen, Phil Anderson, Kyrra Rankine, Jacqueline White, Nathan Lind
unable to attend - Nadhia Fuentes

Noted: Power point slides were set to run as presentation but the zoom sharing screen was incorrectly set. I will send the file for you to view all of the slides.

Daniel reviewed the past year, accomplishments, and benefit activities, and provided information on the current financial outlook.

The board approved the printed version of the 2020 Social Benefit Goals Report for the state of Minnesota. Daniel will send this document in for filing purposes.

The board accepted the SBA EIDL received by Butter Bakery Cafe. And authorized Daniel Swenson-Klatt to be the authorized signer.

We discussed equity goals to be developed for the coming year.

- Daniel proposed a 10% increase in the number of service providers and vendors/producers who reflect the BIPOC community.
- Daniel will do a review of current equity numbers to share with the board.
- Daniel noted that equity efforts will be built into the staff training and planning document being facilitated by LaDonna Redmond.
- We will also set staffing goals. Currently 4 of 15 staff identify as people of color.
- We will identify current customer demographics regarding use of the cafe for purposes of understanding our ability to be a welcoming place for all.

There was a general agreement that remaining open and safely functioning for staff and customers through the pandemic was to be applauded.



Social Benefit Corporation Goals REPORT FOR 2020 **Butter Bakery Café GBC, Minneapolis, MN**

1) provide supportive internship training experiences to youth at risk of homelessness

- During 2020 we provided opportunities for eight interns who worked a total of 836 hours. Two of these interns completed the full three-month period and were hired to work as staff.
- Working with our partners, Youth Link and Beacon Interfaith Housing Collaborative we sought to expand our ability to provide internship hours through collaboration with Wildflyer Coffee (WFC), whose mission mirrors ours. As WFC struggled to secure a lease due to the pandemic, we offered our cafe as a temporary home and allowed their program to work out of our space while seeking a suitable home of their own. In December WFC was able to open in their own space so now we are working out ways to continue the relationship we began.
- Updates to our staff onboarding, training sequences and staff handbooks were put into use this year and helped us to build effective Covid19 Preparedness Plans for our staff and interns.

2) be an advocate for workplace improvements in the restaurant industry

- Paid Family Leave advocacy efforts continued, but were sidelined by focus on the Coronavirus pandemic which highlighted the deep need for long term leave support for health issues.
- Dan attended a national RAISE event in March to lobby congress on the One Fair Wage Act and share concerns about the looming Coronavirus impacts.
- Dan served as a steering committee member of the national RAISE organization with duties connected to training and support for restaurant owners looking to improve their workplaces.
- We recognized Equal Pay Day (March 31), providing information for our customers and staff.
- Dan participated in city budget conversations for public safety and business support by deepening the cafe's relationship with Councilmember Andrea Jenkins and offering to launch formation of a 38th Street Cultural Corridor Business Association.
- Dan was a mentor / consultant for five business owners/hoping-to-be owners during the year, which in most cases was through virtual meetings due to the Covid19 pandemic.
- Work with LaDonna Redmond, to begin diversity and equity training for the business was put on hold while Ms. Redmond is converting her training into a recorded, streamed format. We expect it to restart in the early months of 2021.
- Dan participated in an ongoing roundtable with nearly two dozen other local owners seeking to address wage increases through no-tip models. Covid19 pandemic impacts provided many reasons to re-think and restructure staffing models and compensation.
- We provided our shop space free of charge as a pop-up for restaurant owner, Chef Jerry Evans of Smokin' J's Catering, whose business was severely impacted by pandemic restrictions.
- Our efforts to be a healthy workplace allowed us to maintain continuity with 12 of the 15 staff at the end of year having worked the full year. We coordinated with staff whose life situations changed due to the pandemic so that we did not need to furlough any staff. We added nine

staff while 12 left during the year (Eight of the staff who left served less than six months, most leaving during the upheaval of changing conditions of the pandemic.)

- We raised our base wage to \$15 this year. Although Paid Leave benefits did not become law, we chose to provide paid leave beyond our basic Earned PTO policy to those staff who needed time due to health concerns and quarantine needs. We coordinated paid leave time through federal Covid19 support. 20 staff made use of Paid Time Off for a total of \$22,735 – 9% of total wages.
- We made several adjustments during the year to find a beneficial food delivery model and shared our experiences regarding high commission fees with state legislators.
- In its second year as a GBC, Butter Bakery Cafe was again nominated for a Social Enterprise Alliance Impact Award for 2020.

3) offer a model of a sustainable business with a zero-waste goal

- Dan continued to work with the Kingfield Neighborhood Association on their Redevelopment Committee to be a business voice and composting consultant. Due to Covid19 restrictions, there were no composting consultations through the program this year, but Dan dedicated one of his monthly blogs to composting challenges faced this year.
- We provided support/donations for the 100% Clean Energy Campaign, Save the BWCA, MN350, Community Power, Climate Generation and Climate Vote.
- Dan presented to a U of M Writing Class (Prof Andrew Hamilton) on “sustainability in the restaurant industry.”
- 85% (6% increase since 2019) of our ingredients fit our “local and/or organic” goals.
- We hosted three Community Supported Agriculture Farms, providing space for over 40 neighbors to source vegetables directly from local farmers. Butter was a member of each of these CSA’s.
- We grew a variety of vegetables and herbs on our boulevard with efforts to share and promote this activity to our customers and neighbors. We created more outdoor seating and are making plans for water reuse with our neighboring housing development.
- The average distance of our “distributors and producers” was 56 miles.
- Our staff locality average for the 2020 crew was 1.8 miles – nearly all staff walked, biked or used public transportation to get to and from work. Dan reduced his supply/shop activity mileage by 55 miles per month (22% decrease).
- We struggled due to the loss of a supplier for our compostables, as well as the increased demand for packaging. We noticed the disruptions to the supply chain and the increase in cost for some of our basic supply needs.
- We connected with a startup business, Forever Ware, to help them pilot their reusable / returnable takeout packaging options. We have worked closely with them to help us consider a path to zero waste for all of our takeout and delivery packaging.

With the murder of George Floyd in May of 2020, we committed to increased equity efforts in all parts of our business model, recognizing our interconnectedness and the need for being a model for justice.

Accepted by the Advisory Board for Butter Bakery Cafe, February 28, 2021

2020 other NOTES AND NUMBERS

Dan began the work of meeting with an advisory board and continued making connections with community members to support the work of the cafe. He took a course on Business Transitions to help begin the process of building a five-year plan for himself, the business, and the Advisory Board.

Overall Revenue (Sales) \$398,477 -- 47% decrease from 2019

VENDOR INFO

- 109 distinct vendors/providers worked with us with over the year
- Our top four are still Hope Creamery, Bix Produce, Hidden Stream Farm (with Ferndale Farm) and Co-op Partners' Warehouse.
- There were eight new vendors in 2020 - to help us pivot into new services and supplies.
- The pandemic was reflected in our dairy numbers - with only 1.4 tons of butter ordered this year, 28000 eggs, and 1075 gallons of milk/cream. *(for comparison, these numbers are just over half of what was ordered 2 years ago - 2.2 tons/67000 eggs/2075 gallons)*

PERSONNEL NOTES

- 28 staff members worked at Butter during 2020
- We averaged 16 employees each month
- With the addition of our newest staff person, Raven, 191 neighbors have worked at Butter
- Total "non-regular" wages were over \$28K (17% of total - typically <3%)
- At the beginning of March 2020, we had 20 employees (FTE of 10.2) By June, we had dropped to 11 employees (FTE of 7.0). At the end of the year, we had 15 staff (FTE of 9.0)
- 7 staff worked more than 1000 hours last year, total hours were 16085 (19% drop from 2019)
- The baristas worked 33% of our hours / bakers 27% / cooks 22% / managers (+Dan) 18%
- At the end of 2020 our "experience range" (from start) averaged 27 months.
- Dan took 29 days away last year (with one trip to Washington DC/Tucson...the rest up north)

2020 HIGHLIGHTS

- Dan shared a stage in DC with Senator Amy Klobuchar and was interviewed for a Fox9 news report regarding community safety.
- We survived the ongoing highway detours for another year.
- We are surviving the pandemic, with just one positive case and no spread among staff.
- With the restrictions in place, we chose to reduce daily service hours and close on Sundays for a 26% reduction in open hours (4400 vs 3250) Typically closed 3 days a year, we closed for 52.
- We received customer donations of over \$5000, mostly targeted to help us serve meals to neighbors experiencing food insecurity.
- Gift Card Sales rose 100% with \$12K in activations providing much needed cash flow.
- 32 different Charitable organizations were served (\$4097 donated /\$1542 discounts provided)
- Meals, coffee and bread loaves for people experiencing food insecurity were provided (by community donation and our own contributions) for over 460 people at a value of \$3977
- We received several grants this year: city of MPLS (10K), Hennepin County (15K and 10K), SBA (10K grant and principal payments of \$4600) and Federal PPP forgivable loan (72K)

Sales notes

- We expanded our patio seating area to the northside - providing an additional 14 seats.
- We offered additional pick-up and delivery options for customers (working with three different delivery options - DoorDash, Forever Ware, ChowNow, as well as our own Square Online Store.
- We offered 3 Bread Subscription sessions and sold 98 shares! (A 400% increase)
- The kitchen's standards - the biscuit sandwich and turkey sandwich continued to lead.
- Bakery's overall production remained quite stable, and we witnessed a large increase in the sale of bread loaves (both retail and through the subscription/shares we offered).
- The cafe saw the greatest impact from having restrictions on indoor dining - with significant decreases in all items. The bright spot was connecting with neighbors to provide "cold brew growlers" (108) and bagged beans/teas (516 items) to help reduce the need to be out.
- 25000 Drinks served - 30% espresso / 25% brewed coffee / 17% cold brew / 16% teas
- 4500 Biscuit Sandwiches
- 1100 Turkey Sandwiches
- 6000+ Scones
- 3095 Eclairs
- 1939 Loaves of Bread / 795 Rolls
- 6800 Cookies
- 70 whole cakes and 96 whole pies

ORGANIZATIONS SERVED In 2020

826 MSP

Appetite For Change

Bakers Against Racism

Climate Generation

Climate Vote

Green Central Elementary School

Green Circle Initiatives

Human Rights Campaign

KFAI Radio

Kingfield Neighborhood Association

Lake Country School

Lutheran Volunteer Corps

Lyndale Elementary School

Lyndale Neighborhood Association

Main Street Alliance

Metro Independent Business Alliance

Minnesota Food Association

MN 350

Nicollet Square

Our Saviour's Community Services

Our Saviour's Lutheran Church

RAISE / ROC

Save the Boundary Waters

Seward Co-Op Round Ups

South High School Music Program

The Aliveness Project

The Food Group

TRUST

VAIL Place

Wildflyer Coffee

Zion Church

ZOOM House



Social Benefit Corporation Goals REPORT FOR 2020
Butter Bakery Café GBC, Minneapolis, MN

Statement regarding use of a Third-Party Standard for Assessment purposes

The board of Butter Bakery Cafe has chosen to use the B Lab - B Impact Assessment for developing Specific Benefit Goals and setting direction for helping our business meet the standards for becoming a certified B-Corporation.

We currently are not seeking full certification but intend to use the full assessment process for creating the framework for our business development.

As members of the Social Enterprise MSP, we will be involved in an Impact Assessment in the spring of 2021 where we will be learning how to move this process forward for our business and will set Board Goals for 2021 and beyond as they relate to our Specific Benefit Goals.

Daniel Swann Klett March 30, 2021



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Steve Simon

Steve Simon
Secretary of State