



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. File Number

2. Corporate Name: (Required)

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

4. 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)

5. 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.

Signature of Public Benefit Corporation's Chief Executive Officer

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:

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:

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



Social Benefit Corporation Goals REPORT FOR 2022 Butter Bakery Café GBC, Minneapolis, MN

Butter Bakery Cafe GBC struggled during 2022. The lasting impact of the pandemic has changed our neighborhood activity and customer experience greatly. Still unable to return to pre-pandemic services, hours, or staffing, our overall activity and revenue dropped 3% from 2021 (23% below 2019 levels). Inflationary effects, supply chain issues, and many challenges with the health of our staff all resulted in a year of heavy losses. One of the biggest challenges we faced was the loss of two key kitchen line cooks at the end of August, which forced dropping our Saturday service in September while we attempted to hire and train new staff. Despite these challenges, we were still able to remain open through the year, with 297 days of service that provided many opportunities to live out our benefit goals.

Supportive Worksite - Internships

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

- We provided supportive opportunities for two interns who worked a total of 289 hours.
- One intern completed their full three-month training and was hired to join our staff.
- Through continued collaboration with Wildflyer Coffee, whose mission mirrors ours, we hired one staff who had completed internship work through their program.
- Direct collaboration work with Wildflyer was limited by both shops struggling to come out of the pandemic and Wildflyer's work to secure a second site in St Paul.
- Staffing disruptions within the Nicollet Square Housing residential program created challenges for maintaining and supporting interns.
- Among Dan's business consultations, two focused on internship programming.
- As we ended 2022, 4 of our 14 staff had connections to the internship program.

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

- Dan testified for Paid Family and Medical Leave before the Minnesota State legislature, as a business voice for Minnesotans for Paid Leave, and through Main Street Alliance.
- Butter continued offering provisions for paid leave time for staff to recognize health issues related to the pandemic and family support needs - totaling 7% of payroll, three times as much as our pre-pandemic averages of 2% of payroll.
- 6 of the 14 staff we hired in 2022 met diversity goals, matching our 2021 percentage but still remain 6% lower than pre-pandemic levels. Overall, 12 of the 34 who worked during 2022 met diversity goals.
- Dan offered consultation with 4 businesses in relation to industry improvements, including an ongoing mentorship with the founders of a cafe opening in 2023 that will include a training component for young adults.
- Butter's base wage rose to \$16.25/hr. Average compensation for 2022 was \$17.22/hr.

Sustainability Model - business mentoring

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

- 78% of ingredients met our goals of sourcing small, independent, locally based suppliers with high quality, fairly traded, and ethically produced ingredients.
- Dan completed a course to become a Minnesota Water Steward, which will include outdoor water retention projects in 2023, collaborating with the new housing development behind Butter at 17 W 37th St.
- Hosted three CSA's serving over 50 members to promote the local agricultural economy.
- Staff locality averaged 1.5 miles - supporting a majority who can walk, bike, or take public transportation.
- Dan's average monthly mileage was 157 miles - slightly lower than 2021.
- Continued working with business startup- *Forever Ware* - to bring a no-waste option for takeout, with an average of 45 uses per month.
- Continued to be involved in environmental justice efforts through the Campaign to Save the Boundary Waters, StopLine3, MN350, Minneapolis Climate Action, and as a participant on a Minneapolis' Climate Plan working group, helping to create a sustainable future for all businesses.
- Began participation in a Minneapolis air quality monitoring program.
- Hosting one of our neighborhood's Pollinator Pathway Patches and providing space for planning events for this project.
- Active promotion of the new Hennepin County waste reduction program for businesses - MNimize.

A little more of the 2022 Butter Bakery Cafe Story

Staffing

- FTE average 9.5. (down 2 FTE's from pre-pandemic years)
- Added 12 staff - 14 left during the year
- Of current staff - 10 worked the full year

Community Support

- Donations from the community - \$2500
- Received a Watershed Grant to be used for rain water retention and signage - \$1200
- Provided contributions to the community valued at \$5700
- Gathered 300 lbs of food for Sabathani Food Shelf during March food share month
- Connected with the Children's Theatre for intermission sales starting Fall of 2022

Equity / Advocacy

- Began meeting with a coalition of businesses, residents and organizations supporting George Floyd Square and the 38th Street Cultural Corridor
- Provided testimony for US House of Representatives Labor committee on preventing wage theft

Financial notes

- cost of goods 25% / labor costs 55% / operating costs 17% / cost of money 3%

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 to meet the standards for becoming a certified B-Corporation. We currently are not seeking full certification but intend to use the process for creating the framework for our business development. Through assessment from Ecotone Analytics we have a baseline report from 2021 for goal setting. During 2022, pandemic impacts prevented us from fully engaging with this report. We anticipate that it will be better used during 2023.

Adopted by the Butter Bakery Cafe GBC Advisory Board

March 25, 2023



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OFFICE OF THE SECRETARY OF STATE
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Steve Simon

Steve Simon
Secretary of State