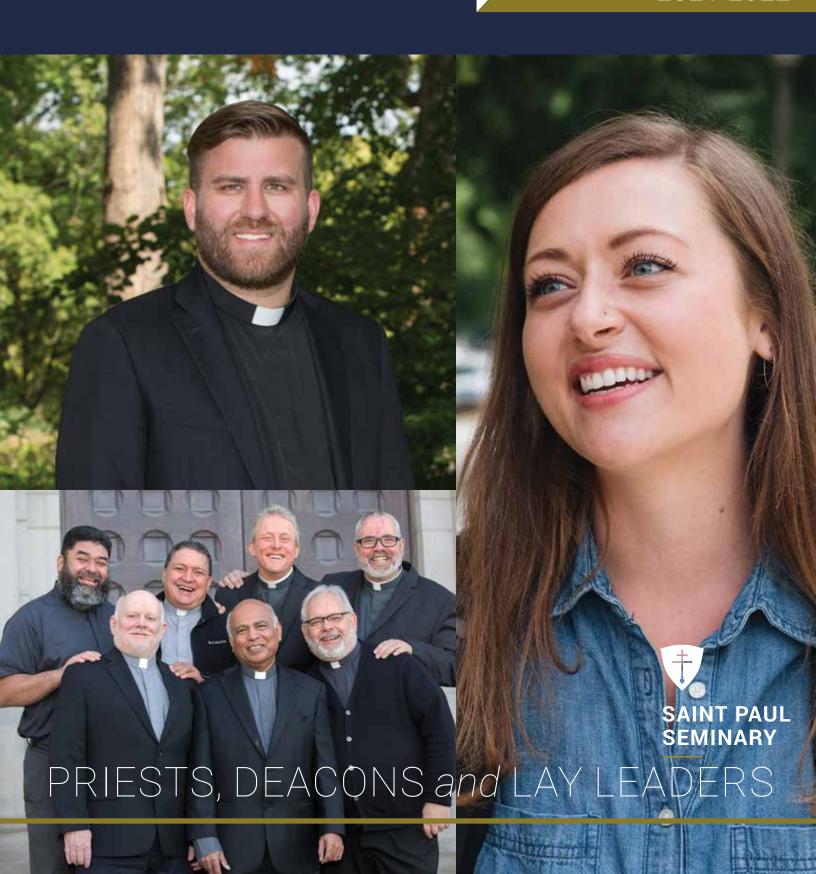
ANNUAL REPORT

2021-2022



My dear friends in Christ,

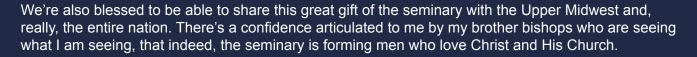
I recently had the opportunity to join our seminarians and priests of The Saint Paul Seminary for their Oktoberfest celebration. The evening featured a few acoustic guitars, some great senses of humor and a bonfire on the back patio of the seminary.

An enjoyable, relaxing time, to be sure. And yet I left campus that night so excited and hopeful for the future of our Church.

I know you experience this same sense of joy and hope when you visit with our seminarians. (If you haven't had the opportunity to do so, I encourage you to attend daily Mass at St. Mary's Chapel or come to an upcoming seminary event.)

We're blessed in this Archdiocese to have a seminary that is dedicated to forming happy, holy, healthy priests. I consistently hear from Twin Cities Catholics about the quality of the young men who are being ordained out of our seminary and now serving in our parishes. In the midst of a very complex society

and in spite of the challenges of these days, these young priests are excelling. Praise God!



And, as you well know, this confidence goes beyond the core initiative of priestly formation. Seminary programs like our new propaedeutic stage for men entering major seminary and institutes like our Institute for Diaconate Formation and Institute for Ongoing Clergy Formation (IOCF) have begun to draw national attention both for their content and, more importantly, their fruit: a renewed faith.

It's also necessary that our priests, deacons and laity collaborate in bringing about this renewal; it's a key theme in the Church's current synodal efforts, and I see it on display every time I attend an IOCF event, for example, and hear and see some of our local, Catholic business leaders mentoring our priests.

I'm mindful that our seminary is only able to maintain its excellence due to your generosity. In closing, I would like to express my most sincere gratitude to you for your prayers and support of The Saint Paul Seminary – especially your support of the recently-completed Joyful Catholic Leaders campaign, about which you can learn more in the following pages.

I can't imagine any need that's more important in our Church today. Thank you, and may God bless you.

With gratitude and the promise of my best wishes and prayers,

Bernal A Hebela

Most Reverend Bernard A. Hebda

Archbishop of Saint Paul and Minneapolis

Dear friends.

This past spring, I celebrated my 25th anniversary of ordination to the priesthood. As the saying goes, how time flies! I am grateful to God for these many years of ministry. Around the same time as my anniversary, the Church was celebrating the 30th anniversary of St. John Paul II's landmark instruction on priestly formation, *Pastores Dabo Vobis*, or "I Will Give You Shepherds," which launched what I call the "modern age of seminary formation." This instruction was brand-new when I was entering seminary, so I was not able to benefit from its full implementation.

For example, when I went to seminary, we often said, "I am going off to study for the priesthood." We cast the process in mainly academic terms — you went to seminary, earned a degree in theology, and then were ordained a priest when you completed your "studies." But it was St. John Paul II who gave voice to and emphasized the need for a robust human formation that undergirds everything else. He coined the now-familiar language of the "four dimensions of formation" — human, spiritual, intellectual, and pastoral — or, in other words, formation of the whole person. It's a much broader vision of priestly formation than just academic studies. And since then, the Church has gone on to stress the importance of integrating these four dimensions, so that they do not stand alone, but really strengthen and build on one another.

The mission of our seminary takes its cue from this language: "To provide integrated, Catholic formation for those called to serve as priests, deacons or lay leaders in their local Church."

This sums up our work at The Saint Paul Seminary. First in the list of those we serve are priests and future priests, and that is intentional. We were founded by Archbishop Ireland more than 125 years ago as a seminary, so priestly formation will always be at the heart of what we do. During the last fiscal year, we saw unprecedented growth in enrolled seminarians (30 percent) and welcomed five new sending dioceses.

This year's annual report features a profile of seminarian Deacon Kyle Etzel (see pages 8-9), who after his years of formation here has emerged to be a confident leader among his peers. I am confident that Deacon Kyle will be just the kind of accessible, thoughtful, and spiritually gifted priest that our parishes need today.

At the same time, we know that to fulfill our seminary's ultimate vision, "a Church on fire with the Holy Spirit and a world transformed in Jesus Christ," we need not only well-formed priests, but also permanent deacons and lay leaders to animate and serve the faithful. Our vision calls for the entire Church to go out and preach the gospel in confidence and in the power of the Holy Spirit (see pages 6-7). So we are thrilled to also be able to serve the Church in the areas of permanent diaconal and lay formation.

In this report, you will hear how our recent Joyful Catholic Leaders campaign has positioned us to be a center of ecclesial formation in the upper Midwest. We have secured long-term funding to provide for our core program of seminarian formation, even as we have launched important initiatives to provide formation for permanent deacons and lay leaders (see pages 4-5). We have also been able to launch significant programs to accompany those men who are already ordained, so that they can continue to be the joyful shepherds that our Church needs today.

As faithful donors and supporters of this great mission, you, too, can be proud that with sound fiscal management and the generosity of so many, we not only successfully completed the Joyful Catholic Leaders campaign, but we also exceeded our annual fundraising goal. And while the overall drop in the stock market in the last half of the fiscal year has negatively affected our endowment portfolio, we remain confident in the future thanks to people like you who stand with us and are enthusiastic about our mission.

Thank you again for your generosity and support in making a way for these courageous men and women to serve as joyful, Catholic leaders in our Church and our world.

Sincerely Yours in Christ,

Reverend Joseph C. Taphorn, JCL Rector and Vice President



90 men in priestly formation

15 dioceses and religious communities served

18 men ordained for six different dioceses

87 graduate lay students

13 Certificate in Catholic School Leadership participants

26 men in permanent diaconate formation

850 priests served by 25 Institute for Ongoing Clergy Formation events

472 Catechetical Institute students



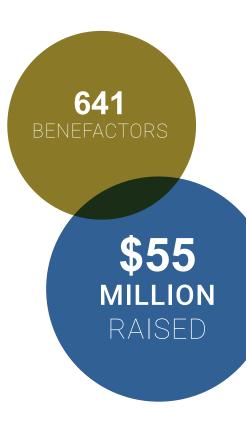
Thanks to our benefactors' generosity, the joint **Joyful Catholic** Leaders capital campaign with The Saint Paul Seminary and Saint John Vianney College Seminary exceeded its goal.

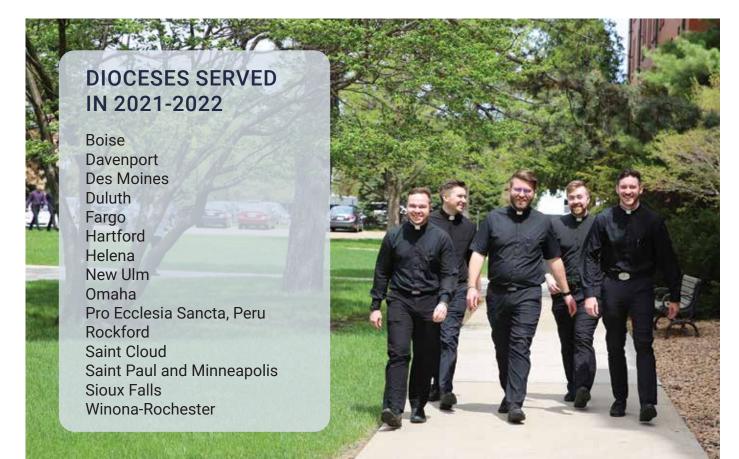
Our Supporters:

Helped good men become great priests. With your commitments, The Saint Paul Seminary will double its endowment. This means each year, long-term, dependable resources will eventually relieve dependence on tuition and annual fundraising and ensure the best formation possible for even more seminarians.

Enriched the faith of those dedicated to enriching the faith of others. The campaign provided crucial funding for The Saint Paul Seminary's Institute for Ongoing Clergy Formation, Institute for Diaconate Formation and Institute for Catholic School Leadership.

Built a new home for college seminarians from 18 different dioceses. Construction of Saint John Vianney College Seminary's 20,000-square-foot addition, which includes a new chapel, will be completed this spring.







A common example of hope in today's Catholic Church is that of the dynamic, committed, holy priest.

The Church teaches its bishops are direct successors to Peter and the 12 Apostles; through the sacrament of Holy Orders, a Catholic priest participates in his bishop's apostolic ministry. Priests administer the sacraments in persona Christi, or acting in the person of Christ, when celebrating the Eucharist or hearing confessions.

And yet there is more than one group of people necessary to lead the Church through what has been dubbed "the new Apostolic Age" – a time when Christianity has become much like it was during the early Church, when the world wasn't always receptive to its message of love, eternal life, absolute truth and sacrifice.

"To have the perspective through the lens of priests, deacons and lay leaders and to share the skills, gifts, talents and experiences each of them bring, I think, is the ONLY way you can have a really healthy Church," said Bill Lentsch, chief operating officer for the Archdiocese of Saint Paul and Minneapolis and a member of The Saint Paul Seminary Seminary Board of Trustees.

Lentsch, a former top executive at Delta Airlines, does so directly in his role with the Archdiocese. But there are only so many jobs working for a diocese or parish.

The laity's role as imitators of the apostles can often be more subtle – from how Catholics raise their children to how they interact with their coworkers to support they offer their pastor. A thriving Church, its leaders will tell you, requires servant leadership from its lay people, its deacons and its priests, no matter their occupations.

It's why the Church's current synod on synodality was created to include both the clergy and the laity. Synod, coming from Greek, means "walking together."

"The lay faithful's principal job is in the world; it is the transformation of the temporal order," Saint Paul Seminary Rector Fr. Joseph Taphorn said. "It's to make the world a better reflection of the kingdom of God. And I think it takes all of these members of the Church – priests, deacons and lay leaders – working together in order to fulfill that vision."

According to Taphorn, through the hierarchy of the Church, Jesus established a very real, practical channel for the deposit of faith to be given to all of mankind: the priesthood.

But priests don't operate in a vacuum. Nor can they "do it all" themselves. A successful priest equips the lay people under his care – whether at his parish, school, monastery or another institution.

"The laity have a view to the world," Taphorn said. "They are the tip of the spear, you might say, in enlightening the world and the people they encounter in the workplace, how they are involved in politics, in government and medicine, in law. All of these are real, significant institutions, and the structures in our society are largely governed, run, served and animated by the laity.

"Those faithful that are sent out every Sunday after being nourished by the Eucharist are then moving into their communities, into families, into schools, into hospitals; these are the people that can really help bring the kingdom of God about."

The Second Vatican Council's Dogmatic Constitution on the Church says priests are "not ordained by Christ to take upon themselves alone the entire salvific mission of the Church toward the world. On the contrary, they understand that it is their noble duty to shepherd the faithful and to recognize their ministries and charisms, so that all according to their proper roles may cooperate in this common undertaking with one mind." (*Lumen Gentium* 30)

"I don't refer to the Church as a business, but the Church is an organization that needs to run like a business," Lentsch said. "It has business elements to it – finance, human resources, communication needs – there are a lot of those types of skills and those types of disciplines that have been perfected by members of the laity that the Church can be helped by."

Outside of monetary support, here are three main ways for laypeople to contribute to a thriving Church:

PRAY: The first and most obvious action any Catholic, ordained or not, in bringing God to His people is to be in conversation and in relationship with Him.

EVANGELIZE: This can be an intimidating word for the average Catholic. How do we engage non-believers in a conversation toward which they're increasingly hostile? Sometimes, it doesn't have to be a conversation at all. Set an example. Tell your own story of faith, with tact. Be authentic; even the staunchest of atheists might enjoy interacting with someone who is caring and real. Taphorn offers two main points of instruction: "build a connection" (i.e. a relationship through commonly enjoyed activities and dialogue) and "be not afraid" (when the time is right to speak the truth, do so boldly).

SERVE: As noted, not everyone can work for the Church. Given one's state in life, even volunteering can be taxing on schedules and family dynamics. But there are ways to help. Lay men and women have a lot to offer their parishes and Catholic nonprofits besides their tithing dollars (while these remain crucial). Serving on boards or one's parish council is a great way to contribute tangible ideas that allow the Church to operate well in a specific time and context.

"For the laity ... the Church has given us such a beautiful gift, and God has given us our charisms and our talents," said Lynn Wangen, a co-founder of The Saint Paul Seminary Institute for Ongoing Clergy Formation's Shepherd's Staff pastor mentoring program, which pairs experienced business leaders with parish priests. "It's up to all of us to step forward and to help out as we can."

THE HERE AND NOW

Q&A with Deacon Kyle Etzel, who received an unexpected calling to the priesthood and never looked back

Deacon Kyle Etzel jerked the steering wheel sideways.

The seminarian scheduled for priestly ordination in May 2023 remembers the exact date: Nov. 27, 2013. Thanksgiving break. He and Fr. Rolf Tollefson, the Etzel family's pastor at St. Hubert's in Chanhassen, Minnesota, had just returned to the church from having coffee together.

The two had met several times as Etzel, a student at lowa State at the time, was diving deeper into his faith. Before Tollefson exited the pickup truck, out came the question – or, as Etzel took it, an invitation.

"He's like, 'Kyle, have you ever thought about becoming a priest?" Etzel recalls.

"No," he replied. "But I'm flattered you think I'd be a good priest."

"OK, no worries," Tollefson replied before getting out of the vehicle. That was the end of the conversation.

For about 30 seconds.

As Etzel drove past the exterior part of St. Hubert's where the tabernacle is located, he felt an overwhelming sense of peace – hard to put into words, but something along the lines of "the warm fuzzies," as he describes it. He yanked his truck into a parking spot and prayed, walking away convinced he should discern the priesthood.

What followed was a nine-year journey that included breaking up with his thengirlfriend, taking Catholic Studies classes at the University of St. Thomas and eventually entering The Saint Paul Seminary.

Etzel shares his story and some of the things he's learned along the way as he prepares to enter the presbyterate this spring*:

Q With ordination just a few months away, what's on your mind and heart as the end of your life in seminary approaches?

A It is six months and 24 days away, I think. Most of the time, is just equal parts terror and joy. The terror part is like, "Oh, I'm focused on all the things that I don't think I do that well, or all the obligations, implications of being a pastor, even just an associate pastor right after you're ordained, and that's a lot of responsibility." It's a lot of busy busy-ness, you know, you're kind of always booked. There's lots of stuff that you haven't done before, because you can't do it until you're a priest. But then reality – or grace – sets in, and you realize mostly it's just really exciting. I know we're always doing the Lord's work, even as seminarians, but to really start to put it into gear. That's where the joy comes in.



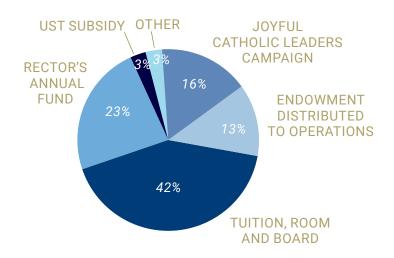
- Q Young adult ministry has been a big part of your time in seminary. Tell us about "Beads and Beers" at St. Mary's Church in Lowertown St. Paul and *Cor Jesu* (a monthly evening adoration and praise and worship event for young adults) here at The Saint Paul Seminary.
- A Beads and Beers started last year; it was just kind of a walking rosary in Lowertown, and it usually resulted in stopping at Barrel Theory Beer Company on Seventh and Wacouta in Lowertown St. Paul for a beer afterwards. It's this young adult group that has just kind of coalesced. Some of them are devout, young adult Catholic types. Sometimes, they're atheists it's just whoever their friends are they bring. One of our regulars who I won't name because he would be upset with me if I did but he's now in RCIA; when he started coming to Beads and Beers, he was a hardcore Protestant.

And I think events like *Cor Jesu* are the perfect complement to events like Beads and Beers because at the end of the night, I'm like, "Hey, next Friday, we're having a super cool thing; there will be some good music and Jesus will be there. And if you feel like praying with some cool people who are Catholic or going to Confession, you can do that too. But not high pressure." That's what *Cor Jesu* is. We've been doing it for 15 years now.

- Q Recent seminary trends include preparing young men like yourself for what the Church calls "the New Apostolic Age." What is this and how have you been prepared for it?
- We're in a new situation that we haven't experienced in the Church before. The first evangelization Peter, Paul, James, John they were going out to people who had never heard of Christianity, because it was only, like, two years old. ... Now we're in a situation where, at least in the West, everybody's heard of Christianity. Everybody has an idea of what, at least, they think it is. And we're trying to reconvince them. That helped get me fired up.

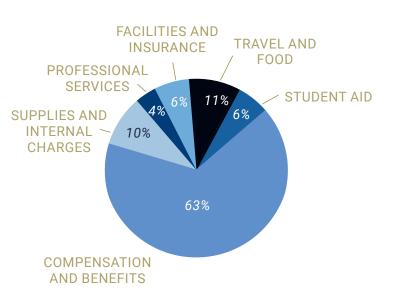
STATEMENT OF ACTIVITIES

July 1, 2021 - June 30, 2022



OPERATING REVENUE

TOTAL	\$8,969,499
Other	263,681
UST Subsidy	250,000
Joyful Catholic Leaders Campaign	1,439,535
Rector's Annual Fund	2,100,270
Endowment Distributed to Operations	1,154,550
Tuition, Room and Board	\$3,761,463



OPERATING EXPENSES

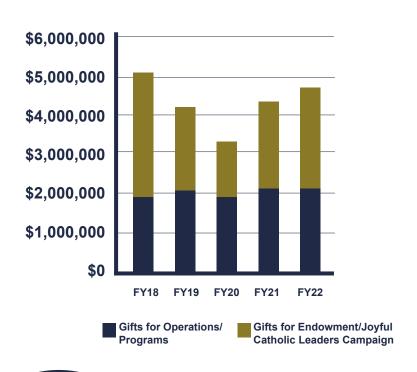
Compensation and Benefits	\$4,783,571
Supplies and Internal Charges	777,756
Professional Services	332,564
Facilities and Insurance	483,683
Travel and Food	791,821
Student Aid	365,942
TOTAL	\$7,535,337
Change in Net Assets - Operating	\$1,434,162
Reduction in Payable to UST	(1,029,364)
Change Net of Reduction in Payable	\$404,798

NON-OPERATING REVENUE AND EXPENSES

CHANGE IN NET ASSETS	\$93,048
Depreciation Expense	(462,450)
Contributions for Endowment	2,544,410
Endowment Distributed to Operations	(1,154,550)
Investment Earnings (Losses)	(3,239,056)
Grant	970,532*
Change in net assets - Operating	\$1,434,162

^{*}One-time grant to be spent over five years

GIVING PROFILE



Donor Category	Number of Donors
\$2,000,000	1
\$500,000-\$999,999	2
\$100,000-\$249,999	5
\$50,000-\$99,999	7
\$25,000-\$49,999	20
\$10,000-\$24,999	32
\$5,000-\$9,999	59
\$1,000-\$4,999	363
\$500-\$999	250
\$250-\$499	302
\$0-\$249	1,656
Total	2,697

DONATIONS WERE RECEIVED FROM

37

STATES
THIS YEAR.

71%

OF DONORS

RENEWED THEIR

GIVING IN 2021-22.

89%
OF DONORS ARE
FROM
MINNESOTA.

236 NUMBER OF NEW DONORS IN 2021-2022.

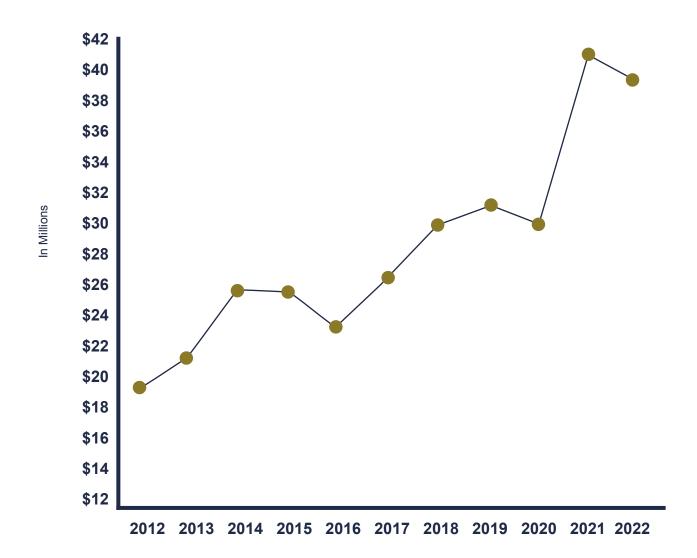
\$146,378.27

RAISED AT THE ONE DAY FOR ONE PRIEST CROWDFUNDING CAMPAIGN AND PHONE-A-THON IN NOVEMBER 2021.

80 DONORS
DIRECTED OVER
\$240,000
FROM THEIR IRA
DISTRIBUTIONS IN FY22.
THESE GENEROUS
BENEFACTORS' GIFTS RANGED
FROM \$50 TO \$40,000.

ENDOWMENT FINANCIAL REPORT

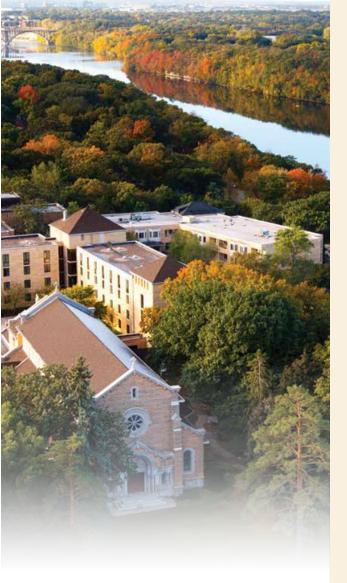
As of June 30



ENDOWMENT BALANCE

	2022	2021
Beginning Balance	\$41,210,751	\$29,788,996
Contributions	2,544,410	1,852,465
Change in Donor Restriction	-	1,840,291
Income and Gains (Losses)	(3,321,573)	8,843,199
Distributed to Operations	(1,154,550)	(1,114,200)
Ending Balance	\$39,279,038	\$41,210,751

The Saint Paul Seminary has invested its endowment assets at the Catholic Community Foundation of Minnesota since 2009. Endowed funds of The Saint Paul Seminary are invested strategically and prudently for their intended use. The current five-year-average rate of return is 11.5%. The Board of Trustees provides regular oversight of the seminary endowment.



Endowment funds
provide key resources for
advancing the seminary's
mission of providing
integrated, Catholic
formation for those
called to serve as priests,
deacons or lay leaders in
their local Church.

ENDOWED FUNDS

at The Saint Paul Seminary

Agnes Bordenave Seminarian Scholarship Fund
Ann and Charles Mergens Memorial Scholarship Fund
Ann and Louis Stromberg Visiting Scholars Endowment Fund
Archbishop Harry J. Flynn Institute in Homiletics Endowment Fund
Archbishop Robert Carlson Endowment Fund
Bishop Paul V. Dudley Memorial Scholarship Fund
Cyril and Matilda Rotter Scholarship Fund

Diocese of Cheyenne Scholarship Fund Ephrem and Agnes Pouliot Family Endowment Fund

Florence M. Kueppers Endowment Fund

Fr. Charles Froehle Endowed Scholarship Fund

Fr. Robert M. Wittman Scholarship Fund

Frank J. Indihar, M.D. Endowment Fund

Galligan Endowment Fund

Hickey Scholarship Fund

I Will Give You Shepherds Endowment Fund

Ireland Library Fund

James J. Hill Trust Endowment Fund

Joan of Arc Endowment Fund

John A. & Veronica H. Commers Endowment Fund

Joseph A. Diefenbach and Anna Haasel Diefenbach Memorial Fund

Kinsella Memorial Fund

Kubesh Endowment Fund

Lawrence and Marie Flynn Ellstrom Fund

Lee and Penny Anderson Endowment Fund

Louise J. and Henry A. Dankleman Endowment Fund

Lucille Elizabeth Bonczek Endowed Scholarship Fund

Margaret and Paul Cox Scholarship Fund

Margaret Marie Eunice Kelly Scholarship Fund

Mary, Mother of the Church Endowment Fund

McGough Family Fund

Msgr. George Keefe Memorial Fund

Msgr. Jerome D. Quinn Institute of Biblical Studies Endowment Fund

Msgr. John J. Cullinan Scholarship Fund

Msgr. William L. Baumgaertner Endowment Fund

Msgr. William L. Baumgaertner Endowment Fund Phase II

Muckley Endowment Fund

Nancy H. Punch Endowment Fund

O'Neill Endowment Fund

Quentin and Sally Hietpas Scholarship Fund

Raymond F. and Lawanda C. Keller Endowment Fund

Rome Studies Program Endowment Fund

Saint Alphonsus Endowment Fund

Saint Junipero Serra Student Assistance Fund in

Memory of Michael J. Pohlen

Sandquist Endowment Fund

Sitzmann Scholarship Endowment Fund

Spiritual Formation Endowment Fund

Teaching Parish Endowment Fund

Tony and Jean Westerhaus Pro-Life Endowment Fund

Visiting Scholars Endowment Fund

Weber Scholarship Fund

Wendelyn and Marie Sellner Scholarship Fund

Wharton Charles Smith Guest Lectureship Fund

William P. and Louise J. Wegscheider Scholarship Fund

STATEMENT OF FINANCIAL POSITION As of June 30

ASSETS	2022	2021
Cash and Cash Equivalents	\$2,313,921	\$737,921
Contributions Receivable and Other	137,301	194,695
Investments	39,174,267	41,322,573
Property and Equipment, Net of Depreciation	5,864,047	6,229,654
Total Assets	\$47,489,536	\$48,484,843
LIABILITIES Payable to the University of St. Thomas and Other	er \$250,345	\$1,338,700
NET ASSETS		¢40.007.000
Without Donor Restrictions	\$13,128,464	\$12,827,906
With Donor Restrictions	34,110,727	34,318,237
Total Net Assets	\$47,239,191*	\$47,146,143
Total Liabilities and Net Assets	\$47,489,536	\$48,484,843

^{*72%} of total net assets are donor-restricted funds

The Saint Paul Seminary is audited annually by Baker Tilly. The financial information contained on pages 10, 12 and 14 is derived from the audited financial statements.



BOARD OF TRUSTEES 2021-2022

Most Reverend Bernard Hebda

President and Chair Archbishop, Archdiocese of Saint Paul and Minneapolis Saint Paul and Minneapolis

Reverend Joseph Taphorn, JCL

Vice President and Secretary Rector and Vice President, The Saint Paul Seminary School of Divinity

Reverend Jonathan Kelly

Rector, Saint John Vianney College Seminary

Most Reverend Joseph Williams

Auxiliary Bishop, Archdiocese of Saint Paul and Minneapolis

Monsignor Aloysius Callaghan

Rector and Vice President Emeritus, The Saint Paul Seminary School of Divinity

Most Reverend Andrew Cozzens

Bishop, Diocese of Crookston, Minnesota

Therese Coons

Community Volunteer

Reverend Dennis Dease

President Emeritus, University of St. Thomas

Most Reverend Donald DeGrood

Bishop, Diocese of Sioux Falls

Paul Hillen

President, the i.e. network
Chair of Institutional Advancement Committee

Paul Hoedeman

Director, Access Genetics
Treasurer and Chair of Finance and Audit Committee

Patrick Kocourek

Owner and Chief Financial Officer, Zeman Construction Company

Emery Koenia

Retired Vice Chairman and Chief Risk Officer, Cargill

William Lentsch

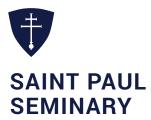
Chief Operating Officer, Archdiocese of Saint Paul and Minneapolis Chair of Board Affairs Committee

Deacon Robert Schnell, Jr.

Retired Partner, Faegre Baker Daniels

Sister Thomas More Stepnowski, OP

Chair of Formation and Program Development Committee



Nonprofit
Organization
U.S. Postage
PAID

University of St. Thomas

Joyful Catholic Leaders

2260 SUMMIT AVENUE ST. PAUL, MN 55105-1010

651-962-5050

