

# DIOCESAN NEWS

## Unity says it will repay its debt to Ascension

By Rob Cullivan  
Staff writer

Unity Health System, which includes the former St. Mary's Hospital in Rochester, is currently renegotiating a \$32 million loan from Ascension Health System and fully plans to repay its debt, according to Warren Hern, Unity's chief financial officer. Based in St. Louis, Mo., Ascension Health is sponsored by the Daughters of Charity and the Sisters of St. Joseph of Nazareth.

"What we're trying to do is to make sure that (Unity) is very strong and viable for the long term," Hern said of efforts to restructure the Ascension loan. "It's no different than the 100,000 companies in town who have loans outstanding and say, 'Let's take a look and see how we can restructure this.'"

Hern was responding to questions raised by an article in the Feb. 15 *Rochester Business Journal* stating that Unity had not begun making payments on the loan from Ascension. Based on an anonymous source the *Journal* described as "was fa-

miliar with Unity's debt negotiations," the story said Unity had been slated to start making loan payments in January.

Unity Health System arose from a 1997 alliance between Park Ridge Health System in Greece and St. Mary's Hospital, founded by the Daughters of Charity in 1857. By late 1999, the Daughters decided to withdraw their sponsorship of Unity, but the Daughters of Charity national health system, now known as Ascension, agreed to forgive half of the \$64 million Unity owed it. The sisters previously had given Unity \$40 million at the time of the alliance.

Unity has not made any payments on its loan yet, Hern said, because it is still talking with Ascension about restructuring the loan. Unity is seeking a longer period in which to repay the loan, he said, and is exploring options to refinance some or all of the loan through a bond from the Dormitory Authority of New York State. The Dormitory Authority finances not-for-profit health institutions, among other institutions in the state, and such bonds typically must be repaid in 25 years, he said. Hern

added that Unity also may seek "other vehicles" to refinance the loan.

Hern said the wider community has no reason to be concerned that Unity is in fiscal trouble, a concern heightened by last year's closing of The Genesee Hospital in Rochester.

Once plagued by massive financial problems, Unity last year finished its first year in the black after several years of financial losses, and is projected to do the same this year, Hern said. Genesee's closing led to a 15-percent increase in Unity's in-patient admissions, Hern said, noting that this rise increased Unity's revenues but also its expenses. He said part of the motivation for Unity's refinancing effort is to have more capital on hand to deal with increased demands on its services.

Ascension issued a statement saying that it believed "there are repayment options for Unity that protect the ability of Unity to provide health care in Rochester and also allow our health ministries to be repaid for what was always designed to be a short-term type of assistance."

The statement said that Unity and Ascension officials had discussed repayment options at a meeting earlier this month.

"We welcome alternatives that would continue this tradition of health care service to the Rochester community, while not penalizing the hospitals who loaned Unity the money so that they could operate," the statement read. "We are not a bank. We are more than 75 hospitals ... When one of our hospitals loses money, all of our hospitals share the burden."

## Renovations

Continued from page 1  
recommendation.

Other interior plans call for preserving rather than changing aspects of the cathedral's interior. They include:

- Fully restoring the stained glass windows.
- Lowering and illuminating the Stations of the Cross.
- Restoring the ceiling and decorative angels, and enhancing them with better lighting.
- Preserving statues and locating them within the cathedral. For example, the statue of Our Lady will be moved to a special shrine where the statue of St. John Fisher is now located.
- Refurbishing the ambo, or pulpit, which had been relocated to Sacred Heart from St. Patrick's Cathedral in the 1930s. The ambo will be preserved without its current pedestal.

The Sacred Heart Cathedral Renovation Committee has not yet completed its suggestions for interior renovations, and more recommendations are expected to be made in March, said diocesan spokesman Michael Tedesco. He said the committee will also discuss such issues as the location of the ambo, where to locate confessionals and where to locate the choir and organ.

Since the committee is still making suggestions for interior renovations, the diocese currently does not have a cost esti-

mate for this portion of the project, Tedesco said.

In December, the diocese announced its plans to preserve the exterior of the cathedral. This part of the renovation, which is expected to cost \$2.6 million, includes:

- Replacing the slate roof and related flashings.
- Masonry preservation and restoration.
- Preserving and restoring the stained glass windows.
- Repairing the 75-year-old boiler and heating system.
- Electrical and lighting upgrades and replacements.
- Installing new fire alarms and security system.
- Plumbing repairs.

Depending on the cost and how much money is raised for the renovations, other improvements to the cathedral grounds may include landscaping and outdoor lighting, Father Mulligan said.

Schematics for the renovation are expected to be completed later in the spring. Afterward, Father Mulligan said, the diocese will address people's questions about what the renovation will actually look like.

In the meantime, the renovation committee will keep parishioners of the diocese informed of its progress.

"We're hopeful of having another update out the first Sunday of March," Father Mulligan said.



James Stein/Photo intern

## New members initiated

After completing the parish-based Rite of Christian Initiation of Adults, nearly 800 adults and children from 97 parishes in the 12-county Diocese of Rochester were formally welcomed into the Catholic Church in February. Above, Bishop Matthew H. Clark reads the Rite of Election to the candidates at St. Mary in Corning Feb. 24. At right, Bishop Clark embraces Samantha Zoerb, 9, a candidate for full initiation.



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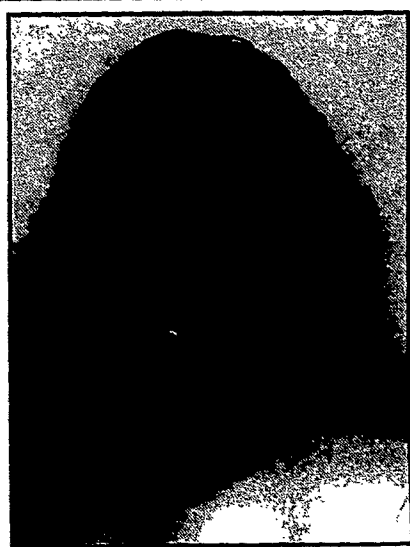
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Have you  
seen this  
woman?  
Sharon Shechter

Height: 5'4", Age: 35, Weight: 110 lbs.,  
Eyes: brown, Hair: brown

Sharon Shechter was last seen on Sunday, December 9, 2001 at approximately 5:00 p.m. on Nettlecreek Road, in the town of Perinton. She was wearing a white sweatshirt with "Cape Cod" written on the front, blue jean pants, a long blue jean jacket and sneakers.

If you have any information relative to this investigation, please contact the  
Monroe County Sheriff's Office  
Criminal Investigation Section at (585) 428-5310  
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"For whosoever shall call upon the name  
of the Lord shall be saved" RM 10:13