

# Fresno Grizzlies' finances: more red ink, but continuing to survive

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Fresno Grizzlies President Chris Cummings poses with team mascot Parker after signing a player development contract extension with the San Francisco Giants in 2010, at Chukchansi Park. **FRESNO BEE FILE**

The Fresno Grizzlies' financial picture appears to be settling into a routine: Annual losses, accumulating back rent, continued survival.

The team in 2013 lost nearly \$1.3 million on gross revenue of \$6.6 million, according to its annual outside audit released this week.

This compares to a loss of \$1.56 million in 2012 and \$1.02 million in 2011.

As of Monday, city officials said, the Grizzlies owe about \$1.5 million in back rent and a surcharge on tickets that is collected by the team for the city.

This, too, is nothing new. The Grizzlies have often fallen far behind on rent at the city-owned Chukchansi Park, only to put a big dent in the bill when cash-flow improves.

Assistant City Manager Renena Smith said City Hall will protect the public's interests while doing all it can to work with the Grizzlies.

"The stadium and the franchise are important," Smith said. "It's wonderful that the community has this family friendly attraction."

Grizzlies President Chris Cummings in an email to The Bee said the team's losses excluding amortization and interest were under \$1.1 million.

"We have always paid the city all of our Chukchansi Park lease obligations and we intend to continue that practice," Cummings said. "As I have indicated in past years, this is a seasonal business and making payments in the off-season is very difficult. We are just ending the off-season now and are approaching the revenue portion of the year. We will be making significant progress against the arrearage by the end of the season."

Cummings and Smith said the \$1.5 million bill is misleading. In theory, the Grizzlies pay \$125,000 a month -- \$1.5 million a year. But the lease was reworked several years ago. Things like parking and maintenance credits typically cut the rent in half.

The Grizzlies could reap hundreds of thousands of dollars in credits for 2013 and 2014 if they provide the right paperwork, Smith said. That would reduce the bill.

The Grizzlies are the Triple-A affiliate of the San Francisco Giants. Like most minor-league teams, they are always one phone call away from being sold or restructured.

"As we have some limited partners who have retired and want to simplify their lives, we have been talking to people about buying into the Grizzlies for the last two years," Cummings said. "Unfortunately, until someone puts a signature on the bottom of an offer, there isn't much more to report on that. We will continue to work on it."

Cummings said 2014 will be a great season for the Grizzlies.

"If the Giants continue their recent 'win the World Series in even years' trend, it should be very exciting," he said.

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