

MINUTES
OF THE
MEETING OF THE BOARD OF DIRECTORS

CALL TO ORDER

The regular Meeting of the Board of Directors of Pismo Coast Village, Inc. was called to order November 10, 2018, by President Terris Hughes at 10:00 AM.

PLEDGE OF ALLEGIANCE AND INVOCATION

Mr. Hughes led the Pledge of Allegiance. Mr. Plumley gave the invocation.

PRESIDENT'S MESSAGE

Mr. Hughes welcomed the shareholders and directors to the meeting. In honor of Veterans' Day, Mr. Hughes asked that all the veterans in the room stand for a round of applause in appreciation of their service to our country. He also circulated a card from the employees thanking the Board for the delicious barbecue lunch held in September.

ROLL CALL

Mr. Pappi called roll. With the exception of Mr. Buchaklian, all members of the Board of Directors were present. Mr. Pappi declared a quorum.

PRIOR MINUTES REVIEWED

Mr. Williams moved that the minutes of the Board of Directors' Meeting held September 15, 2018, be accepted as submitted. Mr. Hearne seconded, and the motion carried.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, reported that we are in the process of finishing up the compilation of information for fiscal year 2017/2018, which will be used to prepare the annual report and proxy materials that will be sent to shareholders. In conjunction with that, the audit team from Brown Armstrong CPA was here last week to conduct the fiscal year end audit.

He was pleased to report that occupancy for the fiscal year set a new record. We ended with a total of 124,487 site nights, or 85% occupancy for the year, which was a 2.2% increase over last year's total.

Yesterday, Mr. Jamison returned from attending the ARVC Conference in Oklahoma City, Oklahoma. He reported on the event, which included seminars and an industry trade show. Pismo Coast Village RV Resort was one of twelve parks nominated for the Park of the Year award. Unfortunately, we did not win the award, but we were in the top three being considered. At the event, Charles Amian, Operations Manager, was sworn in as an ARVC director for Region 6, which represents the ten western states. Mr. Jamison thanked the Board for allowing them to attend the conference.

He reported that the Regional Water Quality Control Board for California has become aware of the formaldehyde-based chemical additives that recreational vehicles use for black water tanks. These products are creating a problem with contamination of underground water sources. The Resort uses the City of Pismo Beach's sewer system for disposal of black water, so, while this issue does not affect us at the current time, there is a possibility that it will in the future.

Mr. Jamison gave an update on the building of the new RV Shop, stating that our last resubmittal of the plans is due to have a determination from the County by November 14, 2018. Last Monday he received a call from the County regarding the separator that must be installed in the ground to separate oils so that they do not go into the groundwater. Their call was made to confirm that we are familiar with the correct monitoring and operation of those systems.

We are getting bids on the plans to upgrade the Resort's surveillance system and have accepted a bid for the replacement of all Resort's webcams. The new truck for the Trailer Movers' fleet is expected to be delivered next week. Pismo Coast Village donated \$5,000 towards the new trailer for the docents at the Monarch Butterfly Grove. Sealing and repair work on the Resort's roads is scheduled for November 27 and 28, 2018 and will impact traffic flow and site access while the work is being completed.

EXECUTIVE AND PERSONNEL & COMPENSATION/BENEFITS COMMITTEE REPORT

Mr. Nelson, Chair of the Personnel and Compensation/Benefits Committee, reported that a joint meeting of the Personnel and Compensation/Benefits Committee and Executive Committee was held yesterday. All committee members were present. Mr. Jamison also attended. During the meeting, Mr. Jamison reviewed his trip to the ARVC Conference, and gave updates on the status of the Resort and the 401(k) Plan.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, said that the Committee met this morning. All committee members were present. Mr. Hughes and Mr. Jamison also attended. The Finance Committee reviewed the estimated 2018 financial statement; no exceptions were noted. At this time, no statements have been received from Brown Armstrong CPA. The Capital Expenditures Budget for Fiscal Year 2018/2019 and expenses-to-date were reviewed.

The Finance Committee recommended, and Mr. Williams moved, that the Company make a donation to the Pismo Coast Village Honorary and Memorial Scholarship Fund in the amount of \$1,000 in memory of director Jerald Pettibone. A vote was taken, and the motion carried unanimously.

OPERATIONS COMMITTEE REPORT

Mr. Plumley, Chair, said that the Operations Committee met this morning. All committee members were present. The Committee discussed the Resort's rules and regulations. They had no recommended changes.

AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday. All committee members were present. Mr. Hardesty, Mr. Jamison and Kitty Karstetter, Accounting Manager, also attended. The Committee met by conference call with Ryan Nielsen, from Brown Armstrong CPA, to discuss the results of their external year-end audit. Their audit team conducted the audit last week; however, we do not yet have their completed audit report. The Audit Committee also discussed the current contract the Company has with Clever Ducks for internet technology services.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mrs. King, Chair, reported that the Committee met yesterday morning. All committee members were present, with the exception of Mr. Buchaklian. The Committee reviewed the written report that Charles Amian, Operations Manager, prepared for the Committee with information on accidents and injuries since the last meeting. The Committee also reviewed the List of Advisories. The Committee noted that two areas of concern for potential trip-and-fall accidents were repaired since the last meeting. The Committee reviewed their accomplishments during year, as well as items that should be carried over to next year's committee. The Committee inspected the RV Service facility, noting some minor things that should be looked at. Overall, the Committee concluded that the RV Shop, RV Store and offices were well organized and appealing for shoppers.

NOMINATING COMMITTEE REPORT

Mr. Hearne, Nominating Committee Chair, reported that the Committee met yesterday; all committee members were present. The Committee reviewed the Active Board Application Packet Log and updated the Active Top Candidates for Board Membership List. The Committee also discussed items to be passed on to next year's Committee.

SHAREHOLDERS' COMMENTS

A shareholder suggested that the current pickleball net at the Sport Court be replaced, possibly with a net that is on wheels and portable.

A shareholder, who is staying on Site 161, reported seeing a trailer coming too close to the corner when making a turn, striking the orange cones that were placed there. The cones protected the RV from experiencing major damage. She suggested that the orange cones be implemented in other areas of the Resort for this same purpose.

A shareholder suggested that the current foliage in the PCV sign in the flowerbed located by the Square be changed to something better and more appealing. He also commented that he reads the minutes of the Board meetings that are posted on the www.pismocoastvillage.com website. He also thanked the Board for responding to the letter he had sent with comments and recommendations for the Resort.

A shareholder commented that the train that we have in the resort periodically, that offers free rides to our guests, is great for kids.

Mr. Hughes recessed the meeting at 10:53 AM, asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 11:09 AM.

There being no further business, the meeting was adjourned at 12:04 PM.

The above minutes of the November 10, 2018, Board of Directors' Meeting are correct and accepted as presented.

George Pappi, Jr.

George Pappi, Jr., V. P. – Secretary