

ANNUAL SHAREHOLDERS' MEETING

PISMO COAST VILLAGE, INC.

SATURDAY, JANUARY 17, 2015

Pursuant to notices properly mailed to shareholders, the 2015 Annual Shareholders' Meeting of Pismo Coast Village, Inc. was held Saturday, January 17, 2015, at the South County Regional Center, 800 West Branch Street, Arroyo Grande, California.

President Ronald Nunlist called the Annual Shareholders' Meeting of Pismo Coast Village, Inc. to order at 9:01 a.m. and welcomed the shareholders. Director Terris Hughes led the Pledge of Allegiance. Director Garry Nelson gave the invocation.

Mr. Nunlist then called on Mr. Pappi, Vice President-Secretary, who declared a quorum present, in both person and by proxy, for today's meeting. Director Douglas Eudaly was not able to attend today's meeting due to the health of a family member, and Director Harry Buchaklian's arrival at the meeting was delayed.

Mr. Nunlist introduced the members of the Board and their spouses.

Mr. Nunlist welcomed the shareholders to the 39th Annual Shareholders' Meeting of Pismo Coast Village, Inc. He was pleased to say that April 2, 2015, will mark the Company's 40th anniversary. Pismo Coast Village has provided families with a retreat for vacations, fun and relaxation, and is the premier location on the Central Coast. Our facilities have been upgraded, modernized and are well-maintained. We have excellent directors, management and staff to ensure our future success.

This year, 2014, was the best year ever for the corporation, and the outlook for 2015 looks great. We are financially strong, and had a total revenue increase of 8.5 percent over last year. Much of this is attributed to an increase in storage revenues. We now have more than 2,000 units in storage and are nearing capacity. An additional storage lot is a potential opportunity the company will explore in 2015.

He reviewed the projects completed during fiscal year 2013/2014, which included the renovation of Restroom 2, a new truck for our Security Department, road paving, tree trimming, a new security system for Storage Lot K, addition of high-definition channels to the cable TV system, installation of new playground equipment on the south side of the resort, and upgrades to the Wi-Fi system. Projects planned for fiscal year 2014/2015 include a new fence along Dolliver Street, installation of a new building at the RV Service facility, a new security system for Storage Lots C & D, and additional Wi-Fi equipment.

He thanked the directors for all that they do, Jay Jamison for his excellent leadership and talents, and the staff for their dedication to the success of our resort. He thanked the shareholders for their continued support and attendance at this meeting.

Mr. Nunlist introduced our attorney, Joseph Look, John Hansen and Bill Filippin of Heritage Oaks Bank, as well as Steven Starbuck and Ryan Nielsen of Brown Armstrong Accountancy Corporation (the designated Inspectors of Election). He introduced Chief Executive Officer/General Manager Jay Jamison and the staff members present at today's meeting.

Mr. Nunlist gave the Executive Committee Report. He introduced the members of his committee: Wayne Hardesty, Terris Hughes, George Pappi, Jr., Jerald Pettibone, and Dwight Plumley. The functions of the Committee are to review the monthly business with the CEO/General Manager, review the financial statements, and to discuss any other items which may arise during the months that the full Board does not meet. The Committee met four times during 2014. He thanked the members of the committee.

Mr. Hardesty, Finance Committee Chair, gave the Finance Committee Report. He introduced the members of the Committee: Dennis Hearne, Garry Nelson, Jerald Pettibone and Gary Willems. Mr. Hardesty thanked the Committee for their work this year. The Committee's primary duties are to review monthly financial statements, review the three-year forecast, review the one-year operating budget, prioritize capital expenditures, monitor completion of capital projects, recommend to the Board changes in the rate schedule, and to submit the annual report of the financial condition of the corporation to the shareholders. The Committee met five times in 2014.

Mr. Plumley, Operations Committee Chair, introduced his committee: Kurt Brittain, Rodney Enns, Douglas Eudaly, and Jerry Roberts. He explained that one of the tasks the Committee handles is to address guest and shareholder questions, comments and concerns. Some of the Committee's duties include reviewing and recommending changes to the rules and policies of the resort, updating and recommending changes to the Employee Handbook, reviewing and recommending changes to the Shareholders' Information Manual/Calendar, and implementing Board policy and procedures. He thanked the Committee for their hard work this past year and also thanked the shareholders for their support. The Committee met five times in 2014.

Mr. Enns, Audit Committee Chair, introduced the members of his committee: William Fischer, Glenn Hickman, Jerry Roberts, and Jack Williams. The functions of the Audit Committee include coordinating with the Company's independent accountants in the preparation of annual financial reports and audits, reviewing actions to be taken to comply with the auditors recommendations to management, and performing random reviews of selected accounting procedures of the company. The Committee also reviews the financial statements on a regular basis. The Audit Committee met five times during 2014. The Audit Committee reports to the Board of Directors and is responsible for overseeing and monitoring financial accounting and reporting, the system of internal controls established by management, and the audit process of Pismo Coast Village. The Audit Committee charter, adopted by the Board, sets out responsibilities, authority for and specific duties of the audit committee. The Audit Committee has reviewed and discussed the audited financial statements with management, and has discussed with representatives of independent auditor Brown Armstrong Accountancy Corporation matters required by SAS61 regulations. The Audit Committee received the written disclosures and letter from the independent auditors, Brown Armstrong Accountancy Corporation, required by independent standard board standard #1, and has discussed with the independent accountants the independent accountant's independence. Based on the review and discussion, the Audit Committee recommended to the Board that the audited financial statements be included in the Company's annual report. He expressed his appreciation to Mr. Jamison and his staff for their support during the year.

Mr. Buchaklian, Environmental, Health and Safety Advisory Committee Chair, introduced the members of his committee: Kurt Brittain and R. Elaine Harris. The Committee's responsibilities include performing environmental-related duties, health and safety reviews, and giving recommendations to the President and CEO/General Manager on matters relative to environmental and safety concerns. Mr. Buchaklian thanked the members of his committee for their work. He also thanked Charles Amian, Operations Manager, for his participation in the committee's meetings. The Committee met five times in 2014.

Mr. Hearne, Chairman of the Nominating Committee, explained that the Committee, which considers the qualifications and composition of the Board of Directors of the Company, was elected at a meeting of the Board held following the January 18, 2014, annual shareholders' meeting. Mr. Hearne introduced his committee: Rodney Enns, William Fischer, R. Elaine Harris, and Garry Nelson. The Committee met six times during 2014, received six applications, and interviewed six prospective candidates for Board membership. He thanked the members of his committee for their dedication and work this past year.

The Nominating Committee submitted its recommendations for the slate of nominees for today's annual meeting at the November Board of Directors' meeting. Mr. Hearne stated that individuals wanting to be considered as nominees or wishing to nominate an individual for membership on the Board are requested to notify the Nominating Committee in writing. He expressed his appreciation to the applicants that have taken the necessary steps to be considered for Board membership.

Mr. Hearne then presented the Nominating Committee's recommendation of the following shareholders to serve as directors for Pismo Coast Village, Inc. for 2015: Kurt Brittain, Harry Buchaklian, Rodney Enns, Douglas Eudaly, William Fischer, Wayne Hardesty, R. Elaine Harris, Dennis Hearne, Glenn Hickman, Terris Hughes, Garry Nelson, Ronald Nunlist, George Pappi Jr., Jerald Pettibone, Dwight Plumley, Jerry Roberts, Gary Willems, and Jack Williams.

Mr. Pappi, Vice President - Secretary, explained the process of cumulative voting within the State of California under California Corporate Law. California law states that before cumulative voting can occur, two things must be done. First, all candidates' names must be placed in nomination prior to the commencement of voting, and secondly, one shareholder must give notice that he or she intends to vote cumulatively. Mr. Hearne placed the candidate's names in nomination. Mr. Pappi stated that he was now declaring his intention to vote cumulatively. He then explained the procedure for properly casting votes using a ballot. With cumulative voting, for each share owned, the shareholder has eighteen votes which may all be cast for one candidate or split among two or more. The ballot must be marked with the number of votes being cast for a specific candidate in the box next to the candidate's name. Those with an "x" or marking other than a written number will not be considered properly voted and will not be counted. He asked shareholders holding proxy cards to exchange them for ballots at the registration area.

Mr. Pappi then asked that the ballot box be checked to see if it was empty, and Mr. Boyle, the resort's Security Department Supervisor, confirmed that it now was. Mr. Pappi declared the polls open for a twenty-minute voting period at 9:35 a.m. A recess was called, allowing those present to cast their votes.

Mr. Nunlist called the meeting back to order at 9:58 a.m., and declared the polls closed. The ballot box was removed and taken to the vote counting room.

Mr. Hardesty then presented the Chief Financial Officer's Report, which was a PowerPoint presentation of financial information. For the period of 2009 to 2014, slides compared total occupancy for general public and shareholders, total revenue and expenses, revenue categories, storage revenue, insurance expenses, utility expenses, and capital expenditures.

Mr. Nunlist then introduced Mr. Jamison, who gave the Chief Executive Officer/General Manager's Report. Mr. Jamison used a slide show to enhance his topics of discussion.

Mr. Jamison asked Nancy Ulrich, from the Maintenance Department, and LaVerne Silva, from the General Store, to come on stage. Mr. Jamison spoke briefly about Nancy's and LaVerne's history and contributions to the company, and with Mr. Nunlist's assistance, he presented personalized watches to them both commemorating their ten years of service with the Company.

He congratulated the shareholders on the great year that the Company had and on the Company's 40-year anniversary. He also thanked the Board of Directors and the shareholders for their continued support.

Fiscal year 2013/2014 was a record year for occupancy with 114,616 total site nights, which is increased 4,084 nights above last fiscal year's total occupancy. Prior to this year, the best year was 2008 with 111,978 total site nights. He was pleased to say that the Resort is at 78% annualized occupancy.

Our RV storage facilities are almost at full capacity with 2,181 units stored. Estimated total capacity is approximately 2,262 units. Storage Lot K, the last lot purchased, currently has 887 units, and we are considering it filled.

We have a lease with Verizon for the property in K-Lot that is being used for a cell phone tower location, and we are currently working with them on another cell tower location in D-Lot. Now that the permit process has been finalized with the County of San Luis Obispo, we expect that construction of the cell tower in D-Lot will start this Summer.

Accomplishments for last year include the construction of Restroom 2, the purchase of a new truck for the Security Department, new playground equipment at Restroom 4, the addition of high-definition channels for the television system, road paving, and implementation of a security camera system for Storage lots C & D.

Our rating with the Good Sam National Directory has increased over the prior years' ratings, and we are rated in the top 300 out of 12,000 parks nationally. We qualified for another year as an A-rated property with Guest Reviews, and we expect to receive our fifth award soon. He spoke about the Pismo Coast Village Honorary and Memorial Scholarship awarded annually to a student with a recreation major at Cal Poly University, pointing out that there were two poster boards in the room showing the history of the donations and letters from some of the scholarship recipients. Two of the events that we participated in this past year were the Special Olympics' Torch Handoff Ceremony and the Special Children's Christmas Party. He was pleased to say that Pismo Coast Village donated \$25,000 toward the new Pismo Preserve project, which is an open-area park in development for hiking, biking and horseback riding along the hillside near F McLintocks Dining House. We will again host the Pismo Vintage Trailer Rally in May 2015. He was also pleased to say that Peter Ward, our Retail Supervisor, who is an ambassador for the Pismo Beach Chamber of Commerce, was recently acknowledged by the Chamber as their Ambassador of the Year. At that same event, the Chamber presented Pismo Coast Village RV Resort with their Business of the Year award.

Looking forward, the state of the industry is very positive. RV sales are up, and fuel prices are down. Trade associations, RVDA, RVIA, KOA and other parks have all had a very good year. Occupancy projections for Pismo Coast Village look good, and we already have waiting lists for some holiday periods.

Capital projects planned for fiscal year 2014/2015 include the replacement of the perimeter fence along Dolliver Street/Highway One, a metal building for the RV Service Department which will allow our technicians to have two full-size RVs parked inside for servicing, a security camera system for Storage Lots C & D, and upgrades to the Wi-Fi system in the Resort. Other goals include social media opportunities, continuing efforts to be environmentally friendly, water conservation, staff training on human resource and safety topics, and continued efforts to work on the Pismo Creek lagoon.

In conclusion, Mr. Jamison read the company's Mission Statement, and commented that the Company has done really well in meeting the mission statement's goals. We look forward to having another good year.

Mr. Nunlist asked the members of the Board to return to the stage. He then read the questions, suggestions and comments submitted on the Question Forms.

A shareholder wrote, "Update and progress on a bridge across the creek?" Mr. Nunlist stated that the matter is out of our hands now and in the hands of the State of California.

A shareholder asked, "Bridge to Beach?" Mr. Nunlist responded that this had already been covered.

Another shareholder wrote, "Please upgrade the Wi-Fi on the south end of the resort so all spaces have access to it from their site."

A shareholder asked, "Are there any short or long term plans for protecting the property from the inevitable encroachment of Pismo Creek (lagoon/swamp/cesspool)? Realizing that this will be a daunting task considering the required involvement of the California Coastal Commission, addressing this issue sooner rather than later would be beneficial. A possible solution would be to construct a "sheet pile" wall along the property line. This type of retaining wall could be "driven" into the ground along the property line prior to and well in advance of the encroachment of the Creek. An example of this type of wall can be found at the west end of Ocean View Avenue between the end of the street and the beach, adjacent to the Sea Venture Hotel. A long term solution to this issue, such as a "sheet-pile" wall, will not be cheap. But it will help to protect the shareholders' investment and protect the property from eventually washing out to the sea." Mr. Nunlist agreed that this project would be very expensive, and getting the California Coastal Commission to agree to allow this would be difficult.

A shareholder wrote, "The invocation should be general without reference to any specific religious leader. It should be ecumenical (for Jewish shareholders, reference to Jesus should be avoided)." Mr. Nunlist responded that this would be taken into consideration.

A shareholder asked, "Who do we contact for entertainment (to suggest/recommend bands, etc.)?" Mr. Nunlist responded that recommendations should be forwarded to the Operations Manager, Charles Amian.

Another shareholder commented, "Park is doing great - thank you to management and Board of Directors. We miss Jerry Pettibone's jokes."

Another shareholder wrote, "I hear that PCV is buying shares – who from, and why?" Mr. Nunlist explained the reason for the Company repurchasing shares from shareholders. The thought process was that, by the Company repurchasing shares, this would "free up" the usage demand that another new shareholder might cause. The Board has authorized Mr. Jamison, with the Board's approval, to purchase up to thirty shares, if the money is available. These shares are not voted, and are being held in a safe deposit box at our bank. If a shareholder approaches the Company about buying their shares, the Company considers making the purchase, but the Company does not solicit shares. At the present time, the Company owns 17 shares of Pismo Coast Village, Inc. stock.

A shareholder asked, "Can we get the garbage dumpster enclosures with the top screened in so that birds can't get in? Other parks have them, and I'm tired if seeing birds fly in and drop trash all over the street." Mr. Jamison responded that we are in the process of looking into this.

A shareholder commented, "Directors, management and staff do a great job. I would like to see a Jacuzzi/spa added to the pool area." Mr. Nunlist stated that this has been discussed. Every so often the Board has a brainstorming session to develop new ideas and projects for the resort. That list of ideas and projects is prioritized, and the Company works to complete these items.

A shareholder wrote, "We do appreciate your making a profit every year, BUT please be sure you are not compromising the good camping experience of the owners (shareholders) for the making of more money from paying customers. There must be a balance. Thank you very much." Mr. Nunlist responded that this is looked at every year. We look at what it costs to stay at resorts similar to ours, and we feel that we are slightly below the fees charged at other comparable resorts. All of the money that the Company makes is reinvested in the improvements that are done, such as rebuilding of Restroom 2 and the new perimeter fence.

A shareholder asked, "What specifically are you doing to control workers' comp. expense?" Mr. Nunlist said that our insurance company has met with us, and staff receives safety training. Mr. Jamison reported that the Company changed workers' compensation insurance carriers this year. We have developed a plan with their representatives, which includes staff safety training and working with our leadership group to make sure that we are reporting and documenting things properly. We are working to reduce our insurance modification rate, and we take this very seriously.

A shareholder asked, "Has solar been considered to reduce electrical costs?" Mr. Nunlist said that solar power has been considered several times.

A shareholder commented, "It was recently announced that storage fees are increasing. Has the Board considered offering a discount on storage and/or setting fees for shareholders as a benefit to shareholders, and as an incentive for more shareholders to utilize these services?" Mr. Nunlist reported that several years ago there was a discounted rate for shareholders for storage. Unfortunately, we found out that if we offer a discount to shareholders, then we would be required by the Internal Revenue Service to send the shareholder a W-2 form for the amount of the discount extended for the year. At that time, discounted fees and rates for shareholders were discontinued.

Mr. Nunlist then introduced Mr. Pappi, who reported that the slate of nominated directors had been elected to the Board. He read the list of nominees and the total number of votes cast for each.

The unaudited result of the election held at this meeting is as follows:

Brittain, Kurt	731
Buchaklian, Harry	740
Enns, Rodney	696
Eudaly, Douglas	789
Fischer, William	696
Hardesty, Wayne	696
Harris, R. Elaine	851
Hearne, Dennis	711
Hickman, Glenn	697
Hughes, Terris	718
Nelson, Garry	696
Nunlist, Ronald	765
Pappi, Jr., George	720
Pettibone, Jerald	724
Plumley, Dwight	943
Jerry Roberts	702
Willems, Gary	715
Williams, Jack	709

The result of Proposal 2, the ratification of Brown Armstrong Accountancy Corporation to serve as our independent accounting firm for Fiscal Year 2014/2015 passed with 709 votes in favor, 164 against and 175 abstaining.

Raffle tickets were drawn and ten gift bags containing Pismo Coast Village items for the Company's 40th Anniversary were given away to the matching ticket holders.

The plants on each table were given away to those holding properly marked tide books.

There being no further business, Mr. Nunlist thanked the shareholders for attending and adjourned the meeting at 11:09 a.m.

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Respectfully submitted,

George Pappi, Jr.
George Pappi, Jr., V. P. - Secretary

Glenn Hickman
Glenn Hickman

Kurt Brittain
Kurt Brittain

Terris Hughes
Terris Hughes

Harry Buchaklian
Harry Buchaklian

Garry Nelson
Garry Nelson

Rodney Enns
Rodney Enns

Ronald Nunlist
Ronald Nunlist

Douglas Eudaly

Jerald Pettibone
Jerald Pettibone

William Fischer
William Fischer

Jerry Roberts
Jerry Roberts

Wayne Hardesty
Wayne Hardesty

Dwight Plumley
Dwight Plumley

R. Elaine Harris
R. Elaine Harris

Gary Willems
Gary Willems

Dennis Hearne
Dennis Hearne

Jack Williams
Jack Williams