

ANNUAL SHAREHOLDERS' MEETING

PISMO COAST VILLAGE, INC.

SATURDAY, JANUARY 16, 2016

Pursuant to notices properly mailed to shareholders, the 2016 Annual Shareholders' Meeting of Pismo Coast Village, Inc. was held Saturday, January 16, 2016, 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 9:03 AM and welcomed the shareholders. Director Jerald Pettibone 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. Directors Kurt Brittain and William Fischer were not able to attend today's meeting due to deaths in their respective families.

He asked if everyone enjoyed last night's Shareholder Wine Reception, which resulted in a round of applause. Mr. Nunlist was pleased to announce that the Company had another record year last year. Our facilities are in great condition, and we have been able to pay for our projects and maintenance with cash. He touched on a few of the highlights from the past year, which included installation of a new fence and landscaping along the front of the Resort, purchase of security equipment for our storage lots, and installation of fiber optics and a new Wi-Fi system for the Resort. The Company also purchased property in Oceano, which will be the location of our new RV Repair facility. At the present time, we expect that we will be able to obtain the plans and permits needed to start construction on the new Shop in 2016.

Mr. Nunlist introduced the members of the Board and their spouses. He then introduced our attorney, Joseph Look, John Hansen and Jim Walker of Heritage Oaks Bank, as well as Ryan Nielsen of Brown Armstrong Accountancy Corporation (the designated Inspector 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 that may arise during the months that the full Board does not meet. The Committee met four times during 2015.

Mr. Hardesty, Finance Committee Chair, gave the Finance Committee Report. He introduced the members of the Committee: William Fischer, Dennis Hearne, Garry Nelson and Jerald Pettibone. Mr. Hardesty thanked the Committee for their work this year. The Committee's primary duties are to review monthly financial statements, draft the three-year forecast, draft 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 2015.

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 2015.

Mr. Enns, Audit Committee Chair, introduced and thanked the members of his committee: Glenn Hickman, Jerry Roberts, Gary Willems 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, and performing random reviews of selected accounting procedures of the Company. The Audit Committee reports to the Board of Directors and is responsible for overseeing and monitoring financial accounting and reporting. The Committee received and reviewed the written disclosures and letter from the independent auditors, Brown Armstrong Accountancy Corporation, and recommended to the Board that the audited financial statements be included in the Company's annual report. The Audit Committee met six times during 2015.

Mr. Buchaklian, Environmental, Health and Safety Advisory Committee Chair, introduced the members of his committee: R. Elaine Harris and Charles Amian, Operations Manager. 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. The Committee met five times in 2015.

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 17, 2015, annual shareholders' meeting. Mr. Hearne introduced his committee: Rodney Enns, William Fischer, R. Elaine Harris, and Garry Nelson. The Committee met seven times during 2015, received seven applications, and interviewed seven 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 2016: 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 was. Mr. Pappi declared the polls open for a fifteen-minute voting period at 9:39 a.m. A recess was called, allowing those present to cast their votes.

Mr. Nunlist called the meeting back to order at 9:54 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 2011 to 2015, 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.

He congratulated the shareholders on another record year for the Company, with happy campers, fiscal success, and industry respect of forty years of hard work and commitment.

Mr. Jamison asked Jose Gonzales, Trailer Mover Supervisor, Allyson Neufeld, Accounting Clerk, and Bill Gennoe, from the Maintenance Department, to come on stage. Mr. Jamison spoke briefly about Jose, Allyson and Bill's history and contributions to the company, and with Mr. Nunlist's assistance, he presented personalized watches to them all commemorating their ten years of service with the Company. Mr. Jamison spoke briefly about the longevity of the staff, noting that several employees have been with the Company more than 20 years.

Pismo Coast Village's occupancy for fiscal year 2014/2015 was 120,840 total site nights, our highest record year; which showed an increase of 6,224 nights above last fiscal year, our prior highest record year. Occupancy for the current fiscal year, compared to the same period last year, is up 831 site nights. As of January 15, 2016, the estimated capacity in our storage lots is 2,212 units, and our Storage Department is working off a waiting list to fill openings as they occur.

Accomplishments for the last year include the replacement of the fence and new landscaping along the Dolliver Street/Highway One property line. He thanked Mr. Plumley for his help with the process of choosing the materials and a concept for the fence. Other accomplishments were the purchase of the property in Oceano for a new RV Shop, road paving in the resort, upgrade of the walk-in cooler for the General Store, computer workstation upgrades/replacements, and the purchase of a new ice machine.

Also accomplished this past year was the upgrade of the Resort's Wi-Fi system and the installation of fiber optics. The combination of the fiber optics and the new equipment has made a big improvement to the system. There is also room for expansion of the system if we should need to increase from the current 250-megabytes-per-second up to 1,000 megabytes-per-second.

Our directory ratings with Good Sam/Trailer Life dropped in every category for 2016. The representatives that were here to perform the inspection wanted to ensure us that the reduction in ratings was not because our standards have gone down, but because their rating standards have gotten more stringent. Pismo Coast Village remains in the top 300 properties of the 12,000 that they rate. We received the award from Guest Reviews as an A-rated property in 2013 and 2014, and we expect to receive it again for 2015. On the www.guestreviews.com website, we have a rating of 4.8 out of a possible 5, with 1,011 reviews. We currently have 89 reviews on the www.tripadvisor.com website, with a rating of four stars out of a possible five. We have 176 reviews on the www.rvparkreviews.com website, with a rating of 8.1 out of 10 possible. On www.yelp.com, we have 93 reviews, with a four out of five star rating. He spoke briefly about the demographics of persons that use the different rating platforms.

Pismo Coast Village actively participates in community events. The Resort again hosted the Special Olympics' Torch Handoff Ceremony in June and the Special Children's Christmas Party in December. The Company also donated \$25,000 to the San Luis Obispo County Land Conservancy for their purchase of the 900-acre Pismo Preserve property that will be developed into hiking, biking and equestrian trails. A portion of the Preserve should be open for use by this summer. The Vintage Trailer Rally will again be held on the third weekend in May of this year, with approximately 315 campsites reserved for the event.

An episode of the Flippin' RVs television show that was filmed in the Resort during last year's Vintage Trailer Rally will air on the Great American County network this month. In addition, an episode of Going RV, a show that was filmed in the Resort in December, will be aired on the GAC network in the future. He was pleased to report that Darrell Sisk, Reservation Supervisor, is currently serving as president of our state trade association, CalARVC. Tommy Sanders, Maintenance Lead, was featured in a local newspaper article written about his being Santa Claus for our Special Children's Christmas Party. Peter Ward, our retail supervisor, is a chamber ambassador for the Pismo Beach Chamber of Commerce, and last year he was chosen as their Ambassador of the Year.

Mr. Jamison spoke about the Pismo Coast Village Honorary and Memorial Scholarship Fund. This year's Cal Poly Recreation Parks and Tourism Administration scholarship recipient is Jackie Hitchings. He thanked the shareholders and the others that have donated to the Scholarship Fund.

For 2016, the RV lifestyle will continue to be a popular choice for families, retirees and outdoor enthusiasts. In 2015, wholesale RV shipments were up 4.9% over the previous year, and they are expecting to increase that by approximately 2% in 2016. Trade associations, RVDA, RVIA, KOA, Jellystone Parks, National Parks, and vendors are all reporting positive business during 2015, and they have an optimistic outlook for 2016. This last spring, Cal Poly's Recreation Department brought in a CEO-in-Residence for one week, and the person selected was Jim Rogers, the CEO of KOA. Mr. Rogers came to visit our Resort twice during that week and spent considerable time walking our property and seeing our operation.

Occupancy projections for this year look great, and the waiting lists for some holidays are strong. We currently have more than 300 names on a waiting list for the Fourth of July holiday. Reservations for groups are comparable to last year; camping trends continue to be strong. RV storage business is strong, and most local storage companies are full. With the El Nino year prediction, weather will be a factor this year, and occupancy will be affected. Capital projects for 2016 include purchase of a new Hino tow truck for the Trailer Movers' fleet, road paving, additional storage lot security, purchase of a new forklift, repair of the Overlook ramp, and redesign of the www.pismocoastvillage.com website.

We will also construct a new RV Repair facility in Oceano, and he showed a slide with an artist's rendition of the new building. Our goal is to build a shop that will meet our current and potential needs, but will also attract well-qualified trained RV technicians. The new facility will have four work bays, good access, plenty of parking, and will be conveniently located. This project is currently in the planning stages. We have not yet submitted anything to the County, except for having attended a pre-application meeting to let them know what our intentions are.

We have signed the contract with Verizon for a cell phone tower location in Storage Lot D, which will be our second cell tower. This tower was approved by the County of San Luis Obispo, and construction is expected to start this summer. The cell tower in K-Lot is shaped like a eucalyptus tree, however, we still do not know what design the tower in D-Lot will be. Our third Verizon cell phone tower location is planned for the Resort, with a flagpole design, and will be placed in front of the Reservations Office. This tower has already been approved by the City of Pismo Beach. This week, Verizon had a contractor come in to drill a 25-foot deep soil sample at the proposed location to determine what kind of base would be needed for the tower. A fourth Verizon cell phone tower is being discussed for Storage Lot A.

Other goals for 2016 include taking advantage of social media opportunities, to continue our efforts to be environmentally-friendly, to continue our water conservation efforts, to continue human resource and safety training for staff, and to continue our efforts to work with the State of California on Pismo Creek and the lagoon.

In conclusion, Mr. Jamison read the Company's Mission Statement, and commented that the Company has done well in meeting the mission statement's goals. Mr. Jamison asked shareholders to stop by his office with concerns, comments and questions, then thanked the Board and shareholders and staff for their ongoing support.

Mr. Nunlist then read the questions, suggestions and comments submitted on the Question Forms.

A shareholder wrote, "Could we please change out the bad dryers in the bathrooms? The current dryers are insufficient. I recommend Dyson Airblade or the Samsung equipment." Mr. Jamison responded that we have two kinds of dryers. Restroom 2 and the pool restrooms have been upgraded to a more high-efficiency hand dryer than what is currently in the other restroom facilities. While the Question Form was unsigned, the writer spoke to Mr. Jamison from the audience about the equipment he was suggesting as a replacement.

A shareholder commented, "Bathroom showers have mold in the grout lines, otherwise pretty clean. New bathrooms are great except for this. Is there some way to keep teenagers from sitting on bathroom counters, as I'm sure this will eventually cause a problem?" Mr. Nunlist recommended that this should be reported to the Security staff for response.

A shareholder wrote, "Tidy up existing landscape. Remove dead branches and blooms (some Bird-of-Paradise blooms remain for years). If every drop counts, correct shower faucets. Some dispense hot water where the cold spot is indicated. Run street sweeper more often."

A shareholder asked, "Have you considered allowing shareholders to rent the Oceanview Room for private events?"

A shareholder suggested, "Give guests a calendar sheet for the activities at PCV during their stay. Have a sign to advertise the Craft Faire (A-frame sign)."

Another shareholder wrote, "Thank you--the Wi-Fi is much, much better!"

A shareholder suggested, "We need to purchase another park north or south or in the mountains. This would free up more spaces to rent. Keep shareholders the same. More profit to pay for new park. Keep same 45 days. Just give more choices. This is a great Resort!! Thanks!" Mr. Nunlist stated that the Board has considered this several times, however, it has not worked out for us for various reasons.

A shareholder asked, "What are your plans for the huge trees? We recently went through the hurricane-like storm and witnessed first-hand how dangerous they are. The people are lucky to be alive!! Obviously, hiring an arborist is not enough. The liability of these big trees is enormous! We are very grateful for all you do for the park. Should there be a limit on the height of the trees and then remove them when they reach this height?" Mr. Nunlist commented that we were very fortunate that no one was injured during the storm, and said that Mr. Jamison would be meeting again with the arborist to see if she has recommendations on additional trees that should be taken out and other types of tree maintenance that could be done.

A shareholder wrote, "Any chance of more crushed rock for sites?"

A shareholder asked, "How long do applicants for the Board of Directors remain on the active list?" Mr. Nunlist responded that applications are active for two years. The applicant can reapply for the Board of Directors by requesting another application.

A shareholder wrote, "Will you be setting any rules for use of drones in the park?" Mr. Nunlist responded that this might be something for the Operations Committee to review next year, as well as the use of hoverboards.

A shareholder wrote, "What is the plan for tree replacement? And, how soon will trees be replaced? How many trees are dangerous, i.e., exhibiting rot, splits, etc.?"

Another shareholder commented, "We take exceptional care of our employees and contribute large sums to the government and charities. When do the shareholders get some benefit from our success? After all, we are the responsible ones if things go bad. How about charging some amount to the guests of guests?? They heavily impact the paying guests and the shareholders. Its time to remove the top-heavy, shallow-rooted, very dangerous trees!!! How about opening the west side to shareholders for long-term stays? It makes no sense to move them from one site to a site across the street because of the two-week rule. Omit it for shareholders."

Another shareholder wrote, "Are you making any progress on the bridge?" Mr. Jamison said that there was nothing new to report on this subject.

A shareholder asked, "Why don't we charge for visitors of guests who come for the day? Funds can be used for other projects. Is there a plan to increase the amount of overflow parking? I'd like to see our rules enforced, such as no more than two cars per site. All too often we see three cars in one site and sticking out into the street. Allow shareholders to choose sites on the west side of the walkways for those who stay more than fourteen days. It would relieve frustration between shareholders on preferred sites. Mr. Plumley stated that the Operations Committee had discussed this subject last year, however, no changes were made to this policy.

A shareholder commented, "How do some sites allow more than two cars, and then seven to ten persons staying in that site? This is mostly on weekends and holidays. Us, "long-stays", have to put up with noise, equipment, cars, etc. Is there a way to print and give out an extra flyer, on bright paper, that gives people camp etiquette? Things such as: pick up dog poop, don't walk through campsites, and pick up trash! We have camped at a few places in different states and countries. NONE can hold a candle to our staff here. You guys are the "Disneyland Staff" of camp resorts! The best of the BEST! We thank you and love you all. With the profit of our park doing so well, we would like to know why shareholders don't get dividend payments. Also, shareholders should be made aware of shares that are available to purchase."

A shareholder wrote, "Ask shareholders to turn off their cell phones during the meeting. I heard a few go off during the meeting, which is very rude."

Another shareholder commented, "To increase both service and park revenue, consider waiving the service charge for the PCV Repair Staff to come to your site if you are in the park for a minimum of seven days."

A shareholder asked, "Any thought of extending sidewalk from entrance going north (on east side of street)? Would help keep pedestrians off street. Web site portal for shareholders with password access? Use portal for reservations and info specific to shareholders. Love the new Wi-Fi!!"

A shareholder asked, "Is it possible to move the annual shareholders' meeting away from Martin Luther King, Jr., weekend? This would allow more "paying customers" to visit our resort on a three-day holiday."

A shareholder commented, "Why don't we remove and replace the Cypress trees before someone is killed."

A shareholder asked, "What can be done about the smell from the Pismo Creek lagoon area on the north concrete area?"

A shareholder wrote, "Does the resort carry any insurance for flood or tsunami?"

A shareholder asked, "What kind of regulations will be set in place about drones? Should we consider solar power?"

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	684
Buchaklian, Harry	702
Enns, Rodney	702
Eudaly, Douglas	799
Fischer, William	703
Hardesty, Wayne	700
Harris, R. Elaine	837
Hearne, Dennis	690
Hickman, Glenn	683
Hughes, Terris	687
Nelson, Garry	687
Nunlist, Ronald	724
Pappi, Jr., George	733
Pettibone, Jerald	721
Plumley, Dwight	885
Jerry Roberts	684
Willems, Gary	704
Williams, Jack	698

The result of Proposal 2, the ratification of Brown Armstrong Accountancy Corporation to serve as our independent accounting firm for Fiscal Year 2015/2016, passed with 711 votes in favor, 3 against and 22 abstaining.

Raffle tickets were drawn and ten gift bags containing Pismo Coast Village items 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 11:06 AM.

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
Douglas Eudaly

Jerry Pettibone
Jerry 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