

ANNUAL SHAREHOLDERS' MEETING

PISMO COAST VILLAGE, INC.

SATURDAY, JANUARY 21, 2017

Pursuant to notices properly mailed to shareholders, the 2017 Annual Shareholders' Meeting of Pismo Coast Village, Inc. was held Saturday, January 21, 2017, at the South County Regional Center, 800 West Branch Street, Arroyo Grande, California.

President Terris Hughes called the Annual Shareholders' Meeting of Pismo Coast Village, Inc. to order at 9:00 AM and welcomed the shareholders. He asked that all Veterans, those that have served or are currently serving, stand for a round of thankful applause. Director Jerald Pettibone led the Pledge of Allegiance. Director Dwight Plumley gave the invocation.

Mr. Hughes then called on Mr. Pappi, Vice President-Secretary, who declared a quorum present, in both person and by proxy, for today's meeting. Director Karen King was not able to attend today's meeting due to an illness in her family.

Mr. Hughes introduced the members of the Board and their spouses. He then introduced our attorney, Joseph Look; John Hansen, Jim Walker, and Austin Petty of Heritage Oaks Bank; and Ryan Nielsen of Brown Armstrong Accountancy Corporation (the designated Inspector of Election). He also introduced Chief Executive Officer/General Manager Jay Jamison and the staff members present at today's meeting.

He commented that it was an honor and a privilege to serve as President and Chairman of the Board this past year. He thanked everyone for their assistance, and encouraged any shareholder wishing to serve on the Board of Directors to contact the Corporate Office for the director application packet. He reported that three directors resigned from the Board in 2016, Kurt Brittain, Douglas Eudaly and R. Elaine Harris. He explained that Mr. Brittain, who submitted his resignation in April, was recognized for his years of service on the Board at a function last year. Unfortunately, Douglas Eudaly and R. Elaine Harris, who both resigned at the November Board meeting, were unable to attend today's meeting. Mr. Hughes held up the plaques that will be personally presented to Dr. Eudaly and Mrs. Harris at a later time. The new Board members that were seated to replace them were Brian Skaggs, Sam Blank and Karen King, and we look forward to having them serve on the Board.

He asked if everyone enjoyed last night's Shareholder Wine Reception, which resulted in a round of applause. He apologized for not having the jazz band for the evening, explaining that the rain had caused the entertainment to be canceled.

Mr. Hughes reported that we did end fiscal year 2015/2016 in a very strong financial position. Trailer storage remains strong, and the Company is still looking for additional property to expand our storage program. Fiscal year end 2015/2016 was a record year for occupancy for the Company. The rain that we have had will affect occupancy for fiscal year 2016/2017; however, it is needed to compensate for the drought that we have experienced the past several years. The Company continues to spend funds on capital projects to further enhance the Resort for our shareholders and general public guests. Hopefully, this year we will complete the permitting process for the construction of our new RV Shop location in Oceano.

Last year also brought changes to the Resort's appearance when severe storms caused several trees to be uprooted and some trailers to be damaged. Many first-generation trees were removed for the safety of our shareholders, guests and property. We are very fortunate that the damage was not worse than it was. During that time, staff continued to clean up the resort to make it beautiful. We commend our CEO, Jay Jamison, and his team for meeting these challenges. Mr. Hughes thanked the Board for their support and dedication in working for what is best for the resort. It was a privilege to serve as President and to work with them.

Mr. Hughes gave the Executive Committee Report. He introduced the members of his committee: Wayne Hardesty, Garry Nelson, Ronald Nunlist, George Pappi, Jr., 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 members of the Personnel and Compensation/Benefits Committee consisted of Garry Nelson (Chair), Wayne Hardesty, Terris Hughes, Ronald Nunlist, George Pappi, Jr., Dwight Plumley and Jerry Roberts. The functions of the Personnel and Compensation/Benefits Committee include negotiating an employment contract with the Chief Executive Officer/General Manager, review of his goals and objectives, setting compensation for major staff and reviewing the employee benefits program. In addition, the Committee's responsibilities include monitoring the Company's 401(k) plan and its investment options along with the performance of the plan manager. The two Committees met jointly five times during 2016, and the main purpose of the joint sessions was to discuss upcoming changes and regulations that will impact the Company's 401(k) Plan.

Mr. Hardesty, Finance Committee Chair, gave the Finance Committee Report. He reported that, at the beginning of the year, the members of the Finance Committee were Kurt Brittain, Douglas Eudaly, William Fischer and Jerald Pettibone. On April 1st, Mr. Brittain submitted his resignation from the Board of Directors, and Jack Williams was appointed to fill the vacancy for the remainder of the year. He introduced the members of his committee: Douglas Eudaly, William Fischer, Jerald Pettibone and Jack Williams. 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 2016.

Mr. Plumley, Operations Committee Chair, introduced his committee: Rodney Enns, Dennis Hearne, Ronald Nunlist, Jerry Roberts and Brian Skaggs. 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. The Committee met five times in 2016.

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. This year, the Committee reviewed Information Technology procedures and shareholder reservations procedures with Reservations Supervisor Darrell Sisk, and site reservation cancellation procedures with Accounting Manager Kitty Karstetter and Darrell Sisk. 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 five times during 2016.

Mr. Buchaklian, Environmental, Health and Safety Advisory Committee Chair, introduced the members of his committee: William Fischer, R. Elaine Harris, Glenn Hickman, and Brian Skaggs. He expressed his appreciation for the information that Operations Manager Charles Amian provided to the committee during the year and the assistance from staff members. 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 2016.

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 16, 2016, annual shareholders' meeting. Mr. Hearne introduced his committee: William Fischer, R. Elaine Harris, Ronald Nunlist and Gary Willems. The Committee met six times during 2016. He thanked the members of his committee for their 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.

He also reported that, this past year, the Nominating Committee nominated, with the unanimous approval of the Board, three candidates to fill vacancies on the Board. In May, the Committee nominated Brian Skaggs, who was appointed by the Board to fill the seat vacated by director Kurt Brittain. In November, Karen King was nominated and appointed to fill the vacancy created by the resignation of R. Elaine Harris, and Sam Blank was nominated and appointed to fill the vacancy created by the resignation of Douglas Eudaly. Brian Skaggs and Sam Blank were each invited to come to the podium to introduce themselves to the shareholders.

Mr. Hearne then presented the Nominating Committee's recommendation of the following shareholders to serve as directors for Pismo Coast Village, Inc. for 2017: Sam Blank, Harry Buchaklian, Rodney Enns, William Fischer, Wayne Hardesty, Dennis Hearne, Glenn Hickman, Terris Hughes, Karen King, Garry Nelson, Ronald Nunlist, George Pappi Jr., Jerald Pettibone, Dwight Plumley, Jerry Roberts, Brian Skaggs, 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 candidates' 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 9:58 a.m. A recess was called, allowing those present to cast their votes.

Mr. Hughes called the meeting back to order at 10:11 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 2012 to 2016, slides compared total occupancy for general public and shareholders, total revenue and expenses, revenue categories, storage revenue, insurance expenses, utility expenses, and capital expenditures, as well as a slide showing information on the property note.

Mr. Hughes 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 Joshua Lockett, Security Guard, Jim McNealley, Security Guard, Theresa Jackson, Lead Reservation Agent, and Rodrigo Gutierrez, Housekeeping, to come on stage. Wanda Waltz, General Store Clerk, was unable to attend today's meeting. Mr. Jamison spoke briefly about Joshua, Jim, Theresa and Rodrigo's history and contributions to the company. With Mr. Hughes' assistance, he presented personalized watches to all of them commemorating their ten years of service with the Company.

During this past winter, with losing so many trees, all of the departments stepped forward to help with the situation. He expressed his appreciation for all that the staff does.

He commented that it has been a good year for the industry in general, but Pismo Coast Village has done really well in being able to accomplish our goals this year. Dealing with the tree challenge did delay some of our plans for planned projects during the winter and spring time.

Pismo Coast Village's occupancy for fiscal year 2015/2016 was another record year. Occupancy for the current fiscal year, compared to the same period last year, is down about 498 site nights, which is due primarily to the rain we have experienced. Our storage program is still working off a waiting list to fill openings as they occur, and the Company is always looking for opportunities to invest in more storage property.

Accomplishments for the last year include the upgrade to the Wi-Fi system. Fiber Optics was brought in two years ago, which has been incredible with the new equipment and a new system designed by Darrell Sisk, Reservations Supervisor. We are currently at 250 megabytes per second, and we have plans to move it to 400 megabytes per second by mid-March. There are times when we have approximately 800 to 1,000 users concurrently, such as when it's raining or the resort is at capacity, so demand is high. He suggested that questions on the system be addressed to Darrell Sisk.

Other accomplishments this past year include the purchase of a new trailer moving vehicle, widening of the corners along some of the streets, road paving, purchase of a new forklift, purchase of a new golf cart and purchase of computer equipment.

Mr. Jamison commented about the windstorms that occurred in January and March last year, which resulted in several trees coming down on top of RVs. He said, that between the storm in January and the storm in March, approximately 30 trees were removed from the resort. Following the storm in March, the Board, after much discussion and a meeting with our arborist, decided to have all of the first generation trees taken out of the resort. There was considerable discussion about the varieties of trees to plant in the resort, the maintenance of the trees, soil consistency, environmental conditions, root systems of trees, etc. There is a plan in place for the planting and maintenance of the trees in the resort, and approximately twenty trees have been planted, with more planned for the future.

He reviewed our directory ratings with Good Sam, and Pismo Coast Village remains in the top 300 properties of the 12,000 that they rate. We currently have a four out of a possible five star rating with www.tripadvisor.com. We have 189 reviews on the www.rvparkreviews.com website, with a rating of 8.0 out of a possible 10. On www.yelp.com, we have 137 reviews, with a 3.5 out of a possible five star rating. On the www.guestreviews.com website, we have a rating of 4.7 out of a possible 5, with 1,924 reviews. For the sixth year in a row, we received the award from Guest Reviews as an A-rated property, one of thirty-two properties that received this rating nationally.

We have signed a new contract with Wash, the company that provides the equipment in our laundromat. With the contract renewal, all new washers and dryers were installed. During the changeover, we painted the interior and installed new countertops to enhance the facility.

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. Last year the Pismo Beach Police Departments' K9 Unit put on several demonstrations in our Square, which are very popular. 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.

The Company donated \$25,000 to the San Luis Obispo County Land Conservancy for their purchase of the 900-acre Pismo Preserve property that is being developed into hiking, biking and equestrian trails. They have extended the opening date of the property until the fall of 2018, and have already developed 11 miles of trails, with an ultimate goal of 14 miles of trails. Unfortunately, they ran short of funds in the permitting process, and then some culturally sensitive artifacts were found on the proposed parking lot site, which now requires mitigation.

An episode of the Flippin' RVs television show that was filmed in the Resort during the Vintage Trailer Rally has aired on the Great American County network. In addition, an episode of Going RV, a show that was filmed in the Resort, was also aired on the GAC network. He was pleased to report that Darrell Sisk, Reservation Supervisor, is currently serving as president of our state trade association, CalARVC. Charles Amian, Operations Manager, was just appointed to the ARVC Board of Directors. Peter Ward, our retail supervisor, is a chamber ambassador for the Pismo Beach Chamber of Commerce.

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 Shannon Fouts. He thanked the shareholders and the others that have donated to the Scholarship Fund.

RV manufacturers, dealerships, campgrounds, after-market parts, and repair facilities are all reporting that they are having a good year. The RV lifestyle continues to be a popular choice for families, retirees and outdoor enthusiasts. In 2016, wholesale RV shipments were up over the previous year by 12%. Trade associations, RVDA, RVIA, KOA, Jellystone Parks, National Parks, and vendors are all reporting positive business during 2016, and they have an optimistic outlook for 2017.

Occupancy projections for this year look good, 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, and camping trends continue to be strong. RV storage business is strong, and most local storage companies are full. Weather may be a factor this year, and occupancy will be affected. Capital projects for 2017 include the development of a new four bay RV Service facility with outdoor work areas in Oceano, a new truck for the Maintenance Department, road paving, storage lot security, a new truck for the RV Service Department, repair of the Overlook ramp, a new truck for the Security Department, and satellite television system upgrade. Mr. Jamison commented that ABC and Fox are currently having a conflict with DirecTV, resulting in those channels being blocked on our system. We have not yet signed the contract, but our plan is, in March, we will convert to Dish TV for more high-definition channels. He also commented that it is illegal to dispose of a television in our dumpsters because it is considered hazardous waste. He said that anyone wishing to dispose of a television or other electronic equipment should contact our Maintenance Staff for removal.

Work is beginning on our fourth Verizon cell phone tower, which will be erected in Storage Lot A and will be shaped like a eucalyptus tree. He showed a slide of the broad-leaf tree shaped cell tower that was installed in D-Lot. The cell tower by the Reservations Office, which is shaped as a flagpole, was installed this past year. The cell tower in Storage Lot K, which was the first cell tower installed, is shaped like a eucalyptus tree.

Other goals for 2017 include taking advantage of social media opportunities, to continue our efforts to be environmentally friendly, 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.

Mr. Jamison reported that this summer the City of Pismo Beach would start a project for the rebuilding of the Pismo pier, which is anticipated to be a \$8,500,000 project. The project is expected to take about three years. The City of Pismo Beach will also be installing a new sewer lift station in the northwest front corner of our Storage Lot A, and in conjunction with the new lift station, they will be installing a new 8-inch pressure sewer line going up Dolliver Street. It is expected that this project will start this summer.

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. Hughes requested that the members of the Board return to the stage. He then read the questions, suggestions and comments submitted on the Question Forms.

A shareholder wrote, "Why is the night time security staff not watching the gate? The gate is left open. Anyone can come in. Why is the front planter at the quad poorly maintained? This is the first thing you see when you check in. It should look like a Disneyland planter. Love your staff: Theresa, Brenda, Tommy, Larry and Josh, to name a few. Increase guest parking spaces." Mr. Hughes responded that the comment regarding the security gate would be given to Mr. Jamison for follow up as a training issue for staff. Plans are already in place to make improvements on the front planter.

A shareholder commented, "Would like to see Security enforce park rules, such as keeping jack stands off grass, vehicle parking, and also controlling front gate better. Have maintenance trim grass area behind sites in a straight line to keep park orderly and clean." Mr. Hughes commented that this would be another staff training issue.

A shareholder wrote, "Please indicate the parks or companies that were used as compensation comparisons. No, or very little, enforcement of rules; i.e., bikes, scooters, etc., on walkways, 10:00 PM quiet time." Regarding the compensation comparison, Mr. Hughes stated that our Personnel and Compensation/Benefits Committee reviews the compensation of other comparable properties for average compensation information and industry standards. The Committee reviews this information every year.

A shareholder asked, "When reservations are made and specific sites requested, could the member be told at that time if the site has already been asked for/assigned? Is there a comment/suggestion box available while staying in the park?" Mr. Enns reported that shareholders can obtain information on site assignments ten days prior to arrival date. Mr. Hughes commented that suggestions can be directed to the Corporate Office, or can be made on the car pass cards. Mr. Jamison commented that he would prefer that comments and suggestions be submitted in written form, so that the information will be in the person's own words. All comments will be forwarded to the appropriate party for review.

A shareholder wrote, "During prime time, when the park is full, the garbage bins become very smelly! Staff does a great job getting them emptied, but is there any way to keep the odor under control? It might be helpful for bicycle riders to say "on your left/right" when coming up behind pedestrians to pass." Mr. Hughes stated that new lids have been ordered for the trash containers, which, hopefully, will help us keep the odor under control and keep the birds out.

Another shareholder suggested, "Shuttle service for resort guests to take into town, to shareholders' meeting, local sites and restaurants, etc. Hot tub/spa added to pool area." Mr. Hughes said that a shuttle service has been attempted three times in the past, but failed due to lack of interest by guests.

A shareholder wrote, ""Average share selling price" is something we look for in every annual report. Please tell us how many shares change hands each year. The east boundary at Pismo Coast Village looks so good. Are there plans to improve/replace the "prison gate" and fence at the south beach access?" Mr. Hughes reported that there were an average of about fifty shares that change ownership each year. Jeanne Sousa, owner/broker of Pismo Coast Investments, reported that the average price of the shares that were sold last year through her office sold for \$35,000. The most recent share sold for \$36,000. Mr. Hughes said that the improvement to the fence and south beach access will be considered for future plans.

A shareholder commented, "The proxy ballots are confusing, when shareholders do not reside under the same roof or in close proximity, when it states that there is only one ballot per share, but requires all shareholders to sign! If all ballots to shareholders are returned, how are they handled? Is the tree removal complete?" Terri Braun, recording secretary, said that it states in the proxy booklet that if a proxy card is received by one of the owners of a share, and then a second proxy card is received by a co-owner, the one that is received most recently supercedes any prior received proxy cards. This information is published in the proxy booklet on pages 2 and 4. Mr. Jamison commented there are some trees at Site 400 that may be removed.

A shareholder asked, "Could we plant the native Cypress trees rather than palm trees? They truly represent the Central Coast area." Mr. Hughes stated that we have been working with our arborist on the selection of tree varieties to use to replace the removed trees.

A shareholder suggested, "Please install night lighting at northern playground – there is none there now. At observation platform, move "no pets" sign from top to the bottom of the ramp. Dog bag dispensers along Highway 101 fence were all behind large puddles during and following storms. Can dispensers be moved or puddles filled? Why is it that committee reports avoid mention of any special issues or actions taken by the committee, except for Nominating Committee? Mr. Hughes said that the issue of lighting at the playground would be looked into by staff, as well as the other suggestions made. Mr. Hughes explained that the information discussed at committee meetings is discussion only, but the committee's recommendations may be presented to the Board for approval, adoption or action. Actions taken by the Board become public record.

A shareholder asked, "Has the Board of Directors considered revisiting the pets rules and regulations? It seems like at times there are more dogs than campers." Mr. Hughes reported that the Operations Committee regularly reviews the rules and regulations for needed revisions.

A shareholder suggested, "A report on number of crimes within park and loss from theft suffered by guests and shareholders." Mr. Hughes said that the Executive Committee would take that suggestion under consideration.

A shareholder wrote, "Please take two parking spaces by the Store and mark them for 15-minute parking only. Take one spot by the Laundromat and one by the park restrooms and mark them 15-minute parking only." Mr. Hughes said that it might be difficult to monitor how long a vehicle had been parked in a 15-minute spot, but this suggestion could be reviewed.

Another shareholder wrote, "I have a question/statement regarding Wi-Fi and the resort. This is the off-season and the Wi-Fi is barely working and is exceptionally slow. During the summer and peak season, I have never been able to connect because the network is so overworked. We have 500 sites with an average of four people per site, so 2,000 users. If you consider most people have three devices (phone/computer/tablet/Roku/AppleTV, etc.) that's 6,000 devices trying to connect the network. Is there any way to improve the Wi-Fi?" Mr. Hughes said that Mr. Jamison had reported that we have done extensive improvements to the Wi-Fi system, and we are doing the best we can to keep improving the system.

Another shareholder asked, "Can we change from DirecTV since channels have been dropped? More overflow parking on North side?" Mr. Hughes said that Mr. Jamison had reported that we would be changing from DirecTV to Dish TV later this year.

A shareholder commented, "Why are we feeding the seagulls? We are not unable to lift a lid and there is the smell. Yuk! Please choose a larger size gravel so we don't track it in our trailers. What is the protocol and warning and evacuation for a Tsunami? This park is great and the employees are wonderful!! Thank you for this experience." Mr. Hughes reported that there are new lids coming for the trash receptacles, and this should help alleviate the problem. Mr. Hughes said that the Environmental Health and Safety Advisory Committee would discuss the Tsunami Plan in the future.

A shareholder suggested, "How about covering the trash?" Mr. Hughes said that this question had already been discussed today.

A shareholder wrote, "Any progress on a bridge across the creek?" Mr. Hughes reported that this has come up several times this past year, and working with the California Coastal Commission is challenging.

Another shareholder asked, "Are there any plans to improve the basketball court? Possibly build an exercise room? Has there been a valuation on the corporation? If so, what is the current value estimate? Are there any plans to improve the restroom on the north side?" Mr. Hughes said that there will be upcoming changes to the basketball court, and the trees have already been taken out along that area. To our knowledge, there has never been an evaluation of the worth of the properties and assets owned by the corporation.

A shareholder commented, "The new fencing is quite fetching. Being made of PVC, how long is it expected to last?" Mr. Nunlist reported that a similar one that was installed around his church was estimated to have a life of 35 years.

A shareholder asked, "Is there any indication that site usage is considered as a dividend and therefore taxable?" Mr. Williams stated that, following an IRS audit several years ago, the Resort pays for the assessed value of the usage of the resort by the shareholders, rather than having to issue 1099 Forms to each shareholder.

A shareholder commented, "If every drop counts, fix handicap shower, men's side, near State Park. Red is cold water. Many people wait for hot water. I have reported this for two years. Excellent Wi-Fi, and drainage. Security should have a map of light fixtures during night patrol to note non-working lights, and give report to Maintenance." Mr. Hughes reported that the repair of the shower will be looked into by staff. He also said that, due to the engineering and construction of the fence along the State Park Campground on the south side, it kept the water from coming into our resort during the last storms.

A shareholder wrote, "Thank you to Reservations for all your help this year, as always, Theresa, Darrell and Chris. Prune or get rid of tree behind Site 159 that drips sap on trailers." Mr. Hughes said that staff would look at the tree at that campsite for possible removal.

A shareholder commented, "The food last night was excellent! It is great having a restaurant. Really like the stemless wine glass!" This comment resulted in a round of applause from the audience.

A shareholder wrote, "The park handles the rain water beautifully. A great improvement over five years ago! You always invest in the infrastructure – great plan for our future! Thank you for all you do to provide our "home away from home"!"

A shareholder commented, "Appreciate the attention to details by the committees and operating staff for our enjoyment and safety of the resort. They are noticed!!! Speaking of memories – in our family, when one of us has had the best night's sleep or nap, it's called a Pismo nap!"

Mr. Hughes 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:

Blank, Sam	596
Buchaklian, Harry	619
Enns, Rodney	618
Fischer, William	600
Hardesty, Wayne	598
Hearne, Dennis	598
Hickman, Glenn	590
Hughes, Terris	628
King, Karen	637
Nelson, Garry	596
Nunlist, Ronald	644
Pappi, Jr., George	605
Pettibone, Jerald	613
Plumley, Dwight	745
Roberts, Jerry	596
Skaggs, Brian	596
Willems, Gary	596
Williams, Jack	616

The result of Proposal 2, the ratification of Brown Armstrong Accountancy Corporation to serve as our independent accounting firm for Fiscal Year 2016/2017, passed with 759 votes in favor, 4 against and 19 abstaining.

The result of Proposal 3, the proposal to approve a non-binding advisory vote to approve the compensation of the Company's named executive officer passed with 676 votes in favor, 33 against and 73 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. Hughes thanked the shareholders for attending and adjourned the meeting at 11:56 AM.

Respectfully submitted,

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

Karen King
Karen King

Sam Blank
Sam Blank

Garry Nelson
Garry Nelson

Harry Buchaklian
Harry Buchaklian

Ronald Nunlist
Ronald Nunlist

Rodney Enns
Rodney Enns

Jerald Pettibone
Jerald Pettibone

William Fischer
William Fischer

Dwight Plumley
Dwight Plumley

Wayne Hardesty
Wayne Hardesty

Jerry Roberts
Jerry Roberts

Dennis Hearne
Dennis Hearne

Brian Skaggs
Brian Skaggs

Glenn Hickman
Glenn Hickman

Gary Willems
Gary Willems

Terris Hughes
Terris Hughes

Jack Williams
Jack Williams