

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 March 19, 2016, by President Terris Hughes at 10:00 a.m.

INVOCATION

Mr. Plumley gave the invocation.

ROLL CALL

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

PRIOR MINUTES REVIEWED

Mr. Buchaklian moved that the minutes of the Board of Directors' Reorganizational Meeting held January 16, 2016, be accepted as submitted. Mr. Nunlist seconded, and the motion carried.

PRESIDENT'S MESSAGE

Mr. Hughes welcomed the shareholders and directors to the meeting. He and Mr. Nunlist had the opportunity to come tour the Resort the day after the recent storm and met with Mr. Jamison to discuss the damage caused by the extensive winds. Mr. Hughes, on behalf of the Board, expressed his appreciation to Mr. Jamison and his staff for their prompt attention to cleaning up the storm damage. Occupancy is still showing a slight increase over last year. The Reservations Office and Trailer Movers have been busy with Spring Break occupancy. Plans are still moving forward for our new RV Service facility and for the Verizon cell phone tower location in D-Lot.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, reported that last year was a record year for occupancy. He was pleased to say, fiscal-year-to-date, we are running ahead of last year by 592 general public site nights and 19 shareholder site nights. Ancillary revenue areas are also doing well.

The Resort recently experienced two storms that brought major winds. During the last storm, five trees came down at approximately 3:15 AM, which caused damage to seven RVs, two of which were totaled. All of the units were occupied at the time, however, with the exception of one person that stepped on broken glass in their RV, no one was hurt. Information on the event and resulting damage has been turned over to our insurance company, as well as the insurance companies for the owners of the damaged units. He expressed his appreciation to staff for their efforts during and after the event. The arborist was called to come to the Resort the next day to do a review of the downed trees. She will meet with the Board later today. Approximately thirty trees were removed during the last few weeks, and another thirty-three are scheduled for removal.

The flagpole-style cell tower, which will be built near the Reservations Office, is still moving forward. At the present time, the project is expected to start following Labor Day weekend. The cell tower in D-Lot has started construction, and the conduit has been put in for the electrical wiring. The cell tower proposed for Storage Lot A is in the permit phase, and we have signed all the documents. There has been no change in the negotiation process with the City of Pismo Beach for compensation for their proposed new lift station location in Storage Lot A.

Our new trailer moving truck has been received and is in operation. The 9th Annual Vintage Trailer Rally will be in the Resort in May with more than 300 trailers. The person that has been painting the three clams in Pismo Beach for the past several years has resigned, and we are looking for someone else to do the work.

In March, we hosted the Twenty Group, which is a group of non-competing business owners that get together to share operational best practices, financial data and other information. The group was here for several days and used the Oceanview Room for their meetings. They stayed at the Sea Venture Hotel, ate at Pismo Coast Village Grill and other local restaurants, and toured local attractions.

EXECUTIVE AND PERSONNEL & COMPENSATION/BENEFITS COMMITTEE REPORT

Mr. Nelson, Chair of the Personnel and Compensation/Benefits Committee, reported that there was a joint meeting held yesterday. At that meeting, Mr. Hughes welcomed all of the committee members and outlined his protocol for both committee and board meetings. Mr. Jamison gave the committees an update on the resort. The financial strategy report that was to be presented at the meeting by Mr. Roberts was postponed until the May committee meeting. The Committees also discussed the annual review for one direct report employee.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, said his committee met this morning. They reviewed the financial statement for February 2016 and discussed the monetary side of the removal of trees in the resort. The Committee also reviewed the capital projects planned for this year. He was pleased to report that the balance sheet and financial status of the Company is strong.

OPERATIONS COMMITTEE REPORT

Mr. Plumley, Chair, said that the Operations Committee met this morning. The Committee reviewed the changes and updates to the Employee Handbook. The Committee also reviewed the draft of the 2017 Shareholder Information Manual/Calendar, and will be including a rule on the use of hoverboards in the next publication. They will continue their discussion on the Manual at their May meeting. Also reviewed were the guest comments received since the last meeting.

AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday with Mr. Jamison, Accounting Manager Kitty Karstetter, and Reservations Supervisor Darrell Sisk. The Committee discussed items that will be addressed this year, which will include a review of the work done by the accounting firm Glenn Burdette CPA, and reviewing policies for IT procedures, and shareholder reservations and cancellations.

NOMINATING COMMITTEE REPORT

Mr. Hearne, Chair, said the Committee met yesterday. At their meeting, the Committee interviewed one prospective candidate for Board membership. The Committee received two new applications and set dates for interviews. The Committee also reviewed and discussed procedures, logs and questions used by the committee for Board applicants. In addition, the Committee also discussed their goals and objectives for 2016.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mrs. Harris, Chair, reported that the Committee met yesterday. At that meeting, Charles Amian, Operations Manager, gave the Committee an update on accidents and injuries to guests and employees. The Committee checked the restrooms and found them clean and orderly, and discussed the removal of trees in the resort. The Committee also discussed the use of the pet waste receptacles and recommended that they be emptied more frequently.

SHAREHOLDERS' COMMENTS

A shareholder asked if there were plans for the corner where the tree came down during the storm, and suggested that the road be widened along that area.

A shareholder commended the Board for being proactive in setting policy and direction for staff that benefits the shareholders and the corporation as a whole.

Mr. Hughes recessed the meeting at 10:46 a.m., asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:58 a.m.

There being no further business, the meeting was adjourned at 12:00 PM.

The above minutes of the March 19, 2016, Board of Directors' Meeting are correct and accepted as presented.

George Pappi, Jr.

George Pappi, Jr., V. P. – Secretary

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