

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 May 17, 2014, by President Ronald Nunlist at 10:00 a.m.

INVOCATION

Dr. Eudaly gave the invocation.

ROLL CALL

Mr. Nunlist affirmed that all members of the Board of Directors were present, and he declared a quorum.

PRIOR MINUTES REVIEWED

Mr. Williams moved that the minutes of the Board of Directors' Meeting held March 15, 2014, be accepted as submitted. Mr. Hearne seconded, and the motion carried.

PRESIDENT'S MESSAGE

Mr. Nunlist welcomed the shareholders to the meeting. He was pleased to report that, year-to-date, revenue is increased over last year's figures. He expressed his appreciation to Mr. Jamison and his staff for the great job that they do. Mr. Nunlist reported that there is no new information on the proposal to install a pedestrian bridge across Pismo Creek. The construction of Restroom #2 is going well, and the facility will be a great addition to the Resort.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, reported that, fiscal-year-to-date, occupancy is increased above last year's figures by more than 4,000 sites. Spring Break occupancy was strong, and it is very possible that this will be a record year for the Resort.

This weekend is the 7th Annual Vintage Trailer Rally event and there are more than 300 vintage RVs in the Resort. The group's Open House is today from 10:00 a.m. to 3:00 p.m. Sky River RV/Noble Productions is filming the event. Because we are helping with the expense of the film production, we will be able to use the footage for our own benefit. Some of the footage will be aired on our in-house channel, and we may work with Sky River for some television promotions in the Central Valley, Monterey and Ventura areas. Great American Country, a national cable tv network, is also filming the event for a show called "Flipping RVs." This evening, the rally's Trailer Trash event will be held in the Clubhouse. Sky River RV is sponsoring the band and beer concession, and Happy Camper Wines has donated wine for the social. Pismo Coast Village is sponsoring the "People's Choice" awards. Ballots will be distributed to visitors to cast votes for their favorites. PCV staff will tally the votes this afternoon and winners will be announced during the Trailer Trash event.

Mr. Jamison gave an update on the construction of Restroom #2 and spoke about the challenges of dealing with FEMA regulations. Once the issues were resolved, the project has progressed quickly. Due to the second floor on the building, an interior sprinkler system was required. The project is still on target for mid-June completion.

Things are still moving forward for the installation of the Verizon cell phone tower in Storage Lot D and their engineers have visited the job site. Mr. Jamison hopes that construction will start on this project by the end of this year.

Mr. Jamison was pleased to report that Darrell Sisk, Reservations Supervisor, has been appointed to serve as a member of the Board of Directors of CalARVC.

EXECUTIVE COMMITTEE REPORT

Mr. Nunlist reported that the Executive Committee met jointly with the Personnel and Compensation/Benefits Committee yesterday afternoon. Mr. Hughes, Personnel & Compensation/Benefits Committee Chairman, reported that the main topics of discussion at the meeting were the administration and oversight of the 401(k) Plan, an update on the employee health insurance program by Ben Hoover of Morris & Garritano Insurance, and the annual review of a direct report employee.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, said his committee met this morning and reviewed the financial statement for the five-month period ended April 30, 2014. He was pleased to report that, year-to-date, we are well ahead of last year's revenue. The Committee reviewed the first draft of the budgets for fiscal year 2014/2015. Expenditures for the capital projects are in-line with projections.

OPERATIONS COMMITTEE REPORT

Mr. Plumley, Chair, said that the Operations Committee met this morning. The Committee reviewed the 2015 Shareholders' Information Manual/Calendar. Also discussed was the replacement of the perimeter fence along Dolliver Street/Highway One. The Committee had no recommended changes for the rules and regulations for the Resort.

AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday with Kitty Karstetter, Accounting Manager. She reported on the procedures for cash handling for the RV Service Department, General Store and Reservations Office. Also discussed was the walkthrough documentation that Brown Armstrong CPA uses for auditing procedures and controls.

NOMINATING COMMITTEE REPORT

Mr. Hearne, Chair, said the Committee met yesterday afternoon. The Committee reviewed the information on the Active Board Applicant Packet Log report, and interviewed one new applicant for Board membership.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mr. Buchaklian, Chair, expressed his appreciation to Mr. Jamison and his staff for the outstanding appearance of the resort and its facilities. The Committee met yesterday morning. Charles Amian, Operations Manager, gave the Committee an update on accident and workers' compensation insurance claims for guests and employees. Mr. Amian escorted the committee members on a tour of all of the storage lots. The Committee also toured Restroom #2, which is still under construction, and Mr. Buchaklian commented on the outstanding view from the second floor of the building.

SHAREHOLDERS' COMMENTS

A shareholder commented that he and his wife think that the resort is phenomenal, and they are considering purchasing a third share. He also commented about something that happened during a shareholder release date last October. A single shareholder was able to reserve thirty campsites at one time, resulting in some shareholders being turned away for reservations. He asked if the Board had considered setting a restriction on the number of campsites someone is allowed to reserve at one time.

A shareholder remarked that since this is such a good year financially for the Company, he would like to recommend that Mr. Jamison be compensated for the great job that he does in managing the Resort. Mr. Nunlist responded that the Board agrees with this comment, and Mr. Jamison is compensated for the great job that he does. Mr. Jamison thanked the shareholder for the nice compliment.

A shareholder suggested that we consider setting a regular schedule for pumping the creek water out that is coming into the resort at the outfall structure. The standing water on the roadway could be a safety issue for those traveling that area on foot.

A shareholder said that the new equipment at Playground #3 is a nice improvement.

A shareholder thanked Mr. Jamison for the returning the plaque that had previously been installed on one of the benches in the resort. The plaque, which had her late husband's name engraved on it, was removed to comply with the Board's decision to not allow such items. The shareholder and her family were very appreciative of the beautiful plaque made with the engraved piece.

Mr. Nunlist recessed the meeting at 10:35 a.m., asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:50 a.m.

There being no further business, the meeting was adjourned at 11:25 a.m.

The above minutes of the May 17, 2014, Board of Directors' Meeting are correct and accepted as presented.

George Pappi Jr.

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