

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 November 9, 2019 by President Terris Hughes at 10:02AM.

PLEDGE OF ALLEGIANCE AND INVOCATION

Mr. Hughes led the Pledge of Allegiance. Mr. Nunlist gave the invocation.

PRESIDENT'S MESSAGE

Mr. Hughes welcomed the shareholders, guests, and directors to the meeting.

ROLL CALL

Mr. Pappi called roll. All members of the Board of Directors were present except for Marcus Johnson. Mr. Pappi declared a quorum present.

PRIOR MINUTES REVIEWED

Mr. Williams moved that the minutes of the Board of Directors' Meeting held September 21, 2019 be accepted as submitted. Mr. Plumley seconded, and the motion carried unanimously.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, welcomed the shareholders to the meeting. He reported that he and Charles Amian, Operations Manager, attended ARVC's Outdoor Hospitality Conference & Expo in Knoxville, Tennessee last week and expressed appreciation to the Board for the opportunity to attend. He reported on the event, which includes a two-and-a-half day expo as well as three days of seminars. There were three highlights related to PCV worth mentioning. First, we were pleased to see employee Justin Laughlin's award-winning photo displayed as an 8'x14' canvas in the lobby of the conference center. We were also gratified that PCV again ranks in the top three of national large parks in the United States. Finally, we are proud to report that Mr. Amian was voted in as the national organization's Treasurer, which is a position on the ARVC Executive Committee.

On the Resort, road repair will precede the road sealing in December. Saw cutting is scheduled in several locations for November 18; demo is scheduled for November 19; and paving is scheduled for November 20. The sealing is scheduled for December 2 and 3; striping will be completed after the roads are sealed.

The new RV Shop is progressing well. All utilities except electrical have been hooked up and the final grading is occurring now. We are slated to have concrete for the flatwork poured during the second week of December.

EXECUTIVE AND PERSONNEL & COMPENSATION/BENEFITS COMMITTEES REPORT

Mr. Hughes reported that the Committees did not meet yesterday. Mr. Nelson, Chair of the Personnel & Compensation/Benefits Committee reported that PCV's agreement with Jeanne Sousa d/b/a Pismo Coast Investments was renewed for another three years. Ms. Sousa expressed her thanks for the opportunity to continue to serve the Corporation as its broker.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, reported that the Committee met this morning. All Committee members were present except for Mr. Johnson. Messrs. Hughes and Jamison attended as guests. The Finance Committee reviewed the September 2019 financial statements and received explanations for the variances to the budget. The October 2019 financial statements were preliminary in nature and were not reviewed. A presentation was made relative to the physical and financial status of the new RV Shop. In addition, the Committee reviewed the status of other projected capital expenditures. A Motion Out of Committee was made to increase the capital expenditures by \$45,000 to cover the cost of a sweeper; it will be presented during closed session.

OPERATIONS COMMITTEE REPORT

Mr. Enns, Chair, said that the Operations Committee met this morning. All Committee members were present. The Committee discussed its review of the Employee Handbook; since most of the content of the Handbook is required by law, this discussion will not come out of committee, but the Committee will make recommendations on a few items. The Committee also reviewed guest comments received since the September 2019 meeting.

AUDIT COMMITTEE REPORT

Mrs. King, Chair, said that the Audit Committee met yesterday. All Committee members were present. The Committee discussed Mrs. King's meeting with Brown Armstrong regarding the audit work in progress. The Committee conducted a conference call yesterday with Brown Armstrong to discuss the preliminary findings and observations as a result of the field work completed during the week of October 28, 2019. In addition, the Committee discussed the process for engaging Brown Armstrong for the 2020 audit. It is the recommendation of the Committee to authorize the current Audit Committee Chair to sign the letter of engagement for audit services for the coming year during the January Annual Shareholders' Meeting. Lastly, the Committee discussed its 2019 accomplishments and business carryover recommendations for the new Audit Committee formed in 2020.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mr. Skaggs, Chair, reported that the Committee met yesterday morning. With the exception of Mr. Johnson, all Committee members were present. Mr. Amian usually attends but was absent due to his attendance of the ARVC conference ; he provided the Committee with an update by memorandum. Mr. Amian reported that there were no employee, guest, or shareholder injuries since the last Committee meeting ; he also provided an updated List of Advisories and work completed. The Committee interviewed Housekeeping Supervisor Rod Gutierrez, who continues to maintain the restroom facilities at the Resort. The Committee toured the Restroom facilities and the RV Shop facilities, and updated the List of Advisories accordingly.

NOMINATING COMMITTEE REPORT

Mr. Hearne, Chair, reported that the Committee met yesterday afternoon. All Committee members were present. There were no interviews for Board membership, but the Committee did review the active application log. New requests for the Board application packet were noted and one completed application had been turned in. This applicant has been contacted and will be scheduled for an interview in 2020. The carryover items for the newly elected Nominating Committee were reviewed. A Motion Out of Committee was made finalizing the Committee's recommended slate of nominees for the 2020 Board and will be presented during closed session.

SHAREHOLDERS' COMMENTS

Jeanne Sousa thanked Mr. Hughes for his message in the Fall-Winter 2019 Corporate Chronicle. The message clarified the three-share policy and she said that she had heard positive comments about it from several people. Ms. Sousa also asked whether the Resort was closed to everyone except Shareholders on the weekend of the Annual Shareholders' Meeting. Mr. Nunlist commented that this was the case many years ago. She said that General Public reservations have made it impossible for new shareholders to reserve a Site for the Meeting. Mr. Plumley noted that there were spaces available for up to 30' RVs, which excluded shareholders with larger units. Ms. Sousa made the suggestion that we close the Resort to the General Public on the Shareholders' Meeting weekend until Shareholders' have been able to make reservations. Mr. Jamison noted that he was open to discussing this policy if there is a shareholder demand for Sites and that the Board would have to authorize the change.

Mr. Hughes recessed the meeting at 10:35AM, asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:45AM.

OLD BUSINESS

There were no old business items for discussion.

STOCK REPORT

Mr. Pappi reported that he and Mr. Jamison, Assistant Corporate Secretary, had been in communication regarding the stock transfers shown on the Stock Transfers List dated November 9, 2019, and these transfers have met the criteria for changing ownership and have been approved for transfer.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S UPDATE

Mr. Jamison said that Jill Haney and Olivia Smiaroski, the new staff in the Corporate Office, are settling in well and have made some positive changes to the office. He commended them for coming in at a difficult time of year and doing a great job.

Mr. Jamison recommended that we participate in Computershare Trust Company's QuickCert Program, which will make the share transfer process more cost-effective and efficient. Mr. Pappi asked if the savings was substantial enough to be passed on to the shareholders. Mr. Jamison said that the savings was more than offset by staff processing time. Mr. Williams asked if the cost of certificates with errors was borne by the company, and Mr. Jamison replied that it currently is. The QuickCert Program will eliminate this cost. Mr. Williams moved that the company participate in the QuickCert Program, Mr. Buchaklian seconded, and the motion carried unanimously.

Mr. Jamison gave an update on our Trailer Mover Department. Due to a recent inspection, it was determined that we are not in compliance with the CHP's Basic Inspection of Terminals (BIT) program related to commercial drivers. Our drivers are now signed up with the DMV's Pull Notice program and for alcohol/drug testing as part of the Donahue truck leasing company's consortium. Mr. Jamison, Mr. Amian, and our Trailer Mover Department will attend a training next week with a local CHP representative about compliance. We hope to be in full compliance at our follow up inspection in February 2020.

APPROVE CAPITAL EXPENDITURES BUDGET INCREASE

The Finance Committee presented its Motion Out of Committee for the Board's approval for an increase of \$45,000 to the Capital Expenditures Budget for the purchase of a new street sweeper. Mr. Jamison explained that we would like to explore the purchase of an ATV-style vehicle that allows for the installation of a PTO for an angle sweeper that will brush gravel back into the campsite (versus loading and hauling it to the dumpster). This utility vehicle may be used year-round without the PTO. The increase in cost is due to the increased function of this vehicle compared to a typical street sweeper. A vote was taken, and the motion carried unanimously.

REORGANIZATION MEETING PREPARATION

Mr. Hughes reminded everyone to review the draft materials for the Annual Shareholders' Meeting and the Reorganization Meeting materials.

ANNUAL MEETING PREPARATION

The Nominating Committee presented for Board approval its Motion Out of Committee finalizing the Committee's recommended slate of nominees for directors for 2020, and to include the slate as Management's recommendation in the Proxy Statement to be mailed to shareholders in December 2019. A vote was taken, and the motion carried unanimously.

Mr. Williams moved, Mr. Enns seconded, and the Board unanimously approved the following resolution:

RESOLUTION 1237/1219

Resolved that the Board accept the Nominating Committee's recommendation for the slate of nominees for directors for 2020 and to include the slate as Management's recommendation in the proxy statement to be mailed to shareholders. The recommended slate is as follows:

David Bessom
Sam Blank
Harry Buchaklian
Rodney Enns
William Fischer
Wayne Hardesty
Dennis Hearne
Terris Hughes
Marcus Johnson

Karen King
Garry Nelson
Ronald Nunlist
George Pappi, Jr.
Dwight Plumley
Jerry Roberts
Brian Skaggs
Gary Willems
Jack Williams

Mr. Williams moved, Mrs. King seconded, and the Board unanimously approved the following resolution:

RESOLUTION 1238/1220

Resolved that the Company hereby fixes December 2, 2019, as the record date to determine those shareholders entitled to notice of and the right to vote at the Annual Meeting of Shareholders to be held January 18, 2020.

Mr. Williams moved, Mr. Nunlist seconded, and the Board unanimously approved the following resolution:

RESOLUTION 1239/1221

Resolved that the appropriate officers of the Company be, and they hereby are, authorized and directed to take any other action necessary or appropriate to facilitate the Annual Meeting of Shareholders to be held January 18, 2020.

Mr. Williams moved, Mr. Blank seconded, and the Board unanimously approved the following resolution:

RESOLUTION 1240/1222

Resolved that the Form of Proxy Statement, Notice to Shareholders, Shareholder Transmittal Letter and Form of Proxy presented to the Board at this meeting are hereby approved, both as to form and content, and adopted, assuming the Form of Proxy is the same as last year's Form of Proxy with the exception of the proxy holders, and those proxy holders would be the current officers of the Corporation.

Resolved further, that the appropriate officers of the Corporation take any and all action necessary or appropriate to file necessary copies with all cognizant governmental agencies, and to distribute the Proxy materials, once approved by cognizant governmental agencies, to shareholders in anticipation of the Annual Shareholders' Meeting scheduled for January 18, 2020.

Resolved further that the appropriate officers of the Company, upon the advice of legal counsel, are hereby authorized and directed to make any further changes in the foregoing Proxy materials which may be required by any cognizant governmental agency in order to obtain their approval for the distribution of those materials to shareholders.

Mr. Nunlist moved, Mr. Willems seconded, and the Board unanimously approved the following resolution:

RESOLUTION 1241/1183

Resolved that the Board of Directors ratifies the renewal of the contract with Jeanne Sousa for a three-year period beginning January 1, 2020 and ending December 31, 2022, at a lease price of \$500.00 per month for the term of the contract, and with no changes to the remainder of the lease agreement.

CHECK DISBURSEMENT

Mr. Hughes reported that, due to time constraints, he electronically signed four checks to expedite delivery of funds. As required by a resolution, a report must be made to the

Board. He reviewed the checks that he had signed electronically as: \$18,414 to Brad's Overhead Doors; \$20,665 to Chase Card SeNices; \$17,606 to Blue Shield of California; \$19,371 to Blue Shield of California; and \$21,364 to City of Pismo Beach.

DIRECTOR'S YEARLY ROUNDTABLE

Each director was given an opportunity to express his/her desire to serve as an officer, chair of a committee, or committee member next year.

Mr. Hughes reminded everyone that at the Reorganization Meeting in January there will be an onscreen tribute at the beginning of the meeting. Directors should find a seat in the general audience and come to the stage when their names are called for the Roll Call.

There being no further business, the meeting was adjourned at 11:45AM.

The above minutes of the November 9, 2019, Board of Directors' Meeting are correct and accepted as presented.



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