

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 September 19, 2020 by President Terris Hughes at 10:00AM.

PLEDGE OF ALLEGIANCE AND INVOCATION

Mr. Hughes led the Pledge of Allegiance and the invocation.

PRESIDENT'S MESSAGE

Mr. Hughes welcomed the directors to the meeting. Shareholders were not present due to Covid-19 restrictions. Mr. Plumley was thanked for his efforts overseeing the Employee Barbeque, as well as the Directors that volunteered their time for the event. He thanked Mr. Jamison and asked him to extend the Board's appreciation to staff for all their service and efforts at the Resort.

ROLL CALL

Mr. Pappi called roll. All members of the Board of Directors were present with Ms. King, Mr. Nunlist, and Mr. Williams attending virtually. Mr. Pappi declared a quorum present.

PRIOR MINUTES REVIEWED

Mr. Hearne moved that the minutes of the Board Reorganizational Meeting held January 18, 2020, be accepted as submitted. Mr. Johnson seconded, and the motion carried unanimously.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, welcomed the Directors to the meeting. He also thanked Mr. Plumley for leading the Employee Barbeque and all who participated.

He opened his discussion by introducing the new Corporate Executive Assistant, Carol Lyon, and gave a brief overview of her transition into the Corporate office when the Resort reopened after the Covid-19 shutdown. He reported that the Resort continues to operate at full capacity with high occupancy in light of the pandemic. Year over year, the occupancy totals for the month of August was the highest in the Resort's history in 2020. Virtual check-in has been successful with roughly 65% of guests utilizing this option. Reservations' call volume has been extremely high since reopening presenting challenges for the Reservations' staff. Additional workstations are being set up in the Oceanview room to help with influx of calls.

Eco Green completed their project of replacing all Resort light fixtures, pool pumps, and motors which should generate revenue savings in the future. The company made a strong effort to be environmentally conscious with this project.

Mr. Jamison reported that the Sheriff's Department worked together with Union Pacific to have the homeless camp vacated and dismantled near the fence line of C-lot. Concerns with sanitation issues and fire hazards, along with a recent incident involving two RVs sustaining fire damage, prompted the action.

Staff Mandatory Harassment Prevention Training will be conducted in October and November 2020 through Tolman and Wiker Insurance Services.

An update was given on the new RV Shop. Fencing and landscaping are the next phases of the project. Once these phases are finished, all construction will be complete, and we will be able to obtain our Certificate of Occupancy. We are also waiting on Final Certification for Public Improvements which include the street, curbs, gutters, and sidewalks. This will need to be certified to meet the County requirements. Once that is completed, they will sign off on it and release the hold on our credit line.

How to plan and prepare for the 2021 Annual Shareholder's Meeting in the midst of Covid-19 was discussed. Per Joe Look, the Corporate Attorney, we can proceed with a hybrid meeting to include electronic options for the shareholders. The whole process leading up to the meeting will be the same as prior years, but there will be requirements on how we communicate to shareholders, how we are conducting the meeting and how the shareholders can participate.

Mr. Jamison has been in communication with our bank and Glenn Burdette to obtain information and advice regarding the Paycheck Protection Program (PPP) forgiveness. He also communicated with our 401K advisor who stated that in-person meetings are not being held. But he will be sending resources and information via email, and reiterated that participants could contact him by phone with questions or concerns.

EXECUTIVE AND PERSONNEL & COMPENSATION/BENEFITS COMMITTEES REPORT

Mr. Nelson, Chair of the Personnel & Compensation/Benefits Committee, reported that the joint Committee met yesterday afternoon. All Committee members were present, and Mr. Jamison attended as a guest. First order of business was the General Manager's Report given by Mr. Jamison. He presented to the Joint Committee an update of Resort projects and activities, as well as an update on the 401K plan through Merrill Lynch. The Committee discussed the goals of the General Manager for FY2019-2020 and how Covid-19 affected the timing of some of those goals. The goals for FY2020-2021, which included some goals that were rolled over from FY2019-2020, were also discussed. The General Manager's compensation was reviewed, and an increase was approved for FY2020-2021.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, reported that the Committee met this morning. All Committee members were present along with Mr. Jamison who attended as a guest. The Finance Committee reviewed the August 2020 financial statements and Mr. Jamison answered questions regarding certain elements noting that the Balance Sheet remains strong. The details of the proposed FY2020-2021 Operating Budget were reviewed. Mr. Jamison presented the proposed Capital Expenditures for FY2020-2021. A Motion Out of Committee was made to resolve to adopt the FY2020-2021 Operating Budget as it was presented and the FY2020-2021 Capital Expenditures Budget with a limitation of \$200,000 as it was presented.

OPERATIONS COMMITTEE REPORT

Mr. Enns, Chair, reported that the Operations Committee met in April 2020 where the 2021 Shareholder's Manual was presented by Operations Manager, Charles Amian. In May 2020, a vote to approve the 2021 Shareholder Manual was presented and the

Board approved via email. The Committee met this morning, and all Committee members were present. The Committee reviewed the shareholder's reserved sites based on Resort site maps submitted. A few comments had been received from shareholders regarding the challenges of reserving 40' sites. But, since renovations have been completed, 47% of sites are now 40' sites. The Committee determined that there was nothing to advise at this time, but will continue to monitor shareholder reservations.

AUDIT COMMITTEE REPORT

Ms. King, Chair, said that the Audit Committee met on September 10, 2020 via teleconference. All Committee members were present, along with Mr. Hardesty and Mr. Jamison as guests. Mr. Hardesty shared comments regarding the company's financial condition. The Committee also discussed preparation for the upcoming audit by Brown Armstrong. Mr. Jamison shared current capital improvements and plans for the FY2020-2021.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mr. Skaggs, Chair, reported that the Committee met yesterday morning. All Committee members were present. Mr. Amian, the Operations Manager, was present as a guest. He provided the Committee with an update on new incidents regarding health and safety of employees and guests to date. Mr. Amian reported that several employees had injuries to report and have all been resolved. He presented an injury report showing guest injuries since the last Committee meeting, which included a rise in incidents surrounding the Resort's firepits. Considerable discussion was had on a motion presented by the Committee regarding the Resort's rules and regulations surrounding firepit usage by guests. The motion was rescinded, and a recommendation was given to have management contact the Corporate attorney to review the safety rules in place surrounding the Resort's fire rings. Mr. Amian provided a copy of the EHSA Advisory List dated November 9, 2019. The list was reviewed, and each item was discussed. Mr. Amian will prepare a new list removing all completed items. The Committee toured the Storage facilities and the new RV Shop facilities. Weed growth was noted in some of the storage areas that need attention. The Committee ended their meeting by thanking Mr. Amian for setting up the rental van and giving the Committee the on-site tour.

NOMINATING COMMITTEE REPORT

Mr. Willems, Chair, reported that the Committee met yesterday. All Committee members were present. The Committee discussed the goals for 2020. There were two interviews set up in March and May of 2020, but were postponed until 2021 due to Covid-19. There was a review on the present Board members and found that the communication with Committee Chairs was all favorable. New applicants will be reviewed in 2021. There was a discussion on the size of the Board, but there were no determinations to present.

OLD BUSINESS

Mr. Jamison presented the draft of the FY2020/2021 Operating Budget with departmental breakdown, the list of Budget Assumptions, and the proposed 3-year budget plan for 2020-2022. Occupancy numbers were based on 2019 due to impacts of Covid-19 in 2020.

The draft of the FY2020/2021 Capital Expenditures Budget was presented with proposed purchases of roll-over items including a wheeled skid steer loader with bucket,

forks, angle-broom, and pick-up sweeper, a lift for the RV Shop, and surveillance cameras for the Resort. The purchase of a service truck for the RV Shop, and a garbage compactor container was also proposed in the draft.

Based on the Finance Committee's recommendation, Mr. Johnson moved, Mr. Willems seconded, and the Board unanimously approved the following resolution:

RESOLUTION # 1245/1235

Resolved to adopt the Operating Budget for Fiscal Year 2020/2021.

The Finance Committee recommended, Mr. Blanks moved, Mr. Buchaklian seconded, and the Board unanimously approved the following resolution:

RESOLUTION # 1246/1236

Resolved to adopt the Capital Expenditures Budget, which shall not exceed \$200,000, for Fiscal Year 2020/2021.

ADDRESS TO THE BOARD

Mr. Buchaklian addressed the Board regarding a visiting shareholder, Richard Harbart, who he met at the Resort this weekend. Mr. Harbart commented to Mr. Buchaklian regarding the excellent job Mr. Jamison is doing for the Resort and commended Mr. Jamison for his dedication and hard work.

NEW BUSINESS

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 September 19, 2020, and these transfers have met the criteria for changing ownership and have been approved for transfer.

ANNUAL MEETING PREPARATIONS

Director's Annual Meeting forms were presented to the Board for completion for the 2021 Annual Reorganizational Meeting and included the Director's biographical information, the Director's Questionnaire Form, the SEC Form 5 (Declaration of changes in share ownership during the current fiscal year), and the Committee Member Attendance Reports for Committee Chairs.

CHECK DISBURSEMENT

Mr. Hughes reported that he co-signed twenty-one checks ranging from \$15,000 to \$113,000 going to County of San Luis Obispo for our tax burden, for concrete work, and for work at the RV Shop.

There being no further business, the meeting was adjourned at 11:17AM.

The above minutes of the September 19, 2020, Board of Directors' Meeting are correct and accepted as presented.



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