

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 July 17, 2021, by President Garry Nelson at 10:01 AM.

PLEDGE OF ALLEGIANCE AND INVOCATION

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

PRESIDENT'S MESSAGE

Mr. Nelson welcomed the Directors and the shareholders to the meeting. He conveyed how much the shareholders had been missed over the past year due to social distancing restrictions that had been in place due to Covid-19, and was happy to see their participation in the meeting once again.

Mr. Nelson expressed his appreciation to Mr. Jamison and staff for the tremendous job that they did maintaining the Resort throughout the pandemic.

ROLL CALL

Mr. Skaggs called roll. All members of the Board of Directors were present either in person or via phone/video conferencing. Mr. Skaggs declared a quorum.

PRIOR MINUTES REVIEWED

Mr. Williams moved that the minutes of the Board of Directors' Meeting held May 15, 2021, be accepted as submitted. Mr. Enns seconded, and the motion carried unanimously.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, thanked the shareholders for attending the meeting. He began his Manager's Report by giving a brief overview of the direct impacts to the Resort operations during the Covid-19 pandemic over the past fifteen months. He expressed his appreciation to the staff for all of their work during the Resort closure, and helping to complete many projects including graveling over 200 campsites. Reservations was faced with the challenge of cancelling over 4,000 reservations while being half-staffed at the time of closure, and again with the influx of reservations being made at reopening. The Resort continues to experience staff shortages as the competition to acquire skilled workers increases in the tourism industry. Help-wanted ads continue to run for Reservations, General Store, Maintenance and Housekeeping. The Resort continues to be vigilant with staff in regards to following current Covid-19 requirements. All Resort employees have signed a form stating the status of their vaccination. Those who are vaccinated are not required to wear masks at this time, and those who are not vaccinated are required to wear masks in all park facilities and departments.

Mr. Jamison also discussed recent staff changes. He congratulated Accounting/HR Manager, Kitty Karstetter, on her retirement from PCV on 7/15/21 after being with the Company for 23 years. She was a wonderful employee and trusted confidant working

with the staff. She will be greatly missed. Larry Boyle and Tommy Sanders also retired earlier in the year. Mr. Jamison welcomed new Accounting Manager, Brandi Collins, who took over for Ms. Karstetter. Ms. Collins is doing a great job, and feedback from staff and her department has been very positive. For the benefit of shareholders, he also introduced Carol Lyon, Executive Assistant, who came onboard in June 2020. She oversees all shareholder requests and transfers, and provides support to the Corporate office and the Board.

Mr. Jamison gave an overview of occupancy trends for the current fiscal year. Out of the past twelve months, eight months have been record occupancy for the Company dating back to the 1980s. With the past year being an anomaly with higher than normal tourism trends due to the pandemic, it is anticipated that camper nights will reach 126,000 by fiscal year end 9/30/2021. Occupancy numbers for August 2021 are shifting towards a more typical trend compared to August 2020 due to schools reopening. A normal cycle of occupancy for the coming year is expected.

Mr. Jamison spoke of the opportunity he had to attend a reception 6/23 involving lodging industry individuals with properties on the coast to meet the new Commissioner of the Coastal Commission, Meagan Harmon. After speaking with Ms. Harmon regarding the needs of the Resort, she was invited to visit PCV and discuss the Coastal Commission challenges that PCV faces. She was receptive to the items that Mr. Jamison presented, but has not formally set a date to walk PCV property.

When the Land Conservancy of San Luis Obispo opened the 900-acre Pismo Preserve, PCV gave a substantial donation to help fund improvements and ongoing maintenance. A bench was installed as acknowledgment of the donation on the south side of the preserve at Lone Oak. There is now a plaque on the bench indicating the PCV donation.

EXECUTIVE AND PERSONNEL & COMPENSATION/BENEFITS COMMITTEE REPORT

Mr. Skaggs, VP Secretary, reported that there was a joint meeting held Friday, July 16, with the Executive Committee. All Committee members were present, along with CEO/General Manager, Jay Jamison. Mr. Jamison introduced the new Accounting Manager, Brandi Collins, to the Committee, and presented the General Manager's report. Mr. Jamison also provided an update on the 401(k) Plan. There was a discussion on PCV issues, and recommendations were given by the Committee. Old and new business was discussed. The meeting was adjourned at 4:30 PM.

FINANCE COMMITTEE REPORT

Mr. Roberts, Chair, reported that the Committee met this morning, July 17. All Committee members were present. Mr. Jamison and Mr. Skaggs attended as guests. Mr. Roberts reported the Committee reviewed the financial statements for May and June 2021, and updated the status of the capital projects. The Committee continued their review of the Fiscal Year 2022 budget. There was no new business. The meeting adjourned at 9:40 AM.

OPERATIONS COMMITTEE REPORT

Mr. Enns, Chair, reported that the Committee met this morning, July 17. All Committee members were present. The Committee Reviewed RV specifications allowed in the park as well as the onsite RV wash rules. Possible options for future electrical vehicle charging in the Resort was also discussed. There is one Motion Out of Committee that will be presented during Closed Session. The meeting adjourned at 9:30 AM.

AUDIT COMMITTEE REPORT

Mrs. King, Chair, reported the Committee met Friday, July 16. All Committee members were present. Brandi Collins, Accounting Manager, was present as a guest. The committee received an update from Ms. Collins, on work transition, business observations and improvement opportunities. She expressed that her onboarding was going well, and makes process recommendations as necessary. A long-term goal for Ms. Collins is learning more about the reservations process and its impacts on accounting practices. The committee recommends meeting again with Ms. Collins through 2021 to continue the discussion of onboarding, observations made and potential new work as needed. The meeting adjourned at 12:10 PM.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mr. Skaggs, Chair, reported that the Committee met Friday, July 16. All Committee members were present. Charles Amian, Operations Manager, was present. Mr. Amian provided a handout of the Guest Injury Report. He discussed employee incidents which included one employee who sustained an injury in June when the new RV shop sliding gate was released and struck her. The other incidents involved a Maintenance employee who scraped his head on a 2x4 while cleaning a site, and a General Store employee who injured her neck after falling on the concrete steps. Rod Gutierrez, Housekeeping Supervisor, was interviewed regarding his input on existing housekeeping operations. Mr. Gutierrez stated that he was very happy working at PCV. Current maintenance repairs are going well. Mr. Amian stated that PCV will begin the process of updating the dated restrooms. Mr. Amian provided a copy of the EH&SA Advisory List dated 7/14/2021. Completed items were reviewed and checked off. Additional advisories for the restrooms were added to the Advisory List. The RV store #1 was also reviewed. Providing emergency backup powered lighting inside the facility was also added as one additional advisory. Special thanks to Mr. Amian for providing the golf carts for the field review. The meeting adjourned at 11:20 AM.

NOMINATING COMMITTEE REPORT

Mr. Willems, Chair, reported that the Committee met Friday, July 16. All Committee members were present. The Committee reviewed good standing applicants as well as the Board application and the existing process. There were no changes made. The Committee will be touching base with all Board members to question their desire to be on the 2022 ballot. The meeting adjourned at 1:30 PM.

SHAREHOLDERS' COMMENTS

Steven Jackson inquired as to the status of the new RV shop and whether it was fully open and operational. Mr. Jamison indicated that retail operations and RV washes continue onsite at the 180 S. Dolliver St. location, but the majority of unit repairs are being completed in the new RV shop.

Jacquie Dial inquired as to whether there were detailed Board Committee reports that were available to shareholders that would provide more information on issues discussed. She requested that the information be posted on the Company's website. She also asked if the maximum three-share rule was still in effect, and if that was being changed to two shares. Per Mr. Jamison, there have been no changes made to the amount of shares a shareholder can hold since being amended per the PCV Amended & Restated Bylaws and Articles of Incorporation dated June 14, 2002 in section 7.5.

Dee Miller followed up on Ms. Dial's comments by stating that she would like the Company to provide shareholders with a link to submit comments and feedback before the Board makes decisions on issues or changes other than the ones that require resolutions.

Jim Gustafson inquired as to how the shareholders are informed as to the subjects that the Board Committees are discussing.

Terry Dailey asked about the Company removing half of the sites from the Resort, and building a hotel onsite. Per Mr. Jamison, this has never been a consideration for the Company.

Mr. Nelson recessed the meeting at 11:00 AM, asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 11:15 AM.

OLD BUSINESS

Per Mr. Nelson, after reviewing the recommendations from the Resort's legal counsel, a decision has been made not to take action on the Motion Out of Committee from the Executive Committee to increase the buy back shares from 30 to 50 shares for the Company. At this time, the Company still has the option to purchase five more shares.

NEW BUSINESS

STOCK REPORT

Mr. Skaggs reported that he and Mr. Jamison, Assistant Corporate Secretary, had been in communication regarding the stock transfers shown on the Stock Transfers List dated July 17, 2021, and these transfers have met the criteria for changing ownership and have been approved for transfer.

BUDGET DRAFTS

Mr. Roberts, Finance Committee Chair, and Mr. Jamison presented the second drafts of the Operating Budget and Capital Expenditures Budget for Fiscal Year 2021/2022. Discussion ensued regarding the proposed budgets. Mr. Jamison asked that he be contacted with questions or concerns about the drafts. The final drafts of the budgets will be presented to the Board for approval at the September meeting.

A brief discussion ensued regarding the needed upgrades for two of the Resort's restrooms which include cosmetic and ventilation changes as well as possible upgrades to the Resort's entrance sign. Also discussed was the current status of potential storage property.

NOMINATING COMMITTEE REPORT

Mr. Willems, Chair, reported that the Nominating Committee would be meeting in September. He requested that directors considering not running for reelection notify the Committee, so a candidate could be selected to fill the slate for the election at the January Annual Shareholders' Meeting.

OPERATIONS COMMITTEE REPORT

The Operations Committee presented for Board approval its Motion Out of Committee to change verbiage in the 2023 Shareholder Information Manual to clarify specifications for RVs allowed in the Resort. The Committee asked that the verbiage "National Fire Protection Agency NFPA 1192, 1194, and California Code of Regulations Title 25, Subchapter 2" under the first paragraph of Occupancy, be removed and replaced with "National Electrical Code 551-552." Per Mr. Enns, Chair, the NFPA 1192, 1194 and Title 25 applies to recreational parks and not to RV units directly. A vote was taken, and the motion carried unanimously.

Mr. Enns discussed onsite RV washing rules and vendor issues that supply this service. The decision was made not to make changes to the existing rules and regulations regarding onsite RV washing. It will be at the Company's discretion to handle situations with individual vendors as issues arise.

Mr. Enns also stated that while electrical vehicle charging will eventually become more popular and access to charging options more of a demand, further research needs to be completed by the Company regarding types of technology that would assist the Resort in the future with possibly supplying electric vehicle charging options to guests. Further discussions will be needed to address this subject.

BOARD APPRECIATION DINNER AND EMPLOYEE BARBECUE LUNCH

Mr. Nelson reminded the Board that the Annual Board Appreciation Dinner would be held at the Madonna Inn on September 18, 2021. In addition, an Employee Appreciation Barbecue will be held in the Maintenance yard on Friday, September 17, 2021. Mr. Nelson asked Mr. Plumley to be the organizer for the director volunteers for that event.

There being no further business, the meeting was adjourned at 12:05 PM.

The above minutes of the July 17, 2021, Board of Directors' Meeting are correct and accepted as presented.

Brian J. Skaggs

Brian J. Skaggs, V. P. – Secretary