RESOLUTION NO. 05- 18

A RESOLUTION TO AUTHORIZE THE CITY MANAGER OF THE CITY OF MARCO ISLAND TO EXECUTE AN AMENDMENT TO THE CITY OF MARCO ISLAND 401(A) RETIREMENT PLAN ADMINISTERED BY THE VARIABLE ANNUITY LIFE INSURANCE COMPANY.

WHEREAS, the City of Marco Island has established a 401(a) Retirement Plan (the "Plan") for the benefit of it's employees; and

WHEREAS, The Internal Revenue Service has provided guidance to clarify previous legislation enacted by the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") mandating a plan amendment to the mandatory cash-out provisions in the Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council of Marco Island, Florida, in Council duly assembled, that the City Manager is authorized to execute an amendment to the 401(a) Retirement Plan administered by the Variable Annuity Life Insurance Company to eliminate the mandatory distribution provision of the Plan.

Passed in open and regular session of the City Council of the City of Marco Island, Florida, this 7th day of March 2005.

ATTEST:

Laura Litzan, City Clerk

CITY OF MARCO ISLAND, FLORIDA

Terri DiSciullo, Chairwoman

Approved as to Form:

Richard D. Yovanovich, City Attorney

Resolutions:VALIC2AmendMarch2005