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IN THE CIRCUIT COURT OF PULASKI COUNTY, ARKANSAS

LT. GLENN SLIGH, et al. PLAINTIFFS,  
vs. No. 60CV-2012-344  
ARKANSAS STATE POLICE RETIREMENT DEFENDANTS.  
SYSTEM, et al.

ORAL DEPOSITION OF GAIL STONE  
TAKEN MONDAY, MAY 13, 2013

A P P E A R A N C E S :

ON BEHALF OF THE PLAINTIFFS:

C. BURT NEWELL, ESQ.  
Bachelor & Newell  
211 Hobson Avenue Post Office Box 1620  
Hot Springs, Arkansas 71902-1620

ON BEHALF OF THE DEFENDANTS:

PATRICIA VAN AUSDALL BELL, ESQ.  
Assistant Attorney General  
323 Center Street, Suite 1100  
Little Rock, Arkansas 72201

ALSO PRESENT: JAY WILLS, ESQ., on behalf of APERS

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1 A Okay.

2 Q I'm saying the state contributions that are referred to in  
3 section b are still referring to General Treasury Funds?

4 A Right as --

5 Q Okay.

6 A -- as identified in their appropriation.

7 Q Thank you.

8 And then -- but then in subsection c, the monthly  
9 retirement benefits that are mentioned in subsection c, that --  
10 those funds are actually payable from the system itself. Those  
11 are not -- that's -- that's funds that have already been  
12 credited to the trust fund, correct?

13 Because all retirement benefits are paid from the trust  
14 fund?

15 A Correct. So, in -- in larger terms, paragraph a and  
16 paragraph b talk about in -- in go.

17 Q There you go.

18 A And paragraph c talks about out go.

19 Q Now, see, you just had to get it down on my level.

20 MS. BELL: In go and out go.

21 MR. NEWELL: Thank you.

22 BY MR. NEWELL:

23 Q All right. Because all funds that troopers receive in  
24 retirement, whether DROP or otherwise, come from the trust  
25 fund?

1 A Yeah. That is the funnel.

2 Q Right.

3 A That is the mechanism. The revenues of whatever source,  
4 be they statutory contributions or revenues from insurance  
5 premium tax, title fees, court fees, and special appropriations  
6 when there is just not enough money, ultimately end up in the  
7 State Police Retirement System for benefit of the -- of the  
8 members and beneficiaries.

9 Q And once -- and as Mr. Weiss and I were discussing, once  
10 the money is in there, from whatever source, whether it's  
11 license fees or the 22 percent, whatever, once it's in there,  
12 it stays in there, in the trust fund for accounting purposes?

13 A For accounting purposes, yes. As everybody knows, even if  
14 they didn't go to law school, like myself, that a trust is held  
15 in -- in specific benefit -- for a specific benefit of, in this  
16 case members and beneficiaries, but until it is actually paid  
17 to that member or beneficiary, it is part of the treasury.  
18 Now, we have to be part of the state wide CAFR every year, I  
19 have to report all these numbers to DF&A who then puts it in  
20 the larger state annual report.

21 Q Right. But in the annual state report, those same dollars  
22 that you reported are earmarked as part of a trust fund?

23 A Right.

24 Q They are not part of state general?

25 A That's correct. So it cannot be diverted for --

## 1 CERTIFICATE

2  
3 STATE OF ARKANSAS )4 COUNTY OF PULASKI )  
5

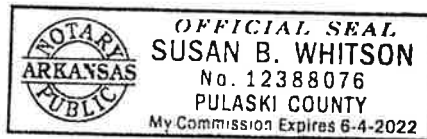
6 I, SUSAN B. WHITSON, Certified Court Reporter and  
7 notary public in and for the aforesaid county and state, do  
8 hereby certify that the witness, Gail Stone, was duly sworn by  
9 me prior to the taking of testimony as to the truth of the  
10 matters attested to and contained therein; that the testimony  
11 of said witness was taken by me in Stenotype and was thereafter  
12 reduced to typewritten form by me or under my direction and  
13 supervision; that the foregoing transcript is a true and  
14 accurate record of the testimony given, to the best of my  
15 understanding and ability.

16 IN ACCORDANCE with Rule 30(e) of the Rules of Civil  
17 Procedure, review of the transcript was not requested by the  
18 deponent or any party thereto.

19 I FURTHER CERTIFY that I am neither counsel for,  
20 related to, nor employed by any of the parties to the action in  
21 which this proceeding was taken; and further, that I am not a  
22 relative or employee of any attorney or counsel employed by the  
23 parties hereto, nor financially interested, or otherwise, in  
24 the outcome of this action; and that I have no contract with  
25 the parties, attorneys, or persons with an interest in the

1 action that affect or has a substantial tendency to affect  
 2 impartiality, that requires me to relinquish control of an  
 3 original deposition transcript or copies of the transcript  
 4 before it is certified and delivered to the custodial attorney,  
 5 or that requires me to provide any service not made available  
 6 to all parties to the action.

7 SIGNED AND SWORN this 24<sup>th</sup> day of  
 8 May 2013.



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 12 Susan B. Whitson

13 SUSAN B. WHITSON, CCR, LSC#158

14 NOTARY COMMISSION #12388076

15 NOTARY PUBLIC IN AND FOR

16 PULASKI COUNTY, ARKANSAS

17  
 18 My Commission Expires: June 4, 2022.

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