

ORDINANCE NO. 2025-10

AN ORDINANCE TO AMEND ORDINANCE NO. 06-08, SECTIONS B, K AND M, TO COMPLY WITH ACT 371 OF 2025; TO CLARIFY THE DISTRIBUTION AND USE OF DISTRICT COURT COSTS; AND DECLARING AN EMERGENCY; AND FOR OTHER PURPOSES.

WHEREAS, the City of Malvern receives revenues generated through uniform court costs and filing fees collected by the Malvern District Court, which are used to support the administration of justice within the city; and

WHEREAS, Act 371 of 2025 amended Arkansas Code §16-10-307, 16-10-308, 16-10-602, 16-10-603, and 16-10-604, requiring cities to remit fifty percent (50%) of uniform court costs and filing fees to the State Administration of Justice Fund, while retaining the remaining fifty percent (50%) locally for administration of justice expenses; and

WHEREAS, the City of Malvern and Hot Spring County will enter into an interlocal agreement to share the locally retained portion of said costs and fees in recognition of the City's support and housing of the District Court; and

WHEREAS, it is necessary to amend the City's original Ordinance No. 06-08 to align with Act 371 of 2025, clarify the purpose and use of the District Court Fund, and confirm the required reporting and appropriation processes;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MALVERN, ARKANSAS:

SECTION 1. DISTRICT COURT COST FUND

District Court Cost Fund of Ordinance No. 06-08 (B) is amended to read as follows:

(a) Revenue Sources

The District Court Cost Fund shall receive:

1. The portion of uniform court costs and filing fees certified for local retention under Ark. Code Ann. § 16-10-308; and
2. Any interest earned on the fund.

(b) Authorized Expenditures

Shall be appropriated annually by the City Council and used to support the administration of justice, including operating and facility costs of the District Court, courtroom furnishings and equipment, personnel support or cost-sharing arrangements, and any other purpose authorized under Ark. Code Ann. § 16-10-308 or other applicable law.

SECTION 2. DISTRICT COURT AUTOMATION FUND

District Court Automation of Ordinance No. 06-08 (K) is amended to read as follows:

(a) Revenue Sources

Money is received under the guidelines of Arkansas Code Annotated § 16-13-704 from fees collected by the District Court.

(b) Authorized Expenditures

Disbursements shall be made under the restrictions of Ark. Code Ann. § 16-13-704 and Act 371 of 2025 for court-related technology and court security-related expenditures.

(c) Installment Fee Limitations

For cases filed on or after January 1, 2026, installment fees shall be subject to the caps and reduced amounts prescribed under Act 371 of 2025.

SECTION 3. ADMINISTRATION OF JUSTICE FUND

Administration of Justice Fund of Ordinance No. 06-08 (M) is amended to read as follows:

(a) Collection and Initial Deposit

All uniform court costs and filing fees collected by the District Court shall be deposited into the City-held Administration of Justice Fund.

(b) State Remittance Requirement

Each month, the City shall remit 50% of these revenues to the Arkansas Department of Finance and Administration (DFA) for deposit into the State Administration of Justice Fund. This payment replaces the City's and County's prior direct contributions toward district judge and clerk salaries and retirement.

(c) Annual Certification

DFA shall certify annually, on or before October 1, the maximum amount the City may retain (50%).

(d) Local Retention and Allocation

After remitting fifty percent (50%) of uniform court costs and filing fees to the Arkansas Department of Finance and Administration (DFA) for deposit into the State Administration of Justice Fund under subsection (b), the remaining fifty percent (50%) shall be divided between the City of Malvern and Hot Spring County according to the percentage allocation established in a written interlocal agreement approved by both governing bodies, which may be amended annually. The City's share under this agreement shall be appropriated and distributed as provided in subsection (e).

(e) Annual Appropriation and Distribution

In accordance with Arkansas Code Annotated §16-10-604(b), the City Council shall annually appropriate the retained revenues to:

1. District Court Cost Fund;
2. District Court Automation Fund;
3. Police Pension Fund;
4. Judge and Clerk Retirement Fund;
5. Intoximeter Fund;
6. General Fund; and
7. Any other eligible city programs as established by law.

The City shall make monthly distributions to each program in accordance with its annual appropriation, which may be in amounts as low as one dollar (\$1.00) per month for funds with minimal or no current expenditure needs.

SECTION 4. REPEALER CLAUSE

All ordinances and parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 5. SEVERABILITY CLAUSE

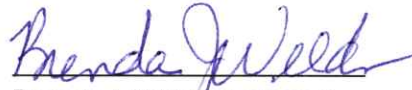
Each of the provisions of this ordinance are severable. If any provision shall be declared invalid by a court of law, the remaining provisions shall not be affected but shall remain in full force and effect.

SECTION 6. EMERGENCY CLAUSE

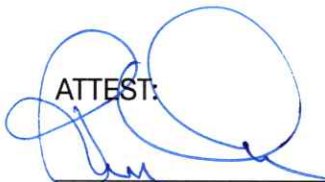
It is hereby found and declared that Act 371 of 2025 became effective with revenues collected beginning in August 2025, and that immediate compliance is necessary to ensure proper remittance and retention of district court revenues in accordance therewith, being necessary for the preservation of the public peace, health, safety, and welfare, an emergency is hereby declared, and this Ordinance shall be in full force and effect from and after its passage.

PASSED AND APPROVED this_11th_ day of August_2025.

APPROVED:


Brenda J. Weldon, Mayor

ATTEST:



Kim Taber, Clerk/Treasurer

