

# **First Judicial District of Pennsylvania**

## **Court of Common Pleas of Philadelphia County**

### **Orphans' Court Division**



***2011 Year End Report***

Honorable Joseph D. O'Keefe  
Administrative Judge  
Orphans' Court Division

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## **First Judicial District – Orphans’ Court Division**

2011

### *A Year in Review*

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Over the last year, the Orphans’ Court Division of the First Judicial District has worked hard to serve those who seek redress in our courtrooms. Judge John W. Herron and Judge Matthew D. Carrafiello, along with all of our staff, share in the sense of pride with which we view our work and responsibilities. I am pleased to provide an update of some of the developments we have been working on over the last year, and what we are looking forward to accomplishing in the future.

As stated in Title 20 of the Pennsylvania Consolidated Statutes, the Orphans’ Court Division exercises jurisdiction over decedent’s estates, inter vivos and testamentary trusts, the estates of minors and incapacitated persons, fiduciaries, and nonprofit corporations.<sup>1</sup> With a growing population in the City of Philadelphia for the first time in fifty years, we are prepared to face extra pressures and increased need in our community. After years of population decline since the 1950s, our city has once again started gaining new residents. This positive growth has been attributed to the migration of “empty-nesters” from surrounding suburbs into the

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<sup>1</sup> 20 Pa. C.S. § 711.

urban Center City, and to a marked increase in Asian and Hispanic populations. The most recent total indicates a population in Philadelphia of over 1.5 million residents.

The Commonwealth of Pennsylvania continues to have one of the oldest populations and this is certainly reflected in Philadelphia. Members of the baby boomer generation have started aging into senior citizens, and Philadelphia is experiencing this shift. With a constantly aging population in Philadelphia, we take our work in elder care cases very seriously, carefully monitoring the management of estates and overseeing those fiduciaries whose job is it to protect our seniors who need extra help.

One of the important methods that the Orphans' Court relies on to provide oversight into the quality of administration provided by fiduciaries appointed by the Court is the use of Annual Reports. These Reports are mandated by Title 20 of the Pennsylvania Consolidated Statutes, and must be filed a least once within the first 12 months of an appointment and at least annually thereafter.<sup>2</sup> A guardian of the estate of an incapacitated person must list current amounts of principal and income, and how money has been used during the last 12 months. They must also describe the current needs of the incapacitated person and how their situation may have changed since they were adjudicated. A guardian of the person must inform the Court where their ward resides, what their living arrangements are, and what medical or psychological problems they may be experiencing. They must also offer their opinion as to whether the guardianship should continue, and list how often they have visited their ward in the last year.

Understanding that in many cases guardians may be appointed who are not attorneys and who may be unfamiliar with how and what they need to file in order to be compliant, the Orphans' Court maintains a Guardian's Manual and multiple

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<sup>2</sup> 20 Pa. C.S. § 5521(c)(1).

forms on our website, which certainly makes it easier for guardians to understand and perform their duties.

Over the last few years, the Orphans' Court, together with the First Judicial District's data processing staff, have designed and implemented strategies for ensuring compliance with filing Annual Reports. Our electronic filing system, BANNER Case Management System, has been programmed to locate non-compliant guardians. Once the system determines that Annual Reports have yet to be filed in a given case, our system will automatically generate letters that are sent directly to the guardians, requesting that they file the appropriate reports. If, in response to the letters, the guardian continues to fail to file, the case is brought to the attention of the Judge assigned to the case, who may schedule a hearing on the matter.

Our efforts to ensure continued accountability on the part of guardians have paid off. In 2011, 615 Annual Reports were filed by guardians and reviewed by judicial staff. This is a 28.5% increase in this type of filing from reports filed in 2010, and is a notable achievement. Since this functionality was implemented in September of 2010, 283 letters have been sent out, and this approach has been very successful.

The Orphans' Court continues to maintain and provide public access to the court system as this is an essential goal of the judicial system. Since our Electronic Filing System became operational on January 1, 2005, 13,797 attorneys have been assigned a username and password, enabling them to access our online system. Also since that time, 9,751 pro se parties have been assigned usernames and passwords. Once granted access to our system, parties to a case and their attorneys are able to view and file pleadings in their case.

To assist users of the Orphans' Court E-Filing system, a training video and user manual are available online at the Court's website, which is

<http://courts.phila.gov>. Our website contains forms and guidelines that we believe are quite helpful to those who practice in Orphans' Court. We continually update and maintain our website to keep the public informed about the Court.

We are always pursuing new avenues to improve our systems, leading to greater efficiency and accessibility. During this last year we have been working on functionality which will allow electronic service of notices of legal papers subsequent to an initial pleading on all parties through our filing system. Parties entitled to notice will receive it immediately by electronic means, rather than having to wait to receive it through the mail. We are looking forward to this capability becoming active in the very near future, as it is currently being employed by the Civil Trial Division.

Also with a view towards increasing our efficiency, we have been working on a way to grant access to all Minor's Compromises and Wrongful Death and Survival Action Settlement Petitions, filed through the Orphans' Court, to the Pennsylvania Department of Public Welfare. The Department must review each Petition, evaluating each for the possible existence of any claims or liens. Thus far, review through the Orphans' Court has been performed strictly in hard copy, and we are looking forward to the prospect of electronic review, which would speed up our ability to review motions ripe for disposition.

Finally, revenue generated from filing fees during the 2011 calendar year indicates that we have a very robust and busy Orphans' Court practice in Philadelphia. In 2011 alone the Clerk's Office processed \$377,466.40 in fees. The vast majority of payments were made with a credit card, through our electronic filing system. These funds are distributed to the General Fund of the City of Philadelphia, Jenkins Law Library, the Family Court Facility Fund, and to a fund which supports the Orphans' Court electronic filing system operations. Additionally,

through the combined efforts of the Orphans' Court and the Pennsylvania Department of Revenue, the amount of funds collected in inheritance tax in 2011 totaled \$18,793,315.00. This is a 36% percent increase from inheritance tax collected last year, and is a remarkable achievement, given that this money directly benefits the state. We are pleased to help make such contributions to the City of Philadelphia and the Commonwealth of Pennsylvania, and we will continue to expend efforts to improve the means by which we serve our community.

**The Orphans' Court Division processed the following during calendar year 2011:**

<b>Type of Filing</b>	<b>Carry-Over from 2010</b>	<b>New Filings in 2011</b>	<b>Total Disposed of in CY 2011</b>	<b>Total Open Matters as of 01-Jan-2012</b>
Accounts (for all case types)	161	139	201	99
Exceptions to Adjudications	3	13	8	8
Schedule of Distribution	4	23	24	3
Appeal from Register of Wills	4	15	7	12
Petitions to Appoint Guardians:				
Incapacitated Persons	79	382	414	47
Minors	10	70	75	5
Annual Reports, Guardian's Inventories and Final Reports	0	1200	1200	0
Minors' Compromises				
Orphans' Court	62	434	453	43
Civil Division	44	714	690	68
Wrongful Death and Survival Action Compromises				
Orphans' Court	8	34	41	1
Civil Division	56	221	238	39
Petitions for Allowances: Minors & Incapacitated Persons	38	328	325	41
Scheduling Orders*	0	3921	3921	0
Inheritance Tax Matters	32	132	146	18
Citations	0	807	807	0
Petitions to Buy/Sell Real Estate	13	94	87	20
Corporate Fiduciaries	1	43	42	2
"Other" Petitions†	301	1753	1803	251
Re-Exam of Trust Assets Ordered	0	47	47	0
Report of Exams & Termination of Trust Assets	0	3	3	0
Marriage License Matters	0	120	120	0
Report of Cemetery Assets	0	912	912	0
Miscellaneous Matters‡	0	1283	1283	0
<b>TOTAL</b>	<b>816</b>	<b>12688</b>	<b>12847</b>	<b>657</b>

\* Scheduling Orders are Orders scheduling hearings and conferences.

† "Other Petitions" include Petitions for the Grant of Letters After 21 Years, Petitions for Default and Petitions filed on behalf of Nonprofit Corporations, i.e., Petitions to Approve the Sale of Assets.

‡ "Miscellaneous Matters" include Forms for Exemplifying Records and Wills, and Examinations of Safety Deposit Boxes.

### Total Inheritance Tax Collections

<b>Fiscal Year</b>	<b>Collection Amount</b>
2004	\$12,423,553
2005	\$12,848,922
2006	\$16,589,003
2007	\$15,280,423
2008	\$14,839,155
2009	\$10,819,995
2010	\$11,882,749
<b>2011</b>	<b>\$18,793,315</b>

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