

The Chief: A voice for workers

Police Pension Fund inflated benefits for top Adams-era cops, report finds

Fund rejects some of investigators' recommendations

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The results of two new investigations released this week by New York City's Department of Investigation expose weaknesses and malfeasance in the administration of the Police Pension Fund, finding that the absence of proper procedures and oversight allowed some NYPD officials to receive pension benefits that DOI found they were not entitled to.

The reports, released Sept. 15 and 17, examined two different parts of the pension system: accident-disability benefits for officers injured on the job and special designations that allow some NYPD officials to retain Police Pension Fund membership after moving into City leadership positions.

The investigations found that the pension system lacked clear written procedures, consistent record-keeping and oversight. DOI Commissioner Nadia Shihata ultimately found that the Fund, with its almost \$1 billion in accident-disability benefits, had few safeguards to protect against its misuse.

"As this Report makes clear, the current manner in which accident disability pension benefits are administered creates risks for improper payments," Shihata wrote in the report.

'Risks for improper payments'

The Sept. 17 report examined the use of Section 821 of the City Charter during former Mayor Eric Adams' administration, a provision that allows certain NYPD members to retain their pension rights when they move from competitive-class positions into city leadership jobs.

During the Adams administration, NYPD commissioners issued nine Section 821 designations, including for former Police Commissioner Edward Caban, former Probation Commissioner Juanita Holmes, former Deputy Mayor for Public Safety Kaz Daughtry and former Department of Correction and Department of Citywide Administrative Services Commissioner Louis Molina.

Daughtry, who became Adams' deputy mayor for public safety, agreed that his City Hall salary would not count toward his future NYPD pension. But the pension fund included his higher exempt salary when calculating his benefit, resulting in an annual pension of \$153,199.25, compared with an estimated \$100,505.19 for his original benefit, and increase of more than \$50,000 per year.

Molina's case was particularly significant, as DOI concluded he was not eligible for a Section 821 designation when he became NYPD's director of internal affairs in 2023 because he had retired from his competitive-class position more than a decade earlier. Nevertheless, the pension fund re-enrolled him, increasing his annual pension from \$49,739.73 to \$71,691.32.

In the report, Shihata said that well-defined rules "were absent in the prior mayoral administration's issuance of § 821 designations involving several high-ranking NYPD personnel. As a result, NYPD officials were treated inconsistently and some received a higher pension than they would otherwise have been eligible for, with taxpayers footing the bill."

DOI recommended that the fund recalculate the pensions of Whyte, James and Molina.

The NYPD deferred questions about the new reports to the Police Pension Fund, which did not respond to a request for comment. The Police Benevolent Association did not respond to a request for comment.

Lack of clear written rules

The Sept. 15 report focused on accident-disability pensions, which are available to officers who get injured and can't work because of line-of-duty injuries.

The Police Pension Fund paid about \$935 million in accident-disability benefits in fiscal year 2025. More than \$100 million went to officers who had not met the age or service requirements for a regular retirement pension.

DOI found that the fund's Medical Board uses a broad definition of an officer's job when deciding whether an injury prevents someone from working. Rather

than evaluating an officer based on the duties they actually performed, the board uses the “essential functions of a police officer” as its standard.

In other words, the investigation found that some NYPD officers were receiving benefits as if they were police officers in the field, even if they worked administrative desk jobs.

The report cited former Chief of Department John Chell, who retired at the end of 2025 after an ankle injury and was reported to be receiving an accident-disability pension of \$295,919.64 a year. DOI said Chell was evaluated against the “essential functions of a police officer” rather than the duties he performed as chief.

In both investigations, DOI identified the lack of written rules as a central, lingering problem.

“The PPF’s current administration of these benefits is vulnerable to misuse and does not employ standards consistent with those used in similar law enforcement retirement systems,” Shihata wrote.

For Section 821, the agency recommended written procedures covering eligibility, documentation and communication between the NYPD and pension fund. The NYPD and DCAS accepted all of DOI’s recommendations.

For accident-disability pensions, DOI recommended evaluating officers based on their actual duties, establishing re-examination rules and requiring periodic disability certifications. The fund rejected those recommendations but agreed to create a process for disability-related information and consider medical exams for four officers.