

inflation and their post-retirement standards of living thus would be protected from any *further* erosion. (Fn. omitted). Without question, charter amendment H defeats this expectation. Moreover, the modification embodied in charter amendment H is *not* consistent with existing state law and this cannot be viewed as working no substantial impairment of plaintiffs' reasonable expectations." (Cit. omitted).²²

Here, since the inception of the retiree medical premium subsidy in 1975 the subsidy has been regularly adjusted to account for inflation, either through the mechanism of linking it to the amount of health care subsidy provided to active employees or, since 2006, through the current means of annual adjustment by the LAFPP Board subject to limits provided for in the Administrative Code. As a result, like the plaintiffs in the *United Firefighters* case, the reasonable expectation of LAFPP members and retirees during their employment is that the amount of the retiree medical plan premium subsidy would be adjusted to reflect inflation. In our view, therefore, current LAFPP members, retirees, and their qualified survivors have a vested right to future increases in premium subsidies as determined by the LAFPP Board subject to the limits set forth in the Administrative Code since 2006.

CONCLUSION

The retiree medical plan subsidy administered through the Los Angeles Fire and Police Pension System constitutes a vested right for current and retired sworn police and fire personnel and their qualified survivors. They also have a vested right to future increases in premium subsidies as determined by the LAFPP Board subject to the limits set forth in the Administrative Code since 2006 .

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²² Id. at 1108.