

February 21, 2007

Alan,

Our total net monthly income from 4 pensions is \$4500, which comes to \$54,000 a year. Our house and cars are paid for and we have no debts, so we can live on that quite comfortably. We probably live on \$2500 a month, which leaves \$2000 a month for vacations and unusual purchases. One way or another, over time, we will probably be spending all of our income. And that's OK, because we've got a substantial amount of savings (investments) and they are growing at a rate of about \$1000 a month.

In 3 years, Carol will start getting social security, which will be about \$700 a month.

I hope this helps.

Steve