

## How to Plan Your Dream Vacation Without Ignoring Your Financial Goals

The winter months have a way of making us all wish we were somewhere else. But if you're planning a vacation, there are ways to do it without ignoring your financial goals. Some ideas:

**Weigh the value of driving vs. flying:** With energy prices where they are, driving vacations aren't necessarily the cheapest alternative. If you haven't measured the gas mileage lately on your car, do so after your next fill-up and see what it would really cost you to drive to your desired destination – and don't forget wear and tear on the car (roughly 10 to 20 cents per mile), meals or hotels on the road. If you plan significantly ahead of time, traveling by air might not only get you there faster – but cheaper. At the same time, if you fly and need a rental car, don't forget to figure in that cost.

**Plan online:** Calling hotels and airlines to make reservations will not only put you on hold, they're also likely to cost you more money. If you're not a regular user of the Internet, you should know that airlines and hotels particularly have migrated more of their deals for rooms and meals to their Web sites because visitors can complete the whole reservation process themselves. That saves airlines, hotels and rental car companies considerable labor cost.

**Go for the package deal:** Online travel sites make it easy to combine hotel, airfare and rental car at a cheaper rate. And remember the days and times that are typically cheaper to fly – Tuesdays, Wednesdays and Saturdays if you're willing to fly early in the morning or late in the evening.

**Know when to use travel agents:** A good travel agent can be a great money saver, particularly for lengthy or complex trips. It's OK to compare prices yourself, but consult a travel agent if you are going to remote destinations – they'll know the territory, and if you have to make changes, they might be able to help you do so without paying a lot of extra money. Also, don't forget to check currency rates.

**Check your telecommunications options:** We're not going to do an overview of cell phone technology here, but if you're planning an overseas trip, it's best to check with your wireless company first. Ask if your phone will work overseas and what the potential costs will be for roaming charges, which can quickly skyrocket. Also, you might go online to see if your overseas airport rents cell phones at a daily or weekly charge.

**Check on car insurance:** We've all heard how buying rental car insurance is a bad deal, but not so fast. For domestic trips, double check whether your own car insurance policy is likely to pick up the bill if you have an accident.

For overseas trips, check with your rental agencies as well as your credit card company to see what insurance options you have. Don't think only in terms of accidents. Think about blown transmissions in small towns with only one mechanic who doesn't speak English. Also, if you're driving to Canada or Latin America in your own car, be very sure you have adequate coverage required in every country. You might have to buy supplemental coverage.

**Consider travel insurance:** There is insurance coverage available for travelers who face sudden cancellations as well as medical needs. Trip cancellation can reimburse you for non-

refundable costs in the event of things like an illness for you or a family member that causes you to cancel your trip. Look into what your current health insurance covers at your destination, so that you can understand your risk exposure and weigh it against the cost of supplemental insurance. It's important to realize that health insurance issues crop up on domestic trips as well as those overseas – for instance, your health insurer may not cover claims in other parts of the country. Always check. Also, if you're on a business trip, make sure your company health plan will cover you in an emergency.

**Prevent theft at home and abroad:** Photocopy your driver's license and passports and keep the originals with your valuables in the hotel safe. Also, don't forget to hold your mail and pay all your bills before leaving town.

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