Vacation Savings Calculator

How and why to use the Vacation Savings Calculator app

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## Why use the Vacation Savings Calculator

#### Have you ever thought about a trip you saw in a magazine, but wondered whether or not you could ever really afford it?

##### If you have then this is your opporunity to see what it would take to make that dream a reality.

#### All you have to do is:

1. Decide when you want to take the vacation
2. Estimate how much the vacation will cost
3. Know a little bit about your own financial and credit situation

## Step 1: Entering Your Information

#### For an example lets start off with some sample Inputs.

##### Below are sample inputs that reflect the actual entry fields of the app

Vacation\_Cost <- 3000 #Cost of Vacation  
Weeks\_till\_Trip <- 25 #Weeks Until the Planned Trip  
Cash\_in\_Bank <- 500 #Cash in the bank that can be used for the trip  
Total\_Credit <- 5000 #Total Credit from All Credit Lines  
Credit\_Used <- 250 #Total Credit Used from All Credit Lines  
Pct\_Credit\_Used <- 25 #The % of your total credit that you are willing to use for vacation  
Weekly\_Earnings <- 500 #Weekly takehome pay after pre-tax deductions  
Monthly\_Rent <- 1000 #Monthly rent or mortgage payment  
Other\_Exp <- 500 #Other Monthly Mandatory Expenses  
Pref\_Budget <- 250 #How much you normally spend in a week

## Step 2: What is being calculated

#### The app calculates your maximum weekly budget for normal spending under 3 scenarios to pay for vacation:

1. Maxing out your credit card
2. Using only the amount of credit you are comfortable with
3. not using any credit at all for the vacation

#1)  
MaxOUT\_Credit <- ((Total\_Credit - Credit\_Used) + Cash\_in\_Bank + Weekly\_Earnings \* Weeks\_till\_Trip - (Monthly\_Rent \* (12/52) + Other\_Exp \* (12/52)) \* Weeks\_till\_Trip) / Weeks\_till\_Trip - Vacation\_Cost / Weeks\_till\_Trip  
#2)  
Comfortable\_Credit <- (max(Total\_Credit \* (Pct\_Credit\_Used/100) - Credit\_Used,0) + Cash\_in\_Bank + Weekly\_Earnings \* Weeks\_till\_Trip - (Monthly\_Rent \* (12/52) + Other\_Exp \* (12/52)) \* Weeks\_till\_Trip)/Weeks\_till\_Trip - Vacation\_Cost/Weeks\_till\_Trip  
#3)  
No\_Credit <- (Cash\_in\_Bank + Weekly\_Earnings \* Weeks\_till\_Trip - (Monthly\_Rent \* (12/52) + Other\_Exp \* (12/52)) \* Weeks\_till\_Trip)/Weeks\_till\_Trip - Vacation\_Cost/Weeks\_till\_Trip

## Step 3: Explaining the results

#### Here you can see what the output of the app will be given the previous inputs

1. Maxing out your credit card

## [1] 243.8462

1. Using only the amount of credit you are comfortable with

## [1] 93.84615

1. not using any credit at all for the vacation

## [1] 53.84615

#### Summary:

## [1] "You can barely afford the vacation. You will have to cut back your weekly budget. The YOLO attitude is in vogue, but now you are starting to get reckless."

## Step 4: Flying, Driving, or Sailing Away to Your Dream Come True

### With the information provided by this app you will be off to visit whatever place you may desire. That is asa long as it's in the budget

### Thank you for your attention, please let me know if you have any questions