

MONEY, MONEY, MONEY MON-EEE - or - How Much Does it Cost to Cruise in Mexico?

Chris and I arrived in Mexico in November, 2018, and except for five months during last summer when we fled for cooler climes, have been there ever since. Long enough to get something of a feel for the cost of living in both Baja and Mainland Mexico.

If you're going to Mexico and trying to figure out how much you need to budget for the trip, there's one quick and easy way to do that. Look at how much you have. That is exactly how much you will need. If you have a lot, you will be able to find ways to spend it. If not so much, you will be able to find ways to get by on that. Having said that, here's some basic information:

SECTION A. THE BOAT

1. **Marinas** will cost you about the same as in Seattle; no real bargains here. But you will generally pay less the longer you book for - in other words, a weekly or monthly rate. Also, you can often get a discount paying cash. This is true of many things in Mexico. Their sales tax is 16% which is typically embedded in the posted price - but be mindful that it is usually an add on when you get a quote for labor. Electrical use in marinas is charged over and above moorage, and is more expensive than at home so watch your air conditioner use! While you can anchor out a lot, this may result in extra use of some systems - e.g. generators and the like.)

Mexican liability insurance for your boat is required in all Mexican marinas.

For us it was \$533 a year.

Of course, another way to economize is to anchor out at least some of the time.

But be aware that many anchorages, especially in Baja, offer limited protection, and that it may only be from one or two directions! When the wind swings around, watch out.

Where will you keep your boat in the summer where it is hurricane-safe? Rates in marinas may be significantly less in the summer. Do you need the services of a "boat minder" while you're gone? Put it up "on the hard"?

2. **Fuel will cost you more.** Diesel is about \$4 - \$5 a gallon. No way around that except sail more!
3. **Boat maintenance.**
Three recommendations here: **Stock up** with spare parts and supplies before you leave home, and **set aside money** - maybe a separate account - for the purpose of large or unanticipated boat expenditures - like that haul out you need for repairs

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because, for example you hit a rock that wasn't marked on your nav chart! And **don't skimp on maintenance, including preventative maintenance.**

4. **Parts and supplies** can cost 30% - 50% more and often are difficult to get in Mexico. Bring as much and as many as you can. Spares for everything is a good rule; it will save you money in the long run. Big marine supply stores like West Marine and Fisheries are few and far between even in major coastal cities with plenty of cruisers like La Paz. The biggest / best one we've found so far is **Zaragosa Marine** in Puerto Vallarta. Otherwise if you're near a shipyard you can sometimes order parts through them that you can't otherwise buy off-the-shelf. And when you have friends coming to visit, have them bring any parts and supplies you find yourself needing. Shipping is expensive and can take weeks for things to arrive.

5. **The real savings is in the cost of labor.** Skilled labor in a boatyard runs \$20 - \$30 an hour. Boat washing, diving on the boat and the like runs around \$10. But don't forget to tip! The cost of a **haul-out** is similar to Seattle. Mazatlan is a great place to have teak refinished. Active Marine in the boatyard there.

6. **Boat insurance.** Shop for rates and coverage. Boats US is best resource. Make sure you are covered for the areas where you will be.

7. Registration / Documentation

SECTION B: Food Restaurants

Restaurants. Significant savings here. A great restaurant meal - steak, fresh caught fish, shrimp, what-have-you, complete with a salad, dessert, wine, tax and tip will run about 50% of what you would pay in Seattle. We had many a great meal in excellent restaurants for \$50 for the two of us. Sometimes we paid more - but one time we bought take-out slices of pizza and desserts from a bakery for \$4!! And the little restaurants and food stands that are everywhere are considerably less, so if you are in to saving money, there's plenty of opportunity to do that here.

Food Markets. There are plenty of beautiful, big, well stocked markets in the cities and towns. The larger cities have Walmart and SAMs Club; Costcos in Cabo and Puerto Vallarta.. There are several big Mexican market chains - Soriana's; Comex; Chadraui. Again, you'll probably pay about 50% - 60% of what you would pay for the same or comparable items at home. And there are usually little farmers markets with fresh fruit, vegetables, baked goods, etc that are very inexpensive.

SECTION C. Transportation / travel.

Consider costs for both local travel as well as travel further afield.

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Car Rentals in Mexico are similar to home, depending on location, time and what kind of deals you can get on Expedia, etc. We rented a car a few times in Baja for 2 - 3 days at a time. Generally paid about \$50 a day. One thing is **you are required to purchase Mexican liability insurance for car rentals at about \$10 a day.**

Buses / taxis / Uber. Travel on local buses is cheap. 50 cents to \$1 a trip. Taxis are reasonable. Ask the price first. Uber works good in most places. Cheap. Clean cars. Good drivers.

Air fare / baggage fees / hotels You may want to figure this into your budget, depending on your situation. How many trips / how often / where from and where to / for how long and how will you travel? **What will you do in the summer when it's generally too hot to stay in Mexico?** Do you have a place to live or will you be paying for hotels / air b-n-b's and the like. What will you do for transportation? Food? Recreation? During that time. .

Note: Staying in higher / cooler areas in Mexico can be an inexpensive option. We spent three months last summer in the city of Oaxaca south of Mexico City at 5200' elevation, and will be spending one month this summer in Guanajuato, a beautiful old silver mining town in the mountains northwest of Mexico City. Both great travel bargains.

SECTION D. INSURANCE

Medical / Dental. Check to see what your own insurance will pay for out of country medical care. For example, your insurance may reimburse you for any costs for emergency medical care but probably nothing more. But as a general rule it seems to run 10% to 20% of what similar care would cost you in the states, so out-of-pocket is not so scary. It is recommended however that you carry **medical evacuation insurance** in case you need to be medically evacuated. This insurance is available through DAN for under \$100 a year.

Generally pharmaceuticals are much less in Mexico, but if your insurance covers a prescription medication at home, stock up!

Insurance for Car / Home / Personal?

SECTION E. COMMUNICATIONS / WX

Communication. Consider monthly costs of service for your devices - **cell phones; In Reach; Iridium Go; etc.** Set yourself up with free mobile Apps: Uber; Google Translate; your bank; Windy (for weather)' What's App, etc. **Check with your cell phone provider to find out if you can make 800-type calls from Mexico. We have Sprint and are unable to do so (including all versions - 866. 877, etc.) which leads us to collect local phone numbers (eg. area code 206, etc.) for companies.**

Marina wifi's are famously slow, and they are not secure. We usually tether our computer to our mobile hot-spot on our cell phones for internet service. Be prepared for s-l-o-w downloads.

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SECTION F. RECREATION / ENTERTAINMENT

Recreation / entertainment. BIG savings here! *Examples:*

Movies. Mexico has two big modern movie chains - Cinemex and Cineopolis. The first time we went to a movie in La Paz, to see Bohemian Rhapsody, the tickets were \$3.50 - for two!!! The most we ever paid was maybe \$5 - for two in Puerto Vallarta!

Theater / symphony / operas. Tickets to outstanding professional performances in a beautiful old colonial era theater range from free (in Oaxaca) to maybe \$20 (Mazatlan). We saw several.

Local tours, day trips / fishing / diving, etc. These are things that can really enhance your stay, depending on your budget. Costs can range from \$40 or so for a day trip to hundreds of dollars for something like a fishing charter.

Netflix / Sirius XM / On line streaming

SECTION G. BACK HOME

Back home costs. What costs, if any will you have back home? Storage lockers; a living unit of some kind to maintain; professional services; etc.

SECTION H. MISCELLANEOUS

Tips; gifts / souvenirs / clothing / personal items / ATM -credit card fees

SECTION I. CHILDREN

If you have kids on board take into account those expenses - school supplies, travel and the like.

Bueno Suerte!

CRUISING COSTS MEXICO 2020				
INITIAL BOAT VALUE		\$150,000.00		
NUMBER OF PEOPLE		2		
SUBJECT	MONTHLY	ANNUALLY		NOTES
THE BOAT			MONTHS	
MARINAS (Comparable to US)	\$700.00	\$4,200.00	6	Months Assumed in a Marina
Summer Storage (on the hard?)	\$300.00	\$1,200.00	4	Months Assumed on the Hard/Budget Marina
(Boat minder? Up to \$150 / mo)	\$100.00	\$400.00	4	Months Assumed of Minding
(" Costs" of anchoring)			2	Months Assumed at Anchor
	1.50	gal/hr at cruising speed of	6	Knots
FUEL (\$4 - \$5 a gallon)	\$5.00	\$5,625.00	4500	Nautical Miles Assumed Traveled/Year
MAINTENANCE				
Parts / Supplies (+30% - 50%)		\$15,000.00	10.00%	Assumed Percentage of Boat Value
Labor (\$10 - \$30 an hour) (DIY)	\$20.00	\$1,600.00	80	Hours Assumed Per Year
Haul Outs (Comparable to US)	\$1,500.00	\$750.00	0.50	Assume 1 every other year
BOAT INSURANCE - General				
Mexican (Boat) Liability Insurance		\$2,000.00		
		\$500.00		
REGISTRATION / DOCUMENTATION				
		\$200.00		
THE BOAT - SUBTOTAL		\$31,475.00		
FOOD / RESTAURANTS				
(Average 50% - 60% of US)	50%			
Mexico Groceries	\$200.00	\$2,400.00	12	Months Assumed in Mexico
Mexico Restaurants	\$168.50	\$2,022.00	12	Months Assumed in Mexico
US Groceries	\$400.00	\$0.00	0	Months Assumed in US
US Restaurants	\$337.00	\$0.00	0	Months Assumed in US
FOOD & RESTAURANTS - SUBTOTAL		\$4,422.00		
TRANSPORTATION / TRAVEL				
Car rentals (\$50 + Mexican Liability - \$10 a day)	\$60.00	\$1,200.00	20	Day Assumed Per Year
Buses \$0.50 / taxis \$8 / Ubers \$5	\$5.00	\$400.00	80	Rides Assumed Per Year
Air Fares / Baggage Fees Per Person	\$600.00	\$2,400.00	2	Assumed Trips Back to US Per Year
Hotels / Air BnBs / Rental - \$ varies	\$150.00	\$2,100.00	14	Assumed Nights in Accomodation
TRANSPORTATION & TRAVEL - SUBTOTAL		\$6,100.00		
INSURANCE				
Medical & Dental / Person	\$500.00	\$12,000.00	12	Depends on what/if you decide to carry
DAN Medical Evacuation \$55 / year/person)	\$55.00	\$110.00	1	
Pharmaceuticals	\$80.00	\$1,920.00	12	Months x Num of People
Car? - If you keep one in the US				
Home? - If you keep one in the US				
Personal? For Items in Storage or?				
INSURANCE - SUBTOTAL		\$14,030.00		
COMMUNICATIONS / WX				
Cell Phones	\$300.00	\$3,600.00	12	Months Per Person
In Reach (\$7 - \$58 / month)	\$24.99	\$299.88	12	Months - Assume Standard Plan
OCEANS/ Iridium Go (\$58 -\$96 / month)	\$0.00	\$0.00	12	Months
Predict Wind (\$234 / year)	\$234.00	\$234.00	1	
Mail services (e.g. Dockside \$24-\$58 / month)	\$34.00	\$408.00	12	Months - Assume Medium Service
COMMUNICATION & WX - SUBTOTAL		\$4,541.88		
RECREATION / ENTERTAINMENT				
Movies (\$4 - \$5 for two!!)	\$5.00	\$60.00	12	Assumed Movies Per Year
Theater Performances (\$0 - \$20 a ticket)	\$10.00	\$60.00	6	Assumed Plays Per Year
Tours (\$35 / day and up)	\$40.00	\$320.00	8	Assumed Tour Days Per Year
Netflix (\$15 / month)	\$15.00	\$180.00	12	Assumed Netflix Per Year
SIRIUS XM (\$11 - \$22 / month)	\$17.00	\$204.00	12	Assume Moderate Plan
RECREATION & ENTERTAINMENT - SUBTOTAL		\$824.00		

BACK HOME				
House pmnts / taxes / maintenance?	\$0.00	\$0.00	12	Months
Storage Unit?	\$150.00	\$1,800.00	12	Months
Professional Services (Accountant, Lawyer)?		\$2,000.00		Assume Accountant Doing Taxes
BACK HOME - SUBTOTAL		\$3,800.00		
MISCELLANEOUS				
Tips	\$33.70	\$404.40	20%	Tip Percentage on Meals
Gifts / souvenirs		\$1,000.00		A Guess
Clothing	\$500.00	\$1,000.00		Assume Per Person / Year
Personal items	\$500.00	\$1,000.00		Assume Per Person / Year
ATM / Credit Card Fees	\$90.00	\$180.00		Assume Per Person / Year
MISCELLANEOUS - SUBTOTAL		\$3,584.40		
CHILDREN				
Be sure to account for number of children in formulas above for food, transporation, comminication, etc...				
School Supplies	\$0.00	\$0.00	12	Months
Travel	\$0.00	\$0.00	12	Months
Entertainment	\$0.00	\$0.00	12	Months
Clothes	\$0.00	\$0.00	12	Months
CHILDREN - SUBTOTAL		\$0.00		
TOTAL EXPENSES PER YEAR		\$68,777.28		
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