Money Management

1. Spend less than you earn (Live within your means)
2. Make the money you have work for you (Save and invest throughout your life)
3. Be prepared for the unexpected (Save money for the unexpected bills, problems, emergencies- do not live paycheck to paycheck or beyond)

Money- Something generally accepted as a medium exchange, a measure of value, or a means of payment.

Credit - Buy now, pay later (makes it easier to over spend)

Opportunity Cost - What you give up every time you make a decision in life.

Time - Money - Energy

Limited supply of each - we make daily decisions in how we use them.

Needs- are things that we truly cannot be without

Wants- are things you would like to have, but if you do not, you will survive.

Three ways to handle your monthly budget

Within - Spend less than you earn (Save money for emergencies and investing)

Beyond - Spend more than your earn (abuse credit)

Paycheck to Paycheck - Spend everything you earn (no money left over to save or invest or for emergencies)