SESSION 1 OF 4 · MONEY BASICS

Every dollar you spend is a choice.

Money is really just **stored choices**. When you spend a dollar on one thing, you give up spending it on something else. Learning to spend on purpose — instead of by accident — is the first and most important money skill there is. Let's break it down.

Needs vs. wants

A **need** is something you truly can't do without — food, a place to live, clothes for the weather, a bus pass to get to school. A **want** is something that's nice to have but you'd survive without — the latest phone, a game, a fancy coffee, brand-name shoes.

There's nothing wrong with wants. The skill is being **honest about which is which**, and covering your needs first. Most money mistakes start with treating a want like a need.

TRY THIS

List the last five things you spent money on. Mark each **N** (need) or **W** (want). No judgment — just notice the pattern. Most people are surprised.

Four ways to pay — and what's really happening

The *way* you pay changes how easy it is to overspend. Same dollar, very different feel.

Cash

Real bills and coins. You can see it leave your hand — which makes it the hardest to overspend. When it's gone, it's gone.

Debit card

Pulls money straight from your own bank account. You're spending money you actually have — just tap and it's gone.

Credit card

Borrowed money. The bank pays now; you pay it back later. Miss the payback date and they charge you extra (interest).

E-transfer / apps

Sends money from your account to someone else's by email or phone. Fast and easy — which is exactly why it's easy to overuse.

Notice the trap: **credit isn't your money.** It feels the same at the checkout, but a credit card is a small loan every time. That's fine *if* you pay it off right away — and expensive if you don't.

The hidden price tag: trade-offs

Every purchase has a second, invisible price: **whatever you gave up to buy it.** Economists call this the **opportunity cost**. Spend $60 on a game today and the real cost isn't just $60 — it's also the movie, the savings, or the shoes you *didn't* get.

Ask before you buy: "What am I giving up to get this?" If the answer still feels worth it, go ahead.

Wait 24 hours on anything that isn't a need. Half the time the urge fades — and you keep the money.

CHECKPOINT

Sarah has $40. She needs a $25 bus pass for the month. She also wants a $20 hoodie and a $10 movie ticket.

She can't have all three. What should she cover first, and what's the opportunity cost of each choice she makes with the leftover $15? (There's no single "right" answer — explain your thinking.)

Next up: a plan for your money

Knowing needs from wants is step one. Next, we turn it into a simple **budget** — a plan that tells every dollar where to go *before* you spend it, so you can actually reach a goal.