

THE CAMPBELL CHRONICLES

A MONTHLY NEWSLETTER FROM
THE CAMPBELL WEALTH MANAGEMENT GROUP



THIS MONTH'S NEWS AND UPDATES:

- **2021 Tax Packages**
- **Spotlight on Stephanie**
- **TFSA or RRSP?**
- **Anchoring**
- **Question of the Month**

The Campbell 
Wealth Management Group
BMO Nesbitt Burns

FROM THE HOME OFFICE

Hope Springs Eternal.

Dare I speculate that we are getting close to the end? What started out as 14 days to stop the spread is now almost 2 full years into a global pandemic. Over the last 24 months I know I am not alone in cancelled trips, missed events and just a general feeling of what comes next? Technology has come along way, and for everyone that I have met via Zoom or Teams - thank you. It excites me to think a full return to in person meetings is close by. There's something about being in person that just cannot be captured over the phone or a screen. So, as we approach the end of winter, and spring is on the horizon, I too, hope that brings with it the ability to return to some semblance of normal and we can meet in person once again.

Remember March 1st is the deadline for 2021 RRSP contributions

2021 TAX PACKAGES

Yes, if you haven't started already, it's that time of year to start gathering all your documents and receipts for your 2021 tax return. Once again, we will be providing you with a tax package that will include all of your necessary information regarding your taxes. We are at the mercy of when the tax slips are provided to BMO, but as soon as they are, we will ensure you and your accountant have them as soon as we can put them together. T3 slips are always the last available, and we have been given mid-March as the date they should be available. Our goal is to then have everything out before the 1st of April.

GET TO KNOW STEPHANIE

During the meetings we get to know a lot about each other. This month I wanted to put the spotlight on another member of our team, Stephanie McNally. On top of all the wonderful things Stephanie does for us, she's a hockey mom to two teenage boys. Along with her husband and the boys, they enjoy their family cottage in Tobermory and camping at many of the great provincial parks we have here in Ontario. At home she loves her 2 cats, and enjoys trying out new recipes on the family. As a Graduate of the Ontario College of Art & Design, Stephanie is very excited about the upcoming "Imagine Van Gogh" exhibit coming to London later this year.

STARTING OUT: TFSA OR RRSP?

Following up on the next generation topic from last month, where should young people start saving? If you are over the age of 18, just starting out, or even still in school, where to start saving depends on your income level. If you expect to move into higher tax brackets in the coming years, start with the TFSA. You can always move that to your RRSP to get a better tax break down the road. Like I said last month, it's always fun to engage the next generation, and I am always available to help get them started on the right path. Savings is a habit, and an even better habit when it's started early!



FEBRUARY FUN FACTS

- the first official groundhog day took place in Punxsutawney, Pennsylvania in 1887
- February comes from the Latin word februa, which means to cleanse
- apparently Hallmark did not invent Valentines Day, and the day originated in 496 AD. The day celebrated the coming of spring, fertility rites, and the pairing of women with men by lottery.
- its the shortest month, but it used to be even shorter. At one point the month was only 23 days, until Julius Caesar remade the Roman Calendar.
- RRSP deadline for previous tax year contributions is usually the end of February or beginning of March. The RRSP was introduced in 1957, and the medical community played a large role in creating a "pension like investment account" for self-employed, or those without a pension to save for retirement.



Happy Groundhog Day

February, 2



ANCHORING

Last year, I started running again. It started out as just getting out of the house, and some fresh air when the ski hills were closed, and everything else was in lockdown. Very quickly though, I became extremely competitive with my time. Initially, I was happy with a 6 minute kilometer over 5, 10 or even 15 km's. Then I was able to lower the time to under 5 minutes, and even to a low 4 minute km over 10 kms. The reason I bring this up, is not to bore you with my running experience, but to hi-light what was next. After taking a break the end of last year, and first few weeks of this year, I went for a 5 km run the other day. At the end, I checked my pace, and was disappointed in myself. The time was almost 3 minutes slower than my best of last year. I was "Anchored" on my best time. Even though I had been a couple months without running, I somehow thought I should still be at that pace. What I didn't initially look at was I was still over 5 minutes faster than where I started 12 months ago.

I mention this because many times as investors we "Anchor" to the high point. We look at the December 31st amount, and then get disappointed in the January 30th amount is less. We need to look back at where we were last January and keep things in perspective.

QUESTION OF THE MONTH

Is it possible to have too much in my RRSP?

Sticking with the RRSP theme for February, this is a question I have been getting more and more over the years. It's a question that prompts many more questions. Such as, how much do you already have? How many more years do you plan to work? Do you have other ways of saving for retirement (pension, corporate investment account)? What is your income goal in retirement? This is why we prepare truly customized plans for everyone. There is no one correct answer. The only answer is, we run the numbers, look at the situation, and determine the best possible outcome to meet your goals.



Have a question you would like addressed in a future letter? Send me a note: jamie.campbell@nbpcd.com



Private Wealth

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