BMC Billing

This article covers the topics surrounding the billing process of a Building Management Committees (BMC) and Shared Facilities, which is done in the **BMC** screen.

Before the billing can take place, the BMC must be created and setup, including the budget and the percentage liability. Please refer to our *BMC Creation and Setup article*for help with this.

Billing and Billing Calculations

The BMC screen uses the budget in**Budget Update** as well as the proportional liability setup, to determine what each member will be billed. This will take the annual amount in **Budget Update** for each expense item, and it will calculate what each member will be billed by taking that annual amount for an expense item, and multiplying it by the proportional liability, then divide that amount by the number of billing periods in the financial year (e.g. $24,000 divided by 12 x 10% = $200.00 per period).

> The billing period can be monthly or quarterly. Once the period frequency has been decided, the billing cycle should not be changed.

Once confirmed that the data is correct, this process will create invoices in the BMC for each member and for plans that are managed, it will create creditor invoices for that amount in each respective buildings. For plans that are not managed, an invoice can be printed and issued.

Here is some important information to be aware of:

- Separate invoice entries will be created for each expense line item in the BMC screen under the *Account Liability List*.
- BMC Regular Billing invoices that relate to Admin Fund will be posted to account code*101,* whilst for Sinking/Capital Works/Maintenance Fund will post to account code *201*.
- BMC Ad Hoc Billing invoices that relate to Admin Fund will be posted to account code*102 (Admin Fund Special),* whilst for Sinking/Capital Works/Maintenance Fund will post to account code*202 (Sinking Fund Special)*.
- As invoices are generated, records are created in each building associated with a lot account, using

the BMC as the creditor, but only for managed buildings.

- For those buildings that are not managed, an invoice will be created and can be sent to relevant manager.
- Invoices are printed in ***Invoice Printing***.
- The billing for each period will be set up using the Standing Journal invoice process in StrataMax at the start of each year.
- Calculation will be: Budget Amount ÷ number of periods x percentage liability (e.g. $24,000 divided by 12 x 10% = $200.00 per period).
- Billing will be done either monthly or quarterly - once established this should not be changed.
- StrataMax will create Standing Journals debiting the lot accounts (the buildings that form the BMC) and crediting the income account. This will be visible in **Standing Journals** in each building that's a member of the BMC.

Before starting the billing process, ensure the following:

- ***Budget Update*** has been completed with the expenses for the BMC. For help with entering the budget, check out the *Budget Update article*.
- Ensure that the *BMC Creditor Code* exists in buildings that are managed that forms part of this BMC.
- Conduct a ***Data Storage*** before producing the bills.

1. Search or select **BMC** then select the *Billing* tab.

2. The *BMC Creditor Code* will need to be selected by clicking the ellipsis *[...]* button, then click *OK*.
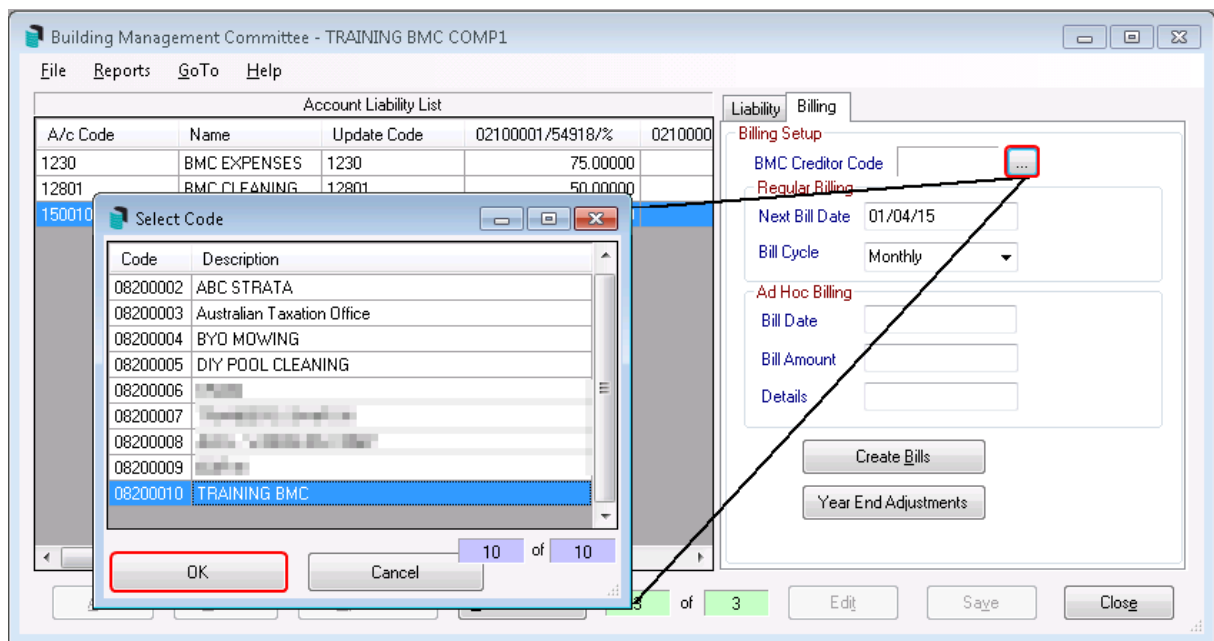
3. Set up the *Regular Billing* section by entering *Next Bill Date* and adjusting the *Bill Cycle* drop-down field.
4. Click *Create Bills*.
5. Make a selection from the *Billing Cycle* screen; generate the bills for this period only or for the full year, which will create standing journals in the associated buildings.
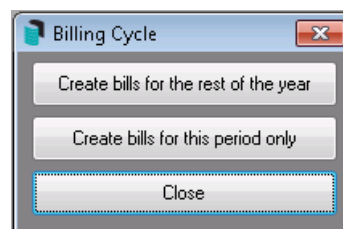

Add Hoc Billing

An ad hoc expense would be an item that is not in the budget. Billing for a special, one off or non budgeted items can be managed with a manual entry of the amount.

BMC Ad Hoc Billing invoices that relate to Admin Fund will be posted to account code*102 (Admin Fund Special),* whilst for Sinking/Capital Works/Maintenance Fund will post to account code*202 (Sinking Fund Special)*.

If extra funds need to be raised for an expense that is already budgeted for, do not use that same code as it will interfere with that current budget item. Add a similar code that does not have a budget item and conduct an ad-hoc bill.

Conduct a **Data Storage** before producing the bills.

1. Search or select **BMC,** then select the *Billing* tab.
2. Highlight the expense code with the correct proportional liabilities for this ad hoc bill.
   - If no expense code exists, it will need to be added on the liability tab as well as the correct proportional liabilities.
3. Enter the:
   - Bill Date
   - Bill Amount
   - Details
4. Click *Create Bills* (if the BMC is GST registered, add GST to the bill).
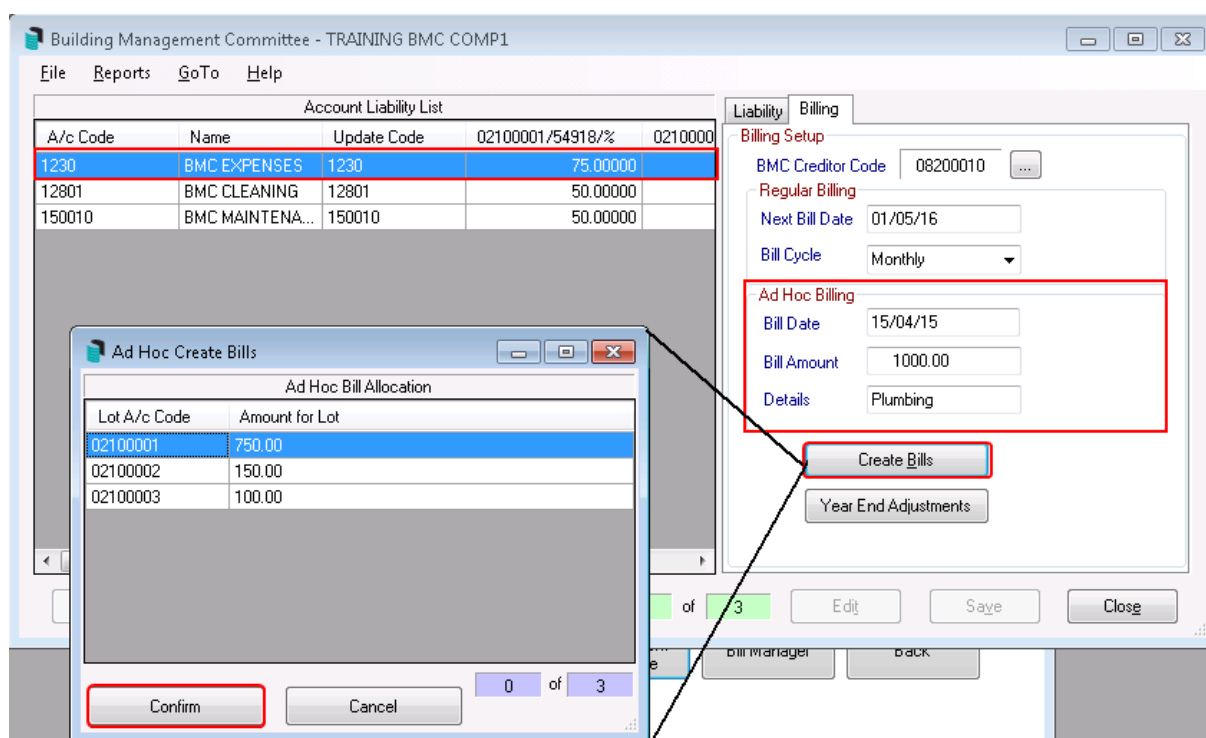
5. Check that each Strata Plan's percentage liability is correct and click*Confirm*.
6. Click *Close.*
7. Print the invoice in **Invoice Printing**.

Invoice Printing

The printing of BMC invoices is done in*Invoice Printing*. Each time a BMC bill is generated, the invoices must be printed for any buildings that are not managed in your StrataMax portfolio, so that they can be sent the managers of those buildings.

1. Search or select **Invoice Printing**.
2. Tag each account required, then click *Proceed*.
3. An invoice for each Strata Plan can now be printed.

For any plans that form part of this BMC that is managed by you, and is linked in StrataMax, the creditor invoice will be automatically created when *Create Bills* is clicked. This creates a standing journal in the associated building.

Billing Troubleshooting

If bills are not on the invoice, check the following:

- The BMC is in the correct month.
- That the budget is completed in the BMC and that a new ad hoc budget item can be exported to the building.
- The date of the standing journal.
- Standing Journals are created in the managed buildings.

Do not create the bills more than once.