



**Bill Christianson, CPFO**  
Comptroller

**Charles Roedel, CPA, CIA**  
Deputy Comptroller

**Toni Biscobing**  
Special Deputy Comptroller

**Richard Bare, CPA**  
Special Deputy Comptroller

October 1, 2025

Chairwoman Marina Dimitrijevic

Re: Vehicle Registration Fee Increase in 2026 Proposed Budget

This memorandum is in response to a series of inquiries into certain aspects of the increase to the Vehicle Registration Fee (VRF) in the 2026 Proposed Budget. The Mayor's 2026 Proposed Budget proposes to increase the VRF in the City of Milwaukee from \$30 per vehicle to \$40 per vehicle, an increase of \$10. The intended purpose of this communication is to answer three questions:

1. How is the Vehicle Registration Fee increase reflected in the 2026 Proposed Budget?
2. How does the timing of Council approval of a Vehicle Registration Fee increase affect the amount of revenue that can be generated by the VRF increase?
3. How would the timing of Council approval and/or the Council not authorizing a \$10 increase to the VRF affect the balancing of the 2026 Budget?

### **How is the Vehicle Registration Fee increase reflected in the 2026 Proposed Budget?**

Certain revenues that require Council approval in order to become effective are reflected in the 2026 Proposed Budget as a Tax Stabilization Fund (TSF) Withdrawal. In the 2026 Proposed Budget, page 410.6 in the Source of Funds for General City Purposes section has two lines for TSF Withdrawal. One is a planned TSF withdrawal to fund general City services in 2026 and is shown as "TSF Withdrawal (sustainable)" in the proposed budget. The other is shown as "TSF Withdrawal (in anticipation of revenue)" and reflects the amount of revenue that would be generated by fee increases and other revenue changes that require Council approval. If the Council approves all of the proposed fee increases and revenue changes, the adopted budget would show "\$0" on the line for "TSF Withdrawal (in anticipation of revenue)", and the revenue would be reflected on the appropriate line elsewhere in the Sources of Funds section.

Revenue from the proposed increase to the Vehicle Registration Fee is not "recognized" by the Comptroller in the 2026 Budget. It is budgeted as a TSF Withdrawal (in anticipation of revenue). Of the \$4,904,000 reflected on the TSF Withdrawal (in anticipation of revenue) line item, \$2,750,000 is attributable to the VRF increase.





**Bill Christianson, CPFO**  
Comptroller

**Charles Roedel, CPA, CIA**  
Deputy Comptroller

**Toni Biscobing**  
Special Deputy Comptroller

**Richard Bare, CPA**  
Special Deputy Comptroller

### **How does the timing of Council approval of a Vehicle Registration Fee increase affect the amount of revenue that can be generated by the VRF increase?**

Per [State statutes](#), a municipality shall notify WISDOT of an amendment to the VRF at least 90 days before the first day of the month in which the amendment is to be effective. So in order for a change to the VRF to be effective January 1st, 2026, the City would need to notify WISDOT by Friday October 3rd at the latest (90 days before January 1<sup>st</sup>, 2026). At this point it is not logistically possible for the necessary approvals to occur before Friday October 3rd to make the new VRF effective on January 1, 2026.

It seems that the Budget Office recognized this when they developed the 2026 Proposed Budget and [File 250871](#) which effectuates the new VRF amount, and only included 11 months' worth of revenue (\$2.75 million) from the increased VRF on the "TSF Withdrawal (in anticipation of revenue)" line item in the 2026 Proposed Budget Source of Funds.

In order to have the new VRF amount in effect for February 2026, the VRF increase needs to be adopted and signed, and all required documentation needs to be in WISDOT's hands by 3:00pm Monday November 3rd. If the 3:00pm Monday November 3rd deadline is missed, the increased VRF would not go into effect in February 2026 and one month's worth of revenue (\$250,000) would not be realized.

The next opportunity to implement the VRF increase would be March 2026. The deadline for implementing the increased VRF in March 2026 would be 3:00pm Monday December 1st.

### **How would the timing of Council approval and/or the Council not authorizing a \$10 increase to the VRF affect the balancing of the 2026 Budget?**

Since the revenue that would be generated by the Vehicle Registration Fee increase is reflected in the 2026 Proposed Budget as a Tax Stabilization Fund withdrawal, pending Council approval of the VRF increase, the Tax Stabilization Fund would be the default funding source to balance the budget and make up for any revenue not realized as a result of timing of Council approval of the VRF increase or a reduction in the amount of the VRF increase. Each month of delay in implementing the VRF increase results in \$250,000 of unrealized revenue. Council could choose to amend the budget by reducing expenditures or increasing other revenues to avoid a TSF withdrawal if desired.