



Office of the Adjutant General



OTAG 2026 Budget

Kodjo S. Knox-Limbacker
Major General, U.S. Army
OTAG 2026 Budget

Introduction

Good afternoon 36th Legislature Finance Committee Chair, the Honorable Senator Milton E. Potter, Vice Chair Senator Kenneth L. Gittens, Senator Avery L. Lewis, Senator Kurt A. Vialet, Senator Marvin A. Blyden; Senator Angel L. Bolques Jr.; Senator Dwayne M. DeGraff, Senator Ray Fonseca; Senator Novelle E. Francis Jr.; Senator Alma Francis Heyliger, Senator Hubert L. Frederick, Senator Marise C. James, Senator Franklin D. Johnson, Senator Carla J. Joseph, Senator Clifford A. Joseph, other non-committee members present in the Senate chambers; family, friends, and the general public viewing and listening locally and abroad. I am Major General Kodjo S. Knox-Limbacker, the 15th Adjutant General and Commander of the Virgin Islands Army and Air National Guard serving at the discretion of the Commander and Chief of the Virgin Islands National Guard Governor Albert Bryan Jr. It is an honor to be sitting before this esteemed body to discuss our proposed Fiscal Year 2025 operating budget for the Office of The Adjutant General. My teammates joining me here today to provide testimony are:

- Ms. Nikita Ward, Executive Director of the Office of the Adjutant General, and
- Colonel Deborah Lobbenmeier, the United States Property and Fiscal Officer for the Virgin Islands National Guard.

My team and I thank you for the opportunity to provide our testimony today. As I testify today it is in the backdrop of the Russia/Ukraine, Isreal/Iran, and other global conflicts, we know we must deter China and be postured to defend the homeland. To do so our Army and Air National Guard men and women continue to increase their readiness and lethality. Our Soldiers and Airmen have recently returned from middle east combat support operations in Qatar and Djibouti, Africa. Others are postured to deploy to Japan and Kuwait in the near future in support of United States interest abroad, while the remainder standing ready to support requirements in line with the United States National Defense Strategy to deter and defend our nations interest abroad and defend the Homeland. Our Air and Army National Guard forces will continue to build and sustain warfighter readiness and increase lethality and be prepared to project combat power, defend the homeland, and respond to natural and manmade all hazards in the territory. We look forward to answering your varied questions after articulating our mission, strategic vision, and priorities for continued support to the territory with our proposed budget. During my testimony I will provide

the Bottom-line up Front, Agency Overview, Executive Summary context of our operating environment, our responsibilities, and my team will address our prioritized financial strategy to fund our plan to sustain and improve operational readiness of the Virgin Islands National Guard to meet its federal and local mission under the Bryan Roach Administration.

The Bottom-Line Up Front

Our proposed budget for Fiscal Year 2026 is **\$3,243,939.00** to sustain a ***Ready, Relevant, Responsive and Lethal*** Army and Air National Guard Joint Force with worldwide force projection capabilities. The proposed budget requested from the Virgin Islands government, is 16 times less than the federal projected contribution of **\$46,956,770.00**.

These funds have enabled us to meet our dual mission to prepare us for Large-Scale Combat Operations in support of combatant commander's requirements supporting the National Military Strategy and Defense Support to Civilian Authorities here in the territory. The Fiscal Year 2026 projected \$46,956,770.00 of federal funds will be received and ***controlled through the United States Property and Fiscal Officer*** on behalf of the National Guard Bureau. This is an increase of 1 percent over last fiscal year. The OTAG's proposed budget, \$3,243,939.00 is to execute the cost share of \$396,000.00 of federal funds for FY26 Master Cooperative Agreement Program. As outlined in our Master Cooperative Agreement, the territory is required to provide matching funds for expenditures that are not 100 percent federally funded for example 25% (GVI) / 75% (Fed) maintenance cost share for St Croix Armory of 50% (GVI) / 50% (Fed). Ms. Ward and Colonel Lobbenmeier will provide the details of such expenditures later in our testimony.

Executive Summary

The Office of The Adjutant General plans, coordinates, and implements support of territorial Emergency Support Functions responders to natural and man-made disasters, civil disturbances, foreign and domestic threats, and weapons of mass destruction. The Office of The Adjutant General (OTAG) was established in Executive Order 30-1987 to support the Virgin Islands National Guard (VING) which was established in October 1973. Pursuant of Federal Law all states, territories, and the District of Columbia appoints an Adjutant General and an associate Agency to provide the necessary infrastructure for the National Guard in their perspective jurisdiction. Pursuant to Virgin Islands Code Annotated Title 23 Internal Security and Public Order Chapter 19 National Guard, Subchapter I. General Provisions Section 1508 Adjutant General of the Virgin Islands establishes the responsibility of the Adjutant. General. Per this statute, the Adjutant General shall:



- Keep and administer all the funds appropriated and shall be in charge of all the property entrusted to the National Guard of the Virgin Islands and shall render an annual report of such funds and property to the Commander-in-Chief and the Legislature of the Virgin Islands.
- Additionally, make annual estimates of funds and prepare the budget required for the operation of the National Guard of the Virgin Islands exclusive of Federal funds.

Office of the Adjutant General Mission Statement

Execute the day-to-day administrative, maintenance, and security requirements ensuring the Virgin Islands National Guard is a Ready, Relevant, Responsive, and Lethal Joint Force.

Strategic Vision for the Office of the Adjutant General

Provide first-rate support to the Virgin Islands National Guard's federal war fighting and territorial Defense Support to Civil Authorities requirements. The Office of The Adjutant General will provide the administrative, maintenance, and security requirements for the training, manning, equipping, and leader development required to execute the United States

Army and Air National Guard warfighting and territorial domestic civil support missions. The Office of the Adjutant General priority is ensuring the Virgin Islands National Guard achieves the Readiness required to be ***“Ready, Relevant, and Responsive Joint Force.”***

As you know the United States Army and Air Force exist for one primary reason, which is to be the guardians of America’s freedom and our way of life. The “Guardians of the Eastern Front” are part of the operational combat reserve of the total warfighting force. With this reality, we have worked hard to sustain our new posture of an organization that Exceeds the Standards.” We know the call to deploy, fight, and win as part of an agile, modernized, and lethal joint warfighting force can come at any time and we must be ready to integrate quickly as part of the world’s premier warfighting force.



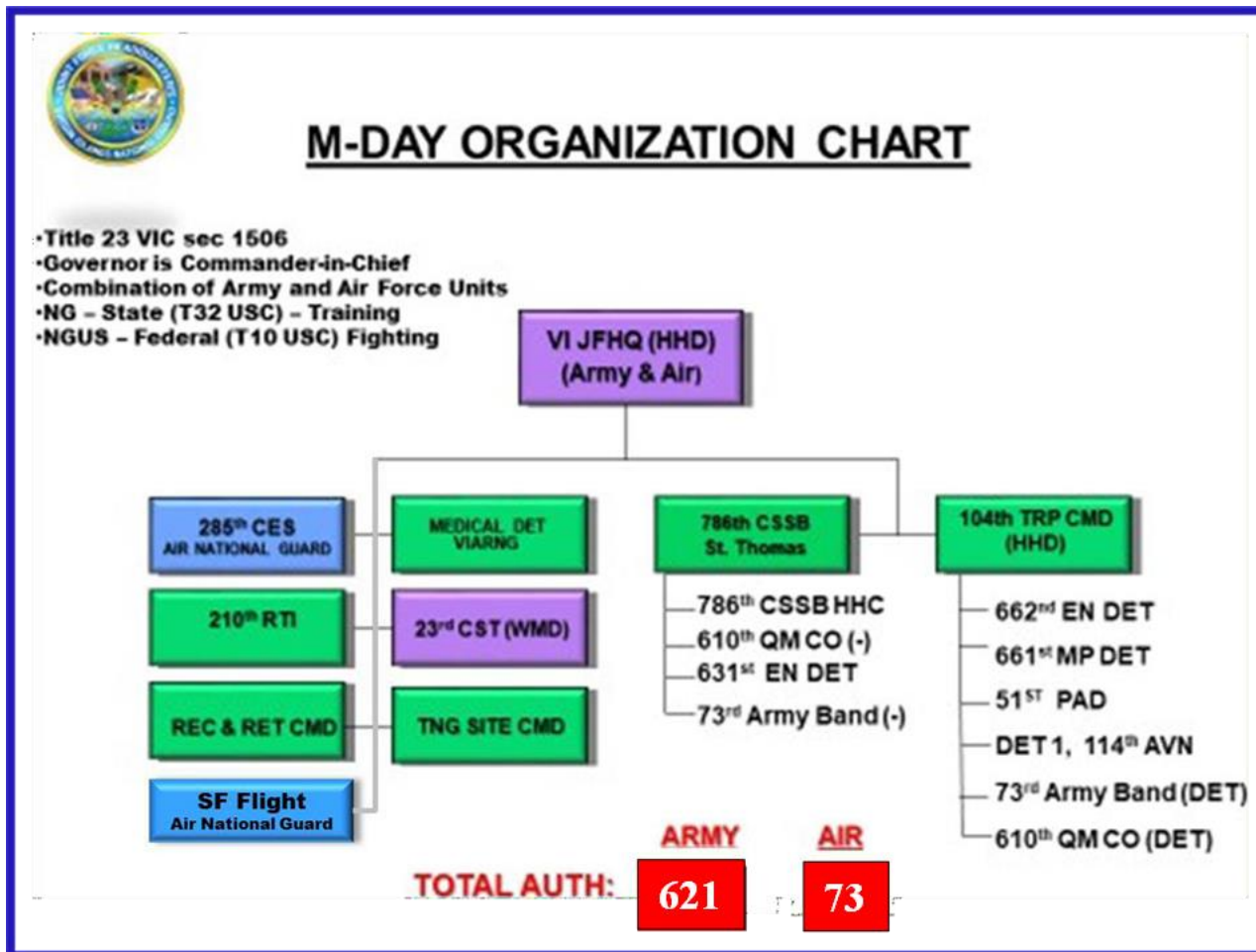
My responsibility as the Adjutant General encompasses the administrative, security, maintenance, operations, and training required to achieve goals that support ***War fighting and Defense Support to Civil Authorities operational readiness goals of a joint Army and Air National Guard force.*** These goals nest within the National Military Strategy’s wartime goals and the Governor Virgin Islands Territorial civil support requirements. The full capacity and capabilities of the National Guard’s is only realized once activated for Territorial Active Duty by the Governor. Per statute, this activation happens in response to natural/manmade disasters, state of emergencies, and other requirements at the discretion of the Governor or President. The Virgin Islands National Guard not only continues to be “always ready and always there,” but that we will be at a higher state of readiness when called.

Most of the Virgin Islands National Guard workforce is part-time. The levels of the National Guard’s capabilities are only realized once activated for Territorial Active Duty by the Governor. Per statute, this activation happens in response to natural/manmade disasters, state of emergencies, and other requirements at the discretion of the Governor or President. This workforce is comprised of an Active Guard and Reserve force of 102 Army and 19 Air

National Guard fulltime employees. Additionally, we have a 100% federally funded Civilian Technician workforce consisting of 118 fulltime employees. The VING lost six Civilian positions in a nationwide reduction in Department of Defense Civil workforce.

Virgin Islands National Guard Force

Army Active Guard Reserve	Air Active Guard Reserve	Federal Title 32 Dual Status Military/Technicians	Federal Title 5 Civilians	M-Day (Part-Time) Army	M-Day (Part-Time) Air
ASGN: 102	ASGN: 19	ASGN: 131	ASGN: 23	ASGN: 578	ASGN: 70
AUTH: 102	AUTH: 19	AUTH: 117	AUTH: 18	AUTH: 613	AUTH: 70
100%	100%	112%	128%	94%	100%
Authorized: AUTH				Assigned: ASGN	



State Partnership Program

This Virgin Islands National Guard is part of National Guard Bureau's State Partnership Program of 96 enduring partnerships that encompasses 106 nations. America never fights alone, from the Revolutionary War in 1775, World War I and II, Vietnam, Iraq, and Afghanistan to name a few we have always partnered with our allies. These relationships with our allies and partners continue to be mutually beneficial to global security and safeguarding democracy worldwide. The war in Ukraine has highlighted the importance of National Guard State Partnership Program (SPP) in this manner the Virgin Islands National Guard continues to increase its support to our SPP Regional Security System (RSS) partners. The RSS is comprised of Antigua and Barbuda, Barbados, Dominica, Grenada, St Kitts and Nevis, St Lucia, St Vincent, and the Grenadines and recently Guyana recognizes "Strength through Unity." Our partnership with the RSS is like no other. The VING is made up of men and women from all seven Caribbean Island nations and Guyana that make up the RSS. Our familial tie with the RSS enables us to better understand their unique needs. VING has been able to strengthen our partnership and build partner capacity in the Western Hemisphere by sending Subject Matter Experts on ten Subject Matter Expert Exchanges (SMEE) this year throughout the RSS. These SMEEs includes Women, Peace, and Security Initiatives, Engineering, Public Affairs Exchange, Combat LifeSaver, and Logistics Operations.



Office of the Adjutant General

To provide greater context, The Office of the Adjutant General grew its administrative, maintenance, and security divisions force to better support the Virgin Islands Army and Air National Guard's operational readiness by increasing its workforce with talented personnel to support VING's high operational tempo. Since its inception fifty years ago 19 October 1973, VING continues to be "always ready and always there." The Office of the Adjutant General provides administrative, maintenance, and security support sustainment of facilities for our federal workforce training and mission requirements. Our efforts enable the National Guard to support the 15 Emergency Support Functions assigned to our sister agencies. Our efforts enable operations during time of crises like Operation Clean Water Action to address Water and Power Authority water issues, the transition to new facilities like Juan F. Luis (JFL) Hospital North St Croix's, COVID-19 Pandemic, public safety support to Virgin Islands Police Department and the Executive Security Unit for government sponsored festivals, carnivals, and celebrations to generate tourism revenues as well as support monitoring of toxic gas releases and disposal from the oil refinery on St Croix over the years.



Youth About Face and Forward March

The Office of the Adjutant General continues to right size its office to provide adequate support to our youth within the scope of our programs. The increased size of our full-time staff creates greater capacity to support local and federal government initiatives like the Youth About Face and the future Department of Defense STARBASE (Science, Technology, Engineering, and Math) programs. Our efforts to connect with our at-risk youth continue to fill gaps and provide hope, guidance, life lessons, and opportunities for those willing to listen,

learn and change. Some of our youth experience difficulties in conflict resolution, financial hardships, anger management, and violence within our communities. Our youth are falling victim to their own inability to control their emotions. They often have misguided values over appropriate response to perceived disrespect from social media, peer groups, and parent modeling. These experiences create dysfunctional learned behaviors leading to the infliction of bodily harm on others, murder, or their own death. This reality needs to change, and the change must start at home. The appropriate behaviors must be being positively reinforced as early as Pre-school and continuing in Elementary and Junior High School. This is necessary for it to be ingrained as a strong value system before reaching High School and adulthood. Although we have remarkable success ensuring our students graduate High School, we see mixed results two years out of the program. Those who seek real change have left the territory to places that provide them an environment for continued success like universities, vocational schools, military, and even an Equine Racing Academy. A significant amount of our youth who have remained local, have fallen victim to the non-supportive environment that the program temporarily gave them refuge from.

Domestic Support to Civilian Authorities

Some of the missions executed by the military and civilian men and women of the Virgin Islands Army and Air National Guard and the Office of the Adjutant General are as follows. VING supported funerals, VING also provided material assistance to seven (7) agencies as part of its White House mission support during President Biden's and the First Family visit to the St Croix. Virgin Islands Police Department (VIPD) Crucian Christmas Festival and St. Thomas and St. John Carnival Support. VING participated in multiple local and national level training exercises in preparation for its continued support to Domestic operations. This year we exercised our domestic response at the national level when we participated in New Orleans All Hazards Coordinator Workshop and VITEMA's Capstone Event locally.

Army National Guard

- VING Medical Detachments participated in planning and operations with the Department of Health to provided medical professionals to perform a free Health and Wellness Fair in the

territory. This was on a smaller scale of the Department of Defense Innovative Readiness Training (DoD-IRT) held in prior years.

- The Health and Wellness Fair provided care for 1,050 patients throughout the territory (601 on St Thomas, 99 on St John, and 350 on St Croix).
- VING Medical Detachment received 80 hours of valuable training while providing services to our communities.



- The 631st Engineers Detachment (Utilities) successfully completed its nine-month deployment to Djibouti, Africa in support of Special Operations Combatant Africa engineer requirements.
- VING units will be conducting most of their Annual Training and Inactive Duty Training (IDT) requirements for this training year by the end of August.
- The 73rd Army Band executed its annual Operational Readiness Evaluation (ORE) Army Regulation 220-90 (Army Music), on 7-9 March 2025 with an overall “Successful” rating for mission performance and an “Excellence” rating for Steel Pan performance.

Domestic Operations

- VING deployed approximately 218 Service Members in support of Presidential Inauguration 60 (PI60) in January 2025. Our Soldiers and Airmen played a significant role as it provided command and control of units from the states of Indiana and Connecticut.
- VING provided exceptional material assistance to seven agencies as part of its White House mission support during President Biden’s visit.
- Other support included Gubernatorial Mission Support, VIPD Crucian Christmas Festival and St. Thomas and St. John Carnival Support.

- VING will be participating in multiple local and national level training exercises in preparation for its continued support to Domestic operations.
- This year we exercised our domestic response at the national level when we participated in New Orleans' All Hazards Coordination Workshop and ARNORTH Rehearsal of Concept Drill.
- Hosted Virgin Islands National Guard Annual All Hazard Workshop
- Participated in VITEMA's Capstone Event locally as well as

Federal Operations

- 631st Engineer Detachment successfully redeployed, exceeding the standards in providing construction support to special operations forces across multiple countries in East Africa. Additionally, the 285th CES completed a successful deployment to Yokota, Japan. The Medical Command supported the VI Wellness Innovative Readiness Training mission that saw 2,250 patients who received medical services. The amount exceeded \$1,407,503 in health care cost savings. During the execution of the mission a combined 27,241 hours of total force training.
- VING units successfully conducted all Annual Training and IDT requirements for this training year with only one unit remaining. In the conduct of their federal training the territory continues to receive incidental benefits. Chief among these is the many local events the 73rd Army Band has participated in addition to acting as Virgin Islands ambassadors, providing musical selections at the 146th National Guard Association of the United States in Detroit Michigan.

Counter Drug

The Virgin Islands National Guard (VING) Counterdrug (CD) Program provided Investigative Analysts to support local and federal law enforcement agencies in their ongoing mission to eliminate and disrupt illegal drug trafficking organizations.

- This support has contributed significantly to various marijuana eradication efforts, cocaine seizures, as well as the recovery of oxycodone, fentanyl, and other unidentified substances, amounting to \$147,006,548.20. Seventy-three weapons (handguns and rifles) were confiscated, amounting to \$49,944.00, along with one commercial fishing vessel valued at \$350,000.00.
- The Drug Demand Reduction Outreach section provided presentations to approximately 755 youths, aged 5 to 17, addressing the issues of drug abuse, addiction,

and alcohol abuse impacting the communities of the Virgin Islands. DDRO collaborated with one Coalition and three schools to engage these youths.

- The VING will maintain its collaboration with the Drug Enforcement Administration (DEA) and its prevention initiatives, which involve partnerships with the Federal Bureau of Investigation (FBI), Virgin Islands Police Department (VIPD), and Virgin Islands Coalitions and Schools.
- (4) Coordinated with VITEMA to synchronize the conduct of hurricane disaster response, focusing on operations, communications, and deployment/response measures.

Air National Guard



- Increased Operating and Maintenance budget raised from \$70K to \$210K.
- Solicited for 100MB circuit and contracted to be installed.
- Postured to deploy personnel to Japan.
- Continue to buildout our 22-person Security Forces (SF) Operating within allocation.
- Collaborated with National Guard Bureau (NGB) for current and future force structure and facility support.
- Filled key positions throughout the organization bring end-strength up from 90% over 100%.
- Pending 95% design on new 285th Civil Engineering Squadron Installation Development Plan on St Croix
- NGB/A4 facilities leadership approved our program facility



replacement projects.

- Currently 97% complete of Fire Suppression project
- Provided POTUS visit C-17 loading/unloading support for seamless operations.





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Weapons of Mass Destruction-Civil Support Team Operations

The 23rd Weapons of Mass Destruction - Civil Support Team (WMD-CST) provides support to civil authorities at domestic incident sites. By law, WMD-CSTs respond to the use or threatened use of a WMD; the intentional or unintentional use of nuclear, biological, radiological, or toxic poisonous chemical materials; and natural or manmade disasters in the United States and its territories, which result in, or could result in, catastrophic loss of life or property. Significant near-term contributions of the 23rd WMD-CST include:

- Worked with Federal Bureau of Investigation and U.S. Secret Service to support



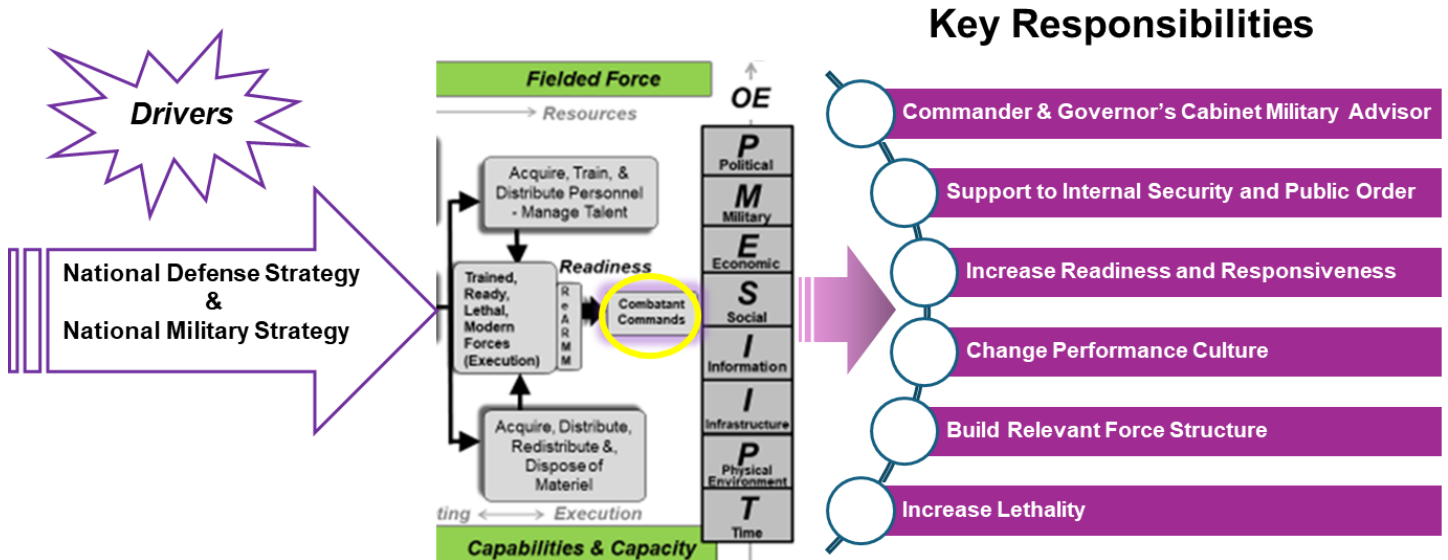
President of the United States (POTUS) 2024 Holiday Season visit, as well as First Lady the United States (FLOTUS) 2024 return visit to St. Croix

- Assisted Virgin Islands Emergency Management Agency (VITEMA) and Federal Emergency Management Agency (FEMA) to create potential industrial chemical release hazard scenario, used by FEMA, to request additional financial resources from the federal government for territory preparedness.
- Assisted the Governors Executive Security Unit (GESU) and other first responders (VIPD and (VIFEMS) agencies, in support of the Governor's State of the Territory
- Assisted the GESU and other first responders (VIPD and VIFD) agencies, in support of the Governor's State of the Territory Address, the swearing in of Territory Senators, and several communities based, highly populated events, to include Agricultural Fair, Carnival, and Buju-Banton, occurring on St. Croix, St. Thomas and St. John.

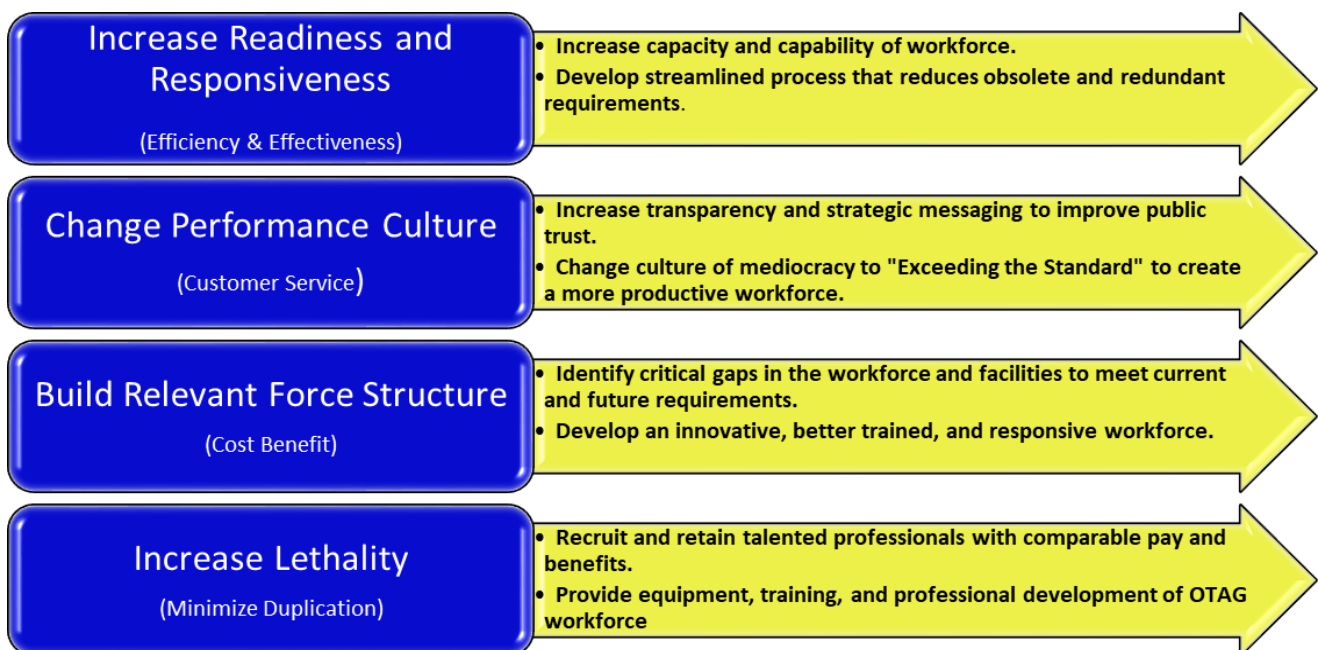
2025 Hurricane Season Preparedness

The VING continues to maintain a heightened state of readiness in the event it is mobilized in a Territorial Active Duty (TAD) status in support of local emergency response operations. This becomes particularly heightened during every hurricane season. As a part of these efforts, we are actively engaged in exercising our response and recovery posture. We conducted our annual All Hazards Coordination Workshop 8-12 April 2025 with local, federal and Department of Defense attendees. It served to strengthen readiness and relationships through collaboration between local and federal partners. This ensures a shared understanding of both the states and territory's capabilities and shortfalls. We also participated in the U.S. Army North Rehearsal of Concept (ROC) Drill with over 100 military and civilians 2-6 June 2025, as well as the VITEMA Capstone event 9-13 June 2025 with local and federal partners.

The Office of The Adjutant General continues to develop and implement policies and procedures that supported by key performance indicators. This enables our success meeting our strategic readiness objectives the Virgin Islands National Guard.



These objectives were to promote operational effectiveness; have a safe and secure territory through effective and efficient preparedness; and to build a comprehensive territorial support capabilities to respond to all threats. This transformation led to a better quality of life and safer work environment for VING's Soldiers, Airmen, and Civilians.



I want to personally thank all the members of our community for your support to the men and women of the Virgin Islands Army and Air National Guard. Form the Employer support to the Guard and Reserve, Executive, Legislative, and Judicial Branches, Delegate to Congress Office, and of course the Commander and Chief of Virgin Islands National Guard Governor Albert Bryan Jr for the continued unwavering support to our Soldiers, Airmen, and Civilians. The support provided to our guardsmen and women while away and here on duty in the territory, shows just how much our community cares about their welfare and appreciates their selfless service. We all should be thankful for the sacrifices our service members and their families endure every day to safeguard our great nation.



To the men and women of the Virgin Islands Army and Air National Guard we are so proud of you. You are a select few of our communities' sons, daughters, fathers, and mothers in who answer the call to service every day. You men and women are the less than 1 percent of our nation who serve. Thank for your service and you and your families' countless sacrifices. Whether it is supporting our National Defense Strategy deployed overseas or supporting the homeland during times of crises, you continue to exceed the standards. You embody the warrior ethos, and I am truly honored to serve as your Adjutant General and Commanding

General. I will be followed by Ms. Nikita Ward, Executive Director for the Office of the Adjutant General.

Executive Director Office of the Adjutant General
Ms. Nikita Ward

Good afternoon 36th Legislature Finance Committee Chair, the Honorable Senator Milton E. Potter, Vice Chair Senator Kenneth L. Gittens, Senator Avery L. Lewis, Senator Kurt A. Violet, Senator Marvin A. Blyden; Senator Angel L. Bolques Jr.; Senator Dwayne M. DeGraff, Senator Ray Fonseca; Senator Novelle E. Francis Jr.; Senator Alma Francis Heyliger, Senator Hubert L. Frederick, Senator Marise C. James, Senator Franklin D. Johnson, Senator Carla J. Joseph, Senator Clifford A. Joseph, other non-committee members present in the Senate chambers; family, friends, and general public viewing and listening locally and abroad. I am Nikita D. Ward, Executive Director for the Office of the Adjutant General. Today I will outline The Office of The Adjutant General's budget for Fiscal Year 2026.

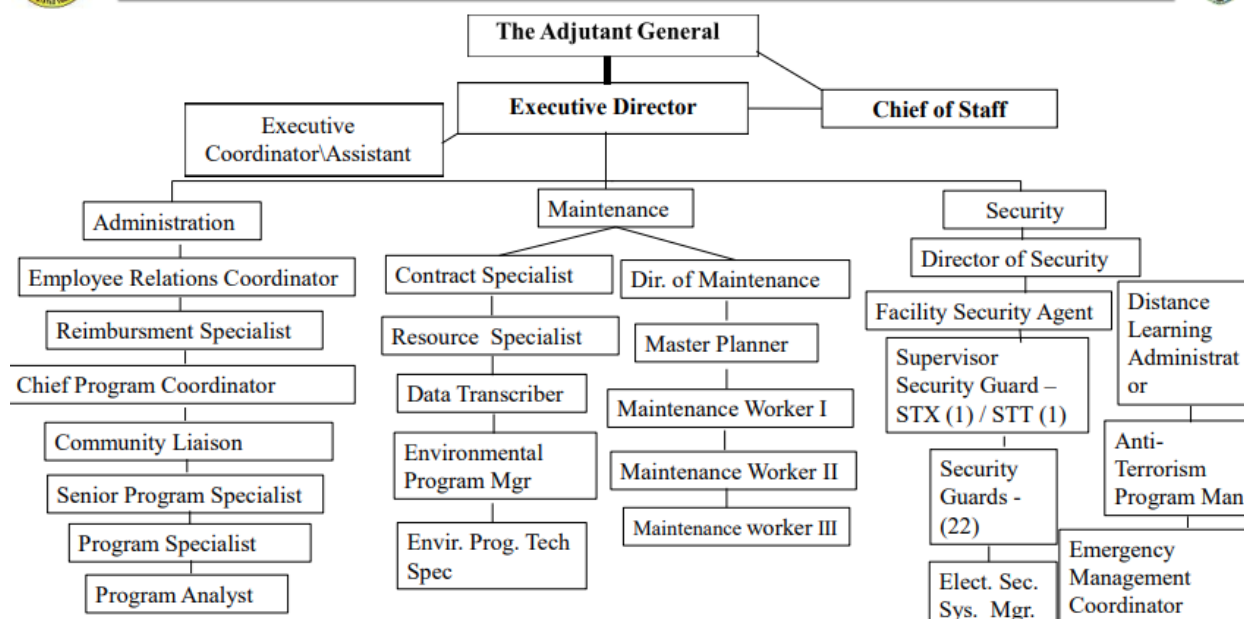
The Office of The Adjutant General is requesting a General Fund Budget of \$3,243,939.00. The figure includes the Miscellaneous Budget Appropriation of \$150,000 for the Virgin Islands National Guard Pension Fund and \$982,242.00 for the Youth About Face and Forward March Program. Additionally, the projected federal Master Cooperative Agreement budget allocation of \$2,968,553.00 is the amount proposed to support the Virgin Islands National Guard.

The Office of The Adjutant General is responsible for three divisions. Each division supports the policies and procedures to accomplish key strategic objectives for the Virgin Islands National Guard. This enables us to fulfill our federal and territorial missions as identified below.

OTAG Divisions



OFFICE OF THE ADJUTANT GENERAL



First, the Administrative Services Division provides supervision and oversight, for administrative and operational activities of the agency. Also, this includes, budgeting, fiscal control, and personnel management.

Second, the Maintenance Division provides operational supplies for building repairs and maintenance, custodial services, grounds keeping, Electronic Security Systems, and Environmental Protection for the Virgin Islands National Guard facilities.

Third, the Security Division provides force protection measures for the Virgin Islands National Guard personnel, facilities, and equipment.

Performance Goals

The Office of the Adjutant General has three (3) performance goals:

1. Promote operational effectiveness.

2. Establish a safe and secure territory through effective and efficient preparedness.
3. Build a comprehensive territorial support capability in response to all threats.

KPI (Performance Measures)	Unit	KP Target	Trend	Results (5/30/2025)
The Personnel recruiting and retention rates based off of authorized strengths	Percent	100%	Increase	72%
The average number of days to recruit	Days	90	Increase	180
Percentage of trained employees base off of National Guard Support Requirements	Percent	100%	Decrease	20%
Percentage of participants that complete community-based programs	Percent	60%	Increase	40%
Number of community based partnerships	Number	5	Increase	4
Average number of days to complete work orders	Days	30	Decrease	30
Percentage of preventive maintenance completed on buildings and/or equipment	Percent	50%	Increase	20%
Percentage of equipment that is functional/operational	Percent	60%	Increase	30%
Percentage of security searches completed	Percent	80%	Increase	37%
Number of all hazards exercise completed	Number	4	Increase	2

I will now justify the recommended operating budget for Fiscal Year 2026.

Office of the Adjutant General <u>FY2026 Recommended Appropriation</u>	
<u>Account Title</u>	<u>Amount</u>
Personnel Services	\$1,343,855.00
Fringe Benefits	\$630,406.00
Supplies	\$131,160.00
Capital Projects	\$220,180.00
Other Services <i>(Utilities & Misc. incl.)</i>	\$918,338.00
TOTAL.....	\$3,243,939.00

As listed in the chart above, the General Fund recommended budget for Fiscal Year 2026 is \$3,243,939.00.

The following diagram shows the breakdown of the General Fund recommended budget by division and objects.

Office of the Adjutant General Details
Fiscal Year 2026 Proposed Budget

OBJECTS	DESCRIPTION	AMOUNT BUDGETED (ADMIN SVCS).	AMOUNT BUDGETED (MAINTENANCE)	AMOUNT BUDGETED (SECURITY)	AMOUNT BUDGETED M1917	TOTAL AMOUNT BUDGETED
	PERSONAL SERVICES					
511010	SALARIES – EXEMPT	\$731,309.00	\$ -	\$ -	\$567,096.00	\$1,298,405.00
511000	SALARIES – CLASSIFIED	\$ -	\$45,450.00	\$ -		\$45,250.00
	SUB-TOTAL	\$731,309.00	\$45,450.00	\$ -	\$567,096.00	\$1,343,655.00
	FRINGE BENEFITS					
522200	WORKERS COMP.	\$3,517	\$1,906	\$ -	\$5,492	\$10,915.00
521000	F.I.C. A	\$20,320	\$6,449	\$ -	\$50,284	\$77,053.00
521100	MEDICARE	\$6,994	\$1,777	\$ -	\$10,715	\$19,486.00
522000	HEALTH INSURANCE	\$63,476	\$59,754	\$ -	\$133,636	\$256,866.00
520010	EMPL. CONTRI. RETIR.	\$108,998	\$27,989	\$ -	\$129,099	\$266,086.00
	SUB-TOTAL	\$203,305.00	\$97,875.00	\$ -	\$329,226	\$630,406.00
	SUPPLIES					
541000	OFFICE SUPPLIES	\$2,000	\$15,530	\$1,030	\$2,200	\$20,760.00
541100	OPERATING SUPPLIES	\$3,250	\$5,000	\$3,000	\$3,750	\$15,000.00
542000	REPAIR &MAINTE.	\$5,000	\$5,530	\$5,000	-	\$15,530.00
542100	SMALL TOOLS	\$5,000	\$30,000	\$5,000	\$5,000	\$45,000.00
543100	FOOD & CATERING	\$2,125	\$1,625	\$1,125	\$10,125	\$15,000.00
546100	CLOTHING & CLOTH MATERIAL	\$3,592	\$3,306	\$3,303	\$6,512	\$16,713.00
541200	VEHICLE SUPPLIES	\$700	\$700	\$700	\$1,057	\$3,157.00
	SUB-TOTAL	\$26,077.00	\$56,087.00	\$27,356.00	\$28,644	\$131,160.00
	OTHER SERVICES					
532000	REPAIRS & MAINTENANCE	\$5,500	\$55,000	\$5,000	\$9,500	\$75,000.00
535000	COMMUNICATION	\$20,500	\$15,214	\$14,000	\$6,500	\$56,214.00
534000	PROFESSIONAL SERVICES	\$33,072	\$58,380	\$5,500	\$9,048	\$106,000.00
560000	TRAVEL	\$7,492	\$3,003	\$3,003	\$7,492	\$20,990.00
560100	TRAINING	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000.00

535010	ADVERTISING & PROMOTION	\$4,000	\$4,500	\$2,000	\$7,322	\$17,822.00
	PRINTING AND BINDING	\$1,000	\$2,906	\$500	\$2,906	\$7,312.00
533020	RENTAL MACHINE/EQUIPMENT	\$2,000	\$3,500	\$2,000	\$3,500	\$11,000.00
532100	RENTAL LAND/BUILDING	\$24,000.00	-	-	-	\$24,000.00
563100	GRANT PRIVATE AGENCY & INDIV	\$150,000	-	-	-	\$150,000.00
564100	OTHER SERVICE NOC	\$5,000	\$5,000	\$5,000	\$5,000	\$20,000.00
SUB-TOTAL		\$285,000.00	\$164,607.00	\$55,503.00	\$57,276.00	\$508,338.00
	UTILITIES					
	ELECTRICITY	\$ -	\$400,000	\$ -		\$400,000
	WATER	\$ -	\$10,000	\$ -		\$10,000
	SUB-TOTAL	\$ -	\$410,000.00	\$ -		\$410,000.00
	CAPITAL OUTLAYS					
575000	MACH EQUIP & MISC.	\$56,872	\$153,308	\$5,000	\$5,000	\$220,180.00
SUB-TOTAL		\$56,872.00	\$153,308.00	\$5,000.00	\$5,000.00	\$220,180.00
TOTAL GENERAL FUND			\$3,243,939.00			

The Budget Breakdown descriptions are as follows:

Personnel Services:

The amount of \$1,343,855.00 represents the salaries of twenty (20) full-time positions to include the Youth About Face and Forward March Program and 25% territorial matching funds for three (3) vacant matching positions.

Capital Outlay:

The amount of \$220,180.00 represents collaboration of Agency Operations and Youth About Face and Forward March Program, and the local match of the Master Cooperative Agreement for Capital Projects. This amount supports the repairs, rehabilitation, and new construction projects for the facilities at Estate Bethlehem and Estate Nazareth Military Compounds to maintain compliance with local and federal codes.

Fringe Benefits:

The amount of \$630,406.00 represents the total fringe benefits for twenty (20) full-time positions in addition, 25% for three (3) vacant matching positions.

Supplies:

The amount of \$131,160.00 will be for the purchase of supplies in support of the local match of the Master Cooperative Agreement, Agency Operations and Youth About Face and Forward March Program.

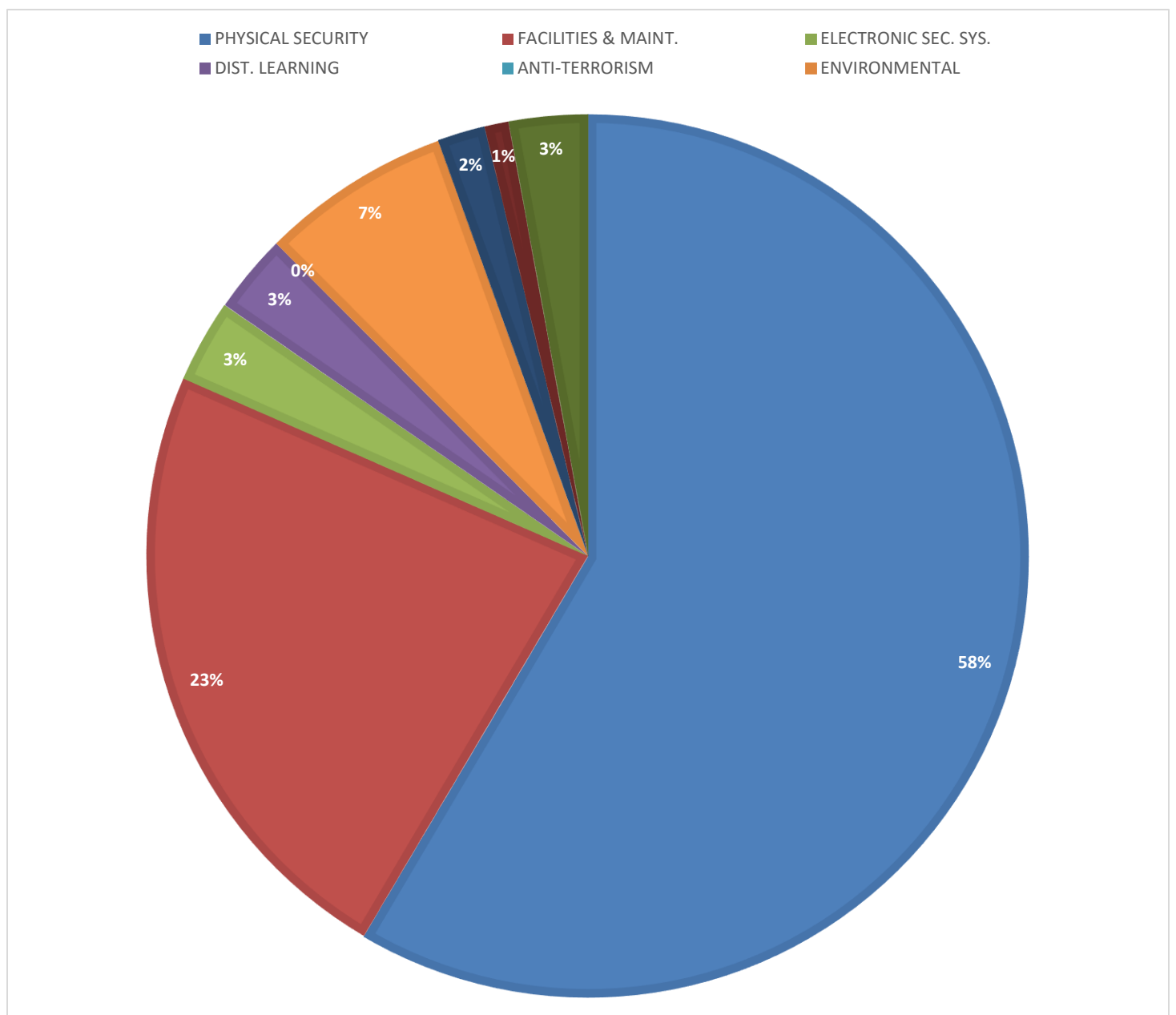
Other Services & Charges:

The amount of \$918,338.00 represents operational, service, utilities, and miscellaneous charges. \$150,000.00 is earmarked for National Guard Pension Funds, which provides a monthly stipend to qualified, retired Virgin Islands National Guard members as mandated under Title 23, Section 1556 of the VI Code. Thirty-eight (38) eligible members are projected for Fiscal Year 2026 to

receive this stipend. The amount of \$982,242.00 is earmarked for the Youth About Face and Forward March Program.

This concludes the justification for the General Fund Budget of \$3,243,939.00, which includes the Miscellaneous Appropriation of \$235,920.00 as recommended for Fiscal Year 2026. I will continue with the Justification of the Master Cooperative Agreement (MCA).

Office of The Adjutant General – Virgin Islands National Guard Master Cooperative Agreement
Fiscal Year 2026



The Department of Defense National Guard Bureau enters into master cooperative agreements (MCA) with States and Territories to provide Federal Support for services provided by the State and Territory Military Departments for authorized facilities for leases, real property services, real property maintenance and repair, operations and maintenance, and minor construction costs. The Adjutant General (TAG) and the United States Property & Fiscal Officer (USPFO) are responsible for the execution of the MCA and Appendices. OTAG in conjunction with the United States Property and Fiscal Office (USPFO), through the Master Cooperative Agreement (MCA), provides services to the territory on behalf of the Virgin Islands National Guard. This agreement is a fully executed contract between the Territory and Federal Government and is renewed every Fiscal Year. On an annual basis, the territory receives federal funds as a reimbursement for expenses incurred through the MCA programs. The MCA is comprised of eight (8) programs or appendices. Each appendix has its own funding. The OTAG pays for services in advance and is reimbursed for a certain percentage depending on the program. Two (2) of the programs' expenditures are calculated at a match split whereas the remaining seven (7) programs are one hundred 100% percent federally reimbursed. To date we have expended \$1,167,550.00 which is in the processed to be reimbursed from the Federal Government to the territory.

The Pie Chart on Page 25 shows the breakdown of the Projected Federal Funds of \$2,968,553.00, which supports the Master Cooperative Agreement for Fiscal Year 2026. The distribution is as follows:

- \$1,735,878.00 represents the Army National Guard Security Program. There are presently nineteen (19) full-time Army Security positions. All positions are 100% federally reimbursed.
- \$685,925.00 supports the Facilities and Maintenance Program. Operational and maintenance expenditures are federally reimbursed at 75% with support of a General Fund local match of 25%. A total of five (5) positions supports this program two (2) positions are 100% reimbursable and three (3) positions are 75% reimbursable. Presently, two (2)

positions are filled and job announcements for three (3) vacancies are in revision process for readvertising.

- \$51,860.00 is projected to cover the Telecommunications Program. This amount will be federally reimbursed at 100 %.
- \$207,142.00 represents the projected cost to support the Environmental Resource Program. There are one (2) filled full-time position. All expenditures are federally reimbursed at 100%.
- \$26,183.00 is projected for Air National Guard Operating and Maintenance Program. This program requires a 25% General fund local match and a federal contribution of 75% of the total expenditures for supplies, repairs, and maintenance, electricity, and water charges.
- \$86,188.00 is for the support of the Distance Learning Program. Presently one (1) filled full time position. All charges incurred under this program are federally reimbursed at 100%.
- \$90,284.00 is the projected cost to support the Electronic Security System. Presently one (1) filled full time position and all expenditures are federally reimbursed at 100%.
- \$0.00 is the projected allocation for the Anti-Terrorism program as this program is in process for readvertising through federal contracting.
- \$85,093.00 is the projected allocation for the Emergency Management program. Presently one (1) full time employee is assigned, and all expenditures are federally

reimbursed at 100% is presently vacant, is in process for selected candidate filling.

Mr. Chairman, it is of utmost importance to note that the requested General Fund matches for the Master Cooperative Agreement Operating and Maintenance Cost must be committed to receive the federal share. The Budget Projection presented to you today includes the recommended General Fund Budget of \$3,243,939.00 to receive the Federal Projected Allocation of \$2,968,553.00. This allocates a combined total of \$6,212,492.00 in federal and local funds, to support the Office of the Adjutant General's operations for Fiscal Year 2026.

This concludes my presentation of the Fiscal Year 2026 proposed budget. Thank you for your attentiveness and stand ready to answer your questions on fiscal and administrative matters. I will be followed by the COL Deborah Lobbenmeier, United States Property & Fiscal Officer for the Virgin Islands National Guard.



United States Property and Fiscal Office

Fiscal Year 2026 Budget



United States Property and Fiscal Officer
Colonel Deborah Lobbenmeier Director

Good afternoon, Committee Chairman, Senator Milton E. Potter, Members of the Committee on Finance, and other members of the 36th legislature. I am Colonel Deborah Lobbenmeier, United States Property & Fiscal Officer for the Virgin Islands National Guard. My testimony today will present the Fiscal year 2026 projected federal funding and the required local match.

The Virgin Islands National Guard is primarily supported by three Army and Air Appropriations: National Guard Personnel, Army (NGPA) or 2060 Appropriation; Operations & Maintenance, Army NG (OMNG) or what we refer to as the 2065 Appropriation; and Military Construction, Army NG (MCNG) or 2085 Appropriation; and the Air National Guard Appropriations: Operations & Maintenance, Air National Guard Personnel, and Military Construction.

The FY 2026 National Guard Budget request supports the all-volunteer force of highly skilled, trained, fit, disciplined, and equipped cohesive teams of Soldiers. The Army is restructuring to provide 2030 capabilities to include Multi-Domain Task Forces, Theater Information Advantage Detachments, Indirect Fire Protection Capability, Modernized Watercraft, Long Range Hypersonic Weapons, and increased Cyber capacity and capabilities.

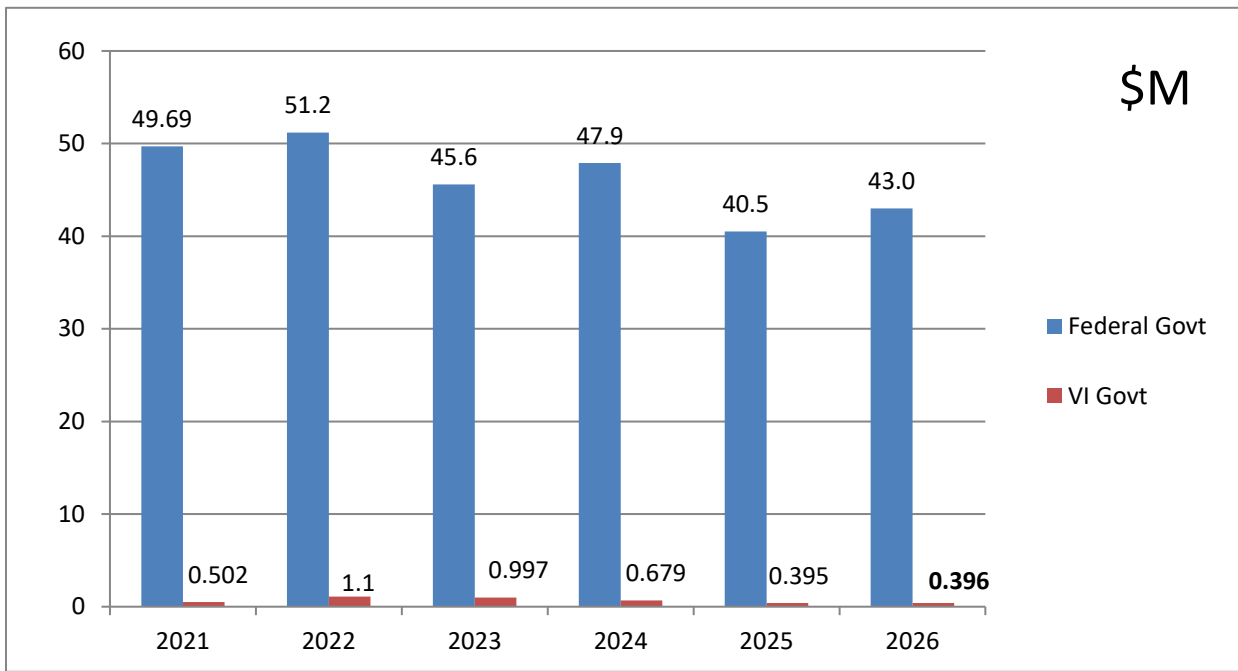
The changes in the FY 2026 budget are split between price and program changes: The price changes are due to increases in the rates for pay and allowances. Military pay and allowances raise effective 1 January 2026 are Basic Pay 3.8%; Basic Allowance for Housing 3.9% and Basic

Allowance for Subsistence 3.4%. In FY 2026, the Virgin Islands National Guard anticipates an overall funding increase of 2 percent over FY 2025 actuals, going from total funding of \$40.5 million dollars in 2025 to \$43.0 million dollars in 2026. Areas that saw increases were Active Guard Reserve (AGR) payroll, from 11.6 million dollars to 12.9 million dollars, Technician payroll from 11.4 million dollars to 11.6 million dollars, part-time (M-day) payroll from 3.2 million dollars to 3.6 million dollars and operation and training, 3.6 million dollars to 4.0 million dollars. Funding levels for installation support are 6.4 million dollars and services and supplies 4.2 million dollars. The graph below depicts the Army and Air National Guard overall funding for FY 2026 which is projected to be 43.0 million dollars for the Army and 3.9 million dollars for the Air National Guard. Full-time and part-time payroll of 31.7 million dollars and operations and maintenance of 15.2 million dollars.

FY-2026 PROJECTED FEDERAL REVENUE

<u>EXPENDITURES</u>	<u>ARMY CATEGORY</u>	<u>AIR CATEGORY</u>
FULL-TIME PAYROLL	\$ 24,681,341.66	\$ 2,469,632.00
PART-TIME PAYROLL	\$ 3,629,069.16	\$ 950,792.00
SERVICES & SUPPLIES	\$ 4,229,673.92	\$ 220,300.00
INSTALLATION SUPPORT	\$ 6,416,146.80	\$ 59,334.00
OPERATIONS & TRAINING	\$ 4,052,866.90	\$ 241,000.00
ESGR	\$ 6,614.00	-
TOTAL	\$43,015,712.44	\$ 3,941,058.00

5 YEAR BUDGET COMPARISON



The chart above illustrates the difference between federal and territorial support to the Virgin Islands National Guard over five (5) fiscal years. Current projections for FY 2025 will require the local government to provide \$396 thousand dollars to fully execute the Master Cooperative Agreement. The territory is responsible for matching federal funding at varying totals based on the facility. The St. Thomas Armory, which is our state armory, requires 43%, 37% or 50% based on the project, the St. Croix Armory requires 25%, Sprat Hall facility 4%, Air Guard facility 25% and Joint Force Headquarters 25%. This matching of funds is crucial because the federal share cannot be committed without the territory's percentage being available. The FY 2026 federal allocation projects a slight increase from 2025.

Significant, is the fact that we do everything we can to keep these monies in the territory to support the local economy. We estimate that during fiscal year 2026 75%, or approximately \$35 million dollars, will remain in the Virgin Islands. The National Guard is a good investment

for the territory of the Virgin Islands. Finally, let me place this fact on the record to address any concerns about drawdowns. The Office of the Adjutant General does not, let me repeat does not operate on grants and drawdowns like other agencies. We operate under a Master Cooperative Agreement which is a unique reimbursement process for approved and paid expenditures for supplies and services to support the Federal National Guard Mission. We have no federal dollars at risk due to lack of a drawdown.

Mr. Chairman, this concludes my testimony. I will be followed by the Adjutant General.

Conclusion

Mr Chair, before I conclude will like to address two hot button items.

Issue: Loss of Aviation Unit and 2 x UH-72 Helicopters

- On 27 November 2024 notification of the transfer of 1/112th Aviation Detachment to the Kentucky National Guard comprised of 2 x UH-72 was received.
- The unit personnel will return from Michigan this year and the structure and equipment will transfer completely on 1 July 2025.

Issue: Lack of V.I. DCSA Funding for VING support to Civil Authorities

- The ability to pay Soldier and Airmen TAD pay on time when called to support Civil Authorities requirements has reached a crucial decision point.
- *If we cannot pay TAD on time, we should not call them into duty.*
- The inability to deliver payments to service members once called

negatively affects their ability to pay their rent and utilities on time and jeopardizes their ability to feed their families.

- Taking them away from their fulltime jobs to fill gaps and shortfalls in other agencies without paying them on time is simply wrong.

Solution: Create a V.I. DCSA Internal Service Fund for TAD Support.

- I recommend future legislation and allocation of funding for restricted Internal Service Fund to finance TAD pay of VING servicemembers manpower gaps in other departments or agencies.
- This V.I. DSCA Internal Service Fund would enable VING to pay Soldier and Airmen timely while waiting for reimbursement from requesting agencies which historically have taken 2 to 8 months.
- The funds will be used to support all Emergency Support Functions Support needs throughout the territory annually.

*****Notification** Loss of the Blair Hangar which lease ends in 2027 to make room for the Public Private Partnership (P3) airport expansion on Henry E. Rohlsen Airport on St Croix***



This concludes our written testimony. We seek your committee favorable vote of approval for our Fiscal Year 2026 proposed budget. This bodies approval will enable our efforts to increase operational readiness with realistic *ends*; **ethical, legal, and moral ways**; and the appropriate means to fund the operations of the Virgin Islands Army and Air National Guards for its continued support to DSCA requirements in the territory and our federal warfighting mission requirements. Our team stands ready to answer your question regarding our fiscal year 2026 budget request.