

VIRGINIA TOURISM AUTHORITY
d/b/a Virginia Tourism Corporation

OPERATING PLAN

FOR THE FISCAL YEAR ENDING JUNE 30, 2026

VIRGINIA IS FOR LO[♥]ERS

**VIRGINIA TOURISM AUTHORITY
FY 2026 OPERATING PLAN**

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I. INTRODUCTION

The Virginia Tourism Authority d/b/a Virginia Tourism Corporation (VTC) was established by the General Assembly in 1999 (§ 2.2-2315 et seq., Code of Virginia) as "...a public body corporate and as a political subdivision of the Commonwealth." The Authority was given broad powers to "...stimulate the tourism segment of the economy by promoting, advertising, and marketing the Commonwealth's many tourist attractions and by coordinating other private and public efforts to do the same..." The General Assembly also recognized that the "...film industry is a legitimate and important part of economic development in the Commonwealth."

The VTC has a Board of Directors composed of 17 members, including the Lieutenant Governor, the Secretary of Commerce and Trade, the Secretary of Finance, the Secretary of Natural Resources, the Secretary of Agriculture and Forestry, and 12 members appointed by the Governor, subject to confirmation by the General Assembly. The Governor designates the Chairman of the Board, and the Board may elect one member as Vice-Chairman. The President/CEO of VTC is appointed by the Governor and serves as the Board's ex-officio secretary.

The VTC is headquartered in Richmond. In addition, the VTC operates 12 state welcome centers located strategically around the state to provide information to people traveling in Virginia.

OPERATING PLAN

This operating plan has been prepared in accordance with Chapter 725 the 2025 Appropriation Act, which states in part the following:

Prior to July 1 of each fiscal year, the Virginia Tourism Authority shall provide to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees and the Director, Department of Planning and Budget a report of its operating plan.

This document provides summary information regarding VTC's priorities, how it will accomplish its objectives, and the resources committed to those efforts.

II. MISSION, VISION, AND VALUES

VTC serves the broader interests of the Virginia economy by supporting, maintaining, and expanding the Commonwealth's domestic and international travel markets and motion picture industry, thereby generating increased spending, employment, and tax revenues. VTC develops and implements programs beneficial to Virginia travel-related and motion picture-related businesses and consumers.

MISSION STATEMENT:

Expand domestic and international in-bound travel and motion picture production to generate revenue and employment in Virginia.

VISION STATEMENT:

Foster a spirit of partnership within Virginia's tourism and motion picture industries.

VALUES STATEMENT:

Love is Integrity, Passion, and Results.

Integrity: Be the Best You

- Respect, value, and appreciate others with kindness
- Work through differences
- Be transparent
- Take personal responsibility

Passion: Thirst for Knowledge

- Seek new ideas and fresh thinking
- Stay curious and encourage questions
- Be purpose driven
- Value the people, the brand, and the industry

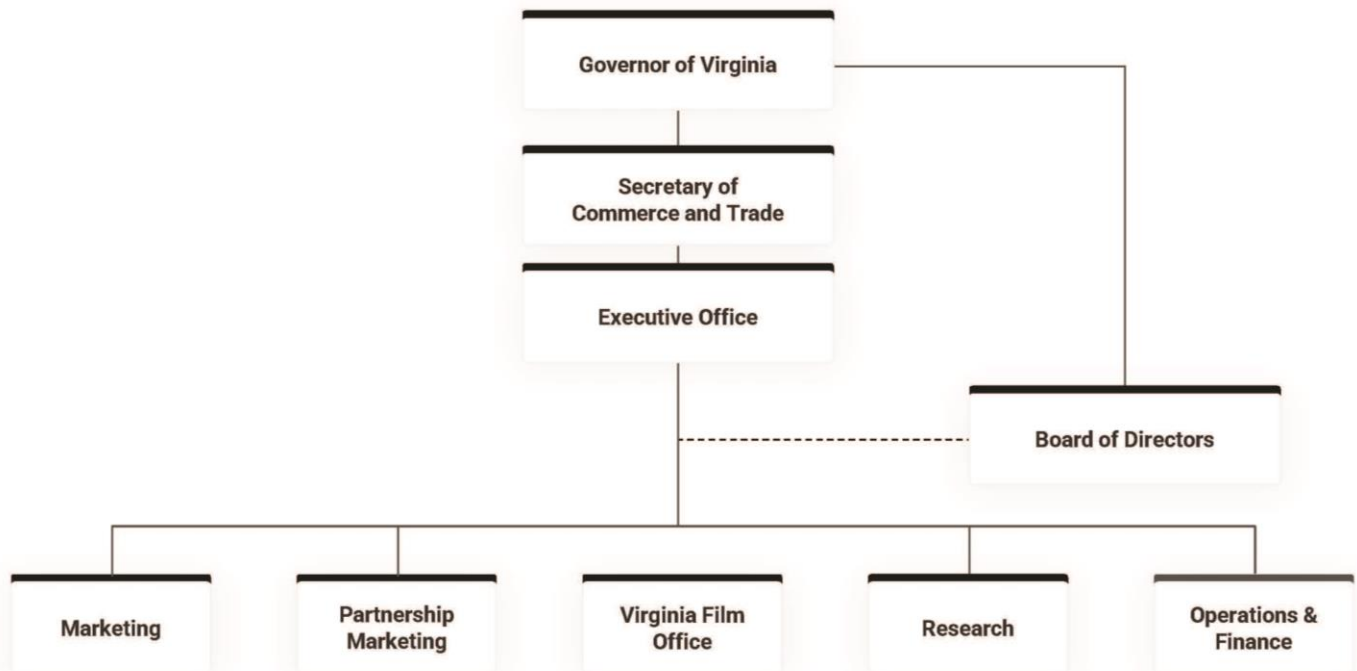
Results: Move Mountains

- Define, measure, and communicate collective goals
- Continuously evaluate and innovate
- Contribute to the success of others
- Celebrate shared accomplishments

III. ORGANIZATIONAL STRUCTURE

VTC's activities are divided into six programmatic areas. The responsibilities for management of these areas are vested with the President/CEO and four Vice-Presidents.

- 1) Executive & Board of Directors
- 2) Operations & Finance
- 3) Marketing
- 4) Research
- 5) Film
- 6) Partnership Marketing



IV. STRATEGIC PLAN AND PERFORMANCE MEASURES

VTC's strategic plan identifies the means by which VTC will achieve its stated mission and goals. The strategic plan also identifies the objectives and strategies associated with the goals. The strategic plan may be found on VTC's website (www.vatc.org) or on the Department of Planning and Budget's website (www.dpb.virginia.gov). The objectives included in the strategic plan are as follows:

1. Maximize Virginia's tourism potential through job creation
 - Support Virginia job growth through executing Tourism Develop Financing Program projects which address lodging deficiencies in communities with high tourism potential but inadequate assets.
2. Maximize Virginia's tourism potential through business assistance
 - Support Business growth through various VTC initiatives such as the Marketing Leverage Grants, Entrepreneur Workshops, Industry education conferences, Community Planning workshops as well as VTC Orientation business seminars.
3. Accelerate inbound visitor demand
 - Increase Target Household Awareness for Flagship Marketing Campaign
 - Reach more traveling households within target markets.
 - Increase target audience engagement through marketing efforts and visitors to Virginia.
 - Accelerate inbound visitor demand to drive a full recovery in total Virginia industry-wide hotel demand.
4. Maximize Virginia's content production
 - Increase the percentage of VA resident crew on all large-scale productions by 2025
 - Increase total number of productions filming and generating jobs, revenue, and economic impact in Virginia.

VTC also has the following quantifiable performance measures to assess the effectiveness of its programs in achieving its goals and objectives:

1. Number of TDFP certified projects
2. Number of businesses, entrepreneurs and organizations assisted
3. Overall awareness measurements
4. Number of households reached
5. Number of hotel bookings
6. Number of hotel room nights
7. Number of crew on large-scale productions that are Virginia residents
8. Number of projects filmed in Virginia

V. FY 2026 OPERATING FINANCIAL PLAN SUMMARY**Operating Financial Plan Summary
For The Fiscal Year Ending June 30, 2026**

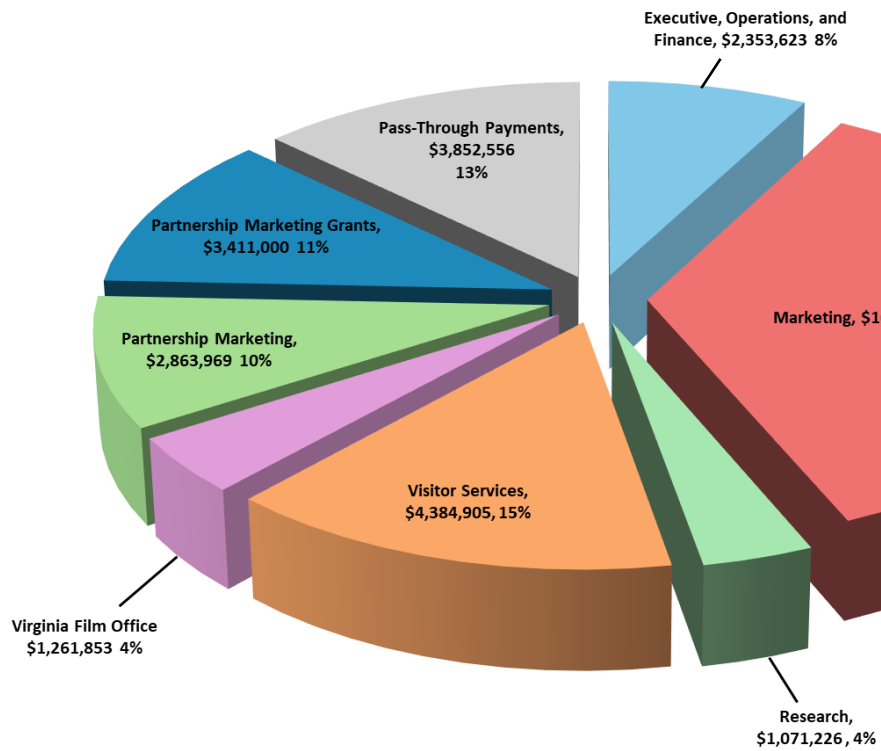
	Funds	Employment*
Fund Sources		
COV General Fund Revenue	\$27,109,572	
VDOT Transfers	1,425,000	
Welcome Center/Safety Rest Area Revenue	612,500	
Other Revenues	703,500	
Total Fund Sources	\$29,850,572	
Expenditures		
Executive, Operations, and Finance	\$2,353,623	7
Marketing	10,651,440	25
Research	1,071,226	3
Visitor Services	4,384,905	39
Film	1,261,853	4
Partnership Marketing	2,372,071	12
Partnership Marketing Grants	3,902,898	3
Pass-Through Payments	3,852,556	-
Total Expenditures	\$29,850,572	93

**Note: VTC employs approximately 36 part-time workers not reflected in the above employment levels.*

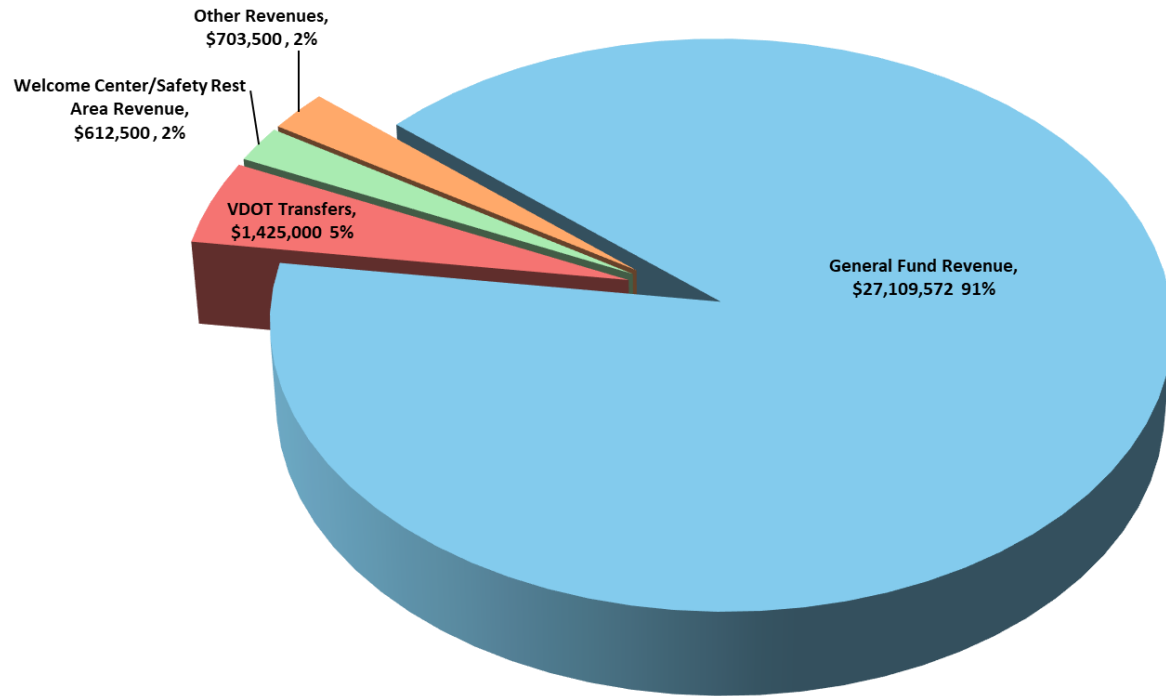
FY 2026 General Fund Budget Summary

	Amount
Base Budget	\$26,139,929
Chapter 725 (2025 Appropriation Act)	\$26,139,929
FY 2025 Central Appropriations distributions	\$375,388
FY 2026 Central Appropriations distributions (estimated)	\$594,255
TOTAL FY 2025 GENERAL FUND BUDGET	\$27,109,572

FY 2026 VTC Budget Summary



FY 2026 VTC Budget Sources



VI. EXECUTIVE, OPERATIONS, AND FINANCE

This function provides oversight through the President/CEO and the Board of Directors. It also includes administrative and support services such as Board of Directors support, budget development and monitoring, financial reporting, accounting, procurement, and strategic planning coordination. In addition, this function oversees the management of the “Virginia is for Lovers” trademarks.

EXECUTIVE, OPERATIONS, AND FINANCE Operating Financial Plan

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$2,023,623	
Other Revenues	330,000	
Total Fund Sources	\$2,353,623	
Expenditures		
Salaries, Benefits, and Taxes	\$1,196,600	7
Wages and Taxes	--	
Advertising and Promotion	--	
Missions, Shows, and Events	32,000	
Digital Marketing	--	
Travel	89,000	
Services	466,023	
Supplies and Materials	26,000	
Grants and Pass-Through Payments	--	
Fixed Asset Payments	256,000	
Other Expenditures	288,000	
Total Expenditures	\$2,353,623	7

VII. MARKETING

VTC's marketing activities include several programs aimed at promoting Virginia as a premier travel destination, including brand management, creative services, digital marketing, communications, global marketing, domestic sales, merchandising, and research. Each program has targeted purposes and objectives.

Brand Management: The advertising program develops and promotes the Virginia brand through social media, broadcast, and digital media. The media plan targets frequent travelers within markets that provide the highest potential number of visitors to Virginia. The media plan includes buy-downs and cooperative support for Virginia's tourism industry.

Creative Services: The creative services program provides in-house graphics development and production services for VTC. VTC's library of photography, film, videography, and digital graphics files is managed by creative services.

Digital Marketing: The digital marketing program manages VTC's three primary websites: virginia.org, blog.virginia.org, and vatc.org. Virginia.org and blog.virginia.org are trip planning and travel inspiration websites for consumers, while vatc.org is a business-to-business website for Virginia's tourism industry. Digital marketing manages VTC's internet communications technologies and develops web-based business initiatives and partnerships. Digital marketing also regularly educates the industry on the use of online technologies, marketing strategies, and the benefits of full participation in VTC's consumer website.

Communications: The communications program is responsible for generating editorial coverage in targeted national, regional, and in-state publications for promotion of Virginia as a premier travel destination. Communications also provides VTC with visibility in niche publications to promote special and unique attractions in Virginia. The program also is responsible for developing talking points for press conferences and interviews with the Governor and First Lady. In addition, it disseminates tourism-related news to the Virginia tourism industry and works with the industry on generating media coverage. Communications also manages VTC's robust social media program.

Global Marketing: The global marketing program develops and implements integrated and innovative direct sales, marketing, promotions, and public relations strategies to bring more foreign visitors and vendors to Virginia. The geographic targets are coordinated with air service to gateway airports and are supported by research.

Domestic Sales: VTC markets the Commonwealth as a premier travel destination to tour operators, select travel agents, meeting planners, and sports events rights holders. VTC represents the Commonwealth and provides the Virginia tourism industry with partnership opportunities to collaborate at professional trade shows, sales missions, site inspection tours, and marketing initiatives strategically targeting national, regional, and in-state domestic trade markets.

Merchandising: This program oversees the production of official "Virginia is for Lovers" merchandise. It works with Virginia's tourism industry to encourage participation in the sale of the merchandise, which generates royalties that support VTC's programs as well as strengthening brand recognition.

MARKETING (CONT'D)**MARKETING
Operating Financial Plan**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$10,431,440	
Other Revenues	220,000	
Total Fund Sources	\$10,651,440	
Expenditures		
Salaries, Benefits, and Taxes	\$3,300,139	25
Wages and Taxes	--	
Advertising and Promotion	4,695,336	
Missions, Shows, and Events	344,200	
Digital Marketing	1,044,660	
Travel	268,138	
Services	526,945	
Supplies and Materials	79,900	
Fixed Assets Payments	158,119	
Other Expenditures	234,003	
Total Expenditures	\$10,651,440	25

VIII. VISITOR SERVICES

This program develops overall strategies for sound customer and visitor relations and information distribution systems. It manages activities aimed at providing superior customer service, evaluating and improving customer fulfillment functions, and increasing community outreach. VTC works cooperatively with the Virginia Department of Transportation in the operations of the state's 12 Welcome Centers to promote and encourage traveler visitation to and within Virginia.

VISITOR SERVICES Operating Financial Plan

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$2,418,905	
VDOT Transfers	1,200,000	
Welcome Center/Safety Rest Area Revenue	612,500	
Other Revenues	153,500	
Total Fund Sources	\$4,384,905	
Expenditures		
Salaries, Benefits, and Taxes	\$3,189,985	39
Wages and Taxes	459,864	
Advertising and Promotion	--	
Missions, Shows, and Events	3,300	
Digital Marketing	--	
Travel	121,121	
Services	421,685	
Supplies and Materials	134,907	
Grants and Pass-Through Payments	--	
Fixed Asset Payments	30,059	
Other Expenditures	23,984	
Total Expenditures	\$4,384,905	39

Note: Visitor Services also includes 36 part-time travel counselors at the state's 12 Welcome Centers.

IX. Film

The Virginia Film Office is committed to attracting film and video production to Virginia and supporting the indigenous production industry, with the ultimate goal of bringing economic and employment benefits to the Commonwealth. Film, video, and multi-media production is a growth industry worldwide, and the potential economic benefits to the state have increased significantly. The Virginia Film Office pursues its goals through the creation and implementation of innovative marketing and development programs, and by delivering exceptional customer service to inspire repeat business.

FILM Operating Financial Plan

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$1,261,853	
Total Fund Sources	\$1,261,853	
Expenditures		
Salaries, Benefits, and Taxes	\$630,028	4
Wages and Taxes	10,700	
Advertising and Promotion	206,625	
Missions, Shows, and Events	13,500	
Digital Marketing	--	
Travel	34,000	
Services	81,500	
Supplies and Materials	48,500	
Grants and Pass-Through Payments	200,000	
Fixed Assets Payments	18,000	
Other Expenditures	19,000	
Total Expenditures	\$1,261,853	4

X. PARTNERSHIP MARKETING

Partnership Marketing maximizes the tourism potential of Virginia's communities through tourism planning, development, and marketing. Together, these efforts help build vibrant communities for travelers as well as residents. Partnership Marketing maintains the ongoing State Tourism and Development Plan.

Planning and Partnerships: Planning and Partnerships provides communities and tourism entrepreneurs with tourism planning expertise and support. It assists with community planning, building partnerships, product planning, and identifying funding resources to help grow the Commonwealth's tourism industry. It also works closely with Virginia's localities and attractions to identify other grant opportunities and options for stretching limited resources to develop and market the Commonwealth's tourism product.

Business Development: Business Development is responsible for administering the Tourism Development Financing Program (TDFP) and the Adventure Tourism Manufacturing (ATM) program. The TDFP provides gap financing to compensate for a shortfall in project funding in partnership with developers, localities, and financial institutions, while the ATM program works with the Virginia Economic Development Partnership to recruit manufacturers of outdoor adventure products.

**PARTNERSHIP MARKETING
Operating Financial Plan**

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$2,372,071	
Total Fund Sources	\$2,372,071	
Expenditures		
Salaries, Benefits, and Taxes	\$1,751,218	12
Wages and Taxes	--	
Advertising and Promotion	217,075	
Missions, Shows, and Events	21,850	
Digital Marketing	--	
Travel	126,300	
Services	153,999	
Supplies and Materials	37,893	
Grants and Pass-Through Payments	--	
Fixed Assets Payments	16,750	
Other Expenditures	77,250	
Total Expenditures	\$2,372,071	12

XI. PARTNERSHIP MARKETING GRANTS

Partnership Marketing administers VTC’s competitive grant programs. These grants range from strategic community development grants with the Drive Tourism Initiative to Cooperative Marketing Grants with the private sector to help businesses and communities thrive.

The Marketing Leverage Program partners with localities and the private sector to stimulate new tourism marketing initiatives and to extend the “Virginia is for Lovers” marketing efforts. The DMO Marketing Program awards matching grants to official Virginia Destination Marketing organizations to attract new travelers. The Special Events and Festivals Program provides matching funds for marketing and operations expenses that help bring tourists to communities throughout Virginia.

PARTNERSHIP MARKETING GRANTS Operating Financial Plan

Fund Sources			
COV General Fund Revenue	\$3,902,898		
Total Fund Sources	\$3,902,898		
Expenditures			
Salaries, Benefits, and Taxes	\$334,780	3	
Wages and Taxes	--		
Advertising and Promotion	10,000		
Missions, Shows, and Events	--		
Digital Marketing	--		
Travel	44,000		
Services	42,000		
Supplies and Materials	6,200		
Grants and Pass-Through Payments	3,411,000		
Fixed Assets Payments	5,000		
Other Expenditures	54,918		
Total Expenditures	\$3,902,898	3	

XII. RESEARCH

The VTC Research & Strategy division is responsible for insight generation, performance measurement, and overall strategic goal setting processes across the Authority. The division serves both internal and external partners by helping other divisions, especially Marketing and Partnership Marketing, with data-driven decision making around audiences, target markets, and marketing channels, as well as measuring the effectiveness of marketing efforts. The research program utilizes a wide range of tourism industry data, metrics, and insights in order to quantify the impact of Virginia's tourism industry. To this end, the Research division maintains ownership of all data & analytics tools and processes for the Authority. Major areas of responsibility include:

- Data analytics and insight generation to support VTC's Marketing efforts, including brand analysis & positioning, campaign support, feeder market analysis, audience segment analysis, and targeting insights.
- Insight support and performance measurement of Virginia's travel & tourism industry, including research for local DMO partners and the VTC Partnership Marketing team. This objective includes measurement of the economic impact of Virginia visitors on the Commonwealth overall as well as to local & regional entities, measurement of visitation, visualization of tourism hub & spokes across industries, and lodging performance reporting and analysis.
- Overall goal setting processes for the Authority overall, including objective setting and measurement.

RESEARCH OPERATING FINANCIAL PLAN

	Funds	Employment
Fund Sources		
COV General Fund Revenue	\$1,071,226	
Total Fund Sources	\$1,071,226	
Expenditures		
Salaries, Benefits, and Taxes	\$522,505	3
Wages and Taxes	--	
Advertising and Promotion	--	
Missions, Shows, and Events	--	
Digital Marketing	--	
Travel	12,671	
Services	518,050	
Supplies and Materials	--	
Grants and Pass-Through Payments	--	
Fixed Assets Payments	9,000	
Other Expenditures	9,000	
Total Expenditures	\$1,071,226	3

XIII. PASS-THROUGH PAYMENTS

The following is a list of pass-through funding included in the appropriation for the Virginia Tourism Authority.

	Funds
Fund Sources	
COV General Fund Revenue	\$3,627,556
VDOT Transfers	225,000
Total Fund Sources	\$3,852,556
Expenditures	
Henrico County	150,000
Danville Visitor Center	225,000
Southwest Regional Recreation Authority - Spearhead Trails	2,100,000
Heart of Appalachia Tourism Authority	450,000
Special Olympics Virginia	50,000
Promote Virginia Parks	100,000
Virginia Association of Broadcasters – media in VA/DC/Baltimore	627,556
Carver Price Legacy Museum	25,000
City of Norfolk – Nauticus to support education programming	125,000
Total Expenditures	\$3,852,556