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**THE STATE OF NEW HAMPSHIRE  
DEPARTMENT OF TRANSPORTATION**



*William Cass, P.E.  
Commissioner*

*David Rodrigue, P.E.  
Assistant Commissioner*

*Andre Briere, Colonel, USAF (RET)  
Deputy Commissioner*

Division of Finance  
April 14, 2023

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His Excellency, Governor Christopher T. Sununu  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

Authorize the Department of Transportation, Bureau of Highway Maintenance, to hold seven organized meetings for the purpose of training and recognizing Department of Transportation employees. One meeting will occur during the spring of calendar year 2023 for District 1 and six more meetings during the calendar year in the fall of 2023 at the six NHDOT Highway Maintenance District locations. Food and other costs are estimated to be \$4,000 per event for a total of \$28,000, effective upon Governor and Council approval. 100% Highway Funds.

Funding is available in State Fiscal Year 2023, and is anticipated to be available in Fiscal Year 2024 as follows, with the ability to adjust encumbrances through the Budget Office between State Fiscal Years if needed and justified:

	<u>FY 2023</u>	<u>FY 2024</u>
04-96-96-960515-3007 Highway Maintenance		
020-500200 Current Supplies	\$4,000	\$24,000

**EXPLANATION**

The Department of Transportation's Division of Operations supports and encourages the Highway Maintenance Districts to hold semi-annual safety/training days to train and recognize safety achievements with their staff. This provides an opportunity to gather the staff to disseminate safety and training information, provides field personnel access to state services and a platform to present initiatives that Districts are focusing on. It also provides a forum for the Commissioners and Directors to address the field staff and respond to questions.

Staff are appreciative of these annual events during the spring following winter operations. Travel to event locations at each of the 6 districts across the state can be a significant distance for staff. In addition, dispersing 100+ employees locally for lunch significantly reduces the available training time at these events. Therefore, in order to maximize the effectiveness of the day's events, the Department has historically funded a light breakfast and lunch for attendees.

Total cost for food and other expenses is estimated to be \$4,000 per event due to inflation of these items despite increasing vacancy rates in these positions. By utilizing catering services, it enables all attending staff to participate in the training versus some staff being diverted to food preparation and distribution, thereby missing the training.

The Department therefore requests permission to hold seven organized meetings to train the DOT's Highway Maintainer staff responsible for all plowing and for all spring, summer and fall maintenance operations as follows in the table below:

<i>Tentatively Planned for the Spring of 2023</i>	<i>Tentatively Planned for the Fall of 2023</i>
District 1 - May	District 1 - September
	District 2 - October
	District 3 - September
	District 4 - October
	District 5 - October
	District 6 - October

Your approval of this resolution is respectfully requested.

Sincerely,



William J. Cass  
Commissioner

Attachments

**Safety and District Training Day Food Expenses for NHDOT Highway Maintenance Districts**

Recent Quotes Received for Food and Miscellaneous Items

Prepared on 4/19/2023

G&C Item DO-BHM-02-23-01

G&C Item DO-BHM-02-23-01

Vendor	Quote Dated	Cost Per Person	Added Fees	Total Cost x 125 Attendees	Brief Description of Food
603 Smok'n Que	3/29/2023	\$ 22.00	0	\$ 2,750.00	Smash Burgers, fries, pulled pork sandwiches, condiments outside on a large cart. Cutlery & Paper Products - DROP OFF AND WE SERVE
603 Smok'n Que	3/30/2023	\$ 26.00	0	\$ 3,250.00	Grilled steak, chicken pulled pork, cole slaw, potato egg salad, BBQ sauce, Pickle/Pepper Tray - Served by Vendor
604 Smok'n Que	3/31/2023	\$ 22.00	0	\$ 2,750.00	Grilled steak, chicken pulled pork, cole slaw, potato egg salad, BBQ sauce, Pickle/Pepper Tray - Dropped Off by Vendor. And NHDOT serves the food.
Papa Joe's	3/6/2023	\$ 15.00	125	\$ 1,875.00	Burger Bar, Potato Salad, Hot Dogs, Caesar Salad, Watermelon, American Cheese. Catering Equipment, Tables, Propane and 3 cooks and 3 staff.
Tidewater adds a \$150 Disposable Fee and 23% of the food total for service and travel.	3/14/2023	\$ 19.95	See Column A	\$ 3,805.78	<b>Backyard BBQ Luncheon:</b> Fresh Garden Salad, Potato Salad (for 1/2 the group), Pasta Salad (for 1/2 the group), Sliced Fruit and Berry Display (for 1/2 the group), Fresh Fruit Salad (for 1/2 the group), Grilled Hamburgers (1 per person), All-Beef Hot Dogs (1 per person), Buns, Pickles and Appropriate Condiments, Platter of sliced Cheese, Lettuce and Tomato, Individual Bags of Chips, Assorted Cookies and Brownies
Tidewater adds a \$150 Disposable Fee and 23% of the food total for service and travel.	3/14/2023	\$ 22.00	See Column A	\$ 4,287.50	<b>Southern Summer BBQ Luncheon:</b> Potato Salad (for 1/2 the group), Pasta Salad (for 1/2 the group), BBQ Pulled Pork Sandwiches, Cole Slaw and Buns on the side, Slow Grilled BBQ Chicken Breast, Grilled and Chilled Summer Vegetable Display, Corn on the cob, Assorted Cookies and Brownies
Tidewater adds a \$150 Disposable Fee and 23% of the food total for service and travel.	3/14/2023	\$ 25.00	See Column A	\$ 4,634.00	<b>Mixed Grill BBQ Luncheon:</b> Tomato and Mozzarella Salad, Pasta Salad, Slow Grilled Boneless BBQ Chicken Breast, Sweet and Hot Italian Sausage, Sautéed Peppers and Onions with Sub Rolls, Marinated Grilled Steak Tips, Grilled and Chilled Summer Vegetable Display, Assorted Cookies and Brownies
Granite State Lunch Box	3/22/2023			\$ 1,861.00	Initial Estimate: Meatball Subs, \$2,625.00, (\$7.50 ea.) = 350, Side Salad \$437.50, (\$2.50 ea.) = 175, Pasta/Potato Salad \$875.00 (\$2.50 ea.) = 350, Chaffing Dishes and Fuel \$200.00, Delivery fee \$100.00, Total, \$4,237.50 Adjusted to 125 = below.
		\$ 937.00			\$7.50 x 125 = \$937.00 - Meatball Subs
		\$ 312.00			\$2.50 x 125 = \$312.00 - Side Salad
		\$ 312.00			\$2.50 x 125 = \$312.00 - Pasta Salad
		\$ 200.00			\$200 - Chaffing Dishes and Fuel
		\$ 100.00			\$100 Delivery Fee
				\$ 25,213.28	Average cost of Food as quoted
				\$ 3,151.66	Divided by 8 quotes = Average for Food
<b>Additional Items NOT provided by Food Service Vendor</b>					
CocaCola - Beverages for 125	9/9/2023	\$ 1.47	125	\$ 183.75	An assortment of beverages estimated for 150. This estimate is based off a recent purchase in 9/2022
Calise Bakery Donuts for 125		\$ 0.83	125	\$ 103.75	An assortment of donuts estimated for 150 people purchased off State Contract 8003164 This estimate is based off a recent purchase in 9/2022
				\$ 5,439.16	<b>Sub Total all food related products</b>
				\$ - 0.083	Percentage of price of food increase predicted for 2023 - as per the USDA 8.3% - see attachment showing prediction from the USDA Economic Research Service
				\$ 285.450	Additional funds added for the increase of food .083 x \$3465.91.41 =
				\$ 3,724.610	<b>TOTAL ANTICIPATED FOOD COST</b>
Miscellaneous Items		\$ 2.00	125	\$ 250.00	Training material duplication, paper products, cutlery for coffee and donuts, honorariums, grilling fuel, trash bags, and briquettes, and/or items not included by caterer or if we decide to prepare food ourselves additional materials will need to be purchased.
				\$ 3,974.61	Estimate of Safety Day Training for EACH NHDOT Highway Maintenance District, in the Division of Operations

**TALLY OF ATTENDEES**

Active Employees by District as of 2/27/2023 as per the NH First Active Employees Report	Positions Filled as of 2/27/2023	Speakers Outside of the District Presenting	NHDOT Concord Highway Maintenance Administration Staff in Attendance	NHDOT Concord Administrative Safety Compliance Staff	Human Resource Staff Assisting with Benefits for Highway Maintainer staff that DO not have computer access, to include the SEA, Delta Dental, Anthem, Empower Retirement, and SmartShopper	Attendees from Other Districts	Executive Office Speakers	Final District Totals
District 1	109	4	6	3	10	4	3	139
District 2	78	4	6	3	10	4	3	108
District 3	100	4	6	3	10	4	3	130
District 4	80	4	6	3	10	4	3	110
District 5	102	4	6	3	10	4	3	132
District 6	76	4	6	3	10	4	3	106

Total Attendees All 6 Districts	725
Divided by 6 Districts for the average number of attendees	120.8333
Contingency for Anticipated Additional Hires because of high vacancy rates	5

TOTAL NUMBER OF ATTENDEES 125.83

# 603 Smok'n Que

Pitmaster and Owner: Josh Hilyard

# Quotation

DATE May18 2023  
Quotation # 350

Merrimack NH  
603-860-5812

Client:  
NH dept. of transportation

This quote was originally for 350 attendees and was recalculated for 125 attendees.

Quotation valid until: N/A  
Prepared by: Joshua Hilyard

\$7,700 divided by 350 = \$22 per person

\$22 x 125 = \$2,750.00

Comments or special instructions: : This is onsite with my food trailer serving from the window and tables outside for self serve. To speed up service.

Description	AMOUNT
Smash burger party - Smash burgers and all the fries you can eat. I'm adding pulled pork sandwiches as a option (not both for one person) with condiments outside the truck for self serve. Comes with a Greek salad with dressing and classic slaw.	\$22
extra meat -	N/A
Appetizer -	N/A
Extra side -	N/A
For onsite catering with smoker - I provide disposable plates, utensils and napkins. I keep food warm in chaffing dishes. I need you to supply tents for the buffet station. Only if the food will not be inside. I bring black table clothes. I take care of my own trash only. I need proper space for my smoker and grills.	N/A
For food truck service - I serve everything from the takeout window. I provide disposable plates, utensils and napkins. Some condiments are outside for customers to use. I'm responsible for my trash only. Need proper space for a 20ft trailer and truck to park. Easy access in and out of property.	N/A
Food tax 8.5%	N/A
<b>TOTAL</b>	<del>\$7,700.00</del>

THANK YOU FOR YOUR BUSINESS!

# 603 Smok'n Que

Pitmaster and Owner: Josh Hilyard

# Quotation

DATE May18 2023  
Quotation # 350

Merrimack NH  
603-860-5812

Client:  
NH dept. of transportation

Quotation valid until: N/A  
Prepared by: Joshua Hilyard

\$9,100 divided by 350 = \$26 per person  
\$26 x 125 = \$3,250.00 for vendor to provide,  
cook and serve food.

\$7,700 divided by 350 = \$22 per person  
\$22 x 125 = \$2,750.00 for vendor to provide food  
and NHDOT serves it.

Comments or special instructions: : This is for onsite with my smoker and buffet set up.  
Also a quote for same food dropped off and buffet set up.  
I would do two buffet stations to prevent a low down in the line.

Description	AMOUNT
Grillmaster - This comes with grilled steak, grilled chicken and pulled pork. The sides will be classic slaw and potato egg salad. Comes with BBQ sauce and a pickle & pepper tray.	\$26 onsite
My drop off program is I come with everything you need to set up. Paper plates, napkins, utensils, chaffing racks & sternos, serving utensils. Customer supplies the tables.	\$22 drop off
Appetizer -	N/A
Extra side -	N/A
For onsite catering with smoker - I provide disposable plates, utensils and napkins. I keep food warm in chaffing dishes. I need you to supply tents for the buffet station. Only if the food will not be inside. I bring black table clothes. I take care of my own trash only. I need proper space for my smoker and grills.	N/A
For food truck service - I serve everything from the takeout window. I provide disposable plates, utensils and napkins. Some condiments are outside for customers to use. I'm responsible for my trash only. Need proper space for a 20ft trailer and truck to park. Easy access in and out of property.	N/A
Food tax 8.5%	N/A
<b>TOTAL</b>	<del>\$9,100.00 onsite \$7,700 drop off</del>

THANK YOU FOR YOUR BUSINESS!

Papa Joe's Humble Kitchen

237 South Street/ Rt.13S  
Milford, NH 03055

# Invoice

Date	Invoice #
3/6/2023	2114

<b>Bill To</b>
NHDOT

<b>Ship To</b>

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			5/18/2023			
Quantity	Item Code	Description			Price Each	Amount
	Misc	Burger Bar Catering Equipment, Tables, Propane			100.00	100.00
	Misc	3 cooks and 3 staff (45min Setup/ 90min Serving/ 45min Breakdown)			450.00	450.00
	Misc	Burger Trays, Napkins Utensils			100.00	100.00
	Misc	Hamburgers (5oz) 150lbs, Hotdogs 20lbs			4,600.00	4,600.00
		Potato Salad 90lbs				
		Caesar Salad 30lbs				
		Watermelon 6 each				
		American Cheese 15lbs				
		NH rms and meals tax				0.00
<p><math>\\$5,250 \text{ divided by } \\$350 = \\$15 \text{ per person}</math></p> <p><math>\\$15 \times 125 \text{ persons} = \\$1,875.00</math></p>						
<b>Total</b>						<del>\$5,250.00</del>



This quote was originally for 350 attendees and the per person charge has been adjusted to 125 attendees. See second page.

**Tidewater**  
Catering Group

Ghislaine Majeau  
NH Department of Transportation  
16 East Point Drive  
Bedford, NH 03110  
603-666-3336  
[District5@dot.nh.gov](mailto:District5@dot.nh.gov)

March 14, 2023

**Plow Rally Luncheon**

Thursday, May 18, 2023

Hillsborough County 4-H Fairgrounds (Rte 13) in New Boston.

15 Hilldale Lane New Boston 03070

11:30am (TIMING?)

350 guests

**Backyard BBQ Luncheon**

Fresh Garden Salad

*Mixed greens, chopped cucumbers, tomatoes and carrots*

*Ranch dressing and Balsamic Vinaigrette*

Traditional Home-Style Potato Salad (for ½ the group)

Tidewater's Pasta Salad (for ½ the group)

Sliced Fruit and Berry Display (for ½ the group)

Fresh Fruit Salad (for ½ the group)

Grilled Hamburgers (1 per person)

All-Beef Hot Dogs (1 per person)

Buns, Pickles and Appropriate Condiments

Platter of sliced Cheese, Lettuce and Tomato

Individual Bags of Chips

Assorted Cookies and Brownies

**Southern Summer BBQ Luncheon**

Loaded Potato Salad (for ½ the group)

Tidewater's Pasta Salad (for ½ the group)

BBQ Pulled Pork Sandwiches

Cole Slaw and Buns on the side

Slow Grilled BBQ Chicken Breast

Grilled and Chilled Summer Vegetable Display

Corn on the cob

Assorted Cookies and Brownies

**Mixed Grill BBQ Luncheon**  
 Tomato and Mozzarella Salad  
 Tidewater's Pasta Salad  
 Slow Grilled Boneless BBQ Chicken Breast  
 Sweet and Hot Italian Sausage  
 Sautéed Peppers and Onions with Sub Rolls  
 House Marinated Grilled Steak Tips  
 Grilled and Chilled Summer Vegetable Display  
 Assorted Cookies and Brownies

**Service Note:**

- Tidewater to provide high quality compostable and recyclable disposables for all food services.
- Staff to remain on site for 1.5 hours of luncheon event to ensure excellent service levels and food quality.
- Leftovers will be wrapped up and remain with client
- **CLIENT TO PROVIDE** adequate buffet tables and table coverings for food.

**Pricing:**

Backyard BBQ	\$ 19.95 per person	<b>\$3,805.78 for 125 Attendees</b>
Southern Summer Cookout	\$ 22.00 per person	<b>\$4,287.50 for 125 Attendees</b>
Mixed Grill BBQ	\$ 25.00 per person	<b>\$4,634.00 For 125 Attendees</b>

**Regardless of the BBQ Chosen, the following charges will apply:**

Disposables	\$ 150.00 flat fee	These fees are included in the pricing above for 125 Attendees.
Service charge/Travel Fee	23% of food total	
NH Meals Tax	exempt	

**Final Guest Count:**

Final guest count is due 10 days prior to your event. After that time, no decrease can be made.

**Billing:**

No Deposit is due. An invoice will be emailed to Ghislaine Majeau on the 1<sup>st</sup> business day following the event. Payment is appreciated within 14 days of receipt. Checks are can be made payable to Tidewater Catering Group.

Sincerely,  
 Keri Laman

To indicate your approval to the above details, and to confirm the date and arrangements, please sign below and return to our office.

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Date

# Granite State Lunchbox sent you an estimate

This is Menu Option 2. We look forward to working with you.

Customer

Ghislaine Majeau

Ghislaine.H.Majeau@dot.nh.gov

Estimate #000003

March 22, 2023

Show full details 

## 5/18 NH Dept of Transportation

Service date: May 18, 2023

Meatball Subs

\$2,625.00

(\$7.50 ea.) × 350

Side Salad

\$437.50

(\$2.50 ea.) × 175

Pasta/Potato Salad

\$875.00

(\$2.50 ea.) × 350

Chaffing Dishes and Fuel

\$200.00

Delivery fee

\$100.00

Subtotal

\$4,237.50

Total

\$4,237.50

Granite State Lunchbox

[granitestatelunchbox@yahoo.com](mailto:granitestatelunchbox@yahoo.com)

+1 (603) 624-9378

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			Meatball Subs, \$2,625.00, (\$7.50 ea.) × 350, Side Salad \$437.50, (\$2.50 ea.) × 175, Pasta/Potato Salad \$875.00 (\$2.50 ea.) × 350, Chaffing Dishes and Fuel \$200.00, Delivery fee \$100.00, Total, \$4,237.50 Adjusted to 150 - below.
\$	937.00	\$	1,861.00
\$	312.00		\$7.50 x 125 = \$937.00 - Meatball Subs
\$	312.00		\$2.50 x 125 = \$312.00 - Side Salad
\$	200.00		\$200 - Chaffing Dishes and Fuel
\$	100.00		\$100 Delivery Fee



United States Department of Agriculture  
Economic Research Service

 An official website of the United States government

Here's how you know

See Next page for 8.3% anticipated food price increase in 2023.



(/) Economic Research Service (/)

MENU

## Summary Findings

### Food Price Outlook, 2023

*This page summarizes the March 2023 forecasts, which incorporate the February 2023 Consumer Price Index and Producer Price Index numbers.*

See the **Overview page** (</data-products/food-price-outlook/>) for Consumer Price Index and Producer Price Index data sets.

**Note: The Food Price Outlook data series and forecasting methodology were revised in January 2023 based on the approach documented in the following report. As of January 2023, the Food Price Outlook Summary Findings are based on the revised data series. Forecasts using the prior forecasting methodology remain available as data files (“Legacy Data”). USDA, ERS will continue to produce new monthly forecasts using both the updated methods and the legacy methods through June 2023.**

***Time-Series Methods for Forecasting and Modeling Uncertainty in the Food Price Outlook*** (</publications/pub-details/?pubid=104490>).

### Consumer Price Index for Food (not seasonally adjusted)

The all-items Consumer Price Index (CPI), a measure of economy-wide inflation, rose by 0.6 percent from January 2023 to February 2023 and was up 6.0 percent from February 2022. The CPI for all food increased 0.4 percent from January 2023 to February 2023, and food prices were 9.5 percent higher than in February 2022.

The level of food price inflation varies depending on whether the food was purchased for consumption at home or away from home:

### 8.3% for food pricing increase applied to Calculation

- The food-at-home (grocery store or supermarket food purchases) CPI increased 0.3 percent from January 2023 to February 2023 and was 10.2 percent higher than February 2022; and
- The food-away-from-home (restaurant purchases) CPI increased 0.6 percent in February 2023 and was 8.4 percent higher than February 2022.

Food prices are expected to grow more slowly in 2023 than in 2022 but still at above-historical average rates. **In 2023, all food prices are predicted to increase 7.5 percent**, with a prediction interval of 5.5 to 9.6 percent. **Food-at-home prices are predicted to increase 7.8 percent**, with a prediction interval of 5.3 to 10.5 percent. **Food-away-from-home prices are predicted to increase 8.3 percent**, with a prediction interval of 7.2 to 9.3 percent.

### Recent Historical Overview

Between the 1970s and early 2000s, food-at-home prices and food-away-from-home prices increased at similar rates. However, between 2009–2019, their growth rates diverged; while food-at-home prices deflated in 2016 and 2017, monthly food-away-from-home prices rose consistently. Differences between the costs of serving prepared food at restaurants and retailing food in supermarkets and grocery stores partly explains this difference.

In 2020, food-at-home prices increased 3.5 percent and food-away-from-home prices 3.4 percent. This convergence was largely driven by a rapid increase in food-at-home prices while food-away-from-home price inflation remained within 0.3 percentage points of the 2019 inflation rate. The largest price increases were for meat categories: beef and veal prices increased by 9.6 percent, pork prices by 6.3 percent, and poultry prices by 5.6 percent. The only category to decrease in price in 2020 was fresh fruits, by 0.8 percent.

In 2021, food-at-home prices increased 3.5 percent and food-away-from-home prices increased 4.5 percent. The CPI for all food increased an average of 3.9 percent in 2021. Of all the CPI food-at-home categories tracked by the U.S. Department of Agriculture (USDA), Economic Research Service (ERS), the beef and veal category had the largest relative price increase (9.3 percent) and the fresh vegetables category the smallest (1.1 percent). No food categories decreased in price in 2021 compared with their prices in 2020.

In 2022, food prices increased by 9.9 percent. Food-at-home prices increased by 11.4 percent, while food-away-from-home prices increased by 7.7 percent. All food price categories tracked by USDA, ERS increased by more than 5 percent, and all food categories grew faster than their historical average rate. Following an outbreak

of Highly Pathogenic Avian Influenza (HPAI), egg prices had the largest price increase (32.2 percent) between 2021 and 2022 of any category tracked by USDA, ERS. Beef and veal prices increased the least (5.3 percent) between 2021 and 2022 and generally declined from peak prices in November 2021.

### **CPI Forecast Changes This Month**

The primary forecasting methodology used in the USDA Food Price Outlook changed between December 2022 and January 2023. Data using legacy methods will continue to be published alongside the primary methods but will not be reported in the Summary Findings. The updated primary methods are based entirely on statistical models that are fitted to recent trends in the data. These methods provide wider initial prediction intervals that narrow over the forecast period as more data become available and the degree of uncertainty declines. Discussions of price changes will focus on the midpoint of these forecast intervals (titled “Mid” in the workbooks) and use the lower and upper bounds of a 95-percent prediction interval (based on past data, the 2023 level of inflation is expected to fall in this interval 19 out of 20 times) to reflect the level of uncertainty (titled “Lower” and “Upper” in the workbooks, respectively).

Price increases for all food and food at home were lower in February 2023 than January 2023, and their year-over-year price increases continued to decline. Food-away-from-home prices again increased by 0.6 percent from January 2023 to February 2023, and its year-over-year price increased slightly from January 2023. Prices increased for 13 food-at-home categories between January 2023 and February 2023. Prices increased for all categories except fresh vegetables and eggs. The continuing increases in the Federal funds (interest) rate by the Federal Reserve placed downward pressure on prices, and prices for unprocessed agricultural commodities have decreased since peaking in May 2022. The effects of these conditions will be closely monitored as they unfold to assess their impacts on food prices.

Retail egg prices decreased 6.7 percent in February 2023 but remained 55.4 percent above February 2022 prices. The ongoing outbreak of HPAI has reduced the U.S. egg-layer flock, as well as the poultry flock to a lesser extent. The outbreak has contributed to elevated egg and poultry prices as over 58 million birds, 322 commercial flocks, and 47 States have been affected. Wholesale and retail egg prices have declined without a confirmed case of HPAI in egg layers between December 21, 2022, and March 23, 2023. Price impacts of the outbreak will be monitored closely. **Egg prices are predicted to increase 29.6 percent in 2023**, with a prediction interval of 13.4 to 48.9 percent. This wide prediction interval reflects the volatility in retail egg prices.

Prices are expected to continue increasing for nine additional food categories that experienced consistent growth throughout 2022. **In 2023, prices are predicted to increase for other meats (4.5 percent), poultry (3.4 percent), dairy products (6.4 percent), fats and oils (15.4 percent), processed fruits and vegetables (11.4 percent), sugar and sweets (11.1 percent), cereals and bakery products (11.7 percent), nonalcoholic beverages (10.7 percent), and other foods (8.5 percent).** The prediction intervals of each of these categories are strictly above zero.

Price decreases are expected for two price categories. **Beef and veal prices are predicted to decrease 1.0 percent in 2023**, with a prediction interval of -7.5 to 6.2 percent, and **pork prices are predicted to decrease 0.8 percent in 2023**, with a prediction interval of -6.6 to 5.6 percent.

Prices for fresh fruits and vegetables are predicted to continue their relatively slow growth from 2022. **Fresh fruits prices are predicted to increase 0.6 percent in 2023**, with a prediction interval of -3.9 to 5.6 percent. Fresh vegetables prices decreased 1.1 percent in January 2023 and 2.0 percent in February 2023. These declines were only partially attributable to seasonal factors. **Fresh vegetables prices are predicted to increase 1.3 percent in 2023**, with a prediction interval of -5.1 to 8.0 percent.

### **Producer Price Index for Food (not seasonally adjusted)**

A Producer Price Index (PPI) resembles a CPI in that it reflects price changes over time. However, instead of retail prices, a PPI provides a measure of the average prices paid to domestic producers for their output. PPIs are reported for nearly every industry in the goods-producing sector of the economy. Three major PPI commodity groups are of interest to food markets: *unprocessed foodstuffs and feedstuffs* (formerly called crude foodstuffs and feedstuffs), *processed foods and feeds* (formerly called intermediate foods and feeds), and *finished consumer foods*. These groups give a general sense of price movements across various stages of production in the U.S. food supply chain.

The PPIs—measures of changes in farm and wholesale prices—are typically far more volatile than the downstream CPIs. Price volatility decreases as products move from the farm to the wholesale sector to the retail sector. Because of multiple processing stages in the U.S. food system, the CPI typically lags movements in the PPI. The PPI is thus a useful tool for understanding what may soon happen to the CPI.

USDA, ERS does not forecast industry-level PPIs for unprocessed, processed, and finished foods and feeds. However, these prices have historically shown a strong correlation with the all-food and food-at-home CPIs.

## **PPI Forecast Changes This Month**

Greater volatility in farm- and wholesale-level prices lead to much wider initial prediction intervals for each of these products. The midpoints of the prediction intervals (representing the expected price change in 2023) of eight PPI categories are negative and five are positive.

Wholesale poultry prices flattened in recent months following large declines from June through December 2022. Strong production, increasing supplies, and changing trade patterns generally drove poultry prices down in the final quarter of 2022, despite the ongoing outbreak of HPAI. Farm-level egg prices fell 20.1 percent in January 2023 and 36.1 percent in February 2023 after jumping 30.2 percent in December 2022 and 19.6 percent in November 2022. Egg prices remain high—64.3 percent higher than February 2022. HPAI continues to affect the egg-layer flock. **Wholesale poultry prices are predicted to decrease 10.4 percent in 2023**, with a prediction interval of -18.1 to -1.5 percent. **Farm-level egg prices are predicted to decrease 27.8 percent in 2023**, with a prediction interval of -49.2 to 10.5 percent. Egg prices are the most volatile category tracked by USDA, ERS, leading to a wide prediction interval.

Farm-level milk prices declined 7.3 percent in February 2023, with higher milk production, larger supplies of cheese, and softness in demand slowing prices. **Farm-level milk prices are predicted to decrease 17.4 percent in 2023**, with a prediction interval of -33.9 to 6.4 percent.

Farm-level vegetable prices fell by 33.5 percent in January 2023 and 13.6 percent in February 2023 as supplies recovered from inclement weather impacts in 2022. Farm-level vegetable prices were 26.2 percent above February 2022. **Farm-level vegetable prices are predicted to decrease 4.5 percent in 2023**, with a prediction interval of -22.2 to 18.8 percent.

For official USDA farm-level price forecasts, see: **[World Agricultural Supply and Demand Estimates at a Glance](https://www.ers.usda.gov/topics/farm-economy/commodity-outlook/wasde-projections-at-a-glance/#99403)** ([/topics/farm-economy/commodity-outlook/wasde-projections-at-a-glance/#99403](https://www.ers.usda.gov/topics/farm-economy/commodity-outlook/wasde-projections-at-a-glance/#99403)). For additional information, detailed explanations, and analyses of farm-level prices, see USDA Economic Research Service Outlook publications including **[Livestock, Dairy, and Poultry](https://www.ers.usda.gov/publications/pub-details/?pubid=106118)** (<https://www.ers.usda.gov/publications/pub-details/?pubid=106118>), **[Oil Crops](https://www.ers.usda.gov/publications/pub-details/?pubid=106054)** (<https://www.ers.usda.gov/publications/pub-details/?pubid=106054>), **[Wheat](https://www.ers.usda.gov/publications/pub-details/?pubid=106067)** (<https://www.ers.usda.gov/publications/pub-details/?pubid=106067>), **[Fruit and Tree Nuts](https://www.ers.usda.gov/publications/pub-details/?pubid=104876)** (<https://www.ers.usda.gov/publications/pub-details/?pubid=104876>), and **[Vegetables and Pulses](https://www.ers.usda.gov/publications/pub-details/?pubid=105510)** (<https://www.ers.usda.gov/publications/pub-details/?pubid=105510>).

See the **Overview page** (</data-products/food-price-outlook/>) for Consumer Price Index and Producer Price Index data sets.

## Food Price Outlook

[Overview \(/data-products/food-price-outlook/\)](/data-products/food-price-outlook/)

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▸ **Summary Findings** (</data-products/food-price-outlook/summary-findings/>)

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[Documentation \(/data-products/food-price-outlook/documentation/\)](/data-products/food-price-outlook/documentation/)

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[Food Price Environment: Interactive Visualization \(/data-products/food-price-outlook/food-price-environment-interactive-visualization/\)](/data-products/food-price-outlook/food-price-environment-interactive-visualization/)

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