



Inflation Factors

This “*Transportation Costs*” report is issued by the Office of Policy Planning. It provides information on inflation factors and other indices that may be used to convert Present Day Costs (PDC) to future Year Of Expenditure costs (YOE) or vice versa. This report is updated regularly based on the FDOT Work Program Instructions.

Please note that the methodology for inflationary adjustments relating to specific transportation projects should be addressed with the district office where the project will be located. For general use or non-specific areas, the guidelines provided herein may be used for inflationary adjustments.

Construction Cost Inflation Factors

The table on the next page includes the inflation factors and Present Day Cost (PDC) multipliers that are applied to the Department’s Work Program for highway construction costs expressed in Fiscal Year 2022 dollars (FY 2022 runs from July 1, 2021 to June 30, 2022).

Other Transportation Cost Inflation Factors

Other indices may be used to adjust project costs for other transportation modes or non-construction components of costs. Examples are as follows:

The Consumer Price Index (CPI, also retail price index) is a weighted average of prices of a specified set of products and services purchased by wage earners in urban areas. As such, it provides one measure of inflation. The CPI is a fixed quantity price index and a reasonable cost-of-living index.

The Employment Cost Index (ECI) is based on the National Compensation Survey, administered by the Bureau of Labor Statistics (BLS). It measures quarterly changes in compensation costs, which include wages, salaries, and other employer costs for civilian workers (nonfarm private industry and state and local government).

The monthly series, Producer Price Index for Highway and Street Construction, is also available from BLS. It provides national-level estimates of past and recent highway construction inflation. The Producer Price Index (PPI) web site is <http://www.bls.gov/ppi/home.htm>.



FLORIDA DEPARTMENT OF TRANSPORTATION

TRANSPORTATION COSTS REPORTS

Work Program Highway Construction Cost Inflation Factors

| Fiscal Year | Inflation Factor | PDC Multiplier |
|-------------|------------------|----------------|
| 2022 | Base | 1.000 |
| 2023 | 2.7% | 1.027 |
| 2024 | 2.8% | 1.056 |
| 2025 | 2.9% | 1.086 |
| 2026 | 3.0% | 1.119 |
| 2027 | 3.1% | 1.154 |
| 2028 | 3.2% | 1.191 |
| 2029 | 3.3% | 1.230 |
| 2030 | 3.3% | 1.270 |
| 2031 | 3.3% | 1.312 |
| 2032 | 3.3% | 1.356 |
| 2033 | 3.3% | 1.400 |
| 2034 | 3.3% | 1.447 |
| 2035 | 3.3% | 1.494 |
| 2036 | 3.3% | 1.544 |
| 2037 | 3.3% | 1.595 |
| 2038 | 3.3% | 1.647 |
| 2039 | 3.3% | 1.702 |
| 2040 | 3.3% | 1.758 |
| 2041 | 3.3% | 1.816 |
| 2042 | 3.3% | 1.876 |
| 2043 | 3.3% | 1.938 |
| 2044 | 3.3% | 2.002 |
| 2045 | 3.3% | 2.068 |
| 2046 | 3.3% | 2.136 |
| 2047 | 3.3% | 2.206 |
| 2048 | 3.3% | 2.279 |
| 2049 | 3.3% | 2.354 |
| 2050 | 3.3% | 2.432 |
| 2051 | 3.3% | 2.512 |
| 2052 | 3.3% | 2.595 |
| 2053 | 3.3% | 2.681 |
| 2054 | 3.3% | 2.769 |
| 2055 | 3.3% | 2.861 |
| 2056 | 3.3% | 2.955 |
| 2057 | 3.3% | 3.053 |
| 2058 | 3.3% | 3.153 |
| 2059 | 3.3% | 3.257 |