



VALDOSTA STATE UNIVERSITY

**CENTER *for* BUSINESS
& ECONOMIC RESEARCH**

Overview

Each quarter, the Council for Community and Economic Research (C2ER, formerly known as ACCRA), reports the Cost of Living Index data based on more than 90,000 prices covering 60 different items ranging from housing, utilities, grocery items transportation, health care and miscellaneous goods and services from communities across the U.S. The first quarter of 2022 survey comparing relative costs of living for “middle management” households among U.S. metropolitan areas and cities, shows that it costs almost 11.2 percent less to live in Georgia communities, on average, than it does to live in the rest of the U.S. Therefore, for each dollar that is required to maintain the average standard of living across the country, Georgia residents are only required to spend about 88.8 cents.

Valdosta’s cost of living is slightly higher than the Georgia state average, with Valdosta residents required to spend about 91.9 cents for each dollar required to maintain the living standards of the average U.S. household. Among Georgia metropolitan areas and cities surveyed, Atlanta has the highest cost of living with a composite index of 104.8. Valdosta is ranked as the second most expensive area among the surveyed Metropolitan Statistical Areas of Georgia.

Cost of Living Comparisons for the Nation

The *Cost of Living Index* measures regional differences in consumer goods and services, excluding taxes and non-consumer expenditures, for professional and managerial households in the top income quintile. Table 1 shows the ten most, and least expensive, urban areas that participated in the first quarter of 2022 Cost of Living Index. As shown in Table 1, among the 262 urban areas that participated in the first quarter 2022 Cost of Living Index, the after-tax cost for a professional/managerial standard of living ranged from more than twice the national average in New York (Manhattan), NY to more than 20 percent below the national average in Kalamazoo, MI. Not surprisingly, there is very little change in the top ten most expensive urban areas when compared to the previous periods. The list includes the “usual suspects”, such as New York, Honolulu, San Francisco, etc. Since the national average cost of living index equals 100, the cost to live in Manhattan, for example, is 237.8% of the national average.

Also in Table 1 the ten least expensive urban areas participating in the cost of living index survey are listed. Similarly, to previous quarters, Kalamazoo and Harlingen continue to hold their places in the top five places with the lowest cost of living in the

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U.S. Consistent with the previous quarters, no metropolitan area from Georgia appears on either the “Least Expensive” or “Most Expensive” list. Valdosta ranks as the 184th most expensive metropolitan area (out of 262 areas) with a composite index of 91.9.

Table 1: The Ten Most and Least Expensive Urban Areas in the Cost of Living Index (COLI)

First Quarter in 2022 National Average for 262 Urban Areas = 100				
Ranking	Most Expensive	COL	Least Expensive	COL
	Urban Areas	Index	Urban Areas	Index
1	New York (Manhattan) NY	237.8	Kalamazoo MI	74.1
2	Honolulu HI	192.7	Harlingen TX	76.5
3	San Francisco CA	184.2	Muskogee OK	77.3
4	New York (Brooklyn) NY	174.9	Jackson MS	80.5
5	Washington DC	158.8	Tupelo MS	80.8
6	Orange County CA	154.8	Decatur IL	81.0
7	Los Angeles-Long Beach CA	151.9	Topeka KS	81.7
8	Boston MA	150.8	Richmond IN	81.9
9	Seattle WA	150.7	Statesboro-Bulloch County GA	82.0
10	Oakland CA	149.0	Salina KS	82.4

What Do Groceries Cost?

Each quarter, C2ER collects more than 90,000 prices from communities across the US for the Cost of Living Index. Food prices garner a big part of the national media attention. Below is a listing of communities with the most, and least expensive, food costs as measured by the grocery item index number. C2ER collects data on twenty-six items from a variety of surrogate categories to represent the grocery item component of the index.

Table 2: The Five Most and Least Expensive Places for Grocery Items by Index Number in the Cost of Living Index (COLI)

First Quarter 2022 National Average for 262 Urban Areas = 100				
Ranking	Most Expensive	COL	Least Expensive	COL
	Urban Areas	Index	Urban Areas	Index
1	Honolulu HI	152.7	Topeka KS	77.1
2	New York (Manhattan) NY	144.4	Kalamazoo MI	77.9
3	Juneau AK	138.8	Waco TX	78.4
4	San Francisco CA	129.8	Harlingen TX	79.3
5	Oakland CA	129.6	Temple TX	81.5

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The Most Expensive and Least Expensive Cities to Buy Gas

As more people are getting vaccinated, we are seeing an increase in economic growth; and therefore, a return to in-person work. With people commuting again, demand for gas has increased resulting in a surge in prices at the pump. Recent Russian oil import cuts decreased overall oil supply in the U.S. The effects of the COVID-19 pandemic on overall demand, plus the restriction in supply, could continue to send prices soaring going forward. The increase in prices is reflected in the first quarter 2022 Cost of Living Index data. Table 3 lists communities with the most and least expensive cities to buy gas:

Table 3: The Five Most and Least Expensive Cities to Buy Gas

First Quarter in 2022 National Average for 262 Urban Areas = \$3.23				
Ranking	Most Expensive	COL	Least Expensive	COL
	Urban Areas	Index	Urban Areas	Index
1	San Francisco CA	\$4.79	Corpus Christi TX	\$2.56
2	Orange County CA	\$4.73	Oklahoma City OK	\$2.63
3	Oakland CA	\$4.72	Waco TX	\$2.69
4	Stockton CA	\$4.71	Cedar Park TX	\$2.70
5	Los Angeles-Long Beach CA	\$4.67	Harlingen TX	\$2.71

Results for the Valdosta Metropolitan Statistical Area

Table 4 suggests that Valdosta has a cost of living that is approximately 8.1 percent below the national average. Valdosta’s cost of living remains relatively low, principally because of the low housing prices. It also must be noted that the housing index carries the largest weight in the composite index because of its relative importance in the average consumer’s budget. According to Table 4, the housing index for Valdosta is 79.5 suggesting that housing costs are 20.5 percent less than the national average house price (\$443,996) for all urban areas in this survey.

**Table 4: Indices for Georgia Metropolitan Statistical Areas
(Listed alphabetically by city name)**

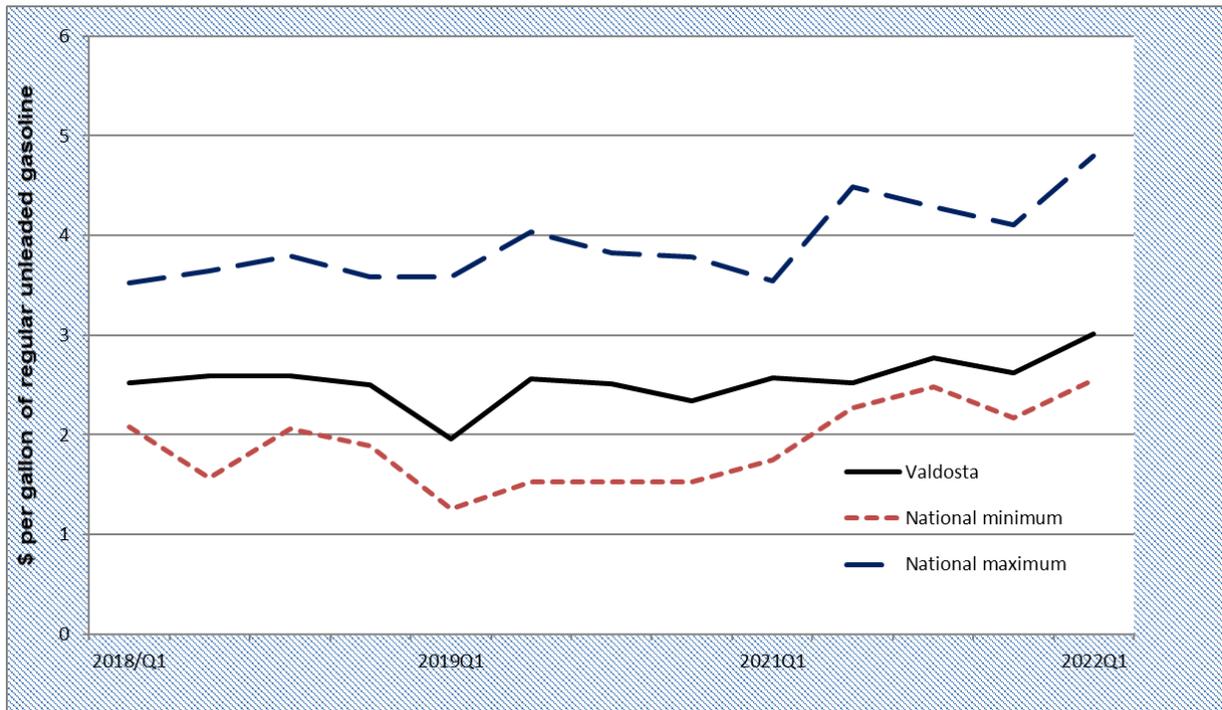
	Composite Index	Grocery	Housing	Utilities	Transportation	Health Care
Albany	86.0	99.2	60.7	92.5	91.4	99.9
Atlanta	104.8	99.3	112.0	85.1	102.1	105.5
Douglasville - Douglas County	90.1	100.2	79.4	82.6	93.9	85.5
Augusta-Aiken	83.7	91.3	70.9	87.5	81.4	88.1
Dalton	87.9	91.3	72.6	97.9	85.5	90.0
Dublin-Laurens County	84.8	92.6	60.8	91.0	92.6	96.7
Savannah	87.5	94.0	65.8	94.3	97.5	108.1
Statesboro-Bulloch County GA	82.6	92.4	68.6	94.4	89.1	87.3
Valdosta	91.9	100	79.5	95.0	95.6	98.7
Average	88.8	95.6	74.5	91.1	92.1	95.5

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The Price of Gasoline: Average National versus Average Valdosta

Gas prices are obviously a concern for many people. Figure 1 shows the recent movement in the quarterly average price for a gallon of regular unleaded gasoline for Valdosta (the solid black line), compared to the national minimum and maximum prices during the periods 2018Q1-2022Q1 excluding the year 2020¹. A wide variation in gasoline prices is apparent from the graph. However, Valdosta gas prices consistently stay within the minimum-maximum range, quite a bit closer to the minimum average price than the maximum average. The gas prices in Valdosta averaged \$3.02 per gallon in the first quarter of 2022

Figure1: Average Gas Prices - “National versus Valdosta”



Methodology and Data Limitations

The findings presented come from an analysis of national survey data performed by the Center for Business and Economic Research (CBER) at Valdosta State University. CBER conducts applied research for the business community and provides a conduit between the community and the expertise of the Langdale College of Business Administration faculty. The survey itself is conducted by The Council for Community and Economic Research, a nonprofit professional organization located in Arlington, VA. C2ER has been publishing quarterly measures of living cost differentials since 1968.

For the first quarter of 2022, 262 communities in the United States collected price data. The average index number for all participating communities is 100; each individual community’s index should be read as a percentage of the average for all communities.

¹ The full gasoline data collection was unavailable for the year 2020 due to the COVID-19 pandemic.

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This cost of living index measures *relative* prices for consumer goods and services only in the communities that participate in the process. No information on inflation (the general increase in prices over time) can be determined from these price indices. See www.coli.org for more information about the methodology behind the index.

Cost of living data are useful as indicators of local economic conditions, but should be interpreted with caution. A relatively low cost of living is not necessarily a positive attribute for a community; and a relatively high cost of living is not necessarily negative. For example, relatively low prices may encourage job and population migration into the area; or relative low prices may mean that the area is depressed, and jobs and individuals are moving out of the area.

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