



VALDOSTA STATE UNIVERSITY

CENTER *for* BUSINESS & ECONOMIC RESEARCH

Overview

Each quarter, the Council for Community and Economic Research (C2ER, formerly known as ACCRA), collects more than 50,000 prices for 60 different items ranging from housing, utilities, grocery items transportation, health care and miscellaneous goods and services from communities across the U.S. for its *Cost of Living Index*. The first three quarters of 2022 survey, comparing relative costs of living for “middle management” households among U.S. metropolitan areas and cities, shows that it costs 11.4 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 88.6 cents.

Valdosta’s cost of living is slightly higher than the Georgia state average, with Valdosta residents required to spend about 92.1 cents for each dollar required to maintain the living standards of the average U.S. household. Among Georgia metropolitan areas and cities, Atlanta has the highest cost of living with a composite index of 101.6, which is slightly above the national average of 100. Valdosta is ranked as the second most expensive Georgia area after Atlanta.

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 three quarters of 2022 Cost of Living Index. As shown in Table 1, among the 265 urban areas that participated in the first three quarters of 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 Manhattan, NY, to almost 25 percent below the national average in Harlingen, TX. 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 227.7% of the national average.

Cost of Living Comparisons: Valdosta, Georgia, and the Nation
Annual Review 2022

Also, in Table 1, the ten least expensive urban areas participating in the cost of living index survey are listed. Consistent with the previous years, no metropolitan area from Georgia appears on either the “Least Expensive” or “Most Expensive” list. However, Georgia is among the 5 states with lowest cost of living index with an index of 88.6. It is worth noting that Mississippi has the lowest cost of living in the U.S., with a cost of living index of 85.

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

Year-End Review: Averaged over Three Quarters in 2022 National Average for 265 Urban Areas = 100				
Ranking	Most Expensive	COL	Least Expensive	COL
	Urban Areas	Index	Urban Areas	Index
1	New York (Manhattan) NY	227.7	Harlingen TX	77.1
2	Honolulu HI	184.0	Kalamazoo MI	77.5
3	San Francisco CA	178.6	Muskogee OK	78.3
4	New York (Brooklyn) NY	168.6	McAllen TX	79.4
5	Washington DC	152.2	Decatur IL	80.1
6	Orange County CA	151.2	Tupelo MS	81.4
7	Los Angeles-Long Beach CA	150.6	Joplin MO	82.0
8	Seattle WA	149.9	Topeka KS	82.5
9	Boston MA	149.7	Salina KS	82.7
10	New York (Manhattan) NY	145.9	Richmond IN	82.9

The Most Expensive and Least Expensive Cities to Buy Ground Beef

Last year C2ER wrote a story on the increase in price of BBQ related goods ([COLI BBQ Index: Supply Chain Disruptions and the Meat Industry - C2ER: The Council for Community and Economic Research](#)). Comparing Q2 2021 data to pre-pandemic prices, it was determined that BBQ prices had increased across the country. In fact, Fort Lauderdale, FL BBQ prices increased by a whopping 35%. Consumers, still largely concerned about inflation, may have hoped future BBQs would become more affordable. Alas, BBQ items have continually increased in price over the past year. The average price for steak increased by 8.2% and ground beef increased by 16.3%. As it is, grill masters will have to continue to budget their upcoming spring and summer BBQs. Listed below are the places where it is most, and least expensive, to purchase ground beef. The change in prices is reflected in the *Annual Average Cost of Living Index* publication.

Cost of Living Comparisons: Valdosta, Georgia, and the Nation
Annual Review 2022

Table 2: The Five Most and Least Expensive Places to Buy Ground Beef

Averaged over Three Quarters in 2022 Average for 265 Urban Areas in 2022 = \$4.98				
Ranking	Most Expensive		Least Expensive	
	Urban Areas	Avg Price	Urban Areas	Avg Price
1	Kodiak AK	\$6.94	Florence AL	\$3.47
2	Stockton CA	\$6.83	Temple TX	\$3.61
3	Bethesda-Gaithersburg-Frederick MD	\$6.34	Portland ME	\$3.77
4	Fairbanks AK	\$6.32	Tupelo MS	\$3.79
5	Chapel Hill NC	\$6.29	McAllen TX	\$3.86

Results for the Valdosta Metropolitan Statistical Area

Table 3 suggests that Valdosta has a cost of living that is approximately 7.9 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 3, the housing index for Valdosta is 81.6 suggesting that Valdosta’s housing costs are 18.4 percent less than the national average house price (\$452,510). Compared to other cities in Georgia, Valdosta’s cost of living is 3.9% higher than the average of all Georgia cities included in the survey.

**Table 3: Indices for Georgia Metropolitan Statistical Areas
(Listed alphabetically by city name)**

	<i>Composite Index</i>	<i>Grocery</i>	<i>Housing</i>	<i>Utilities</i>	<i>Transportation</i>	<i>Health Care</i>
Albany	83.5	96.2	59.7	89.8	87.3	96.3
Atlanta	101.6	92.6	107.3	85.5	102.8	107.4
Augusta-Aiken GA-SC	84.5	91.8	70.0	88.7	81.7	85.8
Dalton	88.0	91.4	74.2	96.9	80.6	87.4
Douglasville-Douglas County	90.0	96.8	82.5	81.8	97.3	87.4
Dublin-Laurens County	85.0	94.1	61.8	90.5	90.8	92.5
Savannah	90.1	95.3	71.8	92.7	92.3	108.0
Statesboro-Bulloch County	83.0	92.2	71.7	93.5	87.8	87.1
Valdosta	92.1	101.3	81.6	93.3	88.0	99.2
Average	88.6	94.6	75.6	90.3	89.8	94.6

Table 4 below shows Valdosta’s position among three subcategories included in the composite index. For grocery items, in 2022 Valdosta ranked as the 87th most expensive area of the 267 surveyed metropolitan areas in the U.S. Valdosta ranked 181st for utilities, and 125th for Health Care expenses.

Cost of Living Comparisons: Valdosta, Georgia, and the Nation
Annual Review 2022

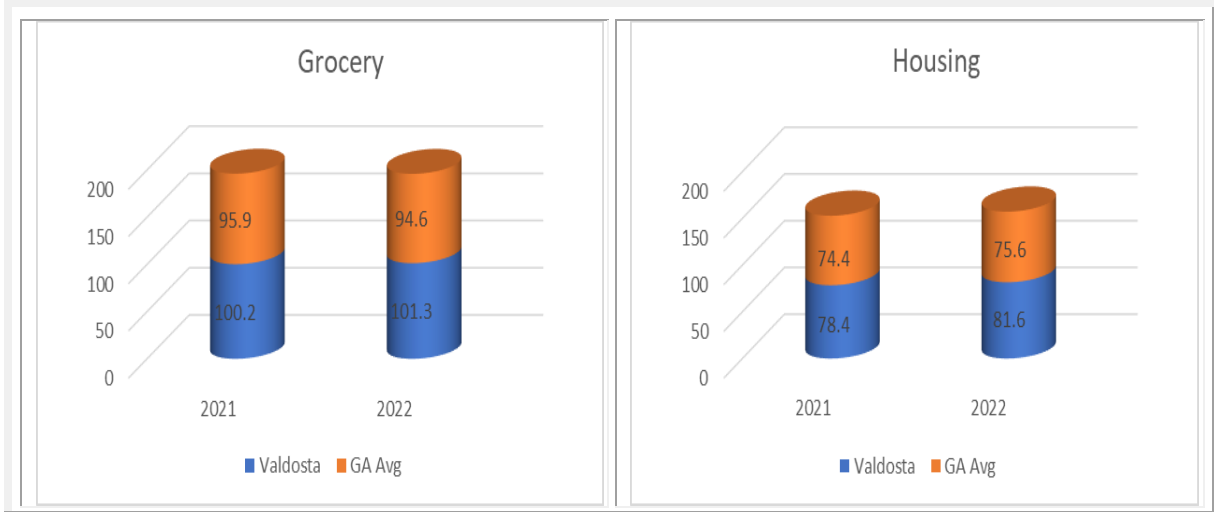
Table 4: Where does Valdosta rank within the nation?

Rank	Grocery items	Index	Rank	Utilities	index	Rank	Health Care	Index
1	Kodiak, AK	153.3	1	Fairbanks AK	208.7	1	Kodiak AK	157.2
2	Honolulu, HI	150.1	2	San Juan PR	158.6	2	Fairbanks AK	155.5
3	Juneau, AK	136.3	3	Bakersfield CA	157.4	3	Juneau AK	153.7
...				
87	Valdosta, GA	101.3	181	Valdosta, GA	93.3	125	Valdosta, GA	99.2
...				
263	Topeka, KS	82.1	263	Wenatchee WA	75.6	265	McAllen TX	76.9
264	Kalamazoo, MI	81.1	264	Westminster CO	75.3	266	Louisville KY	76.0
265	Harlingen, TX	78.9	265	Baton Rouge LA	73.5	2687	San Juan PR	69.9

The Cost of Living Comparison of Average Georgia versus Valdosta: 2021 and 2022

Figure 1 depicts the Grocery, Housing, Utilities and Health Care average Indices for the Valdosta area, compared to the average of Georgia Metropolitan areas and cities included in the survey for the 2021 to 2022 years. The national average cost of living index for all participating areas equals 100 and each participant’s index is read as a percentage of the national average for all places. Overall, the COVID 19 outbreak didn’t change the trend of Valdosta being an expensive Georgia residential place to live relative to the average ranking of all Georgia metropolitan areas.

Figure 1: Grocery, Housing, Utilities and Health Care Average Indices: 2021 and 2022



Cost of Living Comparisons: Valdosta, Georgia, and the Nation Annual Review 2022



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 three quarters of 2022, 265 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. 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.

Cost of Living Comparisons: Valdosta, Georgia, and the Nation
Annual Review 2022

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