



## VALDOSTA STATE UNIVERSITY

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# CENTER *for* BUSINESS & ECONOMIC RESEARCH

### **Overview**

Each quarter, the Council for Community and Economic Research (C2ER, formerly known as ACCRA) collects more than 90,000 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 2021 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 91.4 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 105 which is slightly above the national average of 100. Valdosta is ranked as the second most expensive area after Atlanta within the surveyed 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 ten most and least expensive urban areas that participated in the first three quarters of 2021 Cost of Living Index. As shown in Table 1, among the 267 urban areas that participated in the first three quarters of 2021 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 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 255% of the national average.

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Also, in Table 1, the ten least expensive urban areas participating in the cost of living index survey are listed. Similarly, to previous quarters, the least expensive urban area is in Mississippi. 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 88.8. It is worth noting that Mississippi has the lowest cost of living in the U.S., with a cost of living index of 83.3.

**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 2021 National Average for 267 Urban Areas = 100				
Ranking	Most Expensive	COL	Least Expensive	COL
	Urban Areas	Index	Urban Areas	Index
1	New York (Manhattan) NY	255.0	Kalamazoo MI	75.7
2	San Francisco CA	194.1	Harlingen TX	76.6
3	Honolulu HI	193.3	McAllen TX	76.8
4	New York (Brooklyn) NY	178.8	Muskogee OK	78.7
5	Washington DC	153.9	Jackson MS	79.6
6	Orange County CA	152.7	Amarillo TX	80.7
7	Oakland CA	153.9	Tupelo MS	81.3
8	Boston MA	153.2	Richmond IN	82.0
9	Seattle WA	152.7	Anniston-Calhoun County AL	82.1
10	New York (Queens) NY	150.9	Pittsburg KS	82.2

**Which Communities have the Highest and Lowest Prices of Cascade Dishwashing Pods?**

C2ER collects more than 50,000 prices from communities across the US for the COLI. One of these items was updated at the start of 2021, Cascade dishwashing pods, to keep the index pricing relevant to the ever-evolving demands of the current market. Now, with a year’s worth of data, below is a list of the most, and least, expensive places to buy this item.

**Table 2: The Five Most and Least Expensive Places to Buy Cascade Dishwashing Pods**

Averaged over Three Quarters in 2021 Average for 267 Urban Areas in 2021 = \$19.00				
Ranking	Most Expensive	COL	Least Expensive	COL
	Urban Areas	Index	Urban Areas	Index
1	New York (Manhattan) NY	\$30.52	Pierre SD	\$13.63
2	San Juan PR	\$27.33	Muskogee OK	\$14.41
3	San Francisco CA	\$24.17	Chattanooga TN	\$15.13
4	Fort Lauderdale FL	\$24.01	Moses Lake WA	\$15.51
5	Wilmington DE	\$23.80	Kalamazoo MI	\$15.56

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**Results for the Valdosta Metropolitan Statistical Area**

Table 3 suggests that Valdosta has a cost of living that is approximately 8.6 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 78.4 suggesting that housing costs are 21.6 percent less than the national average house price (\$398,690) for all urban areas in this survey. However, compared to other cities in Georgia, Valdosta’s cost of living is just 2.93% 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>
Atlanta GA	105.0	98.4	111.3	84.2	100.2	106.3
Augusta-Aiken GA-SC	83.6	92.2	70.3	85.7	82.4	89.3
Dalton GA	88.0	92.2	74.6	98.7	85.5	89.4
Dublin-Laurens County GA	84.5	93.0	60.5	90.8	91.9	97.6
Savannah GA	87.0	94.2	65.1	93.1	96.3	111.4
Statesboro-Bulloch Count GA	82.7	91.5	68.5	93.0	88.4	87.7
Valdosta GA	91.4	100.2	78.4	93.7	98.2	99.7
<b>Average</b>	<b>88.8</b>	<b>95.9</b>	<b>74.4</b>	<b>90.5</b>	<b>92.6</b>	<b>96.7</b>

Table 4 below shows Valdosta’s position among three subcategories included in the composite index. For grocery items, in 2021 Valdosta ranked as the 90<sup>th</sup> most expensive area of the 267 surveyed metropolitan areas in the U.S. Valdosta ranked 178<sup>th</sup> for utilities, and 115<sup>th</sup> for Health Care expenses.

**Table 4: Where does Valdosta rank within the nation?**

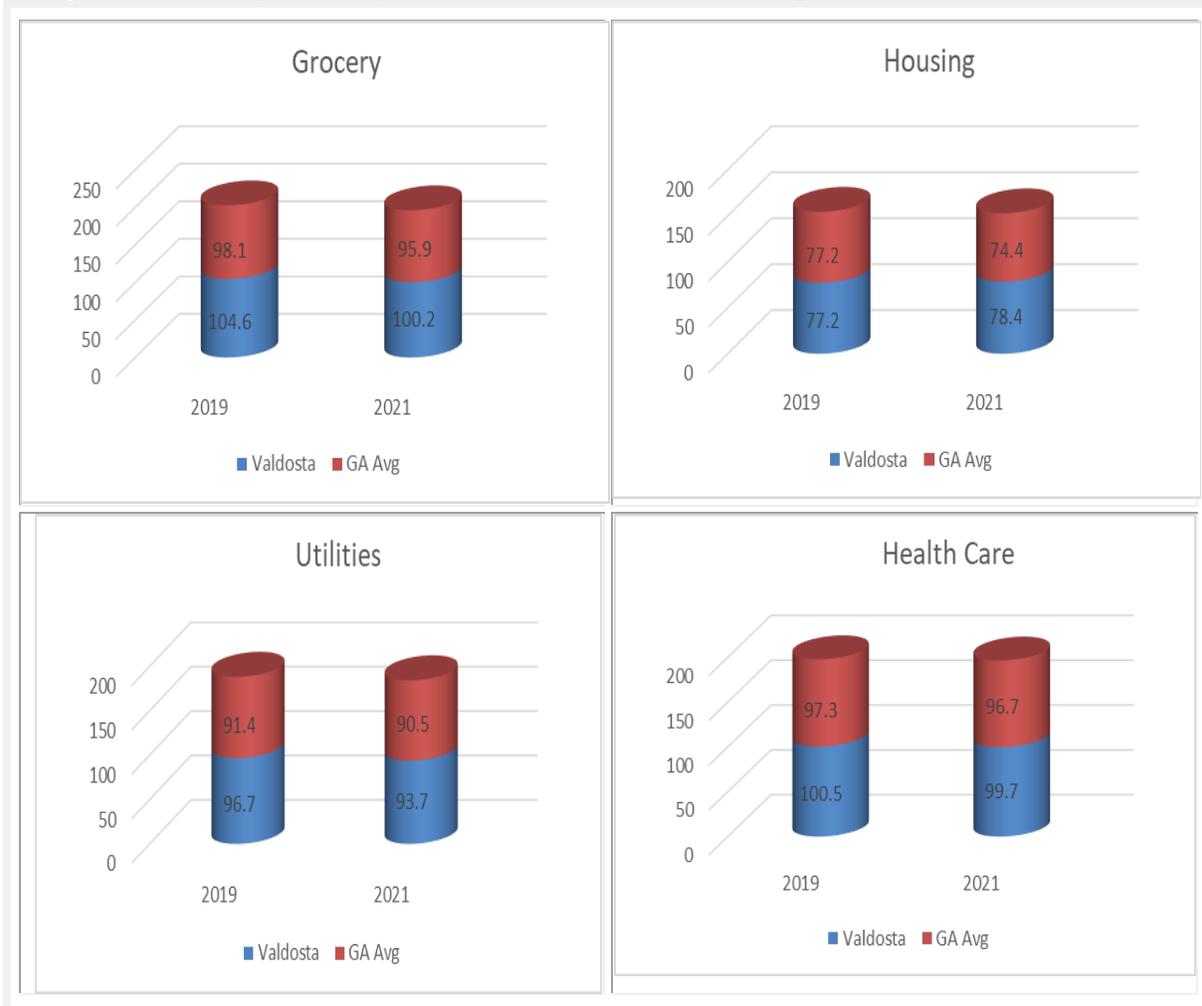
<i>Rank</i>	<i>Grocery items</i>	<i>Index</i>	<i>Rank</i>	<i>Utilities</i>	<i>index</i>	<i>Rank</i>	<i>Health Care</i>	<i>Index</i>
1	Honolulu, HI	152.9	1	Fairbanks AK	222.6	1	Kodiak AK	158.0
2	Kodiak, AK	147.0	2	Honolulu HI	164.2	2	Fairbanks AK	155.9
3	New York (Manhattan), NY	144.9	3	San Juan PR	161.8	3	Juneau AK	155.6
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<b>90</b>	<b>Valdosta, GA</b>	<b>100.2</b>	<b>178</b>	<b>Valdosta, GA</b>	<b>93.7</b>	<b>115</b>	<b>Valdosta, GA</b>	<b>99.7</b>
...			...			...		
265	Temple TX	79.1	265	New Orleans LA	75.6	265	Lexington KY	76.1
266	Waco TX	78.9	266	Baton Rouge LA	75.6	266	McAllen TX	72.8
267	Kalamazoo MI	77.8	267	Lake Charles LA	74.5	2687	San Juan PR	70.6

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**The Cost of Living Comparison of Average Georgia versus Valdosta: 2019 and 2021**

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 2019 to 2021 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: 2019 and 2021**



**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

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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 2021, 267 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](http://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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