



## Center for Economic Research

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### Local cost of living down in first quarter

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According to the Cost of Living Index, published by Council for Community and Economic Research in Arlington, VA, the cost of living in Cochise County was down relative to the national average in the first quarter (January through March) compared to the first quarter last year. The COLI report, released in May, provides comparative data for 265 urban areas across the 50 states.

The COLI measures relative price levels for consumer goods and services in participating areas. It includes separate weighted sub-indices for grocery items (meats, dairy products, produce, bakery products, and other miscellaneous items), housing (new home prices, mortgage rates, and apartment rentals), utilities (electricity, other home energy, and telephone service), transportation (gasoline and tire balancing), health care (optometrist visits, doctor visits, dentist visits, and prescription and non-prescription medications) and miscellaneous goods and services (a wide range of categories, including food away from home, personal care items, apparel, household operations items, reading material, entertainment, and alcoholic beverages).

Cochise County's cost of living in the first quarter 2017 was 5.1 percent lower than the average of all participating places nationwide (down from 4.5 percent lower than the national average in the first quarter last year). The decrease was due to lower relative prices locally in the first quarter this year (compared to the same period last year) for housing, utilities, transportation, and health care. Local costs for grocery items and miscellaneous goods and services increased from the first quarter last year to the first quarter this year (relative to national averages).

The cost of living in Cochise County in the first quarter this year was 0.2 percent higher than Phoenix and 0.4 percent higher than Tucson.

Health care was less expensive in Cochise County than both Tucson and Phoenix in the first quarter. Groceries, utilities, and transportation were more expensive in Cochise County than both Tucson and Phoenix. Cochise County's costs for housing were lower than Phoenix but higher than Tucson, while costs for miscellaneous goods and services locally were higher than Phoenix but lower than Tucson.

The lower overall cost of living locally than nationwide in the first quarter was due to lower local costs for housing, utilities, health care, and miscellaneous goods and services. Costs for groceries and transportation were higher locally than nationally.

The cost of housing in Cochise County was 11.2 percent below the national average in the first quarter (down from 8.3 percent below the national average in the first quarter last year).

The local cost of utilities was 1.3 percent below the national average in the first quarter (down from 2.8 percent above the national average in the first quarter last year).

Health care costs were 5 percent below the national average in the first quarter (down from 4.5 percent below in the first quarter 2016).

Local costs for miscellaneous goods and services were 7.4 percent below the national average in the first quarter (up from 8.1 percent below the national average in the first quarter last year).

Local grocery costs were 5.4 percent above the national average in the first quarter (up from 1.4 percent above the national average in the first quarter last year).

Transportation costs locally were 1.7 percent above the national average in the first quarter (down from 1.9 percent above in the first quarter last year).

Statewide, there were seven places participating in the COLI in the first quarter. In addition to Cochise County, other participating areas were Bullhead City, Lake Havasu City, Phoenix, Prescott, Tucson, and Yuma. Of those, Bullhead City, Phoenix, and Tucson had an overall cost of living lower than Cochise County (Lake Havasu City, Prescott, and Yuma each had a higher cost of living than Cochise County).

The highest cost of living in Arizona in the first quarter was Lake Havasu City, which was 1.1 percent above the national average.

COLI data for Cochise County are collected by Cochise College Center for Economic Research and submitted to Council for Community and Economic Research for inclusion in the index.

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## COST OF LIVING INDEX (1<sup>st</sup> QUARTER 2017)

	<i>Composite Index</i>	<i>Grocery Items</i>	<i>Housing</i>	<i>Utilities</i>	<i>Transportation</i>	<i>Health Care</i>	<i>Misc. Goods &amp; Services</i>
<b>Bullhead City</b>	90.9	96.5	79.5	86.4	95.2	95.6	97.4
<b>Lake Havasu City</b>	101.1	93.2	110.7	98.4	104.1	100.0	96.6
<b>Phoenix</b>	94.7	97.5	97.8	98.1	90.7	98.9	90.9
<b>Prescott</b>	99.9	98.2	113.1	76.5	88.8	94.9	100.6
<b>Sierra Vista-Douglas*</b>	94.9	105.4	88.8	98.7	101.7	95.0	92.6
<b>Tucson</b>	94.5	102.4	83.3	88.5	96.8	101.7	100.5
<b>Yuma</b>	100.0	115.6	85.8	105.8	98.1	99.9	104.1

\* The Sierra Vista-Douglas Metropolitan Area is a statistical area designation for all of Cochise County. *Note.* The average for all participating places nationwide equals 100; each participant's index is read as a percentage of the average for all places. Source: Council for Community and Economic Research, Cost of Living Index

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