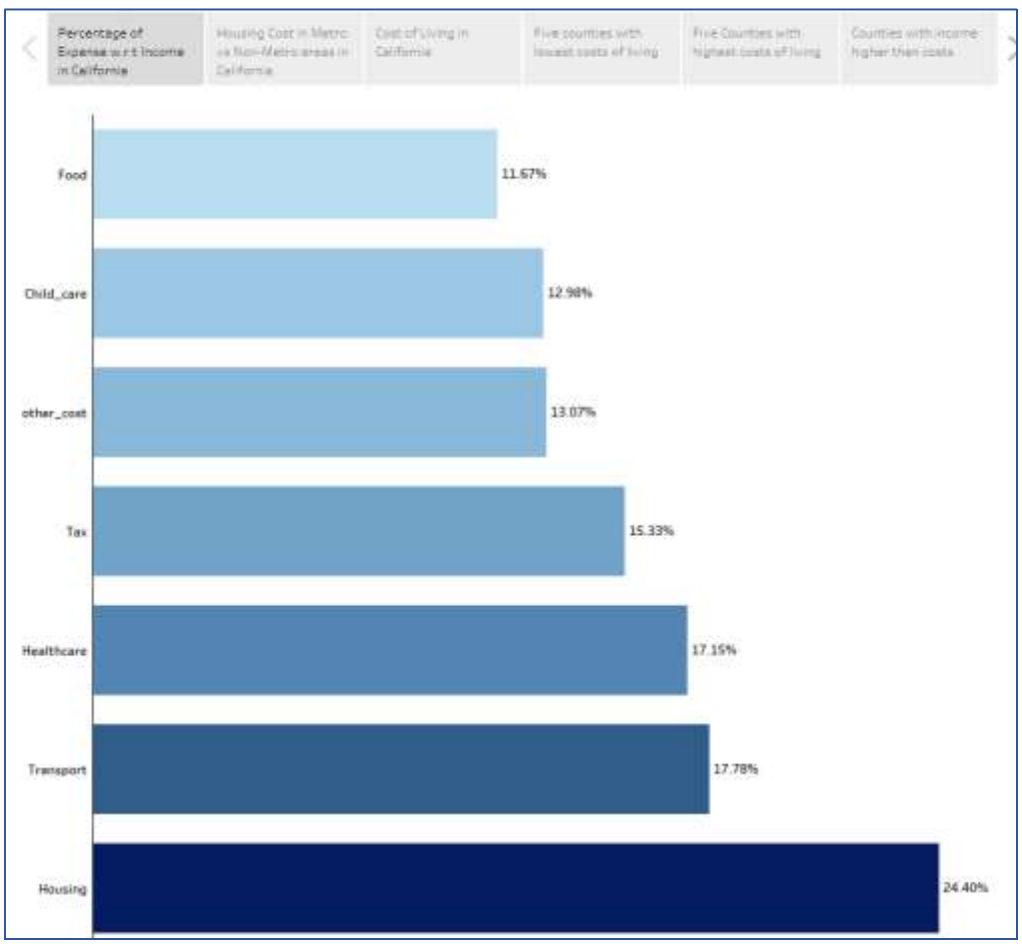
6. Story Telling

California is known to have diverse views and favorable weather, making it a comfortable yet adventurous place to live in. From hiking on the trails to surfing at the beaches, there is a wide variety of activities for everyone to enjoy. California is also a fashion and entertainment destination. Multiple major theme parks such as Disneyland, Knott's Berry Farm, and movie studios like Paramount Pictures, Universal Studios, and Warner Bros Studio are located within the Golden State. It offers plenty of opportunities as it is home to tech giants in the bay area, such as Google, Apple, Oracle, and so on (Brown, 2022).

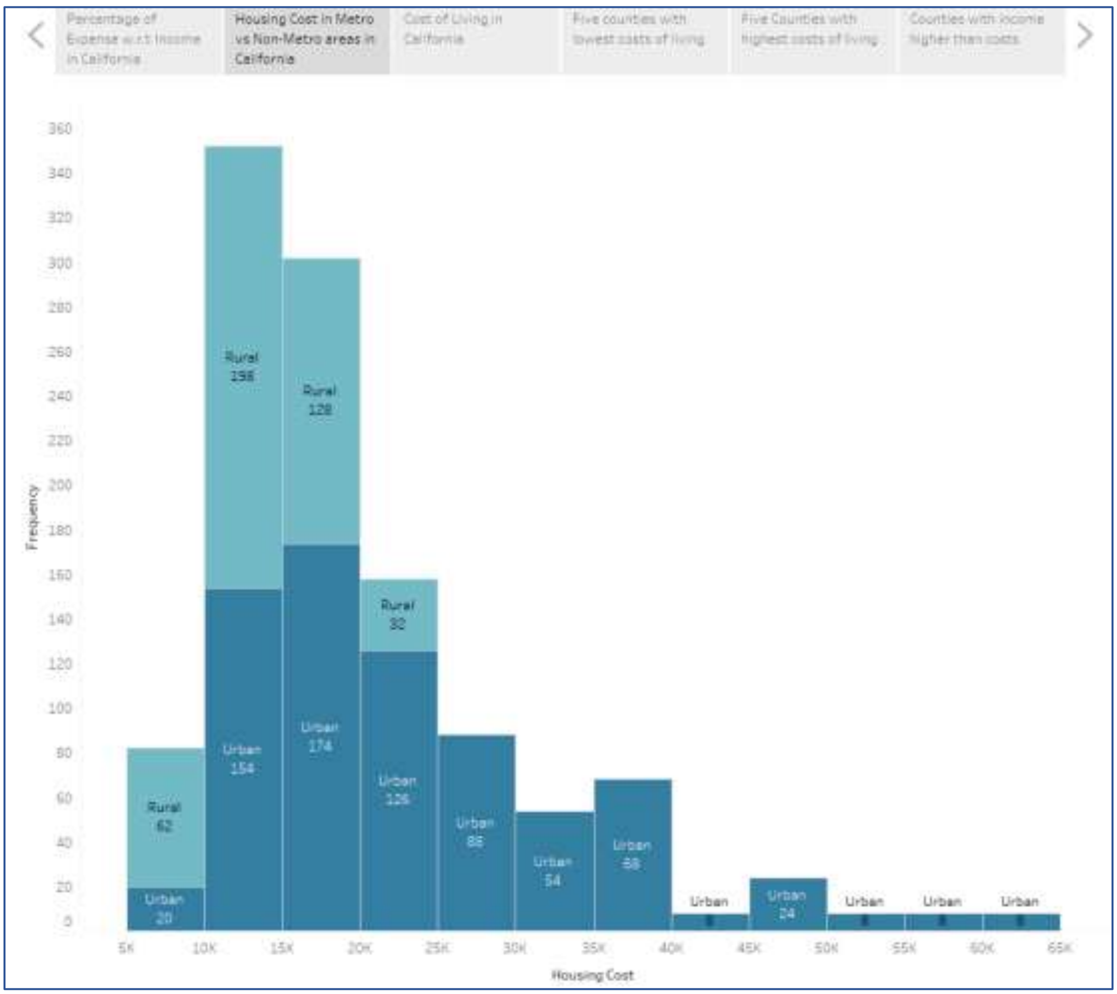
Although California has much to offer, it is worth noting that "people leaving California outnumbered newcomers by more than 700,000 between April 2020 and July 2022" (Keight, 2023). On the surface, it may have seemed that Covid-19 pandemic played a role in the relocations due to job losses and work-from-home culture. However, according to the Department of Finance, "California has been losing its residents to other states every year since 2000" (Keight, 2023). The increasing costs of living, housing, and transportation have led many people to move to more affordable cities and states.

Conducting a comprehensive analysis on a dataset focused on the Cost-of-Living provides insights into the income distribution and overall expenses associated with residing in various counties across California. The findings from this analysis serve as a pivotal foundation for informed policymaking, enabling leaders to devise strategies that aim to enhance the quality of life for residents statewide.



This bar chart highlights the financial allocations of Californians, showcasing the distribution of their income across various essential categories. On average, Californians spend 24.4 percent of their income on housing, which is a significant portion. Transportation follows closely behind, consuming 17.78 percent of income, emphasizing how much Californians commute for their daily lives. Health care, at 17.15 percent, emerges as another substantial expenditure, reflecting the prioritization of well-being within budgetary considerations. Californians spend 15.33 percent on tax, 13.07 percent on miscellaneous items, 12.98 percent on childcare, and 11.67 percent on food.

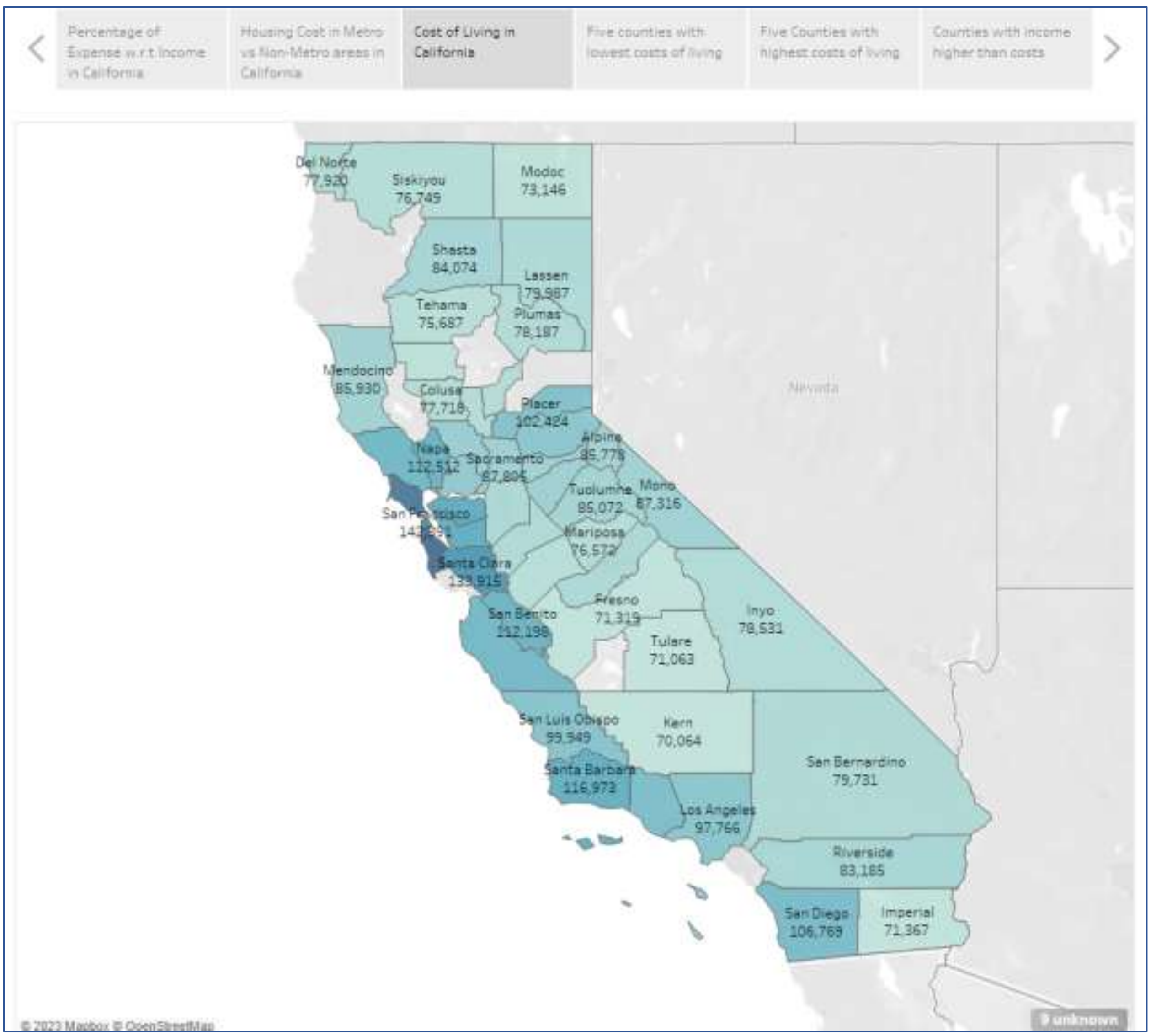
However, the cumulative total of these percentages surpasses 100 percent, specifically reaching 112.38 percent. This suggests that, on average, many families in California may be allocating more of their income than they earn to meet these essential needs. This discrepancy highlights the financial strain experienced by households in the state, urging a closer examination of economic policies, housing affordability, and the overall cost of living to ensure the well-being and financial stability of Californians.



As we learn from the previous bar chart, housing cost stands out as the most significant cost-of-living component. Putting a roof over one's head accounts for almost a quarter of family income. This underscores the considerable financial burden associated with accommodation in the state.

This histogram shows the frequency of different housing cost ranges between urban and rural areas. The range with the highest frequency is between \$10,000 and \$15,000 with 198 respondents living in rural areas and 154 in urban areas. The range with the second highest frequency is between \$15,000 and \$20,000 with 128 respondents living in rural areas and 174 in urban areas. It is worth noting that only urban residents pay for housing costs of \$25,000 and above annually.

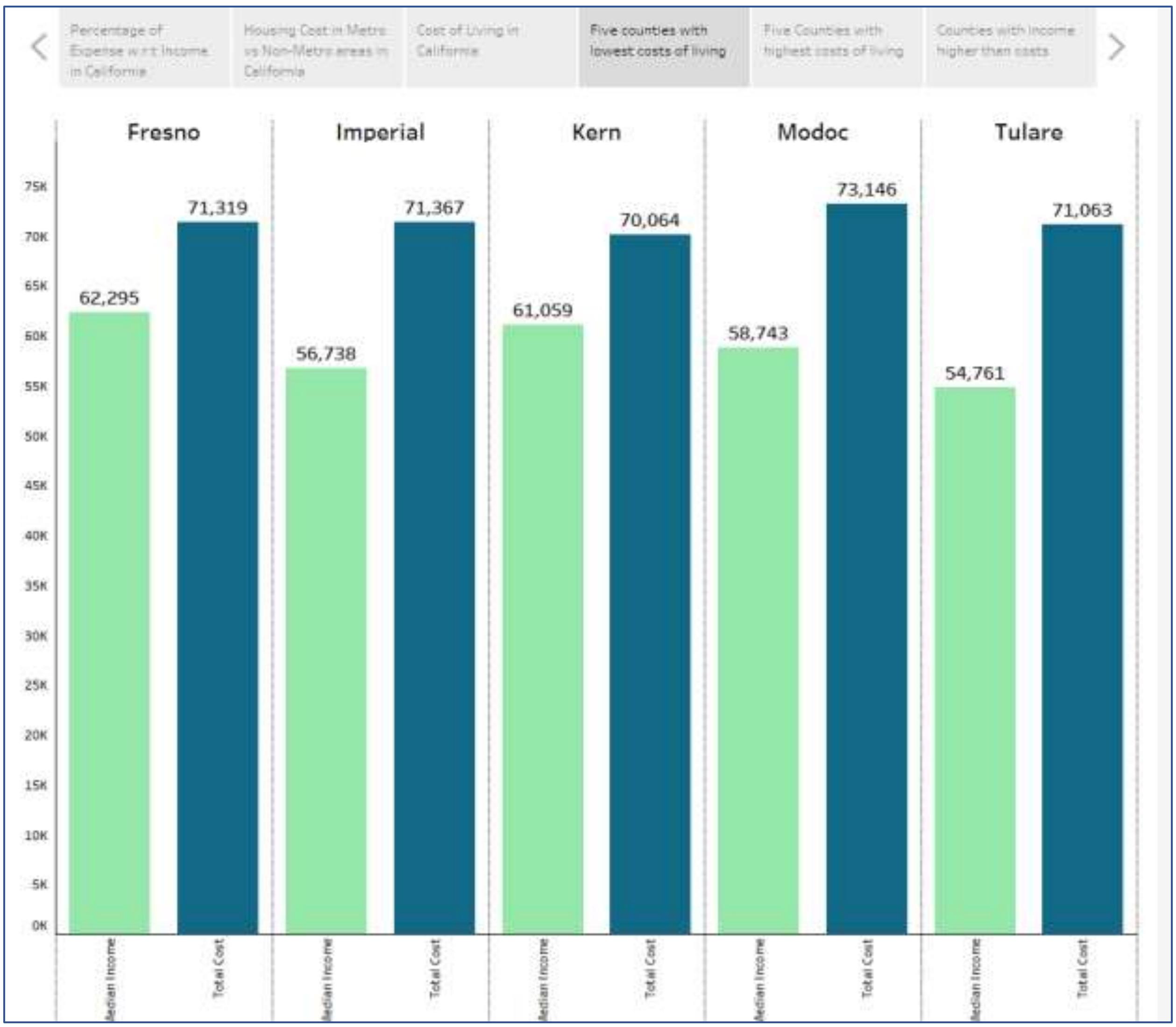
The histogram does not differentiate between expenditures related to rental properties and those associated with owned homes. Stated in the article "Is Moving to California Worth It?", "Home prices in California are so high that statewide only 16% of residents can actually afford to be homeowners, according to the California Association of Realtors" (Zack, 2023). This statistic suggests that a significant portion of the documented housing expenses in the histogram is likely attributed to rental properties, given the challenge Californians face in achieving homeownership.



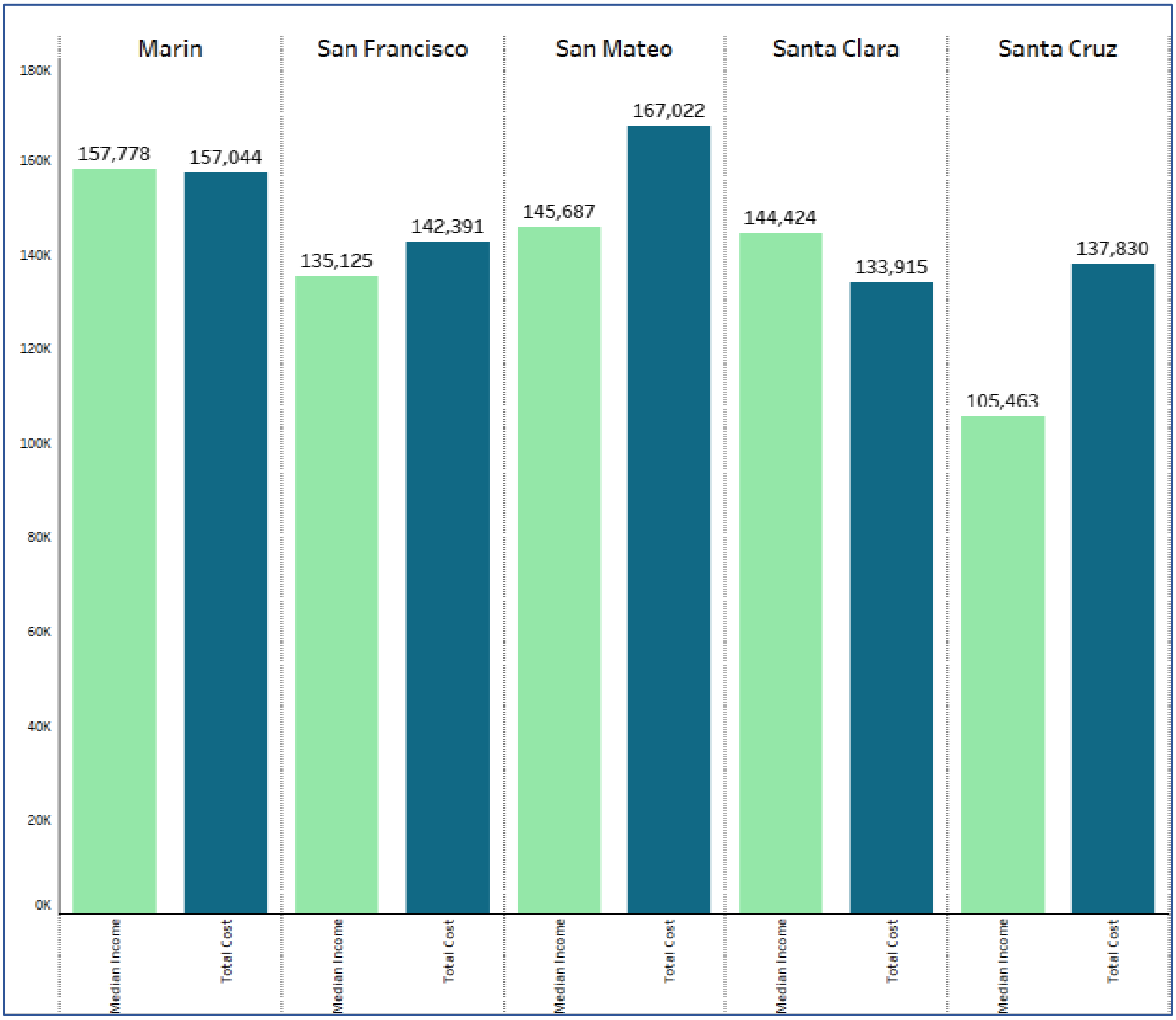
We now look into the cost of living across various counties in California. The presented map employs varying shades to visually convey the economic spectrum, where darker hues correspond to higher total costs. Overall, this underscores the economic disparity that exists within the state.

As illustrated in this map, the five counties that have the lowest cost of living are Tulare ($71,063), Kern ($70,064), Fresno ($71,319), Imperial ($71,367), and Modoc ($73,146). In contrast, the top five most expensive counties to live in are San Mateo ($167,022), Marin ($157,044), San Francisco ($142,391), Santa Cruz ($137,830), and Santa Clara ($133,915). The spending gaps between the top five and the bottom five counties are about $43,000 to $103,000.

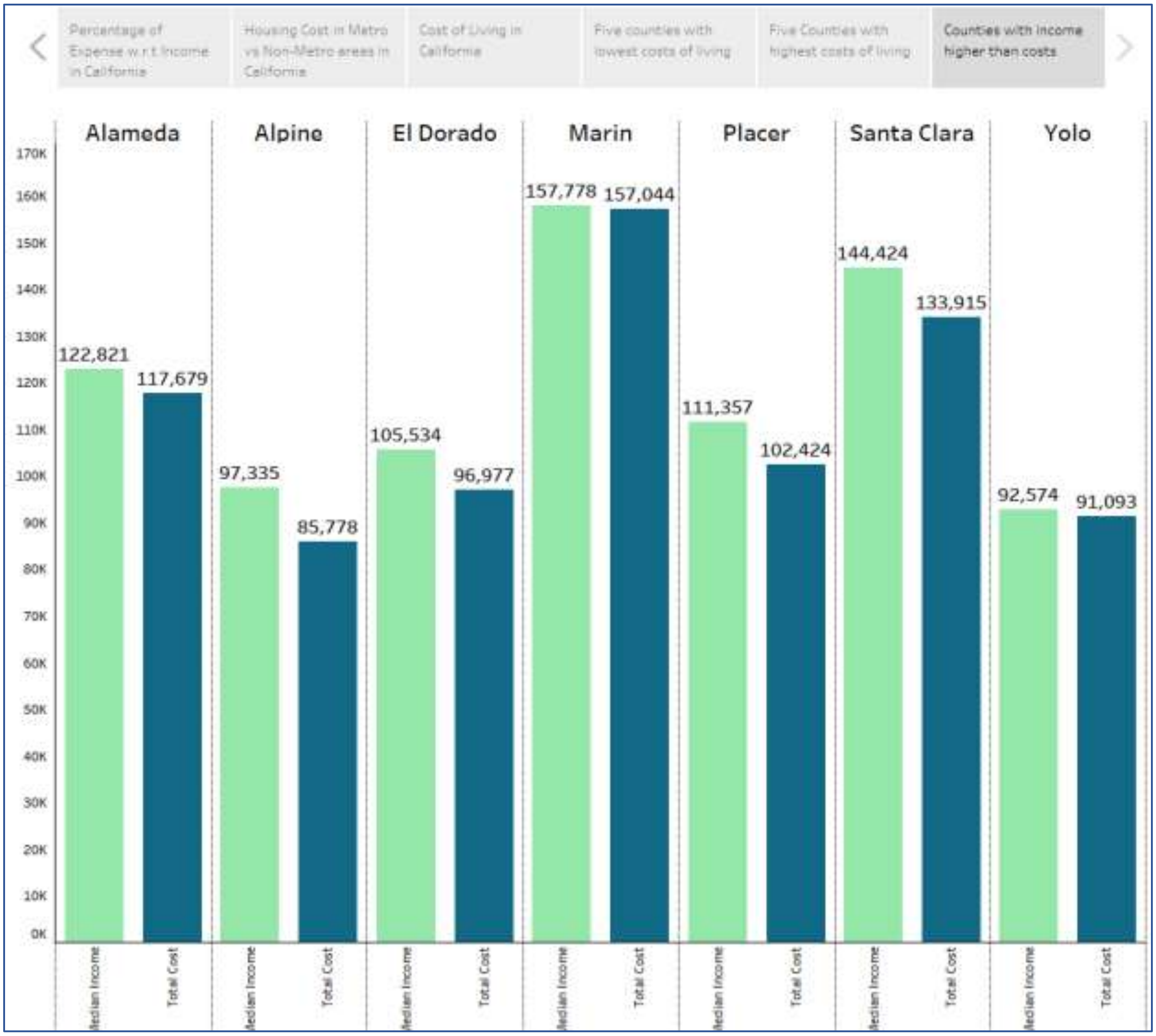
It is worth noting that the top five most expensive counties are clustered in Northern California where many notable big-tech companies are, such as, Google, Apple, Intel, Oracle, and so on. Tech jobs attract talent and an abundant source of money into the regions, which, in turn, drove up the housing prices.



Looking at the bar chart that compares the median family income to the total costs of the five counties with the lowest costs of living, we realize that having the lowest costs of living does not equate to affordability. The median family incomes in these seemingly budget-friendly counties fall short, consistently trailing behind the total expenses incurred by residents. This misalignment implies that, in these counties, individuals and families are grappling with a financial conundrum where their expenditures outweigh their earnings by around $9,000 to $17,000 a year.



The trend of living costs surpassing family incomes extends its grasp to three of the top five most expensive counties, revealing economic challenge faced by residents in these affluent regions. In San Francisco, the average total cost is $7,000 higher than median income. In San Mateo, the average total cost is $22,000 higher than median income. In Santa Cruz, the average total cost is $32,000 higher than median income. Meanwhile, residents of Marin County and Santa Clara find themselves in a somewhat advantageous position, earning slightly more than what they spend. However, the margin is relatively narrow, with only less than $1,000 in Marin, and $11,000 in Santa Clara.



Despite having a high cost of living, California is still an attractive place to reside in for many reasons. Individuals and families are drawn by the mild weather, lucrative job opportunities, diverse cultures, and active lifestyle. The accompanying bar chart shows the counties where median incomes not only weather the high cost of living but also surpass it. Alameda, Alpine, El Dorado, Marin, Placer, Santa Clara, and Yolo emerge as beacons of economic balance, where residents enjoy a median income that outpaces the associated living expenses. For those seeking a comfortable and economically sustainable living experience in the Golden State, these counties present promising options.