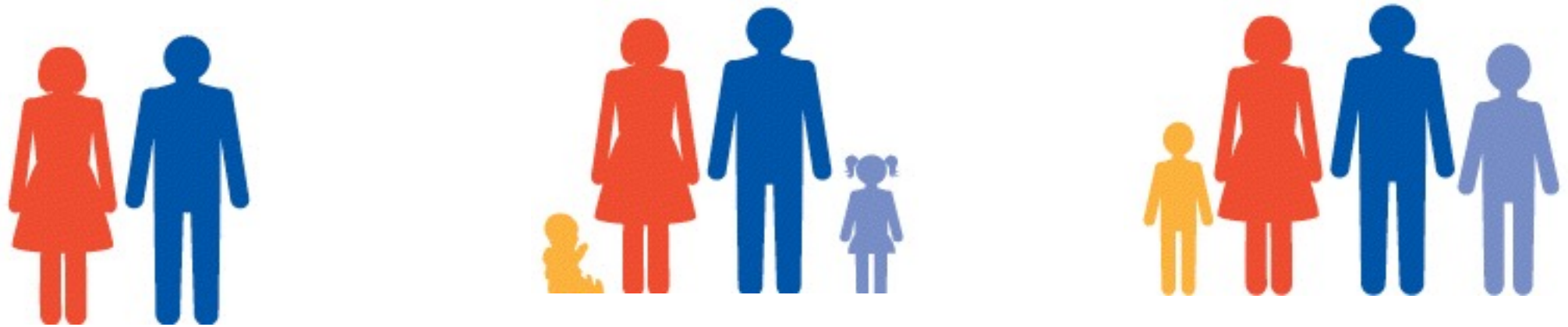


# **Struggling to Get By: The Real Cost Measure in California 2015**



**United Way of Ventura County**  
November 2, 2015

Henry Gascon, United Ways of California  
Pete Manzo, United Ways of California

***Anyone who has ever struggled  
with poverty knows how extremely  
expensive it is to be poor.***

James Baldwin

Fifth Avenue Uptown: A Letter from Harlem

July 1960

# Presentation Agenda

Brief Overview of Report

What the Real Cost Measure Looks Like in California and Ventura County

Policy Levers for Struggling Households

Online Resources

Conversation on Helping Families Strive in Ventura County

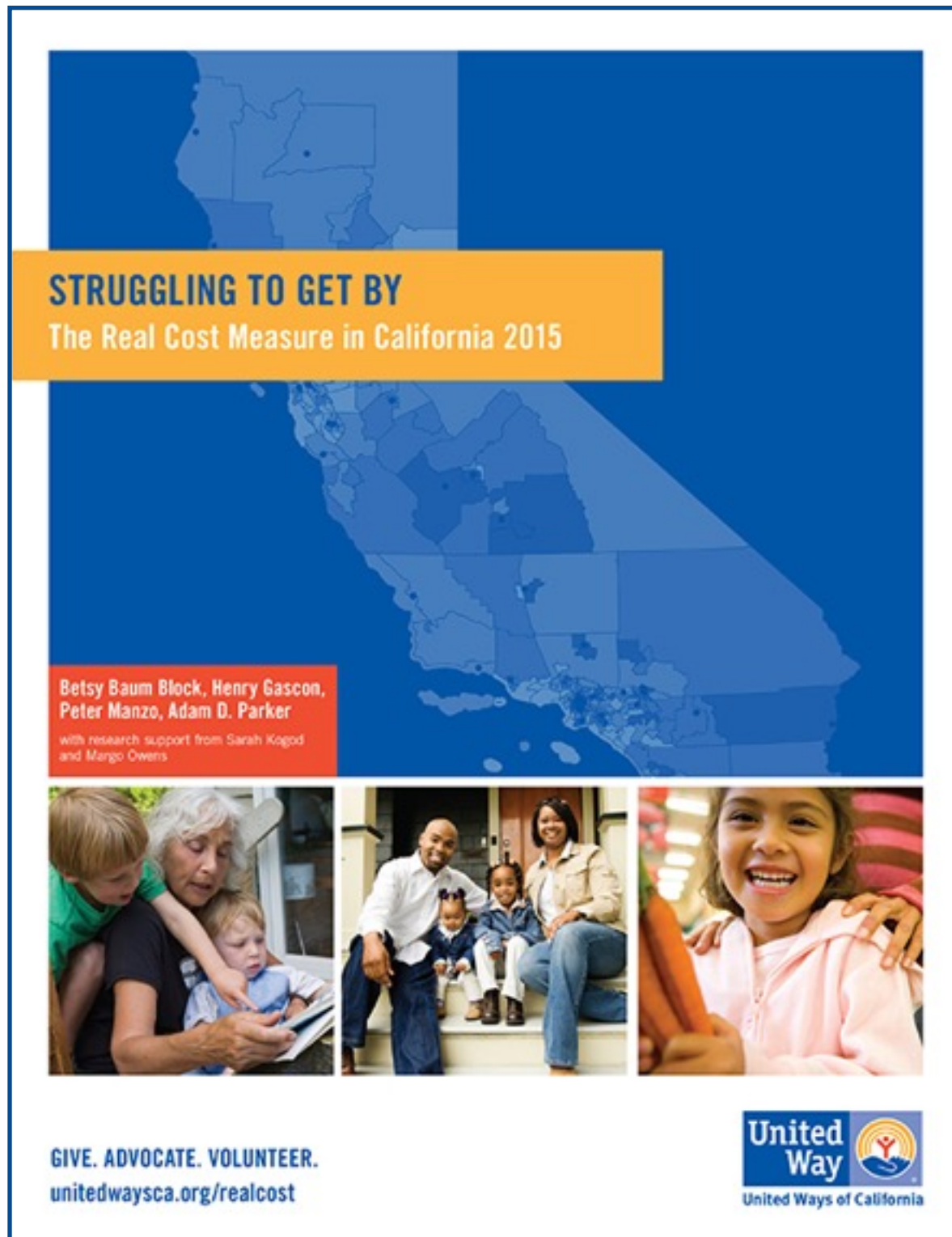
# About *Struggling to Get By*

introduces the **Real Cost Measure**, a basic needs budget approach

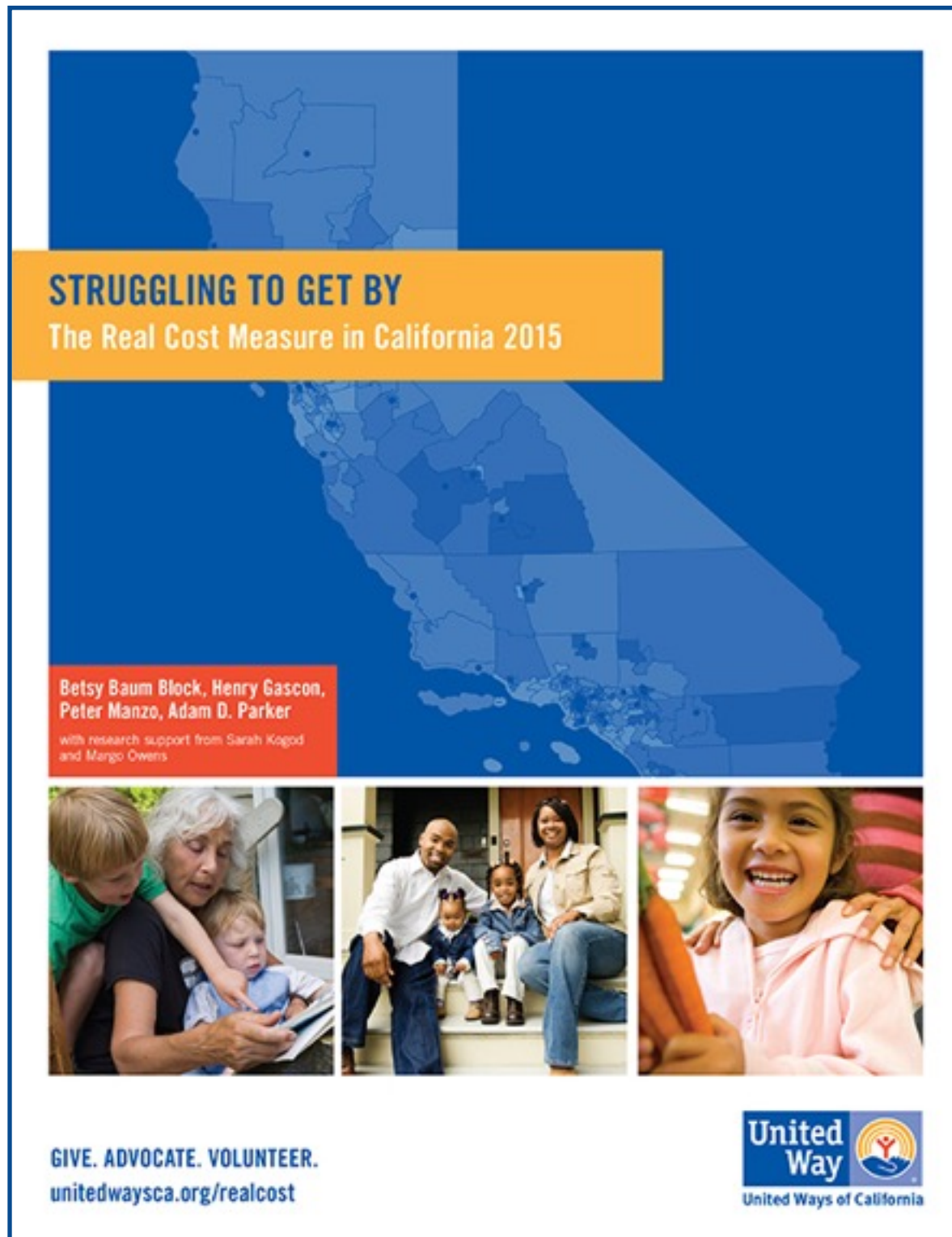
report focuses on households  
(not always families)

calculates budgets for 1,088 household types!

uses **Elder Index** to address challenges facing seniors



# Report Features



extracted Executive Summary  
(en Español tambien)

Full Report (PDF)

interactive maps by  
neighborhood clusters and  
counties

interactive dashboard on Real  
Cost Budgets

County Profiles

Public Data Set



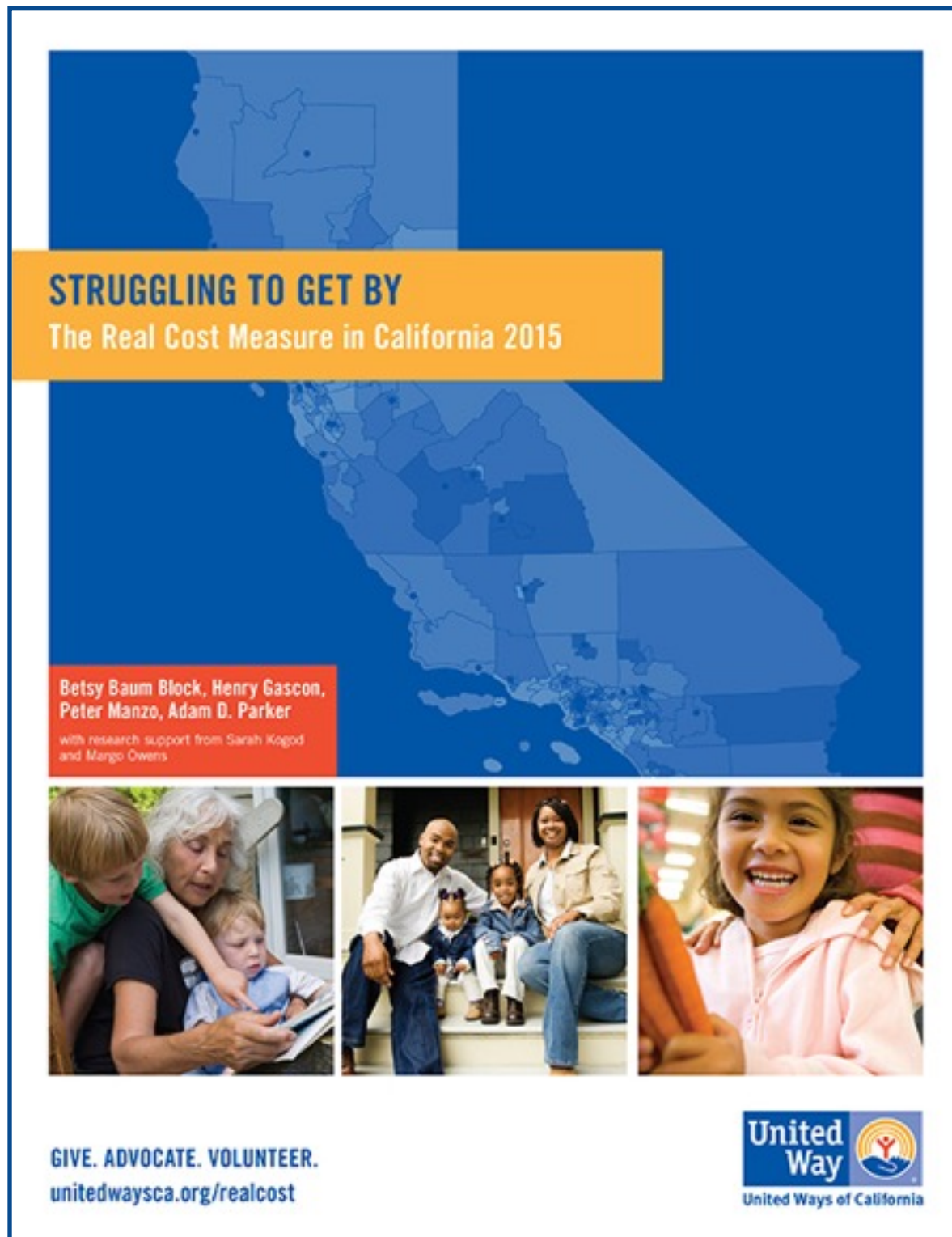
# How We Did It

demographic analysis based on  
2011-2013 **American Community  
Survey** (United States Census  
Bureau)

**Real Cost Budgets** calculated for  
2012

geographic focus on **regions,**  
**counties** and **neighborhood**  
**clusters** (public use microdata areas)

specifically looked at **single**  
**mothers, households with young**  
**children, households of color and**  
**seniors**



# All Resources Available at:

## STRUGGLING TO GET BY: THE REAL COST MEASURE IN CALIFORNIA 2015

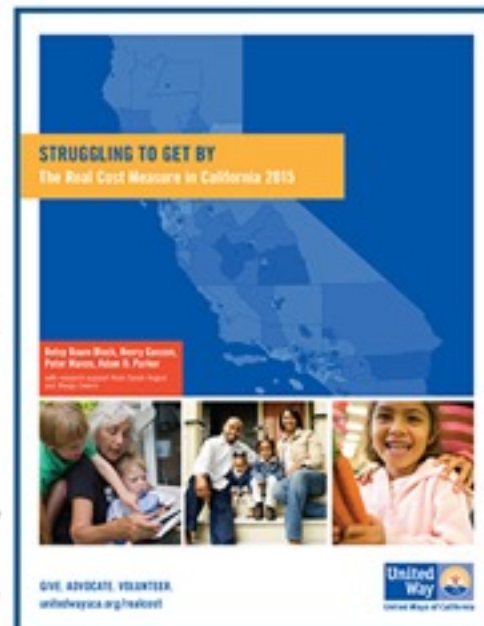
*Struggling to Get By: The Real Cost Measure in California 2015* is a new financial stability report that measures the real cost of living in California's communities.

*Struggling to Get By* introduces the **Real Cost Measure**, a basic needs budget approach to better understand the challenges facing California households. A basic needs budget approach is intuitive and easy for most people to understand, as it is composed of things all families must address such as food, housing, transportation, childcare, out of pocket health expenses, and taxes. A basic needs budget approach takes into account different costs of living in different communities, and also conveys a better sense of the hardship for families with income below the basic needs budget level as it invokes the notion of tradeoffs between competing needs—if you have an inadequate level of income, do you sacrifice on food, gas, or childcare?

Among the questions *Struggling to Get By* seeks to answer are: What is the true cost of living for struggling households? What do we know about these households and the challenges they face everyday? What do their family configurations look like? How many are led by one or more working adults, and more.

In answering these questions, *Struggling to Get By* explores the **Real Cost Measure** through different lenses. At the geographic level, we conduct "apples to apples" comparisons among counties, regions and neighborhoods (through public use microdata areas). We also discuss challenges facing specific households such as single mothers, households with young children, households of color and seniors.

### Key Findings



[www.unitedwaysca.org/realcost](http://www.unitedwaysca.org/realcost)

# What does it take to get by in California?

*Struggling to Get By:  
The Real Cost Measure in California 2015*

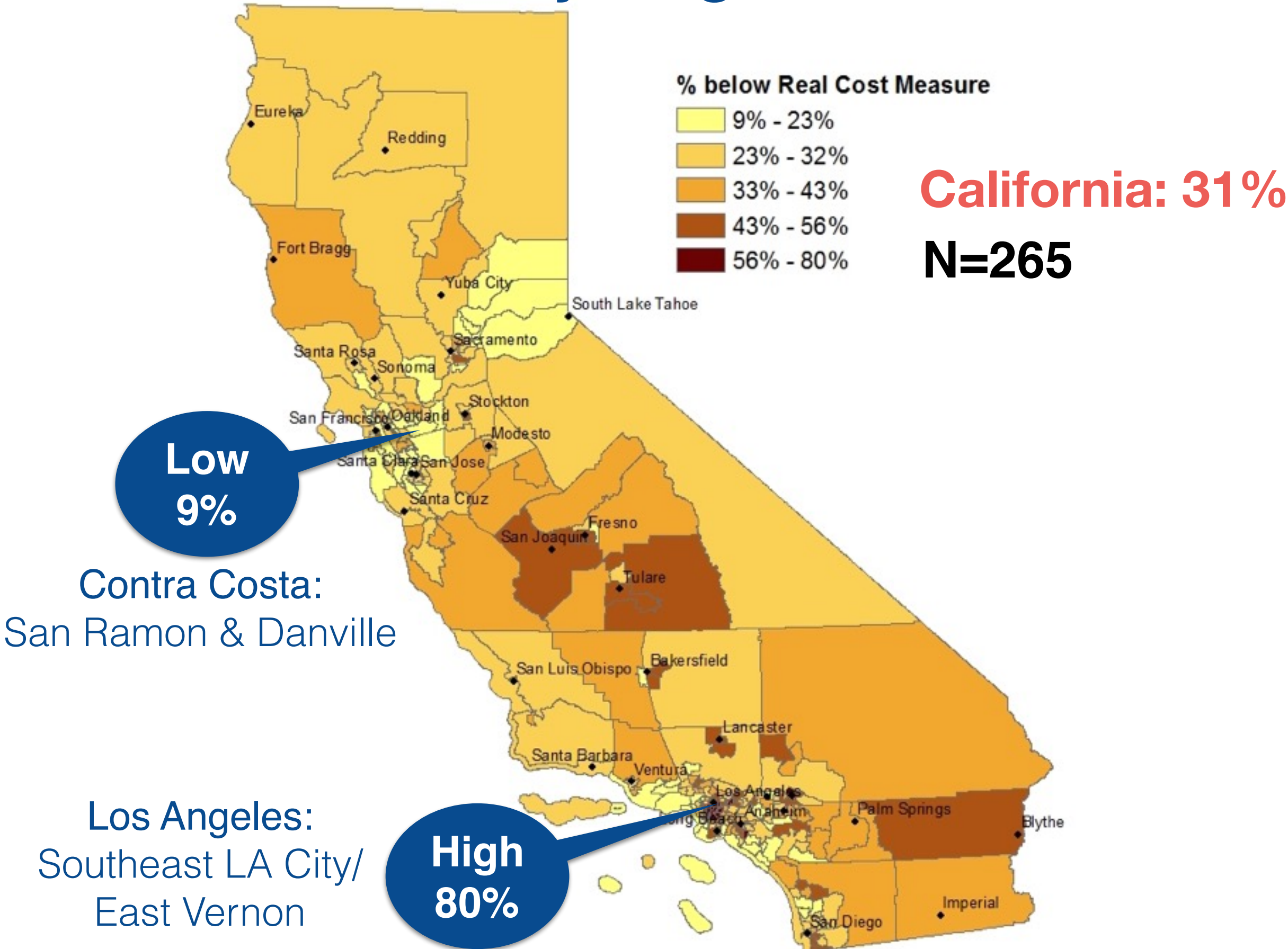




**1 in 3 California households  
(31%) struggle to meet  
basic needs**

**3.2 million households!**

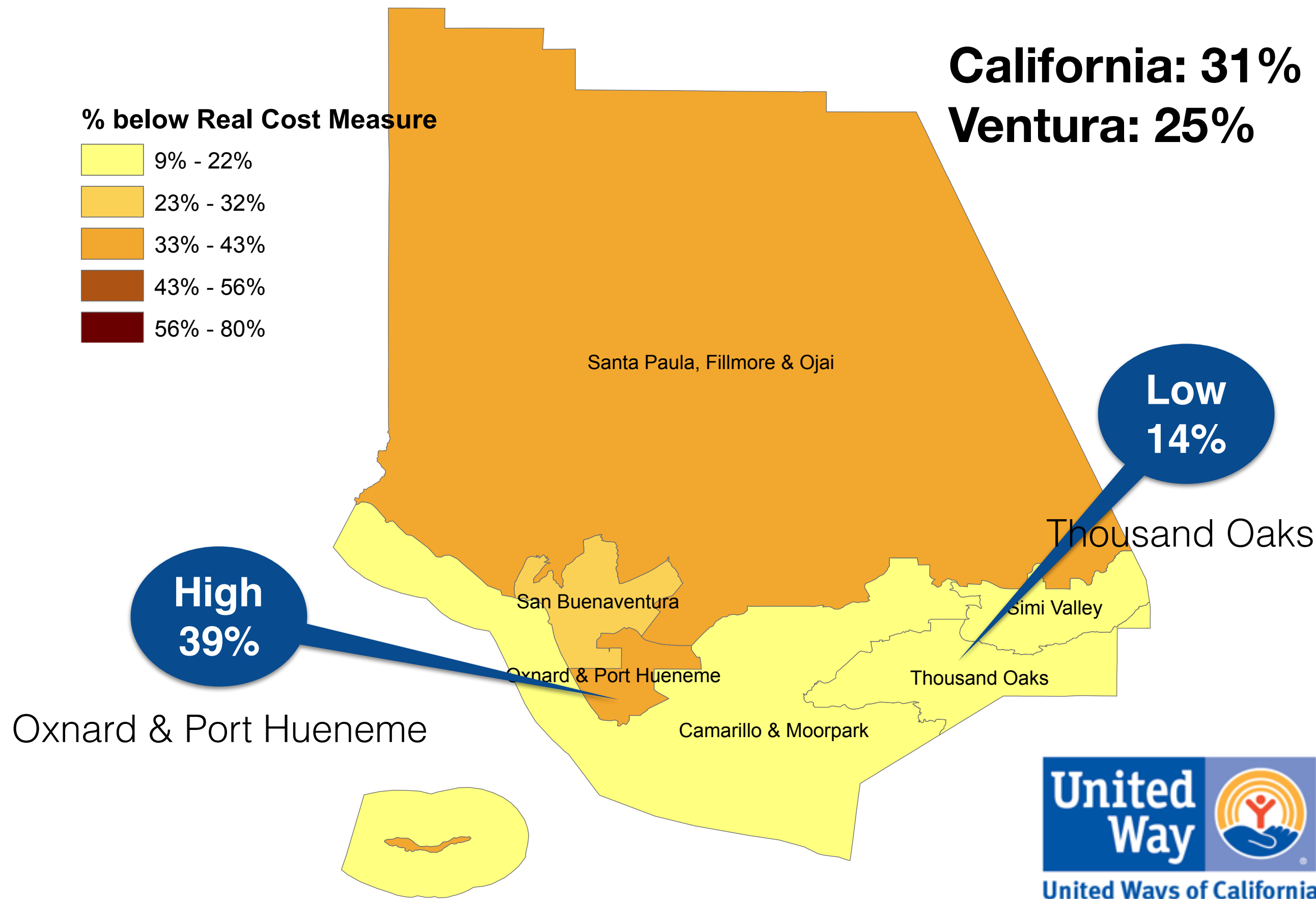
# Real Cost Measure by Neighborhood Clusters



**25% of households in  
Ventura County struggle to  
meet basic needs**

**351,374 households!**

# Real Cost Measure in Ventura County





# Defining Basic Needs

Basic Need	Notes
Housing	based on HUD's free market rent rates
Food	adopts Thrifty Food Plan (also used by CalFresh)
Child care	assumed to be year-round care at a licensed family-based facility
Health care	California Expenditure Survey, average annual expenses
Transportation	California Expenditure Survey, average annual expenses
Miscellaneous	10% of all other expenses
Taxes	calculated per federal and state tax laws, inclusive of tax credits

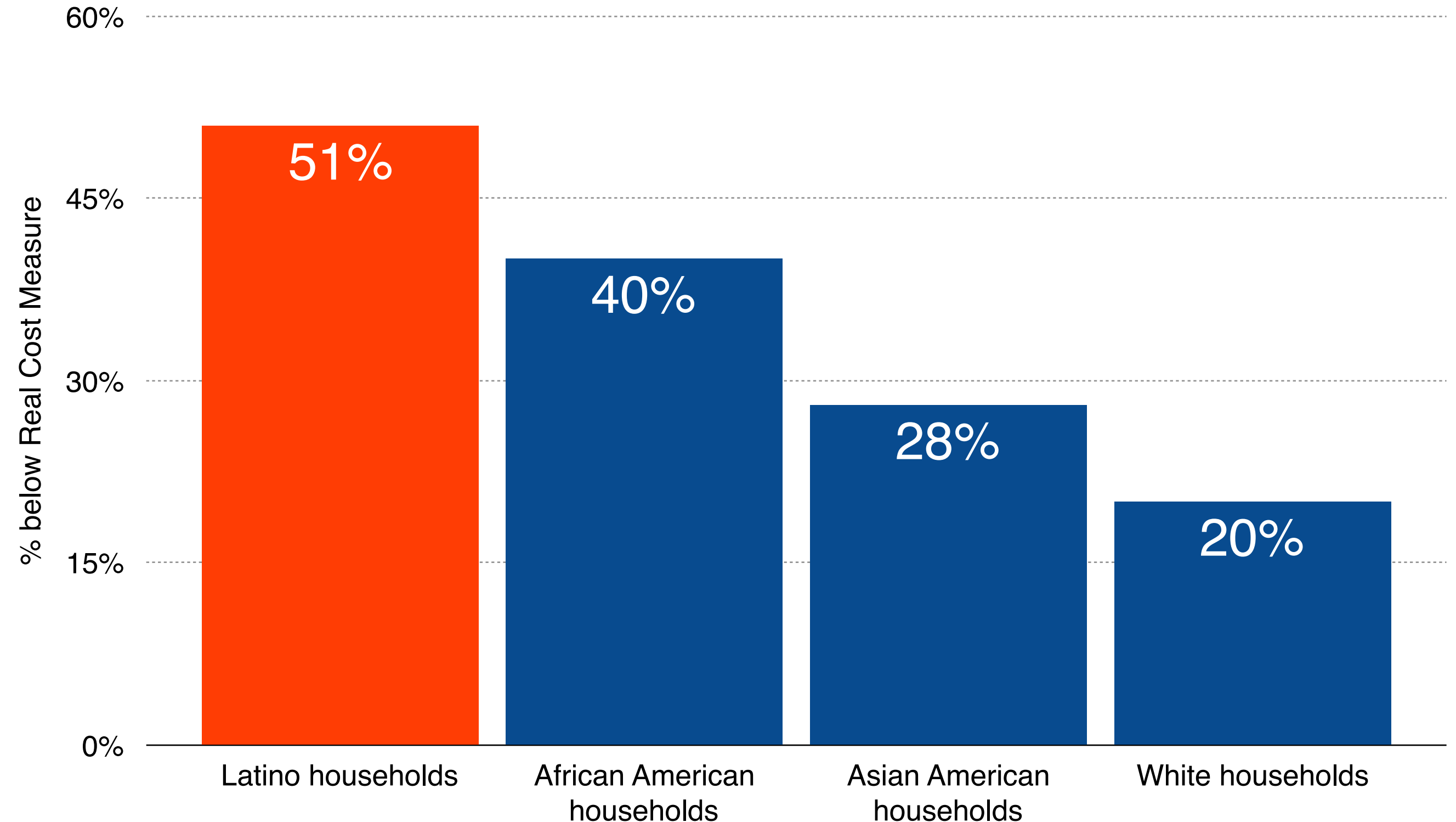
# What it Takes a Household with 2 Adults, 1 Infant and 1 School-Aged Child to get by? (2012 Average)

Real Cost Budget	Ventura	San Bernardino
Housing (2 bdm)	\$17,232	\$13,788
Child care	\$11,433	\$9,602
Food	\$9,359	\$9,150
Health care	\$6,362	\$6,232
Transportation	\$9,025	\$8,840
Miscellaneous	\$4,198	\$3,801
Tax Credits	(\$3,836)	(\$3,836)
Taxes	\$4,745	\$3,121
Total Annual	\$58,515	\$50,698

**1.5 million Latino  
households struggle to  
meet basic needs**

# Real Cost Measure by Ethnicity (CA)

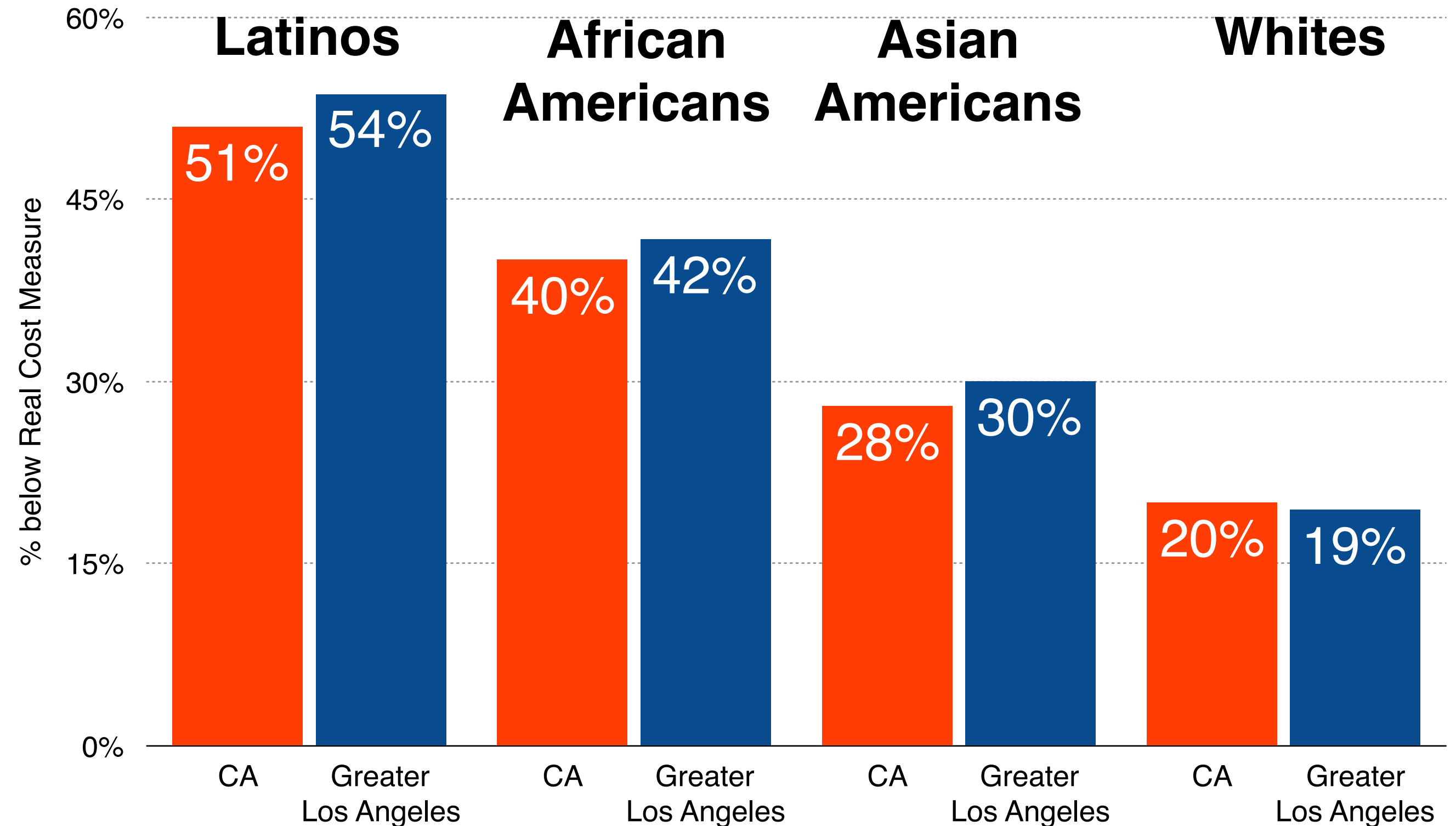
*Struggling to Get By: The Real Cost Measure in California 2015*





# Real Cost Measure by Ethnicity

*Struggling to Get By: The Real Cost Measure in California 2015*



**45%**

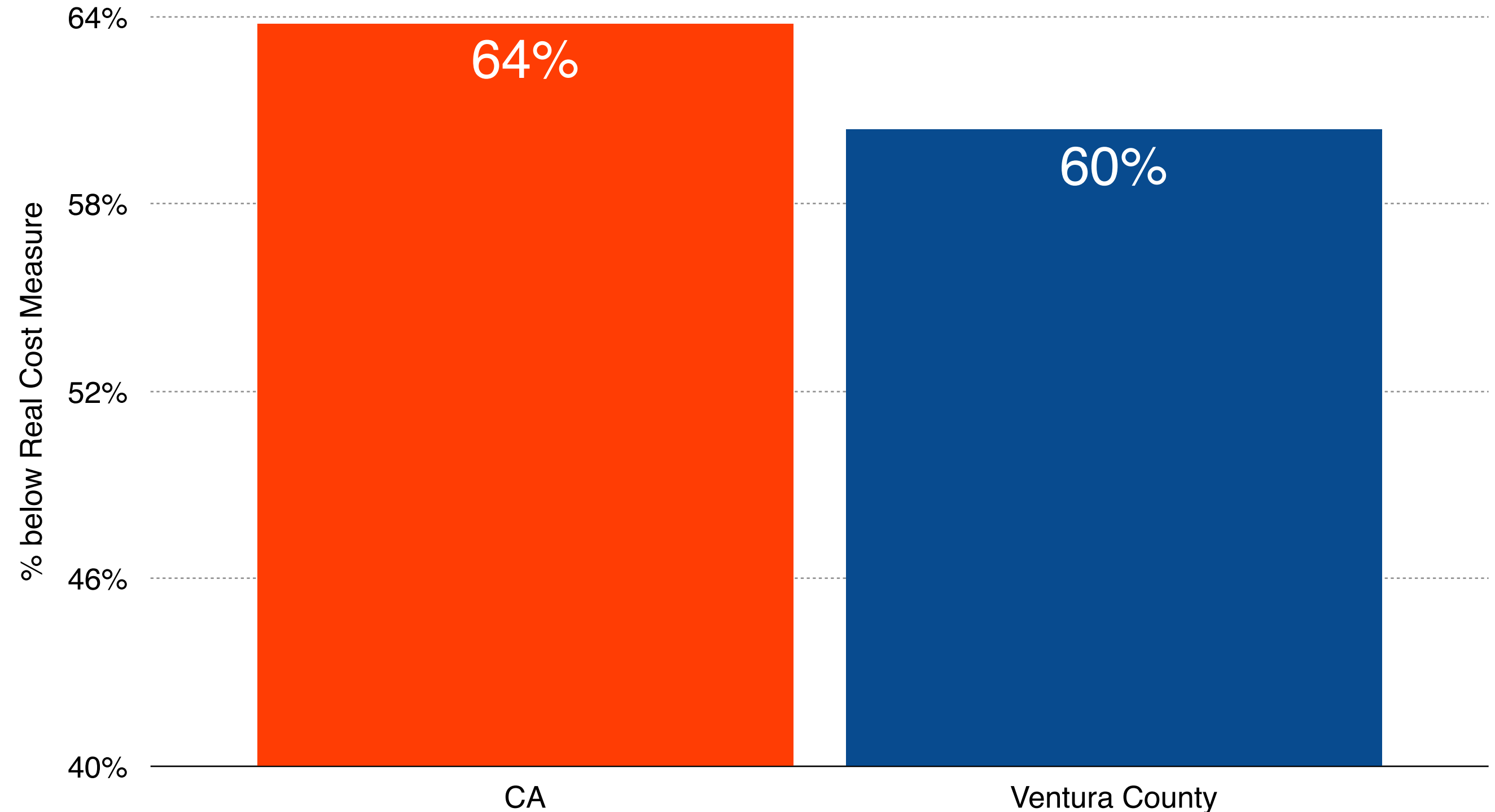
**below Real Cost Measure  
when led by a person  
born outside the U.S.**

**60%**

**when the householder  
is not a citizen**

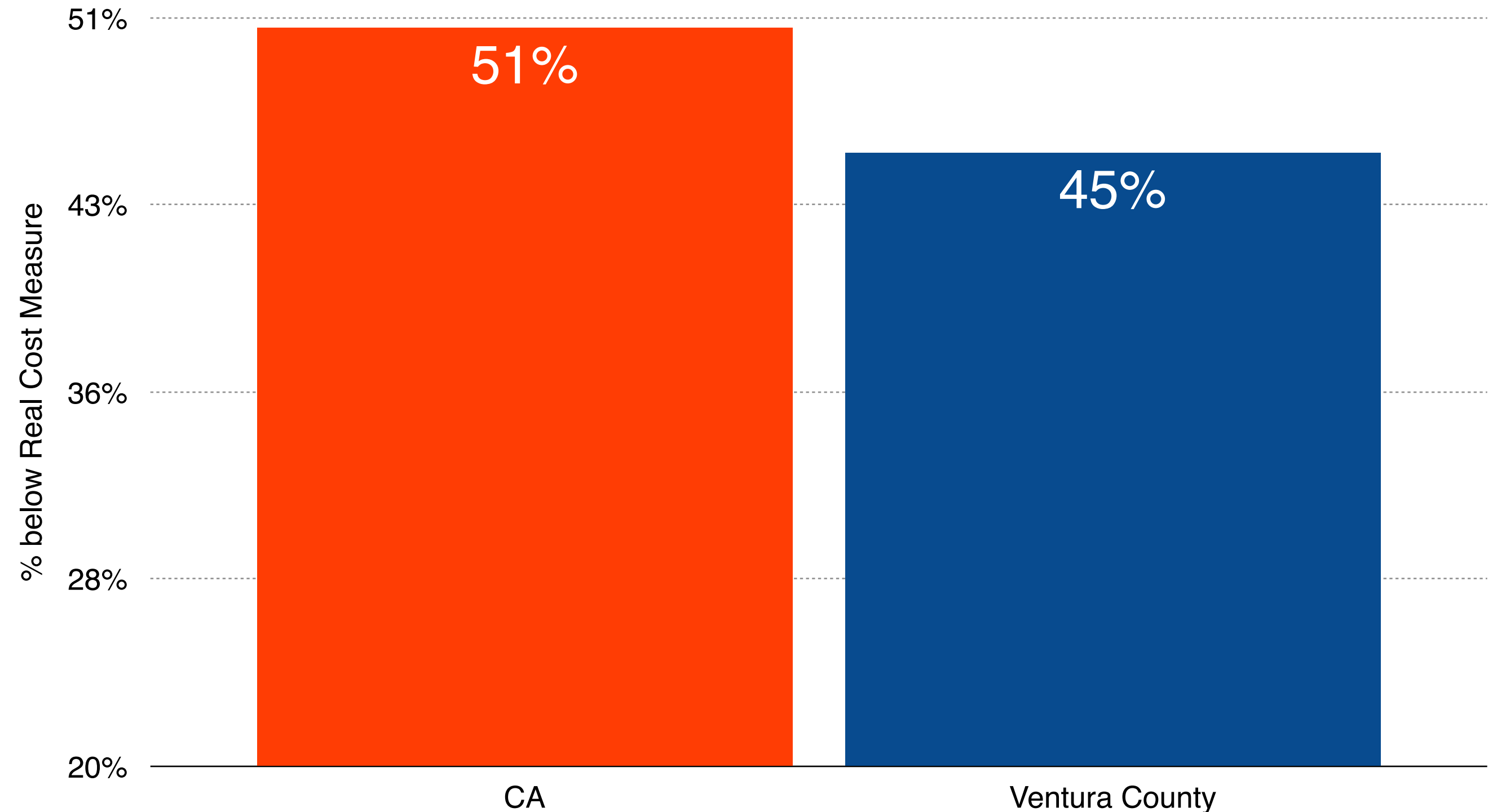
# Single Mothers who Struggle

*Struggling to Get By: The Real Cost Measure in California 2015*



# Households with At Least One Child Under Age 6

## *Struggling to Get By: The Real Cost Measure in California 2015*

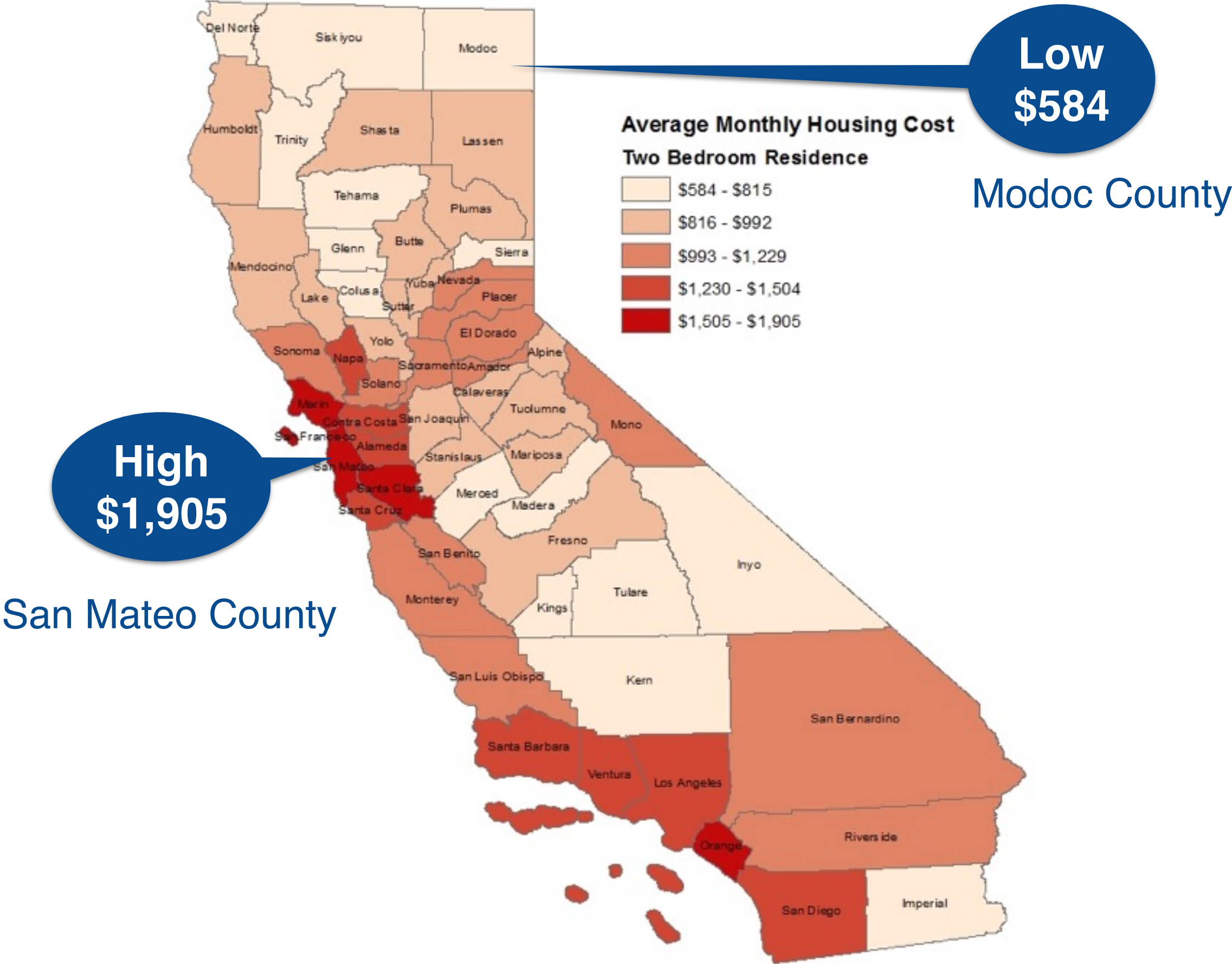




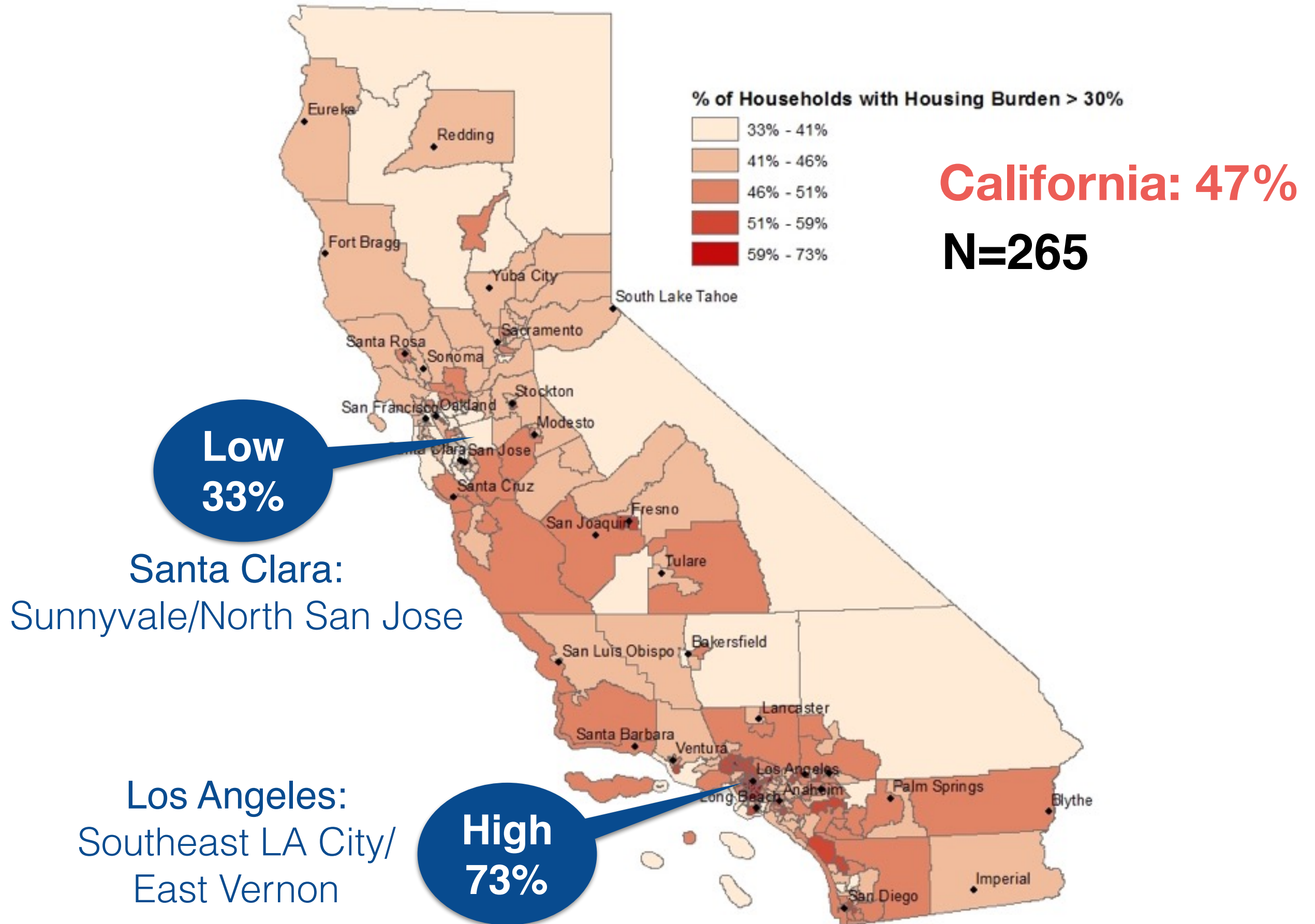
47%

**of householders in California face a  
housing burden greater than 30%**

# Average Housing Costs Two Bedroom Residence



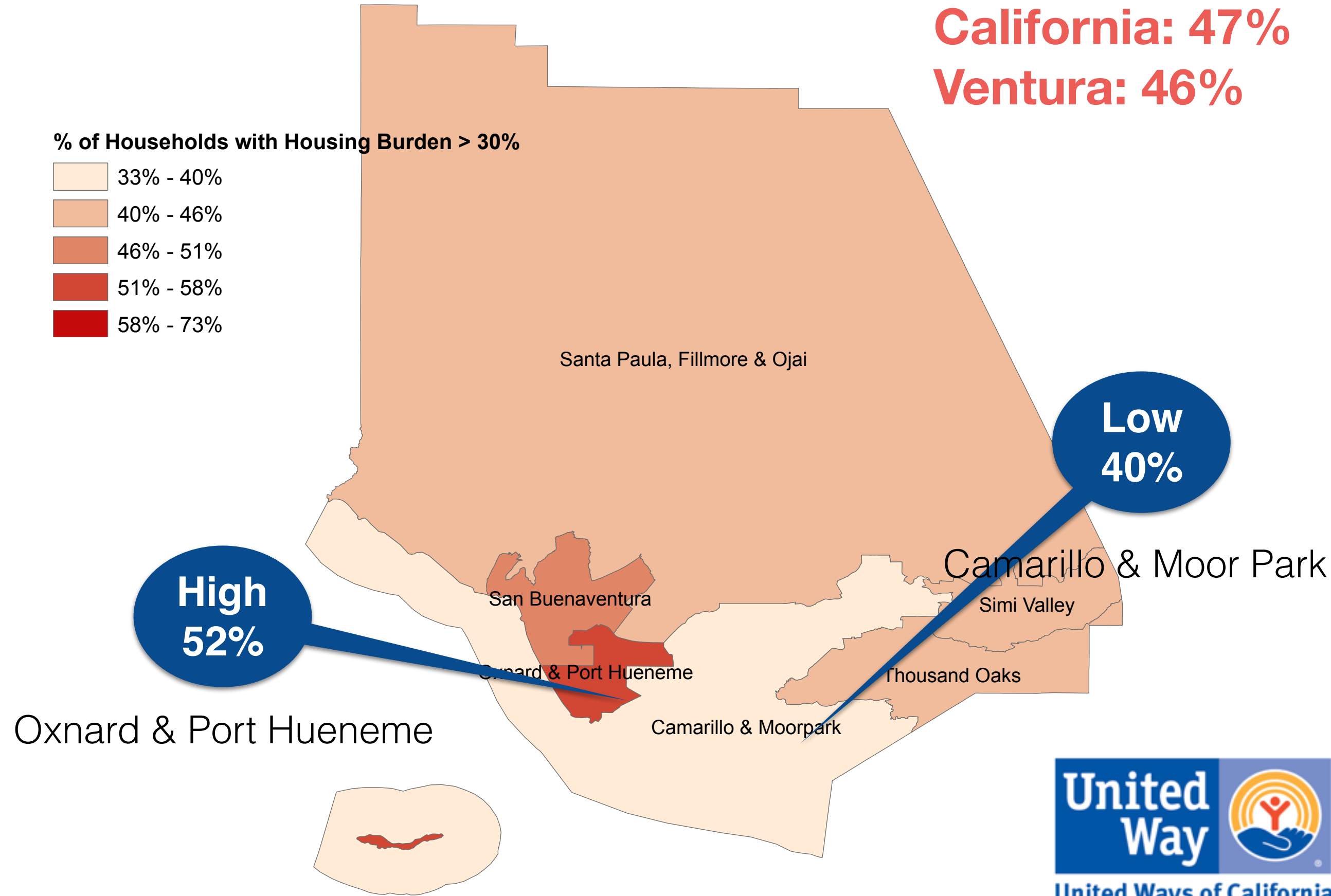
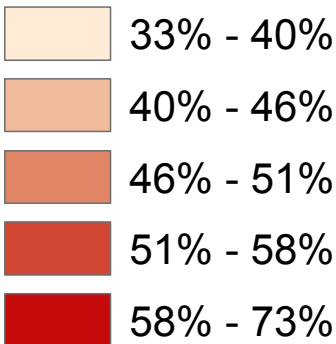
# Housing Burden > 30% by Neighborhood Clusters



# Housing Burden > 30% in Ventura County

California: 47%  
Ventura: 46%

% of Households with Housing Burden > 30%



High  
52%

Low  
40%



**68%**

**of householders with  
less than a high school diploma  
struggle to get by**

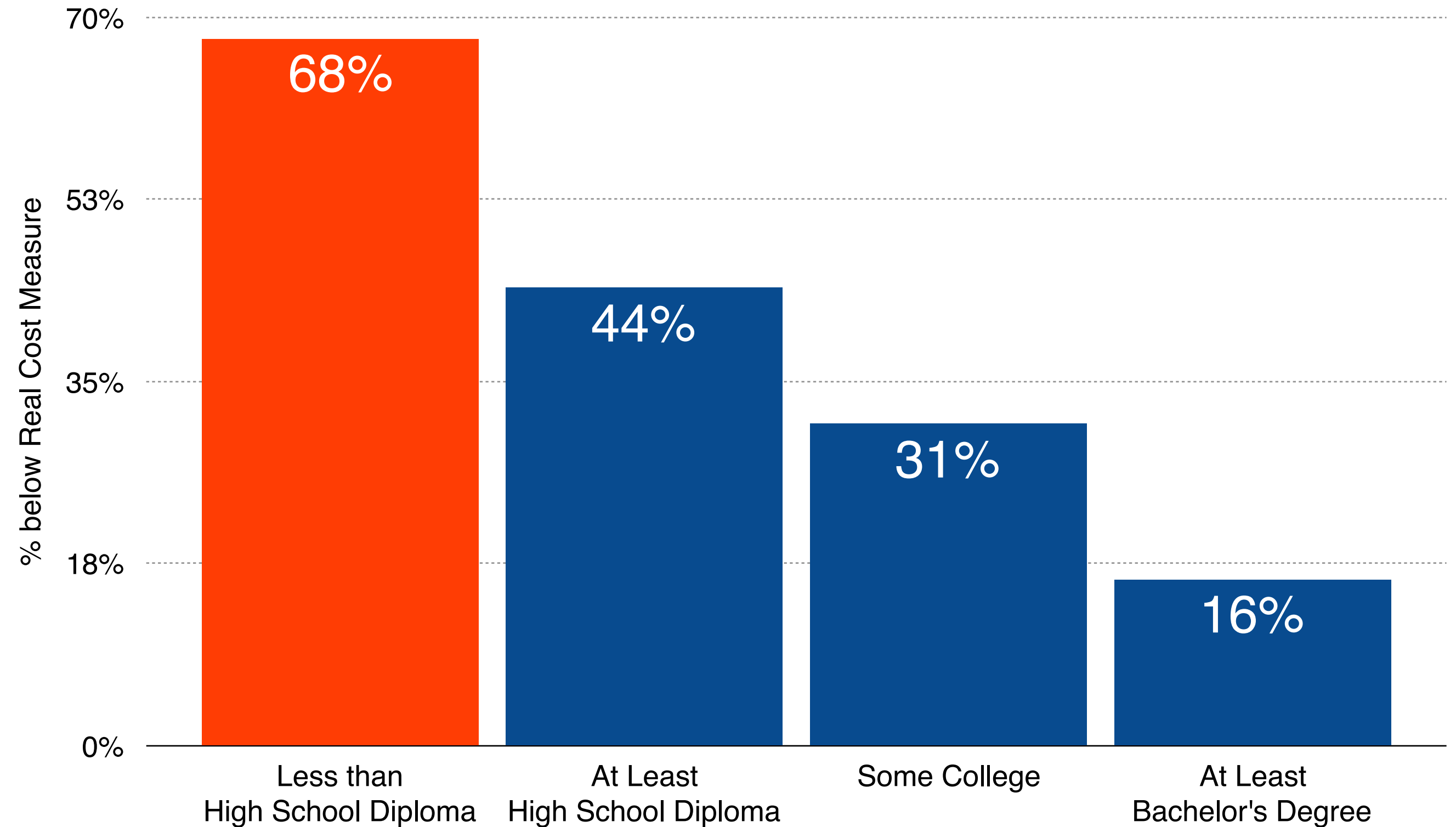
# Real Cost Measure by Educational Attainment (CA)

*Struggling to Get By: The Real Cost Measure in California 2015*

Educational Attainment	Whites	Asian Americans	Latinos	African Americans
Less than High School/Equivalent	50%	66%	71%	76%
At Least High School Diploma/Equivalent	31%	50%	54%	54%
Some College	24%	35%	38%	43%
At Least Bachelor's Degree	11%	15%	18%	18%

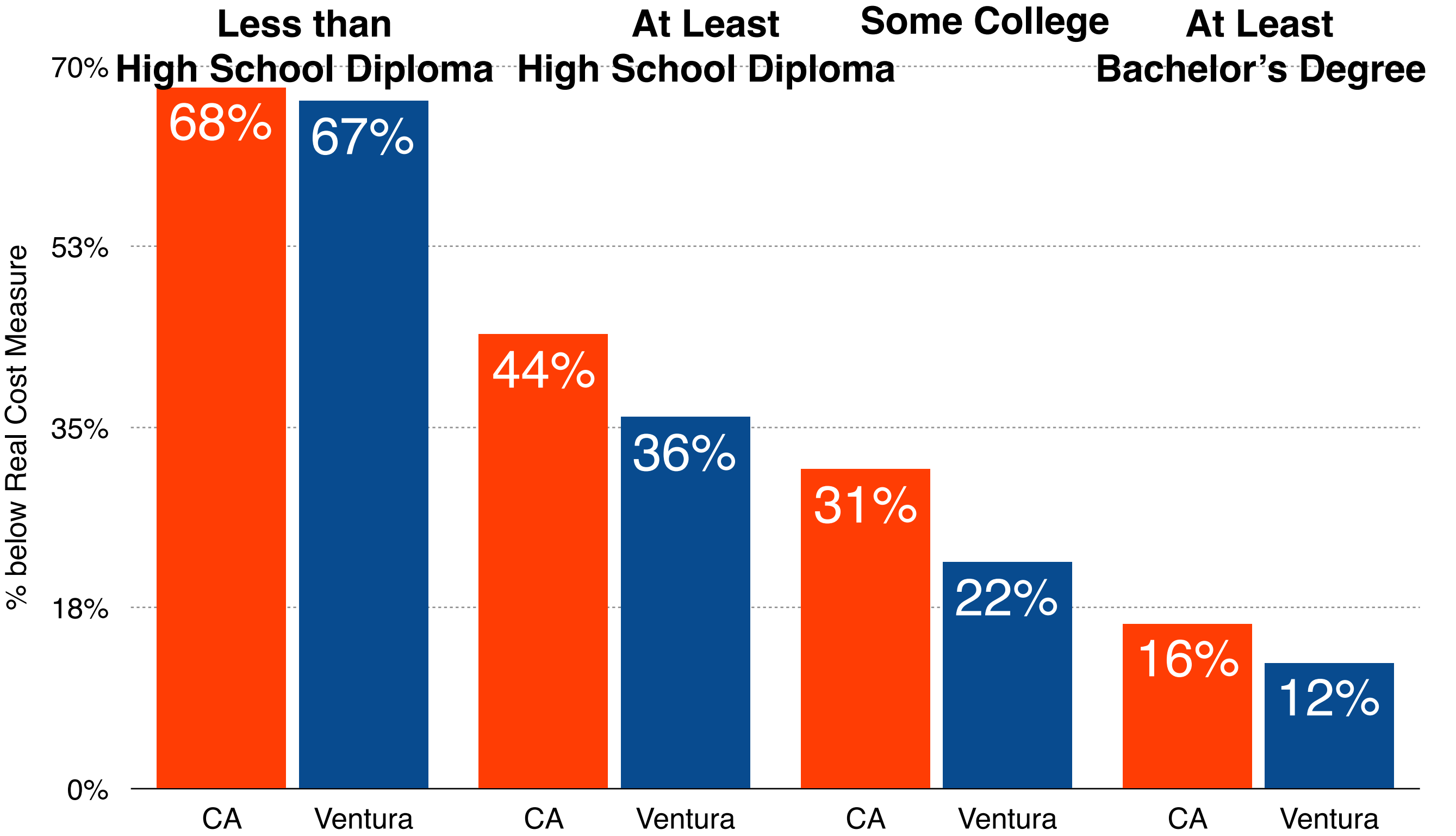
# Real Cost Measure by Educational Attainment

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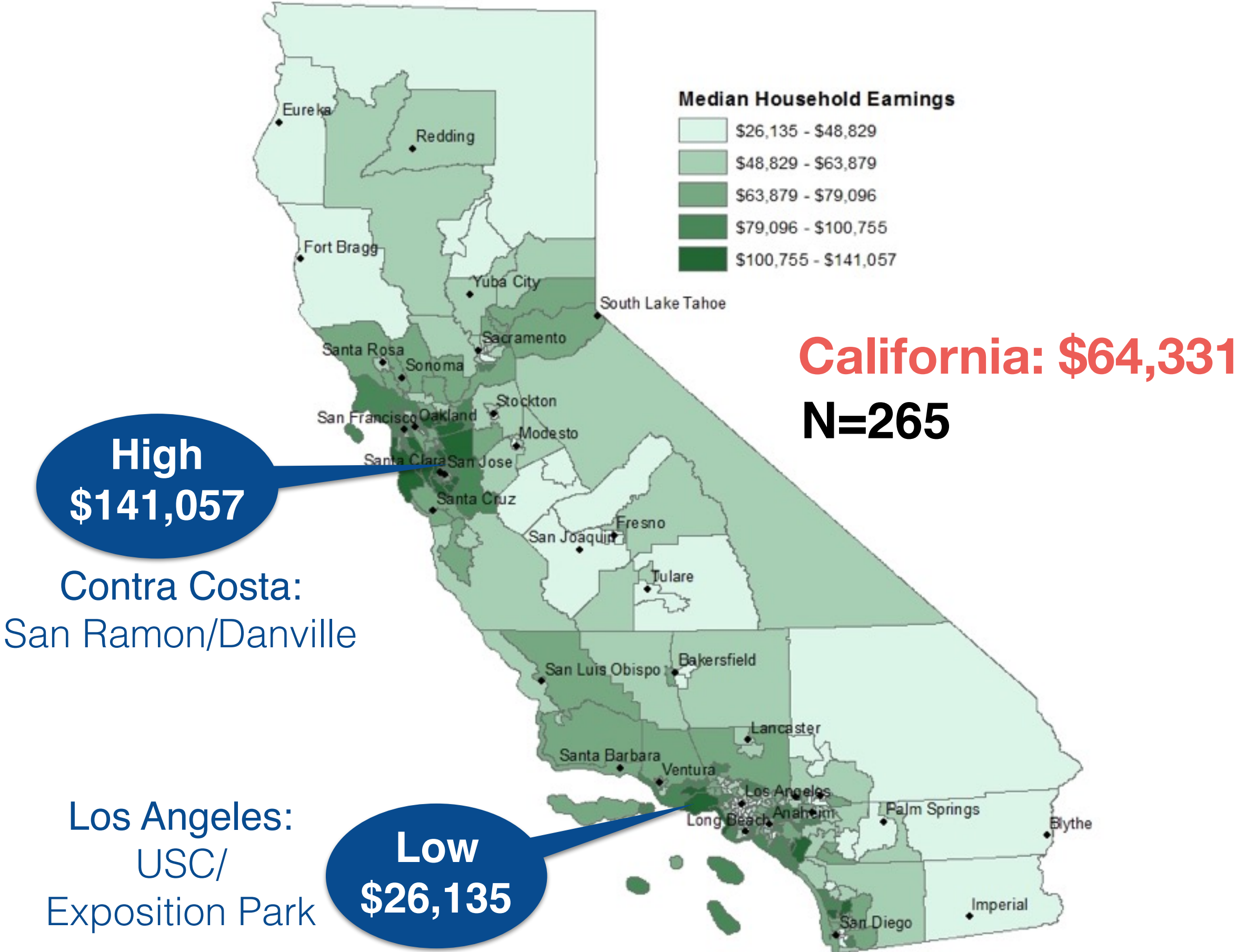
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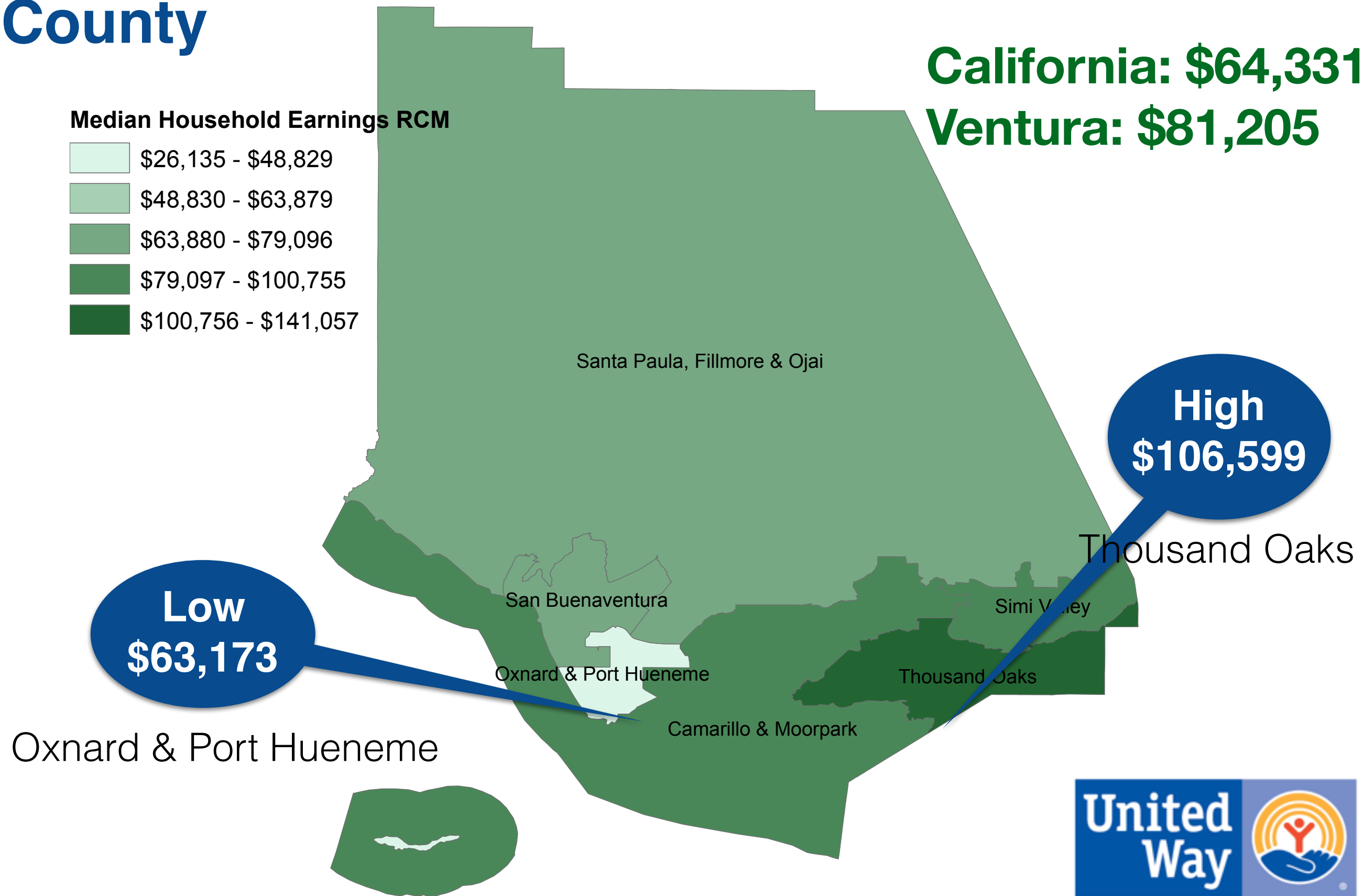
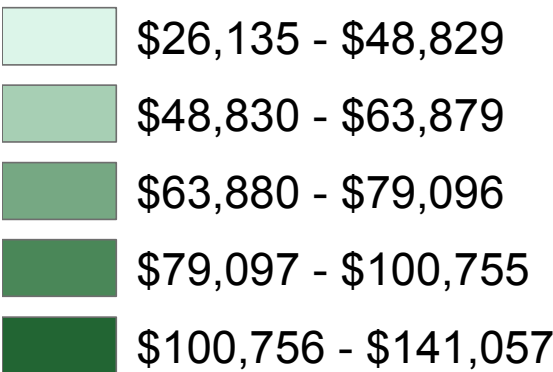
# Median Household Earnings by Neighborhood Clusters



# Median Household Earnings in Ventura County

California: \$64,331  
Ventura: \$81,205

Median Household Earnings RCM



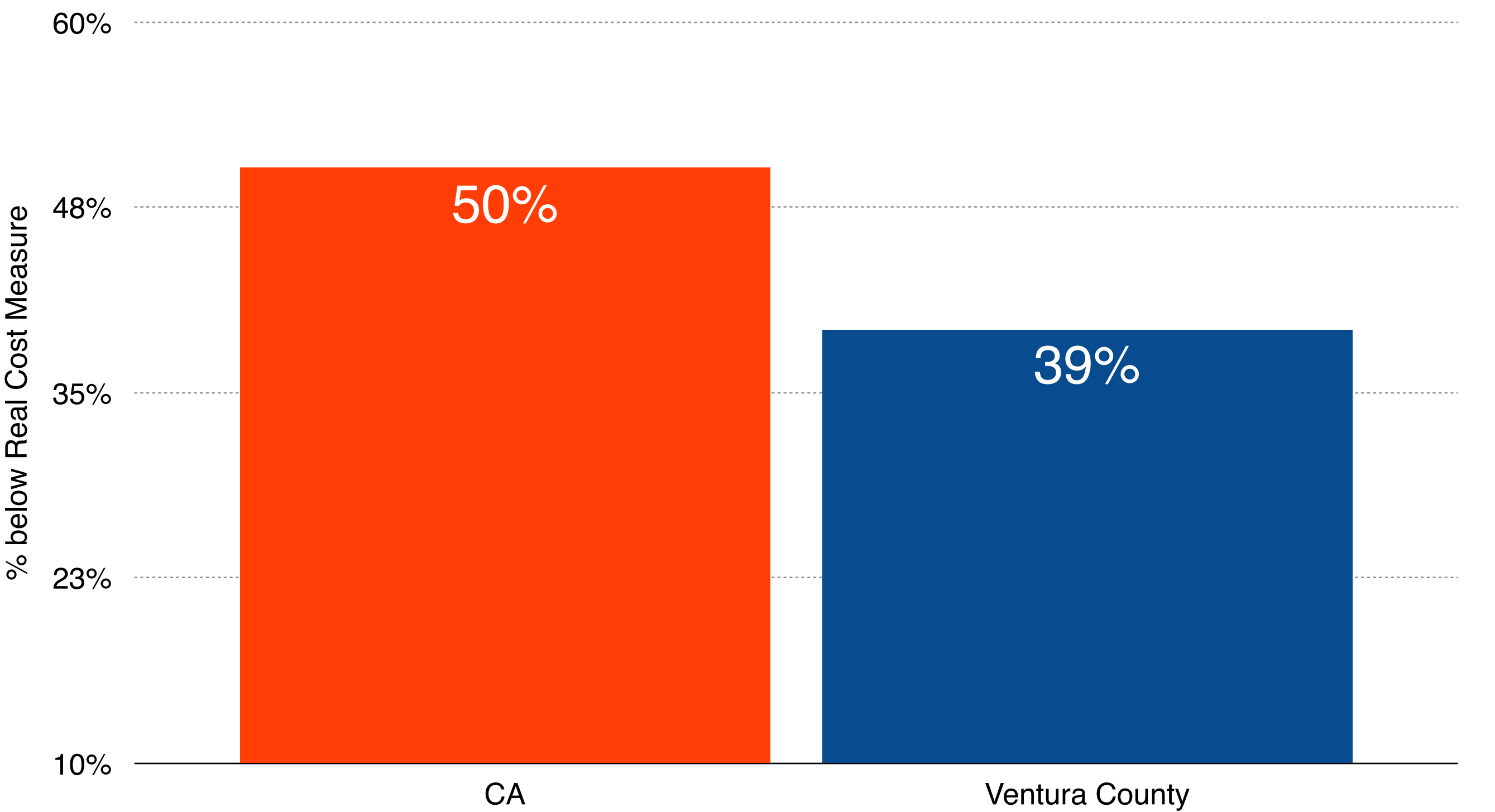
87%

of households below Real Cost  
Measure with at least one working  
adult



# % Below RCM Where Head of Household is Not Working

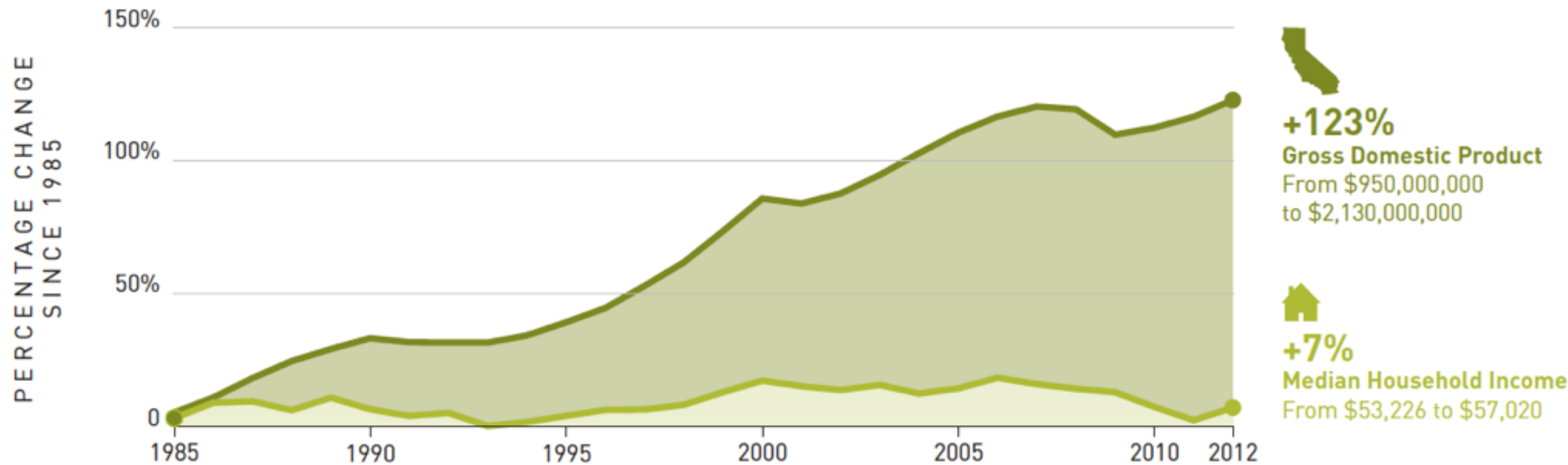
*Struggling to Get By: The Real Cost Measure in California 2015*



# CA GDP/Median Household Income, 1985-2012

*A Portrait of California, 2014-2015*

**FIGURE 14** Over the past three decades, California's Gross Domestic Product has Increased by 123 percent; median household income has only gone up by 7 percent.



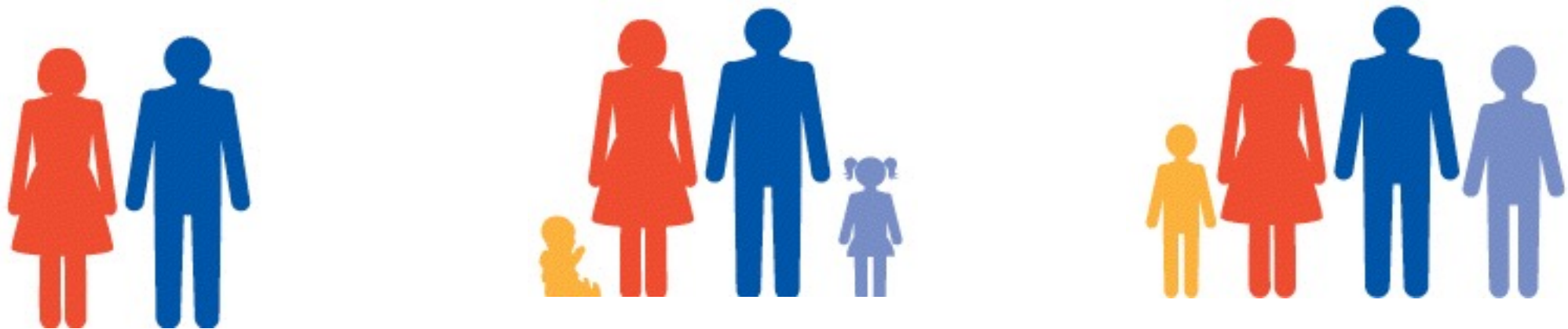
**LIVE UNITED**

**United  
Way**



# Policy Levers

*Struggling to Get By:  
The Real Cost Measure in California 2015*



# Policy Levers

Emphasize Education Beyond High School:

Focus on Moving Households Up the Pay Scale

Invest in Children and Dual-Generation  
Approaches

# Policy Levers

Effectively Link Households to Public Assistance

Make Income Supports Available Longer as Families Move Up

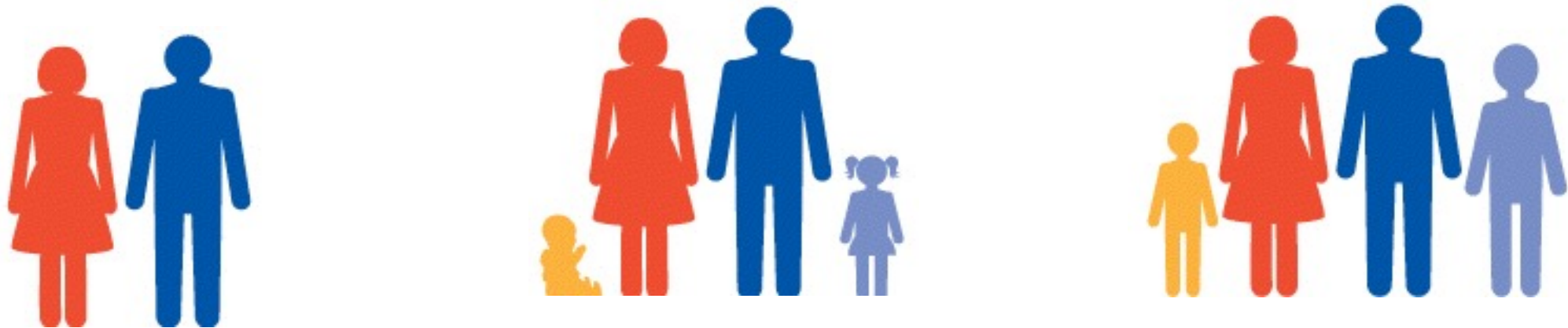
Help Households Build and Protect Assets

Reduce the effective cost of housing

Target vulnerable populations

# Online Resources

*Struggling to Get By:  
The Real Cost Measure in California 2015*





# Online Resources

## STRUGGLING TO GET BY: THE REAL COST MEASURE IN CALIFORNIA 2015

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### Key Findings



Executive Summary

Full Report

Interactive Neighborhood and County Maps

Interactive Dashboard on Real Cost Budgets (by County)

County Profiles

Public Data Set

[www.unitedwaysca.org/realcost](http://www.unitedwaysca.org/realcost)



# How to Adopt *Struggling to Get By*

Further engagement on improving well being in local communities

Use it for programmatic work/intervention strategies

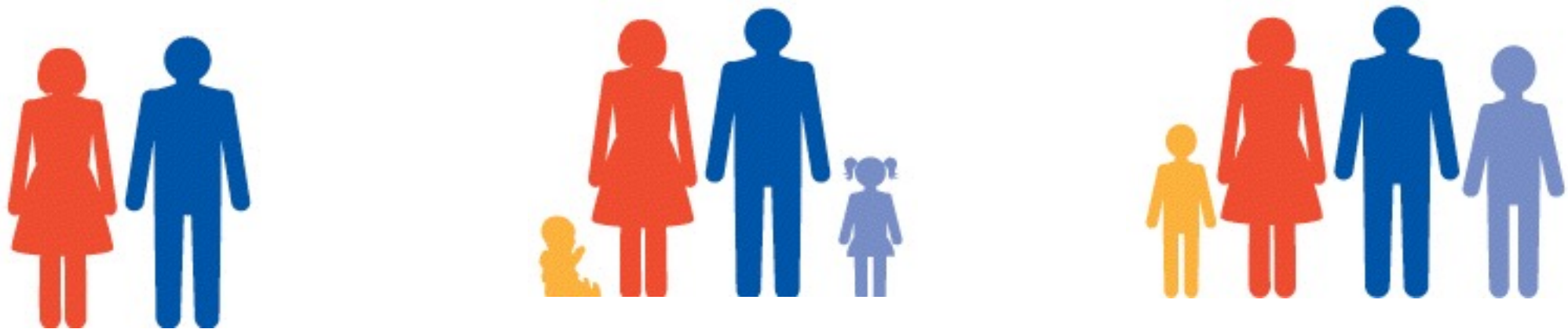
Excellent grant writing resource!

Talk about it when friends/neighbors!

Family conversations at dinner table

# Conversation on Helping Families Strive in Ventura County

*Struggling to Get By:  
The Real Cost Measure in California 2015*



# Contact Information

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