

News Release

THE FEDERAL RESERVE BANK *of* KANSAS CITY

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ECONOMIC CONDITIONS IN LOW- TO MODERATE-INCOME COMMUNITY EXPERIENCE CONTINUED STRESS, SURVEY FINDS

Indicators of economic and financial conditions revealed continued stress in the Tenth Federal Reserve District's low- to moderate-income (LMI) community during the third quarter, according to the Federal Reserve Bank of Kansas City's [quarterly LMI Survey](#). In addition, the indicators have failed to show significant improvement since late 2010, and in some cases, have retreated moderately.

The quarterly survey measures the economic conditions of LMI populations and the organizations that serve them in the Kansas City Fed's seven-state District. Results from the survey are used to construct five indicators of economic conditions in LMI communities and two indicators of the conditions of LMI-focused organizations. LMI populations are those with incomes of less than 80 percent of an area's median income.

The slower pace of economic recovery in the first half of 2011 might be reflected in the perceptions of survey respondents. Job growth has remained sluggish, and recent declines in some survey indicators could be a reflection of the financial stresses stemming from long-term unemployment and income loss rather than a shift in economic activity within the LMI community. Organizations responding to the survey indicated a neutral assessment of their capacity to serve clients, but a growing number reported declines in funding.

As the regional headquarters of the nation's central bank, the Federal Reserve Bank of Kansas City and its branches in Denver, Oklahoma City and Omaha serve the seven states of the Tenth Federal Reserve District: Colorado, Kansas, Nebraska, Oklahoma, Wyoming, northern New Mexico and western Missouri.

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