



# QUARTERLY REPORT TO SHAREHOLDERS

March 31, 2021

## OFFICE LOCATIONS

Blackfoot Admin/Branch Office  
188 W Judicial St (PO Box 985)  
Blackfoot, ID 83221  
(208) 785-1510 or (800) 686-8910

Rexburg Branch Office  
1586 N 2<sup>nd</sup> E  
Rexburg, ID 83440  
(208) 356-5479 or (800) 632-8821

American Falls Branch Office  
2883 Highway 39  
American Falls, ID 83211  
(208) 226-5251 or (800) 831-5143

Twin Falls Branch Office  
Suite 100A, 1096 Eastland Drive North  
Twin Falls, ID 83301  
(208) 734-0635 or (800) 831-5143

## DIRECTORS, OFFICERS AND STAFF

### **BOARD OF DIRECTORS**

Ken Black, Chairman..... Burley  
Twain S. Hayden, Vice Chairman..... Arbon  
Scott R. Giltner..... Jerome  
Ryan Mathews..... Blackfoot  
Wendy Pratt..... Blackfoot  
Bruce Ricks..... Sugar City  
Dennis W. Snarr..... Idaho Falls

### **OFFICERS**

Marc Fannesbeck..... President and CEO  
Jim Chase..... Secretary and CFO  
Adam C. Jensen.... Executive Vice President and CCO  
Kirk Powell..... Vice President of Capital Markets  
Katie Wallace..... Vice President of Human Resources  
Dana Wood..... Vice President of Operations  
Ryan Funk..... Vice President and CIO

### **HEADQUARTERS STAFF**

Jan Gamble..... Senior Operations Assistant  
Echo Wren..... Operations Assistant  
Travis Crook..... IT Technician

### **AUDIT COORDINATOR**

Meagan Reed..... Audit Coordinator

### **BRANCH STAFF**

Blackfoot Branch Office (208) 785-1510  
Katie Wallace..... Branch Manager  
Avery Robertson..... Assistant Branch Manager  
Carson Jacobs..... Credit Analyst  
Jenny Callison..... Credit Support Specialist  
Tenaia Giannini..... Operations Assistant  
Hallie Mickelsen..... Operations Assistant

Rexburg Branch Office (208) 356-5479  
Nick Bazil..... Branch Manager  
Doug Eck..... Evaluation Manager and  
Senior Loan Officer  
Jared Ashcraft..... Loan Officer  
Maguel Sommer..... Credit Analyst  
Carrie Mackert..... Senior Operations Assistant  
Tina Morton..... Senior Loan Processing Specialist

American Falls Branch Office (208) 226-5251  
Dana Wood..... Branch Manager  
Dylan Orr..... Credit Analyst  
Meagan Reed..... Loan Processing Specialist  
Cyndi Campbell..... Operations Assistant  
Maxine Olson..... Operations Assistant

Twin Falls Branch Office (208) 734-0635  
Tianna Fife..... Branch Manager  
Sean Zaugg..... Senior Loan Officer  
Dave Scott..... Loan Officer  
Kaylie Collins..... Credit Support Specialist  
Nicolette Mikesell..... Operations Assistant



### REPORT OF MANAGEMENT

The consolidated financial statements of Idaho AgCredit, ACA and its wholly owned subsidiaries Idaho AgCredit, FLCA and Idaho AgCredit, PCA (collectively Idaho AgCredit) are prepared by management, which is responsible for their integrity and objectivity, including amounts that must necessarily be based on judgments and estimates. The consolidated financial statements have been prepared in conformity with generally accepted accounting principles appropriate under the circumstances and under the oversight of the Audit Committee (comprised of all board members), and in the opinion of management, fairly present the financial condition and results of operations of Idaho AgCredit.

To meet its responsibility for reliable financial information, management depends on Idaho AgCredit's accounting and internal control systems, which have been designed to provide reasonable, but not absolute, assurance that assets are safeguarded and that transactions are properly authorized and recorded. The systems have been designed to provide the information to facilitate the recognition of costs in relation to benefits derived. To monitor compliance, Idaho AgCredit's staff, contract auditors, CoBank, ACB (CoBank) and an independent accounting firm perform reviews of the accounting records, review accounting systems and internal controls, and recommend improvements as appropriate.

The 2020 consolidated financial statements of Idaho AgCredit were audited by Wipfli LLP, certified public accountants (CPAs), who also conducted a review of the accounting records and such other auditing procedures as they considered necessary to comply with generally accepted auditing standards. A copy of their report was presented in the 2020 Annual Report to Shareholders (Annual Report).

The activities of Idaho AgCredit are also reviewed by the Farm Credit Administration (FCA), and certain actions of Idaho AgCredit are subject to approval by CoBank. Certain actions of CoBank are also subject to FCA approval. The annual and quarterly reports of Idaho AgCredit and CoBank are available upon request at no cost at Idaho AgCredit's administrative and branch offices, or on the websites at [www.idahoagcredit.com](http://www.idahoagcredit.com) and [www.cobank.com](http://www.cobank.com), respectively.

The Board of Directors and Audit Committee have overall responsibility for Idaho AgCredit's systems of internal control and financial reporting. In connection with this obligation, each consults regularly with management and periodically reviews the scope and results of work performed by the CPAs. The CPAs also have direct access to the Board of Directors and Audit Committee.

The undersigned hereby certify that this report has been reviewed and prepared in accordance with all applicable statutory or regulatory requirements and that the information contained herein is true, accurate, and complete to the best of the undersigned's knowledge and belief.

Ken Black  
Board Chairman

Marc Fannesbeck  
President and CEO

Dennis Snarr  
Audit Committee Chairman

Jim Chase  
Secretary and CFO

April 21, 2021

## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **Overview and Economic Conditions:**

The following discussion summarizes the financial position and results of operations of Idaho AgCredit for the three months ended March 31, 2021, with comparisons to prior periods. You should read these comments along with the accompanying financial statements and footnotes and the 2020 Annual Report to Shareholders. The accompanying financial statements were prepared under the oversight of the Audit Committee.

Economic conditions for the three months ended March 31, 2021 reflected commodity prices near breakeven or slightly above for wheat, barley, alfalfa, beef cattle, milk and sugar beets. Projected prices for 2021 reflect weak to moderate prices, especially given drastic economic changes and consumption habits which have changed due to the COVID-19/Coronavirus pandemic. Due to the uncertain nature of COVID-19 changes to consumption habits and market changes, it is too soon to accurately predict commodity prices in the near term. Most operations have sufficient diversification to weather short cycles of below breakeven prices for one or two commodities, but these operations may have to make difficult choices regarding machinery replacement and containment of operating costs. Water was adequate in most areas for 2020, and is projected to be adequate for 2021. Agricultural real estate prices appear to be steady. The increases in real estate values in the last several years could lead to increased loan risk on those operations which purchased higher cost land if real estate values and rental rates decrease. Idaho AgCredit's net income reflects the strong economic success of its customers.

### **Loan Portfolio:**

Gross loan volume as of March 31, 2021 decreased \$11,359,186 from \$312,180,361 at the prior quarter end to \$300,821,175, and increased \$24,905,054 compared to the same quarter in the prior year. The current quarter change in loan volume reflected seasonal changes in operating loan volume and net new commercial and mortgage loan volume. The increase in gross loan volume from the prior year reflects a net decrease in commercial loans and an increase in mortgage and mortgage purchased participation loans with other lenders.

Nonaccrual loan volume at March 31, 2021 was \$659,050, or .22% of gross loan volume, compared to \$2,150,017, or .78% on the same date in the prior year. Idaho AgCredit's total loan portfolio is presently graded 98.6% acceptable and OAEM compared to 98.8% acceptable and OAEM in the prior year. Idaho AgCredit's long-term goal for acceptable and OAEM credit remains at 90.0% or better.

Idaho AgCredit had no net investment in other property owned (aka acquired property) at March 31, 2021, which was the same as on the same date in the prior year. Idaho AgCredit's investment in accrual sales contracts at March 31, 2021 was \$41,422 compared to \$51,512 in the prior year. Idaho AgCredit's ratio of liabilities to net worth at March 31, 2021 was 3.88:1 compared to 3.70:1 the prior year. This ratio change (which reflects that total liabilities have increased in proportion to net worth) has been caused by retained earnings growing slower in proportion to loan volume growth and the change in the corresponding debt with CoBank.

### **Results of Operations:**

Idaho AgCredit's net income of \$1,632,575 for the quarter was up \$455,920 compared to the same quarter in the prior year. The net interest income after the provision for losses of loan principal and commitment for the quarter was \$432,545 higher than the same period in the prior year due to an increase in net interest income of \$311,213 and a decrease in the net provision for loan losses of \$121,332. Noninterest income for the quarter was \$206,719 higher than the prior year, primarily due to an increase in patronage from CoBank of \$38,816, a decrease of \$31,977 in other patronage, an increase in loan fees of \$200,990 due to new loan origination fees and interest rate conversion fees, and a net decrease of \$1,110 in financially related service income and other noninterest income. Noninterest expenses for the quarter were \$217,344 higher than the prior year due to the increase in salaries and benefits of \$95,012, an increase of \$820 in director compensation, a decrease in occupancy of \$3,822, an increase in purchased services of \$4,830, an increase in Farm Credit Insurance Fund premiums of \$106,664, an increase in supervisory and examination costs of \$1,336 and a net increase in all other noninterest expenses of \$12,504. The provision for income taxes was \$34,000 lower than the prior year due to a lower estimate of income taxes.

The Allowance for Loan Losses account balance at March 31, 2021 totaled \$1,477,683 or .49% of gross loan volume compared to an allowance of \$1,542,170 or .56% of gross loan volume for the same date in the prior year. This decrease of \$64,487 from the prior year primarily reflects normal changes in credit quality and loan volume. After assessing the relative risk based upon economic conditions, historical annual loan loss experience and potential future losses, management believes the allowance for loan losses adequately covers the inherent risk in the loan

portfolio. Ultimate losses which may be experienced by Idaho AgCredit depend upon the impact of future commodity prices, real estate values, government subsidy and disaster programs, weather-related occurrences, operating decisions and public policy. These same factors may also generate recoveries of losses previously recognized.

**Capital Resources:**

Shareholders' equity at March 31, 2021 was \$65,517,786, which increased \$1,630,383 from \$63,887,403 at December 31, 2020. This increase is due to net income plus net stock changes. Since January 1, 2005, Idaho AgCredit's stock requirement has been the minimum allowed by regulation, which is the lesser of 2% of the outstanding principal balance or \$1,000 per customer. Idaho AgCredit's capital amounts, categories and ratios at March 31, 2021 exceeded the FCA minimum regulatory requirements which became effective January 1, 2017.

**CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**

	March 31, 2021 Unaudited	December 31, 2020 Audited	March 31, 2020 Unaudited
<b>ASSETS</b>			
Loans	<b>\$300,821,175</b>	\$312,180,361	\$275,916,121
Less allowance for loan losses	<b>1,477,683</b>	1,583,542	1,542,170
Net loans	<b>299,343,492</b>	310,596,819	274,373,951
Cash	<b>3,245,059</b>	2,984,233	1,163,793
Accrued interest receivable	<b>3,636,890</b>	4,576,338	3,840,348
Investment in CoBank	<b>10,966,466</b>	10,966,466	10,966,466
Premises and equipment, net	<b>1,360,186</b>	1,357,424	1,334,172
Other property owned	<b>0</b>	0	0
Prepaid pension expense	<b>925,072</b>	911,426	488,286
Deferred tax asset, net	<b>32,000</b>	32,000	101,000
Other assets	<b>534,459</b>	1,330,994	375,784
<b>Total assets</b>	<b>\$320,043,624</b>	\$332,755,700	\$292,643,800
<b>LIABILITIES</b>			
Note payable to CoBank	<b>\$241,789,169</b>	\$257,350,434	\$221,252,064
Advance conditional payments	<b>11,771,253</b>	7,517,043	8,157,150
Accrued interest payable	<b>396,129</b>	456,339	542,046
Patronage distributions payable	<b>0</b>	2,808,643	0
Reserve for losses on loan commitment	<b>83,859</b>	62,883	70,562
Other liabilities	<b>485,428</b>	672,955	418,552
<b>Total liabilities</b>	<b>\$254,525,838</b>	\$268,868,297	\$230,440,374
<b>Commitments and Contingencies (See Notes)</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Capital stock and participation certificates	<b>\$482,965</b>	\$481,320	\$449,685
Allocated retained earnings (Memo Nonqualified)	<b>24,303,750</b>	22,380,647	22,380,647
Unallocated retained earnings	<b>40,731,071</b>	41,025,436	39,373,094
Accumulated other comprehensive income/(loss)	<b>0</b>	0	0
<b>Total shareholders' equity</b>	<b>\$65,517,786</b>	\$63,887,403	\$62,203,426
<b>Total liabilities and shareholders' equity</b>	<b>\$320,043,624</b>	\$332,755,700	\$292,643,800

The accompanying notes are an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Three Months Ended March 31,	
	2021	2020
<b>INTEREST INCOME</b>		
Loans	<b>\$3,347,878</b>	\$3,439,505
<b>Total interest income</b>	<b>3,347,878</b>	3,439,505
<b>INTEREST EXPENSE</b>		
Notes payable to CoBank	<b>1,130,833</b>	1,510,742
Advance conditional payments	<b>9,469</b>	32,400
<b>Total interest expense</b>	<b>1,140,302</b>	1,543,142
Net interest income	<b>2,207,576</b>	1,896,363
(Provision for) or Reversal of loan losses and reserves	<b>133,520</b>	12,188
Net interest income after (provision)/reversal	<b>2,341,096</b>	1,908,551
<b>NONINTEREST INCOME</b>		
Patronage distributions from CoBank	<b>235,115</b>	196,299
Patronage distributions from other Farm Credit Inst.	<b>45,491</b>	77,468
Loan fees	<b>305,765</b>	104,775
Financially related services income	<b>157</b>	263
Other noninterest income	<b>1,324</b>	2,328
<b>Total Noninterest Income</b>	<b>587,852</b>	381,133
<b>NONINTEREST EXPENSE</b>		
Salaries and employee benefits	<b>865,543</b>	770,531
Director's Compensation	<b>12,504</b>	11,684
Occupancy and equipment	<b>39,910</b>	43,732
Farm Credit Insurance Fund premiums	<b>84,000</b>	(22,664)
Supervisory and examination costs	<b>31,917</b>	30,581
Purchased Services	<b>81,427</b>	76,597
Data processing services	<b>2,430</b>	2,430
Losses/(Gains) on other property owned, net	<b>0</b>	0
Other noninterest expense	<b>164,642</b>	152,138
<b>Total noninterest expense</b>	<b>1,282,373</b>	1,065,029
Income (loss) before income taxes	<b>1,646,575</b>	1,224,655
(Provision for)/Benefit from income taxes	<b>(14,000)</b>	(48,000)
<b>Net Income/Comprehensive income</b>	<b>\$1,632,575</b>	\$1,176,655

The accompanying notes are an integral part of these financial statements.

**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Capital Stock and Participation Certificates	Memo Allocated Retained Earnings	Unallocated Retained Earnings	Total Shareholders' Equity
<b>Balance at December 31, 2019</b>	\$433,760	\$20,882,039	\$39,695,046	\$61,010,845
Net income/Comprehensive Income		1,498,608	(321,953)	1,176,655
Stock issued	57,255			57,255
Stock retired	(41,330)			(41,330)
Other (rounding)		0	1	1
<b>Balance at March 31, 2020</b>	<b>\$449,685</b>	<b>\$22,380,647</b>	<b>\$39,373,094</b>	<b>\$62,203,426</b>
<b>Balance at December 31, 2020</b>	\$481,320	\$22,380,647	\$41,025,436	\$63,887,403
Net income/Comprehensive Income		1,923,103	(290,528)	1,632,575
Stock issued	53,050			53,050
Stock retired	(51,405)			(51,405)
Patronage Distributions (Cash)			(3,838)	(3,838)
Other (rounding)		0	1	1
<b>Balance at March 31, 2021</b>	<b>\$482,965</b>	<b>\$24,303,750</b>	<b>\$40,731,071</b>	<b>\$65,517,786</b>

The accompanying notes are an integral part of these financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Note 1 – Organization and Significant Accounting Policies:**

A description of the organization and operations of Idaho AgCredit, ACA (Idaho AgCredit), the significant accounting policies followed, and the financial condition and results of operations as of and for the year ended December 31, 2020, are contained in the 2020 Annual Report to Shareholders (Annual Report). The accompanying unaudited first-quarter 2021 financial statements have been prepared in accordance with the accounting principles generally accepted in the U.S. (GAAP) for interim financial information. Accordingly, they do not include all the disclosures required by GAAP for annual financial statements and should be read in conjunction with the audited financial statements as of and for the year ended December 31, 2020, as contained in the Annual Report.

In the opinion of management, the unaudited financial information is complete and reflects all adjustments necessary for a fair statement of results for the interim periods. The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year ending December 31, 2021. Descriptions of the significant accounting policies are included in the Annual Report. In the opinion of management, these policies and the presentation of the interim financial condition and results of operations conform with GAAP and prevailing practices within the banking industry.

In March 2020, the Financial Accounting Standards Board (FASB) issued guidance entitled “Facilitation of the Effects of Reference Rate Reform on Financial Reporting.” The guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform. The guidance simplifies the accounting evaluation of contract modifications that replace a reference rate affected by reference rate reform and contemporaneous modifications of other contracts related to the replacement of the reference rate. With respect to hedge accounting, the guidance allows amendment of formal designation and documentation of hedging relationships in certain circumstances as a result of reference rate reform and provides additional expedients for different types of hedges, if certain criteria are met. The optional amendments are effective as of March 12, 2020, through December 31, 2022. The institution applied the optional accounting expedients available under the guidance to derivative contract modifications related to the LIBOR transition in the first quarter of 2021. The impact of adoption was not material to the institution’s financial condition or its results of operations.

In June 2016, FASB issued guidance entitled “Measurement of Credit Losses on Financial Instruments.” The guidance replaces the current incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Credit losses relating to available-for-sale securities would also be recorded through an allowance for credit losses. For public business entities that are not U.S. Securities and Exchange Commission filers this guidance was to become effective for interim and annual periods beginning after December 15, 2020, with early application permitted. In November 2019, the FASB issued an update that amends the mandatory effective date for this guidance for certain institutions. The change resulted from a change in the effective date philosophy that extends and simplifies the adoption by staggering the dates between large public entities and other entities. As a result of the change, the new credit loss standard, for those institutions qualifying for the delay, becomes effective for interim and annual reporting periods beginning after December 15, 2022, with early adoption permitted. The institution qualifies for the delay in the adoption date. The institution continues to evaluate the impact of adoption on its financial condition and its results of operations.

Certain amounts in the prior period’s financial statements have been reclassified to conform to the current period’s financial statement presentation. The reclassified amounts include splitting allocated retained earnings (memo nonqualified) from unallocated retained earnings. The amounts shown as allocated retained earnings are considered to be permanently invested in the Association.

Idaho AgCredit may have loans in the categories of real estate mortgage, production and intermediate term, agribusiness (which may be further broken down into loans to cooperatives, processing and marketing and farm related business), rural infrastructure, rural residential real estate, energy and other. Only those categories for which Idaho AgCredit had loans are shown in these schedules.



**Note 2 – Loans and Allowance for Loan Losses:**

A summary of loans (excluding related accrued interest) follows:

Loans	March 31, 2021	December 31, 2020
Real estate mortgage	<b>\$207,124,326</b>	\$200,010,999
Production and intermediate term	<b>78,497,882</b>	96,714,053
Agribusiness	<b>13,554,088</b>	11,830,430
Communication	<b>1,644,879</b>	0
Energy	<b>0</b>	3,624,879
Total loans	<b>\$300,821,175</b>	\$312,180,361

Idaho AgCredit purchases or sells participation interests with other parties in order to diversify risk, manage loan volume and comply with Farm Credit Administration regulations. All of Idaho AgCredit's participations purchased and participations sold are with other Farm Credit Institutions. The following table presents information regarding participations purchased and sold (excluding related accrued interest) as of March 31, 2021:

Participation Loans	Other Farm Credit Institutions	
	Purchased	Sold
Real estate mortgage	\$38,348,775	\$12,025,516
Production and intermediate term	849,533	962,368
Agribusiness	5,646,602	0
Communication	1,644,879	0
Energy	0	0
Total	<b>\$46,489,789</b>	<b>\$12,987,884</b>

Nonperforming assets (including related accrued interest) and related credit quality statistics are as follows:

	March 31, 2021	December 31, 2020
<u>Nonaccrual loans:</u>		
Real estate mortgage	<b>\$184,556</b>	\$2,000
Production and Intermediate term	<b>474,494</b>	835,402
Agribusiness	<b>0</b>	0
Communication	<b>0</b>	0
Energy	<b>0</b>	0
Total nonaccrual loans	<b>\$659,050</b>	\$837,402
<u>Accruing restructured loans:</u>		
Total accruing restructured loans	<b>\$0</b>	\$0
<u>Accruing loans 90 days or more past due:</u>		
Real estate mortgage	<b>\$0</b>	\$0
Production and Intermediate term	<b>24,563</b>	0
Agribusiness	<b>0</b>	0
Communication	<b>0</b>	0
Energy	<b>0</b>	0
Total accruing loans 90 days or more past due	<b>\$24,563</b>	\$0
Total nonperforming loans	<b>\$683,613</b>	\$837,402
Other property owned	<b>0</b>	0
Total nonperforming assets	<b>\$683,613</b>	\$837,402

The following table shows loans and related accrued interest classified under the Farm Credit Administration Uniform Loan Classification System as a percentage of total loans and related accrued interest receivable by loan type as of:

	<b>March 31, 2021</b>	December 31, 2020
<b>Real estate mortgage</b>		
Acceptable	<b>97.7%</b>	97.0%
OAEM	<b>1.1%</b>	1.8%
Substandard	<b>1.2%</b>	1.2%
Doubtful	<b>0.0%</b>	0.0%
	<b>100.0%</b>	100.0%
<b>Production and intermediate term</b>		
Acceptable	<b>96.4%</b>	96.2%
OAEM	<b>1.1%</b>	2.5%
Substandard	<b>2.1%</b>	1.0%
Doubtful	<b>0.4%</b>	0.3%
	<b>100.0%</b>	100.0%
<b>Agribusiness</b>		
Acceptable	<b>94.7%</b>	93.9%
OAEM	<b>5.3%</b>	6.1%
Substandard	<b>0.0%</b>	0.0%
Doubtful	<b>0.0%</b>	0.0%
	<b>100.0%</b>	100.0%
<b>Communication</b>		
Acceptable	<b>100.0%</b>	100.0%
OAEM	<b>0.0%</b>	0.0%
Substandard	<b>0.0%</b>	0.0%
Doubtful	<b>0.0%</b>	0.0%
	<b>100.0%</b>	100.0%
<b>Energy</b>		
Acceptable	<b>0.0%</b>	100.0%
OAEM	<b>0.0%</b>	0.0%
Substandard	<b>0.0%</b>	0.0%
Doubtful	<b>0.0%</b>	0.0%
	<b>0.0%</b>	100.0%
<b>Total loans</b>		
Acceptable	<b>97.4%</b>	96.7%
OAEM	<b>1.2%</b>	2.2%
Substandard	<b>1.3%</b>	1.0%
Doubtful	<b>0.1%</b>	0.1%
	<b>100.0%</b>	100.0%

The recorded investment in loan receivables is the face amount increased or decreased by applicable accrued interest and unamortized premium, discount, finance charges, or acquisition costs and may also reflect a previous direct write-down of the investment. The following tables provide an age analysis of past due loans (including accrued interest) as of:

(Dollars in Thousands)	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or <30 Days Past Due	Total Loans	90 Days or More Past Due and Accruing
<b>March 31, 2021</b>						
Real estate mortgage	\$0	\$0	\$0	\$209,899	\$209,899	\$0
Production and intermediate term	294	199	493	78,741	79,234	25
Agribusiness	717	0	717	12,943	13,660	0
Communication	0	0	0	1,665	1,665	0
Energy	0	0	0	0	0	0
Total	<b>\$1,011</b>	<b>\$199</b>	<b>\$1,210</b>	<b>\$303,248</b>	<b>\$304,458</b>	<b>\$25</b>
December 31, 2020						
Real estate mortgage	\$702	\$0	\$702	\$202,730	\$203,432	\$0
Production and intermediate term	174	371	545	97,135	97,680	0
Agribusiness	0	0	0	11,997	11,997	0
Communication	0	0	0	1,665	1,665	0
Energy	0	0	0	1,983	1,983	0
Total	<b>\$876</b>	<b>\$371</b>	<b>\$1,247</b>	<b>\$315,510</b>	<b>\$316,757</b>	<b>\$0</b>

Additional impaired loan information is as follows:

Impaired Loans	At March 31, 2021			At December 31, 2020		
	Recorded Investment	Contractual Principal Balance	Related Specific Allowance	Recorded Investment	Contractual Principal Balance	Related Specific Allowance
<u>With a related allowance:</u>						
Real estate mortgage	\$0	\$0	\$0	\$0	\$0	\$0
Production and intermediate term	300,453	312,378	273,854	302,253	312,378	275,654
Agribusiness	0	0	0	0	0	0
Energy	0	0	0	0	0	0
Total	<b>\$300,453</b>	<b>\$312,378</b>	<b>\$273,854</b>	<b>\$302,253</b>	<b>\$312,378</b>	<b>\$275,654</b>
<u>With no related allowance:</u>						
Real estate mortgage	\$184,556	\$246,657	\$0	\$2,000	\$72,522	\$0
Production and intermediate term	198,604	195,707	0	533,149	708,450	0
Agribusiness	0	0	0	0	0	0
Energy	0	0	0	0	0	0
Total	<b>\$383,160</b>	<b>\$442,364</b>	<b>\$0</b>	<b>\$535,149</b>	<b>\$780,972</b>	<b>\$0</b>
<u>Total impaired loans:</u>						
Real estate mortgage	\$184,556	\$246,657	\$0	\$2,000	\$72,522	\$0
Production and intermediate term	499,057	508,085	273,854	835,402	1,020,828	275,654
Communication	0	0	0	0	0	0
Energy	0	0	0	0	0	0
Total	<b>\$683,613</b>	<b>\$754,742</b>	<b>\$273,854</b>	<b>\$837,402</b>	<b>\$1,093,350</b>	<b>\$275,654</b>

(Dollars in Thousands) Impaired Loans	For the Quarter Ended			
	March 31, 2021		March 31, 2020	
	Average Impaired Loans	Interest Income Recognized	Average Impaired Loans	Interest Income Recognized
<u>With a related allowance:</u>				
Real estate mortgage	\$0	\$0	\$0	\$0
Prod. and intermediate term	301	0	307	0
Agribusiness	0	0	0	0
Communication	0	0	0	0
Energy	0	0	0	0
Total	<b>\$301</b>	<b>\$0</b>	<b>\$307</b>	<b>\$0</b>
<u>With no related allowance:</u>				
Real estate mortgage	\$105	\$4	\$594	\$0
Prod. and intermediate term	315	179	1,270	0
Agribusiness	0	0	0	0
Communication	0	0	0	0
Energy	0	0	0	0
Total	<b>\$420</b>	<b>\$183</b>	<b>\$1,864</b>	<b>\$0</b>
<u>Total impaired loans:</u>				
Real estate mortgage	\$105	\$4	\$594	\$0
Prod. and intermediate term	616	179	1,577	0
Agribusiness	0	0	0	0
Communication	0	0	0	0
Energy	0	0	0	0
Total	<b>\$721</b>	<b>\$183</b>	<b>\$2,171</b>	<b>\$0</b>

A summary of changes in the allowance for loan losses and period end recorded investment in loans is as follows:

	Beginning Balance	Charge-offs	Recoveries	Provision for Loan Losses/ (Loan Loss Reversals)	Ending Balance
<b>December 31, 2020 to March 31, 2021</b>					
Real estate mortgage	\$589,497	\$0	\$0	(17,526)	\$571,971
Production and intermediate term	947,232	0	48,637	(139,962)	855,907
Agribusiness	37,035	0	0	5,368	42,403
Communication	7,402	0	0	0	7,402
Energy	2,376	0	0	(2,376)	0
Total	<b>\$1,583,542</b>	<b>\$0</b>	<b>\$48,637</b>	<b>(\$154,496)</b>	<b>\$1,477,683</b>
<b>December 31, 2019 to March 31, 2020</b>					
Real estate mortgage	\$554,147	\$0	\$0	\$40,755	\$594,902
Production and intermediate term	997,319	0	0	(83,362)	913,957
Agribusiness	21,327	0	0	11,984	33,311
Communication	0	0	0	0	0
Energy	0	0	0	0	0
Total	<b>\$1,572,793</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$30,623)</b>	<b>\$1,542,170</b>

A summary of recorded investment (including accrued interest) for allowance evaluations is as follows:

	Allowance for Loan Losses		Recorded Investments in Loans Outstanding	
	Individually evaluated for impairment	Collectively evaluated for impairment	Individually evaluated for impairment	Collectively evaluated for impairment
<b>March 31, 2021</b>				
Real estate mortgage	\$0	\$571,971	\$184,556	\$209,714,587
Production and intermediate term	273,854	582,054	474,494	78,758,979
Agribusiness	0	42,402	0	13,660,009
Communication	0	7,402	0	1,665,440
Energy	0	0	0	0
Total	<u>\$273,854</u>	<u>\$1,203,829</u>	<u>\$659,050</u>	<u>\$303,799,015</u>
<b>December 31, 2020</b>				
Real estate mortgage	\$0	\$589,497	\$2,000	\$203,429,750
Production and intermediate term	275,654	671,577	835,402	96,844,620
Agribusiness	0	37,036	0	11,996,901
Communication	0	7,402	0	1,665,211
Energy	0	2,376	0	1,982,815
Total	<u>\$275,654</u>	<u>\$1,307,888</u>	<u>\$837,402</u>	<u>\$315,919,297</u>
<b>March 31, 2020</b>				
Real estate mortgage	\$0	\$594,902	\$596,427	\$184,208,678
Production and intermediate term	282,585	631,372	1,553,590	82,145,640
Agribusiness	0	33,311	0	11,252,133
Communication	0	0	0	0
Energy	0	0	0	0
Total	<u>\$282,585</u>	<u>\$1,259,585</u>	<u>\$2,150,017</u>	<u>\$277,606,451</u>

There were no loans acquired which had credit quality that had deteriorated since origination for the periods shown.

A restructuring of debt constitutes troubled debt restructuring if the creditor for economic or legal reasons related to the debtor's financial difficulties grants a concession to the debtor that it would not otherwise consider. Idaho AgCredit had no troubled debt restructurings that occurred during the years represented in these statements.

**Note 3 – Capital:**

There have not been any significant capitalization bylaw changes or significant other capitalization plan or status changes since the date of the Annual Report and Idaho AgCredit is in compliance with FCA capital regulations.

**Note 4 – Income Taxes:**

There have not been any significant changes in the composition or valuation of tax assets or liabilities since the date of the Annual Report.

**Note 5 – Contingent Liabilities and Litigation:**

Idaho AgCredit has various commitments outstanding and contingent liabilities, as described in Note 14 "Commitments and Contingencies" of the Annual Report. There have not been any significant changes related to this subject area since that report, other than normal seasonal and operational variations in the amounts of outstanding commitments and deposit balances. There are no legal actions pending against Idaho AgCredit.

**Note 6 – Whistleblower Notices:**

Idaho AgCredit has established a whistleblower program to encourage reporting by any employee, customer or member of the public about any improper accounting or other activity to the Association's Audit Committee. Details about the whistleblower program and contact information for making whistleblower complaints are listed on the Association website at [www.idahoagcredit.com](http://www.idahoagcredit.com).

**Note 7 – Subsequent Events:**

Idaho AgCredit has evaluated subsequent events through April 21, 2021, which is the date the financial statements were available to be issued.