

United States Department of Agriculture Agricultural Marketing Service Dairy Program

## CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

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## **<u>ESTIMATED</u>** Federal Order Minimum Value for Selected California Products/Containers #

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of the order (Los Angeles County, \$2.10) and effect of Processor Assessment (See Note 1) and certain other assumptions. Not included in these costs are the expenses of standardization, pasteurization, processing, packaging, labor, delivery, etc.

Type of Milk		Container Size Price					
		Gallon	Half Gallon	Quart	Pint	<u>1/3 Quart</u>	Half Pints
	February 2021	\$1.5359	\$0.7680	\$0.3840	\$0.1920	\$0.1280	\$0.0960
Whole	March 2021	\$1.5064	\$0.7532	\$0.3766	\$0.1883	\$0.1255	\$0.0942
3.50%	April 2021	\$1.5332	\$0.7666	\$0.3833	\$0.1003 \$0.1917	\$0.1233	\$0.0958
5.50 %		\$1.6707	\$0.8354	\$0.4177	\$0.2089	\$0.1392	\$0.0938 \$0.1044
	May 2021						
	February 2021	\$1.4186	\$0.7093	\$0.3547	\$0.1773	\$0.1182	\$0.0887
Reduced Fat	March 2021	\$1.4116	\$0.7058	\$0.3529	\$0.1765	\$0.1176	\$0.0882
2.00%	April 2021	\$1.4015	\$0.7008	\$0.3504	\$0.1752	\$0.1168	\$0.0876
	May 2021	\$1.5056	\$0.7528	\$0.3764	\$0.1882	\$0.1255	\$0.0941
	February 2021	\$1.3685	\$0.6843	\$0.3421	\$0.1711	\$0.1140	\$0.0855
Lowfat	March 2021	\$1.3770	\$0.6885	\$0.3443	\$0.1721	\$0.1148	\$0.0861
1.00%	April 2021	\$1.3410	\$0.6705	\$0.3353	\$0.1676	\$0.1118	\$0.0838
	May 2021	\$1.4245	\$0.7123	\$0.3561	\$0.1781	\$0.1187	\$0.0890
	February 2021	\$1.1062	\$0.5531	\$0.2766	\$0.1383	\$0.0922	\$0.0691
Nonfat	March 2021	\$1.1263	\$0.5632	\$0.2816	\$0.1408	\$0.0939	\$0.0704
0.10%	April 2021	\$1.0751	\$0.5376	\$0.2688	\$0.1344	\$0.0896	\$0.0672
	May 2021	\$1.1260	\$0.5630	\$0.2815	\$0.1408	\$0.0938	\$0.0704
Type of Milk Container Size Price Changes from the Previous Months							
Type of Milk	March 2021	(\$0.0295)	(\$0.0148)	(\$0.0074)	(\$0.0037)	(\$0.0025)	(\$0.0018)
Whole	April 2021	\$0.0268	\$0.0134	\$0.0067	\$0.0033	\$0.0023	\$0.0016
<b>W</b> ildle	May 2021	\$0.1375	\$0.0688	\$0.0344	\$0.0172	\$0.0114	\$0.0086
	March 2021	(\$0.0070)	(\$0.0035)	(\$0.0018)	(\$0.0009)	(\$0.0006)	(\$0.0005)
Reduced Fat		(\$0.0101)	(\$0.0050)	(\$0.0025)	(\$0.0013)	(\$0.0008)	(\$0.0006)
	May 2021	\$0.1041	\$0.0520	\$0.0260	\$0.0130	\$0.0087	\$0.0065
	March 2021	\$0.0085	\$0.0042	\$0.0022	\$0.0011	\$0.0008	\$0.0006
Lowfat	April 2021	(\$0.0360)	(\$0.0180)	(\$0.0090)	(\$0.0045)	(\$0.0030)	(\$0.0023)
	May 2021	\$0.0835	\$0.0418	\$0.0208	\$0.0105	\$0.0069	\$0.0052
	March 2021	\$0.0201	\$0.0101	\$0.0050	\$0.0025	\$0.0017	\$0.0013
Nonfat	April 2021	(\$0.0512)	(\$0.0256)	(\$0.0128)	(\$0.0064)	(\$0.0043)	(\$0.0032)
Homat	May 2021	\$0.0509	\$0.0254	\$0.0127	\$0.0063	\$0.0042	\$0.0032
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	Class I Prices		<u>Butterfat</u>	Adv Class IV Prices Skim			
	February 2021	\$12.67	\$1.6034			\$8.57	
	March 2021	\$12.92	\$1.4365			\$8.66	
	April 2021	\$12.30	\$1.6965			\$8.33	
	May 2021	\$12.86	\$1.9985			\$8.88	
Conversion Factors for Pricing Units							
Whole 3.5%/8.7% Gal	<u>L</u>	Reduced 2%/10% Gal.		<u>Lowfat 1%/11% Gal.</u> 8.70		<u>Nonfat 0.10%/9% Gal.</u>	
8.61		8.66		0.70		8.63	

# Estimation Assumptions : Incoming milk tests 3.80% butterfat (BF) and 9.00% milk solids not fat (MSNF). Fortification is accomplished with condensed milk testing 33.5% MSNF. White milk products are fortified to California State Standards (BF/MSNF): Whole Milk 3.5%/8.7%; Reduced fat 2%/10%; Lowfat 1%/11%; Nonfat (skim) 0.10%/9%. In lieu of the final Class IV skim price which is not available before the 24th of the month, the advanced Class IV skim price is used. Pounds per gallon factors are based on the formula: (100/(100+(BF% X 0.04811)-(MSNF% X 0.38556)) X 8.3341.

Note 1: All prices include the \$0.20 per cwt. Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 <u>et seq</u>). These prices do not included any other assessments or costs associated with bottling milk.

Note 2: Prices were determined by a set of calculations which can be found on the FO 51 website (Sample Fortification Calculation).