

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 S	ze Price		
		Gallon	Half Gallon	<u>Quart</u>	<u>Pint</u>	<u>1/3 Quart</u>	Half Pints
	August 2023	\$1.6286	\$0.8143	\$0.4072	\$0.2036	\$0.1357	\$0.1018
Whole	September 2023	\$1.8251	\$0.9126	\$0.4563	\$0.2282	\$0.1521	\$0.1141
3.50%	October 2023	\$1.8742	\$0.9371	\$0.4686	\$0.2343	\$0.1562	\$0.1171
	November 2023	\$1.8985	\$0.9493	\$0.4746	\$0.2373	\$0.1582	\$0.1187
	August 2023	\$1.3590	\$0.6795	\$0.3398	\$0.1699	\$0.1133	\$0.0849
Reduced Fat	September 2023	\$1.5217	\$0.7609	\$0.3804	\$0.1902	\$0.1268	\$0.0951
2.00%	October 2023	\$1.5669	\$0.7835	\$0.3917	\$0.1959	\$0.1306	\$0.0979
	November 2023	\$1.5128	\$0.7564	\$0.3782	\$0.1891	\$0.1261	\$0.0946
	August 2023	\$1.2079	\$0.6040	\$0.3020	\$0.1510	\$0.1007	\$0.0755
Lowfat	September 2023	\$1.3467	\$0.6734	\$0.3367	\$0.1684	\$0.1122	\$0.0842
1.00%	October 2023	\$1.3889	\$0.6945	\$0.3472	\$0.1736	\$0.1157	\$0.0868
	November 2023	\$1.2828	\$0.6414	\$0.3207	\$0.1604	\$0.1069	\$0.0802
	August 2023	\$0.8447	\$0.4224	\$0.2112	\$0.1056	\$0.0704	\$0.0528
Nonfat	September 2023	\$0.9694	\$0.4847	\$0.2424	\$0.1212	\$0.0808	\$0.0606
0.10%	October 2023	\$1.0111	\$0.5056	\$0.2528	\$0.1264	\$0.0843	\$0.0632
	November 2023	\$0.8541	\$0.4271	\$0.2135	\$0.1068	\$0.0712	\$0.0534
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<u>Type of Milk</u>				Size Price Changes			
	September 2023	\$0.1965	\$0.0983	\$0.0491	\$0.0246	\$0.0164	\$0.0123
Whole	October 2023	\$0.0491	\$0.0245	\$0.0123	\$0.0061	\$0.0041	\$0.0030
	November 2023	\$0.0243	\$0.0122	\$0.0060	\$0.0031	\$0.0020	\$0.0016
	September 2023	\$0.1627	\$0.0814	\$0.0406	\$0.0204	\$0.0135	\$0.0102
Reduced Fat	October 2023	\$0.0452	\$0.0226	\$0.0113	\$0.0056	\$0.0038	\$0.0028
	November 2023	(\$0.0541)	(\$0.0271)	(\$0.0135)	(\$0.0068)	(\$0.0045)	(\$0.0033)
	September 2023	\$0.1388	\$0.0694	\$0.0347	\$0.0174	\$0.0115	\$0.0087
Lowfat	October 2023	\$0.0422	\$0.0211	\$0.0105	\$0.0053	\$0.0035	\$0.0026
	November 2023	(\$0.1061)	(\$0.0531)	(\$0.0265)	(\$0.0133)	(\$0.0088)	(\$0.0066)
	September 2023	\$0.1247	\$0.0623	\$0.0312	\$0.0156	\$0.0104	\$0.0078
Nonfat	October 2023	\$0.0417	\$0.0209	\$0.0104	\$0.0052	\$0.0035	\$0.0026
	November 2023	(\$0.1570)	(\$0.0785)	(\$0.0393)	(\$0.0196)	(\$0.0131)	(\$0.0098)
	Class Prices	<u>Skim</u>	<u>Butterfat</u>	Adv Class IV Prices Skim			
	August 2023	\$9.52	\$2.7796			\$8.95	
	September 2023	\$10.94	\$3.0400			\$8.64	
	October 2023	\$11.42	\$3.0707			\$8.55	
	November 2023	\$9.54	\$3.6696			\$8.70	
Conversion Factors for Pricing Units							
Whole 3.5%/8.7% Gal		Reduced 2%/10% Gal.		<u>Lowfat 1%/11% Gal.</u>		Nonfat 0.10%/9% Gal.	
8.61		8.66		8.70		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).