



United States  
Department of Agriculture  
Agricultural Marketing Service  
Dairy Program

## CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

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### ESTIMATED 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.

<u>Type of Milk</u>		<u>Container Size Price</u>					
		<u>Gallon</u>	<u>Half Gallon</u>	<u>Quart</u>	<u>Pint</u>	<u>1/3 Quart</u>	<u>Half Pints</u>
<b>Whole</b> <b>3.50%</b>	March 2021	\$1.5064	\$0.7532	\$0.3766	\$0.1883	\$0.1255	\$0.0942
	April 2021	\$1.5332	\$0.7666	\$0.3833	\$0.1917	\$0.1278	\$0.0958
	May 2021	\$1.6707	\$0.8354	\$0.4177	\$0.2089	\$0.1392	\$0.1044
	June 2021	\$1.7730	\$0.8865	\$0.4433	\$0.2216	\$0.1478	\$0.1108
<b>Reduced Fat</b> <b>2.00%</b>	March 2021	\$1.4116	\$0.7058	\$0.3529	\$0.1765	\$0.1176	\$0.0882
	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
	June 2021	\$1.6152	\$0.8076	\$0.4038	\$0.2019	\$0.1346	\$0.1010
<b>Lowfat</b> <b>1.00%</b>	March 2021	\$1.3770	\$0.6885	\$0.3443	\$0.1721	\$0.1148	\$0.0861
	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
	June 2021	\$1.5407	\$0.7704	\$0.3852	\$0.1926	\$0.1284	\$0.0963
<b>Nonfat</b> <b>0.10%</b>	March 2021	\$1.1263	\$0.5632	\$0.2816	\$0.1408	\$0.0939	\$0.0704
	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
	June 2021	\$1.2345	\$0.6173	\$0.3086	\$0.1543	\$0.1029	\$0.0772
<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
<b>Whole</b>	April 2021	\$0.0268	\$0.0134	\$0.0067	\$0.0033	\$0.0023	\$0.0016
	May 2021	\$0.1375	\$0.0688	\$0.0344	\$0.0172	\$0.0114	\$0.0086
	June 2021	\$0.1023	\$0.0511	\$0.0256	\$0.0128	\$0.0086	\$0.0064
<b>Reduced Fat</b>	April 2021	(\$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
	June 2021	\$0.1096	\$0.0548	\$0.0274	\$0.0137	\$0.0091	\$0.0069
<b>Lowfat</b>	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
	June 2021	\$0.1162	\$0.0581	\$0.0291	\$0.0145	\$0.0097	\$0.0073
<b>Nonfat</b>	April 2021	(\$0.0512)	(\$0.0256)	(\$0.0128)	(\$0.0064)	(\$0.0043)	(\$0.0032)
	May 2021	\$0.0509	\$0.0254	\$0.0127	\$0.0063	\$0.0042	\$0.0032
	June 2021	\$0.1085	\$0.0543	\$0.0271	\$0.0136	\$0.0091	\$0.0068
<b><u>Class I Prices</u></b>		<b><u>Skim</u></b>	<b><u>Butterfat</u></b>	<b><u>Adv Class IV Prices</u></b>		<b><u>Skim</u></b>	
		March 2021	\$12.92	\$1.4365			\$8.66
		April 2021	\$12.30	\$1.6965			\$8.33
		May 2021	\$12.86	\$1.9985			\$8.88
		June 2021	\$14.12	\$1.9904			\$9.42

**Conversion Factors for Pricing Units**

<u>Whole 3.5%/8.7% Gal.</u> 8.61	<u>Reduced 2%/10% Gal.</u> 8.66	<u>Lowfat 1%/11% Gal.</u> 8.70	<u>Nonfat 0.10%/9% Gal.</u> 8.63
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# **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:  $(100 / (100 + (BF\% \times 0.04811) - (MSNF\% \times 0.38556))) \times 8.3341$ .

Note 1: All prices include the \$0.20 per cwt. Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 *et seq.*). These prices do not include 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).