



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>	June 2024	\$1.9268	\$0.9634	\$0.4817	\$0.2409	\$0.1606	\$0.1204
	July 2024	\$2.0153	\$1.0077	\$0.5038	\$0.2519	\$0.1679	\$0.1260
	August 2024	\$2.0335	\$1.0168	\$0.5084	\$0.2542	\$0.1695	\$0.1271
	September 2024	\$2.0575	\$1.0288	\$0.5144	\$0.2572	\$0.1715	\$0.1286
<b>Reduced Fat</b> <b>2.00%</b>	June 2024	\$1.5686	\$0.7843	\$0.3922	\$0.1961	\$0.1307	\$0.0980
	July 2024	\$1.6492	\$0.8246	\$0.4123	\$0.2062	\$0.1374	\$0.1031
	August 2024	\$1.6621	\$0.8311	\$0.4155	\$0.2078	\$0.1385	\$0.1039
	September 2024	\$1.6926	\$0.8463	\$0.4232	\$0.2116	\$0.1411	\$0.1058
<b>Lowfat</b> <b>1.00%</b>	June 2024	\$1.3573	\$0.6787	\$0.3393	\$0.1697	\$0.1131	\$0.0848
	July 2024	\$1.4331	\$0.7166	\$0.3583	\$0.1792	\$0.1194	\$0.0896
	August 2024	\$1.4435	\$0.7218	\$0.3609	\$0.1805	\$0.1203	\$0.0902
	September 2024	\$1.4789	\$0.7395	\$0.3697	\$0.1849	\$0.1232	\$0.0924
<b>Nonfat</b> <b>0.10%</b>	June 2024	\$0.9430	\$0.4715	\$0.2358	\$0.1179	\$0.0786	\$0.0589
	July 2024	\$1.0109	\$0.5055	\$0.2527	\$0.1264	\$0.0842	\$0.0632
	August 2024	\$1.0123	\$0.5062	\$0.2531	\$0.1266	\$0.0844	\$0.0633
	September 2024	\$1.0473	\$0.5237	\$0.2618	\$0.1309	\$0.0873	\$0.0655

<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
<b>Whole</b>	July 2024	\$0.0885	\$0.0443	\$0.0221	\$0.0111	\$0.0073	\$0.0056
	August 2024	\$0.0182	\$0.0091	\$0.0046	\$0.0023	\$0.0016	\$0.0011
	September 2024	\$0.0240	\$0.0120	\$0.0060	\$0.0030	\$0.0020	\$0.0015
<b>Reduced Fat</b>	July 2024	\$0.0806	\$0.0403	\$0.0201	\$0.0101	\$0.0067	\$0.0051
	August 2024	\$0.0129	\$0.0065	\$0.0032	\$0.0016	\$0.0011	\$0.0008
	September 2024	\$0.0305	\$0.0152	\$0.0077	\$0.0038	\$0.0026	\$0.0019
<b>Lowfat</b>	July 2024	\$0.0758	\$0.0379	\$0.0190	\$0.0095	\$0.0063	\$0.0048
	August 2024	\$0.0104	\$0.0052	\$0.0026	\$0.0013	\$0.0009	\$0.0006
	September 2024	\$0.0354	\$0.0177	\$0.0088	\$0.0044	\$0.0029	\$0.0022
<b>Nonfat</b>	July 2024	\$0.0679	\$0.0340	\$0.0169	\$0.0085	\$0.0056	\$0.0043
	August 2024	\$0.0014	\$0.0007	\$0.0004	\$0.0002	\$0.0002	\$0.0001
	September 2024	\$0.0350	\$0.0175	\$0.0087	\$0.0044	\$0.0029	\$0.0022

<u>Class I Prices</u>		<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>		<u>Skim</u>
June 2024		\$10.59	\$3.4742			\$8.80
July 2024		\$11.37	\$3.5527			\$8.93
August 2024		\$11.38	\$3.6102			\$9.20
September 2024		\$11.79	\$3.5768			\$9.39

Conversion Factors for Pricing Units

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

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).