



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>					
		Gallon	Half Gallon	Quart	Pint	1/3 Quart	Half Pints
<b>Whole</b> <b>3.50%</b>	February 2020	\$1.7093	\$0.8547	\$0.4273	\$0.2137	\$0.1424	\$0.1068
	March 2020	\$1.7014	\$0.8507	\$0.4254	\$0.2127	\$0.1418	\$0.1063
	April 2020	\$1.6305	\$0.8153	\$0.4076	\$0.2038	\$0.1359	\$0.1019
	May 2020	\$1.3127	\$0.6564	\$0.3282	\$0.1641	\$0.1094	\$0.0820
<b>Reduced Fat</b> <b>2.00%</b>	February 2020	\$1.5294	\$0.7647	\$0.3824	\$0.1912	\$0.1275	\$0.0956
	March 2020	\$1.5393	\$0.7697	\$0.3848	\$0.1924	\$0.1283	\$0.0962
	April 2020	\$1.4686	\$0.7343	\$0.3672	\$0.1836	\$0.1224	\$0.0918
	May 2020	\$1.2171	\$0.6086	\$0.3043	\$0.1522	\$0.1014	\$0.0761
<b>Lowfat</b> <b>1.00%</b>	February 2020	\$1.4406	\$0.7203	\$0.3602	\$0.1801	\$0.1201	\$0.0900
	March 2020	\$1.4629	\$0.7315	\$0.3657	\$0.1829	\$0.1219	\$0.0914
	April 2020	\$1.3896	\$0.6948	\$0.3474	\$0.1737	\$0.1158	\$0.0869
	May 2020	\$1.1765	\$0.5883	\$0.2941	\$0.1471	\$0.0980	\$0.0735
<b>Nonfat</b> <b>0.10%</b>	February 2020	\$1.1187	\$0.5594	\$0.2797	\$0.1399	\$0.0932	\$0.0699
	March 2020	\$1.1486	\$0.5743	\$0.2872	\$0.1436	\$0.0957	\$0.0718
	April 2020	\$1.0938	\$0.5469	\$0.2735	\$0.1367	\$0.0912	\$0.0684
	May 2020	\$0.9614	\$0.4807	\$0.2404	\$0.1202	\$0.0801	\$0.0601
<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
<b>Whole</b>	March 2020	(\$0.0079)	(\$0.0040)	(\$0.0019)	(\$0.0010)	(\$0.0006)	(\$0.0005)
	April 2020	(\$0.0709)	(\$0.0354)	(\$0.0178)	(\$0.0089)	(\$0.0059)	(\$0.0044)
	May 2020	(\$0.3178)	(\$0.1589)	(\$0.0794)	(\$0.0397)	(\$0.0265)	(\$0.0199)
<b>Reduced Fat</b>	March 2020	\$0.0099	\$0.0050	\$0.0024	\$0.0013	\$0.0008	\$0.0006
	April 2020	(\$0.0707)	(\$0.0354)	(\$0.0176)	(\$0.0089)	(\$0.0059)	(\$0.0044)
	May 2020	(\$0.2515)	(\$0.1257)	(\$0.0629)	(\$0.0314)	(\$0.0210)	(\$0.0157)
<b>Lowfat</b>	March 2020	\$0.0223	\$0.0112	\$0.0055	\$0.0028	\$0.0018	\$0.0014
	April 2020	(\$0.0733)	(\$0.0367)	(\$0.0183)	(\$0.0092)	(\$0.0061)	(\$0.0045)
	May 2020	(\$0.2131)	(\$0.1065)	(\$0.0533)	(\$0.0266)	(\$0.0178)	(\$0.0134)
<b>Nonfat</b>	March 2020	\$0.0299	\$0.0149	\$0.0075	\$0.0037	\$0.0025	\$0.0019
	April 2020	(\$0.0548)	(\$0.0274)	(\$0.0137)	(\$0.0068)	(\$0.0045)	(\$0.0034)
	May 2020	(\$0.1324)	(\$0.0662)	(\$0.0331)	(\$0.0166)	(\$0.0111)	(\$0.0083)
<b>Class I Prices</b>		<u>Skim</u>	<u>Butterfat</u>	<b>Adv Class IV Prices</b>		<u>Skim</u>	
		February 2020	\$12.76	\$2.1539			\$9.54
		March 2020	\$13.12	\$2.0287			\$9.68
		April 2020	\$12.49	\$1.9669			\$8.85
		May 2020	\$11.02	\$1.3178			\$7.03

Conversion Factors for Pricing Units

Whole 3.5%/8.7% Gal.  
8.61

Reduced 2%/10% Gal.  
8.66

Lowfat 1%/11% Gal.  
8.70

Nonfat 0.10%/9% Gal.  
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).