



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
Whole 3.50%	May 2020	\$1.3127	\$0.6564	\$0.3282	\$0.1641	\$0.1094	\$0.0820
	June 2020	\$1.1813	\$0.5907	\$0.2953	\$0.1477	\$0.0984	\$0.0738
	July 2020	\$1.6235	\$0.8118	\$0.4059	\$0.2030	\$0.1353	\$0.1015
	August 2020	\$1.9014	\$0.9507	\$0.4754	\$0.2377	\$0.1585	\$0.1188
Reduced Fat 2.00%	May 2020	\$1.2171	\$0.6086	\$0.3043	\$0.1522	\$0.1014	\$0.0761
	June 2020	\$1.0728	\$0.5364	\$0.2682	\$0.1341	\$0.0894	\$0.0671
	July 2020	\$1.4611	\$0.7306	\$0.3653	\$0.1827	\$0.1218	\$0.0913
	August 2020	\$1.7263	\$0.8632	\$0.4316	\$0.2158	\$0.1439	\$0.1079
Lowfat 1.00%	May 2020	\$1.1765	\$0.5883	\$0.2941	\$0.1471	\$0.0980	\$0.0735
	June 2020	\$1.0199	\$0.5100	\$0.2550	\$0.1275	\$0.0850	\$0.0637
	July 2020	\$1.3734	\$0.6867	\$0.3434	\$0.1717	\$0.1145	\$0.0858
	August 2020	\$1.6322	\$0.8161	\$0.4081	\$0.2040	\$0.1360	\$0.1020
Nonfat 0.10%	May 2020	\$0.9614	\$0.4807	\$0.2404	\$0.1202	\$0.0801	\$0.0601
	June 2020	\$0.8202	\$0.4101	\$0.2051	\$0.1025	\$0.0684	\$0.0513
	July 2020	\$1.1296	\$0.5648	\$0.2824	\$0.1412	\$0.0941	\$0.0706
	August 2020	\$1.3656	\$0.6828	\$0.3414	\$0.1707	\$0.1138	\$0.0854
<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
Whole	June 2020	(\$0.1314)	(\$0.0657)	(\$0.0329)	(\$0.0164)	(\$0.0110)	(\$0.0082)
	July 2020	\$0.4422	\$0.2211	\$0.1106	\$0.0553	\$0.0369	\$0.0277
	August 2020	\$0.2779	\$0.1389	\$0.0695	\$0.0347	\$0.0232	\$0.0173
Reduced Fat	June 2020	(\$0.1443)	(\$0.0722)	(\$0.0361)	(\$0.0181)	(\$0.0120)	(\$0.0090)
	July 2020	\$0.3883	\$0.1942	\$0.0971	\$0.0486	\$0.0324	\$0.0242
	August 2020	\$0.2652	\$0.1326	\$0.0663	\$0.0332	\$0.0221	\$0.0166
Lowfat	June 2020	(\$0.1566)	(\$0.0783)	(\$0.0391)	(\$0.0196)	(\$0.0130)	(\$0.0098)
	July 2020	\$0.3535	\$0.1767	\$0.0884	\$0.0442	\$0.0295	\$0.0221
	August 2020	\$0.2588	\$0.1294	\$0.0647	\$0.0324	\$0.0215	\$0.0162
Nonfat	June 2020	(\$0.1412)	(\$0.0706)	(\$0.0353)	(\$0.0177)	(\$0.0117)	(\$0.0088)
	July 2020	\$0.3094	\$0.1547	\$0.0773	\$0.0387	\$0.0257	\$0.0193
	August 2020	\$0.2360	\$0.1180	\$0.0590	\$0.0295	\$0.0197	\$0.0148
<u>Class I Prices</u>		Skim	Butterfat	<u>Adv Class IV Prices</u>		Skim	
		\$11.02	\$1.3178			\$7.03	
		\$9.38	\$1.3337			\$5.99	
		\$12.92	\$1.8253			\$6.46	
		\$15.64	\$1.9973			\$7.12	

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).