



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.

Type of Milk		Container Size Price					
		Gallon	Half Gallon	Quart	Pint	1/3 Quart	Half Pints
<b>Whole</b> <b>3.50%</b>	September 2021	\$1.6262	\$0.8131	\$0.4066	\$0.2033	\$0.1355	\$0.1016
	October 2021	\$1.6690	\$0.8345	\$0.4173	\$0.2086	\$0.1391	\$0.1043
	November 2021	\$1.7463	\$0.8732	\$0.4366	\$0.2183	\$0.1455	\$0.1091
	December 2021	\$1.8487	\$0.9244	\$0.4622	\$0.2311	\$0.1541	\$0.1155
<b>Reduced Fat</b> <b>2.00%</b>	September 2021	\$1.4834	\$0.7417	\$0.3709	\$0.1854	\$0.1236	\$0.0927
	October 2021	\$1.5168	\$0.7584	\$0.3792	\$0.1896	\$0.1264	\$0.0948
	November 2021	\$1.6055	\$0.8028	\$0.4014	\$0.2007	\$0.1338	\$0.1003
	December 2021	\$1.6896	\$0.8448	\$0.4224	\$0.2112	\$0.1408	\$0.1056
<b>Lowfat</b> <b>1.00%</b>	September 2021	\$1.4202	\$0.7101	\$0.3551	\$0.1775	\$0.1184	\$0.0888
	October 2021	\$1.4478	\$0.7239	\$0.3620	\$0.1810	\$0.1207	\$0.0905
	November 2021	\$1.5463	\$0.7732	\$0.3866	\$0.1933	\$0.1289	\$0.0966
	December 2021	\$1.6215	\$0.8108	\$0.4054	\$0.2027	\$0.1351	\$0.1013
<b>Nonfat</b> <b>0.10%</b>	September 2021	\$1.1163	\$0.5582	\$0.2791	\$0.1396	\$0.0930	\$0.0698
	October 2021	\$1.1343	\$0.5672	\$0.2836	\$0.1418	\$0.0945	\$0.0709
	November 2021	\$1.2262	\$0.6131	\$0.3066	\$0.1533	\$0.1022	\$0.0766
	December 2021	\$1.2685	\$0.6343	\$0.3171	\$0.1586	\$0.1057	\$0.0793

Type of Milk		Container Size Price Changes from the Previous Months					
<b>Whole</b>	October 2021	\$0.0428	\$0.0214	\$0.0107	\$0.0053	\$0.0036	\$0.0027
	November 2021	\$0.0773	\$0.0387	\$0.0193	\$0.0097	\$0.0064	\$0.0048
	December 2021	\$0.1024	\$0.0512	\$0.0256	\$0.0128	\$0.0086	\$0.0064
<b>Reduced Fat</b>	October 2021	\$0.0334	\$0.0167	\$0.0083	\$0.0042	\$0.0028	\$0.0021
	November 2021	\$0.0887	\$0.0444	\$0.0222	\$0.0111	\$0.0074	\$0.0055
	December 2021	\$0.0841	\$0.0420	\$0.0210	\$0.0105	\$0.0070	\$0.0053
<b>Lowfat</b>	October 2021	\$0.0276	\$0.0138	\$0.0069	\$0.0035	\$0.0023	\$0.0017
	November 2021	\$0.0985	\$0.0493	\$0.0246	\$0.0123	\$0.0082	\$0.0061
	December 2021	\$0.0752	\$0.0376	\$0.0188	\$0.0094	\$0.0062	\$0.0047
<b>Nonfat</b>	October 2021	\$0.0180	\$0.0090	\$0.0045	\$0.0023	\$0.0015	\$0.0011
	November 2021	\$0.0919	\$0.0459	\$0.0230	\$0.0115	\$0.0077	\$0.0057
	December 2021	\$0.0423	\$0.0212	\$0.0105	\$0.0053	\$0.0035	\$0.0027

<u>Class I Prices</u>	<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>	<u>Skim</u>
September 2021	\$12.76	\$1.8783		\$9.75
October 2021	\$12.96	\$1.9651		\$9.93
November 2021	\$14.03	\$1.9268		\$10.53
December 2021	\$14.50	\$2.1369		\$11.52

**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).