



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 2022	\$2.4252	\$1.2126	\$0.6063	\$0.3032	\$0.2021	\$0.1516
	July 2022	\$2.4252	\$1.2126	\$0.6063	\$0.3032	\$0.2021	\$0.1516
	August 2022	\$2.3616	\$1.1808	\$0.5904	\$0.2952	\$0.1968	\$0.1476
	September 2022	\$2.2315	\$1.1158	\$0.5579	\$0.2790	\$0.1860	\$0.1395
<b>Reduced Fat</b> <b>2.00%</b>	June 2022	\$2.1749	\$1.0875	\$0.5437	\$0.2719	\$0.1812	\$0.1359
	July 2022	\$2.1367	\$1.0684	\$0.5342	\$0.2671	\$0.1781	\$0.1335
	August 2022	\$2.0682	\$1.0341	\$0.5171	\$0.2585	\$0.1724	\$0.1293
	September 2022	\$1.9234	\$0.9617	\$0.4809	\$0.2404	\$0.1603	\$0.1202
<b>Lowfat</b> <b>1.00%</b>	June 2022	\$2.0566	\$1.0283	\$0.5142	\$0.2571	\$0.1714	\$0.1285
	July 2022	\$1.9924	\$0.9962	\$0.4981	\$0.2491	\$0.1660	\$0.1245
	August 2022	\$1.9212	\$0.9606	\$0.4803	\$0.2402	\$0.1601	\$0.1201
	September 2022	\$1.7630	\$0.8815	\$0.4408	\$0.2204	\$0.1469	\$0.1102
<b>Nonfat</b> <b>0.10%</b>	June 2022	\$1.5751	\$0.7876	\$0.3938	\$0.1969	\$0.1313	\$0.0984
	July 2022	\$1.4896	\$0.7448	\$0.3724	\$0.1862	\$0.1241	\$0.0931
	August 2022	\$1.4132	\$0.7066	\$0.3533	\$0.1767	\$0.1178	\$0.0883
	September 2022	\$1.2686	\$0.6343	\$0.3172	\$0.1586	\$0.1057	\$0.0793
<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
<b>Whole</b>	July 2022	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
	August 2022	(\$0.0636)	(\$0.0318)	(\$0.0159)	(\$0.0079)	(\$0.0053)	(\$0.0040)
	September 2022	(\$0.1301)	(\$0.0650)	(\$0.0325)	(\$0.0163)	(\$0.0108)	(\$0.0081)
<b>Reduced Fat</b>	July 2022	(\$0.0382)	(\$0.0191)	(\$0.0095)	(\$0.0048)	(\$0.0031)	(\$0.0024)
	August 2022	(\$0.0685)	(\$0.0343)	(\$0.0171)	(\$0.0086)	(\$0.0057)	(\$0.0042)
	September 2022	(\$0.1448)	(\$0.0724)	(\$0.0362)	(\$0.0181)	(\$0.0121)	(\$0.0091)
<b>Lowfat</b>	July 2022	(\$0.0642)	(\$0.0321)	(\$0.0161)	(\$0.0080)	(\$0.0054)	(\$0.0040)
	August 2022	(\$0.0712)	(\$0.0356)	(\$0.0178)	(\$0.0089)	(\$0.0059)	(\$0.0044)
	September 2022	(\$0.1582)	(\$0.0791)	(\$0.0395)	(\$0.0198)	(\$0.0132)	(\$0.0099)
<b>Nonfat</b>	July 2022	(\$0.0855)	(\$0.0428)	(\$0.0214)	(\$0.0107)	(\$0.0072)	(\$0.0053)
	August 2022	(\$0.0764)	(\$0.0382)	(\$0.0191)	(\$0.0096)	(\$0.0063)	(\$0.0048)
	September 2022	(\$0.1446)	(\$0.0723)	(\$0.0361)	(\$0.0181)	(\$0.0121)	(\$0.0090)
<u>Class I Prices</u>		<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>		<u>Skim</u>	
		June 2022	\$17.96	\$3.0958			\$14.80
		July 2022	\$16.94	\$3.3773			\$14.72
		August 2022	\$16.05	\$3.4116			\$14.83
		September 2022	\$14.37	\$3.4431			\$13.82

**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).