



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Tel.: (916) 702-6455 — Fax: (833) 673-3751
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
P.O. Box 6660
Folsom, CA 95763

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>
Whole 3.50%	July 2023	\$1.6892	\$0.8446	\$0.4223	\$0.2112	\$0.1408	\$0.1056
	August 2023	\$1.6286	\$0.8143	\$0.4072	\$0.2036	\$0.1357	\$0.1018
	September 2023	\$1.8251	\$0.9126	\$0.4563	\$0.2282	\$0.1521	\$0.1141
	October 2023	\$1.8742	\$0.9371	\$0.4686	\$0.2343	\$0.1562	\$0.1171
Reduced Fat 2.00%	July 2023	\$1.4180	\$0.7090	\$0.3545	\$0.1773	\$0.1182	\$0.0886
	August 2023	\$1.3590	\$0.6795	\$0.3398	\$0.1699	\$0.1133	\$0.0849
	September 2023	\$1.5217	\$0.7609	\$0.3804	\$0.1902	\$0.1268	\$0.0951
	October 2023	\$1.5669	\$0.7835	\$0.3917	\$0.1959	\$0.1306	\$0.0979
Lowfat 1.00%	July 2023	\$1.2658	\$0.6329	\$0.3165	\$0.1582	\$0.1055	\$0.0791
	August 2023	\$1.2079	\$0.6040	\$0.3020	\$0.1510	\$0.1007	\$0.0755
	September 2023	\$1.3467	\$0.6734	\$0.3367	\$0.1684	\$0.1122	\$0.0842
	October 2023	\$1.3889	\$0.6945	\$0.3472	\$0.1736	\$0.1157	\$0.0868
Nonfat 0.10%	July 2023	\$0.9018	\$0.4509	\$0.2255	\$0.1127	\$0.0752	\$0.0564
	August 2023	\$0.8447	\$0.4224	\$0.2112	\$0.1056	\$0.0704	\$0.0528
	September 2023	\$0.9694	\$0.4847	\$0.2424	\$0.1212	\$0.0808	\$0.0606
	October 2023	\$1.0111	\$0.5056	\$0.2528	\$0.1264	\$0.0843	\$0.0632
<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
Whole	August 2023	(\$0.0606)	(\$0.0303)	(\$0.0151)	(\$0.0076)	(\$0.0051)	(\$0.0038)
	September 2023	\$0.1965	\$0.0983	\$0.0491	\$0.0246	\$0.0164	\$0.0123
	October 2023	\$0.0491	\$0.0245	\$0.0123	\$0.0061	\$0.0041	\$0.0030
Reduced Fat	August 2023	(\$0.0590)	(\$0.0295)	(\$0.0147)	(\$0.0074)	(\$0.0049)	(\$0.0037)
	September 2023	\$0.1627	\$0.0814	\$0.0406	\$0.0204	\$0.0135	\$0.0102
	October 2023	\$0.0452	\$0.0226	\$0.0113	\$0.0056	\$0.0038	\$0.0028
Lowfat	August 2023	(\$0.0579)	(\$0.0289)	(\$0.0145)	(\$0.0072)	(\$0.0048)	(\$0.0036)
	September 2023	\$0.1388	\$0.0694	\$0.0347	\$0.0174	\$0.0115	\$0.0087
	October 2023	\$0.0422	\$0.0211	\$0.0105	\$0.0053	\$0.0035	\$0.0026
Nonfat	August 2023	(\$0.0571)	(\$0.0285)	(\$0.0143)	(\$0.0071)	(\$0.0048)	(\$0.0036)
	September 2023	\$0.1247	\$0.0623	\$0.0312	\$0.0156	\$0.0104	\$0.0078
	October 2023	\$0.0417	\$0.0209	\$0.0104	\$0.0052	\$0.0035	\$0.0026
<u>Class I Prices</u>		<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>		<u>Skim</u>	
		July 2023	\$10.18	\$2.7987			\$8.94
		August 2023	\$9.52	\$2.7796			\$8.95
		September 2023	\$10.94	\$3.0400			\$8.64
		October 2023	\$11.42	\$3.0707			\$8.55

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).