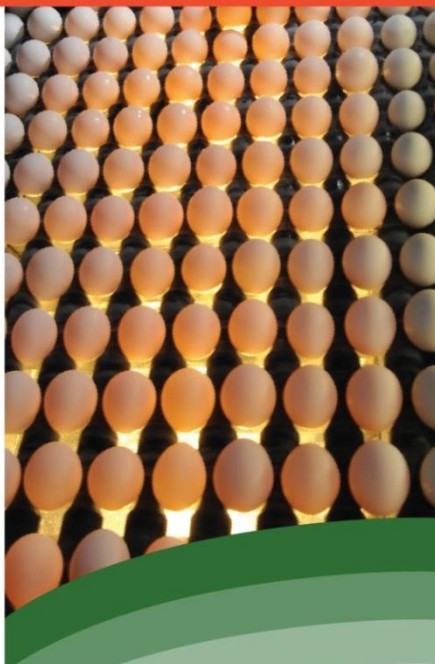




United States Department of Agriculture

Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses





Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses

Handler Training Module 4: Pool Pricing

Educational materials
prepared by USDA AMS Staff

Handler Training: Pool Pricing

Content:

- Class Prices
- Allocation Process
- Statistical Uniform Price Calculation
- Producer Price Differential Discussion
- Sample Handler Obligation

Class Prices

There are 4 Classes in the FO system:

- Class I Fluid Milk
- Class II Ice cream, yogurt, etc.
- Class III Cheese
- Class IV Butter and powder

Class Prices

There are two sets of announcements:

- Class I Price and Advanced Pricing Factors
- Final Class and Component Prices

Agricultural Marketing Service

Advanced: On or before the 23rd

United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS I PRICE AND ADVANCED PRICING FACTORS^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)	
Class I Price at 3.5% Butterfat (per cwt.) ^{2/}	\$16.54
Processor Assessment ^{3/}	0.20
Total (per cwt.)	\$16.74
Class I Skim Price (per cwt.) ^{4/}	\$8.08
Class I Butterfat Price (per lb.) ^{5/}	\$2.4987
CLASS II	
Class II Skim Price (per cwt.) ^{6/}	\$5.45
Class II Nonfat Solids Price (per lb.)	\$0.6056
ADVANCED PRICING FACTORS	
Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$5.98
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$4.75
Advanced Butterfat Pricing Factor (per lb.)	\$2.4777
TWO-WEEK PRODUCT PRICE AVERAGES	
Butter (per lb.)	\$2.2175
Cheese (per lb.)	\$1.5730
Dry Whey (per lb.)	\$0.2575
Nonfat Dry Milk (per lb.)	\$0.7004

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} The Class I Price announced for the California Marketing Area is per hundredweight at 3.5% butterfat at the Los Angeles County, CA location differential of \$2.10.

^{3/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1180.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

^{4/} The Class I skim price for the California Marketing Area is the higher of the advanced Class III or IV skim milk pricing factors plus \$2.10, subject to any adjustment for location.

^{5/} The Class I butterfat price for the California Marketing Area is the advanced butterfat pricing factor plus \$0.0210 (\$2.10 divided by 100), subject to any adjustment for location.

^{6/} The Class II skim price is the advanced Class IV skim milk pricing factor plus \$0.70.

(Class I prices by location on next page.)

Agricultural Marketing Service

Advanced: Base Skim & Butterfat



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS I PRICE AND ADVANCED PRICING FACTORS^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)	
Class I Price at 3.5% Butterfat (per cwt.) ^{2/}	\$16.54
Processor Assessment ^{3/}	0.20
Total (per cwt.)	\$16.74
Class I Skim Price (per cwt.) ^{4/}	\$8.08
Class I Butterfat Price (per lb.) ^{5/}	\$2.4987
CLASS II	
Class II Skim Price (per cwt.) ^{6/}	\$5.45
Class II Nonfat Solids Price (per lb.)	\$0.6056
ADVANCED PRICING FACTORS	
Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$5.98
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$4.75
Advanced Butterfat Pricing Factor (per lb.)	\$2.4777
TWO-WEEK PRODUCT PRICE AVERAGES	
Butter (per lb.)	\$2.2175
Cheese (per lb.)	\$1.5730
Dry Whey (per lb.)	\$0.2575
Nonfat Dry Milk (per lb.)	\$0.7004

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} The Class I Price announced for the California Marketing Area is per hundredweight at 3.5% butterfat at the Los Angeles County, CA location differential of \$2.10.

^{3/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

^{4/} The Class I skim price for the California Marketing Area is the higher of the advanced Class III or IV skim milk pricing factors plus \$2.10, subject to any adjustment for location.

^{5/} The Class I butterfat price for the California Marketing Area is the advanced butterfat pricing factor plus \$0.0210 (\$2.10 divided by 100), subject to any adjustment for location.

^{6/} The Class II skim price is the advanced Class IV skim milk pricing factor plus \$0.70.

(Class I prices by location on next page.)

Advanced: Class I Differential

- The Class I Differential is a constant rate added to the base skim and base butterfat
- The rate varies by county
- Rates for all counties are available in §1000.52

The FO 51 Class I Price Announcement
will use the rate for

Los Angeles County, CA of \$2.10

Agricultural Marketing Service

Advanced: Class I Differential



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS I PRICE AND ADVANCED PRICING FACTORS^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)	
Class I Price at 3.5% Butterfat (per cwt.) ^{2/}	\$16.54
Processor Assessment ^{3/}	0.20
Total (per cwt.)	\$16.74
Class I Skim Price (per cwt.) ^{4/}	\$8.08
Class I Butterfat Price (per lb.) ^{5/}	\$2.4987
CLASS II	
Class II Skim Price (per cwt.) ^{6/}	\$5.45
Class II Nonfat Solids Price (per lb.)	\$0.6056
ADVANCED PRICING FACTORS	
Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$5.98
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$4.75
Advanced Butterfat Pricing Factor (per lb.)	\$2.4777
TWO-WEEK PRODUCT PRICE AVERAGES	
Butter (per lb.)	\$2.2175
Cheese (per lb.)	\$1.5730
Dry Whey (per lb.)	\$0.2575
Nonfat Dry Milk (per lb.)	\$0.7004

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} The Class I Price announced for the California Marketing Area is per hundredweight at 3.5% butterfat at the Los Angeles County, CA location differential of \$2.10.

^{3/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

^{4/} The Class I skim price for the California Marketing Area is the higher of the advanced Class III or IV skim milk pricing factors plus \$2.10, subject to any adjustment for location.

^{5/} The Class I butterfat price for the California Marketing Area is the advanced butterfat pricing factor plus \$0.0210 (\$2.10 divided by 100), subject to any adjustment for location.

^{6/} The Class II skim price is the advanced Class IV skim milk pricing factor plus \$0.70.

(Class I prices by location on next page.)

Agricultural Marketing Service

Advanced: Class II Skim & NFS



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS I PRICE AND ADVANCED PRICING FACTORS^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)	
Class I Price at 3.5% Butterfat (per cwt.) ^{2/}	\$16.54
Processor Assessment ^{3/}	0.20
Total (per cwt.)	\$16.74
Class I Skim Price (per cwt.) ^{4/}	\$8.08
Class I Butterfat Price (per lb.) ^{5/}	\$2.4987
CLASS II	
Class II Skim Price (per cwt.) ^{6/}	\$5.45
Class II Nonfat Solids Price (per lb.)	\$0.6056
ADVANCED PRICING FACTORS	
Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$5.98
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$4.75
Advanced Butterfat Pricing Factor (per lb.)	\$2.4777
TWO-WEEK PRODUCT PRICE AVERAGES	
Butter (per lb.)	\$2.2175
Cheese (per lb.)	\$1.5730
Dry Whey (per lb.)	\$0.2575
Nonfat Dry Milk (per lb.)	\$0.7004

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} The Class I Price announced for the California Marketing Area is per hundredweight at 3.5% butterfat at the Los Angeles County, CA location differential of \$2.10.

^{3/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et. seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

^{4/} The Class I skim price for the California Marketing Area is the higher of the advanced Class III or IV skim milk pricing factors plus \$2.10, subject to any adjustment for location.

^{5/} The Class I butterfat price for the California Marketing Area is the advanced butterfat pricing factor plus \$0.0210 (\$2.10 divided by 100), subject to any adjustment for location.

^{6/} The Class II skim price is the advanced Class IV skim milk pricing factor plus \$0.70.

(Class I prices by location on next page.)

Agricultural Marketing Service

Advanced: Two-Week Survey



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market_admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS I PRICE AND ADVANCED PRICING FACTORS^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)	
Class I Price at 3.5% Butterfat (per cwt.) ^{2/}	\$16.54
Processor Assessment ^{3/}	0.20
Total (per cwt.)	\$16.74
Class I Skim Price (per cwt.) ^{4/}	\$8.08
Class I Butterfat Price (per lb.) ^{5/}	\$2.4987
CLASS II	
Class II Skim Price (per cwt.) ^{6/}	\$5.45
Class II Nonfat Solids Price (per lb.)	\$0.6056
ADVANCED PRICING FACTORS	
Advanced Class III Skim Milk Pricing Factor (per cwt.)	\$5.98
Advanced Class IV Skim Milk Pricing Factor (per cwt.)	\$4.75
Advanced Butterfat Pricing Factor (per lb.)	\$2.4777
TWO-WEEK PRODUCT PRICE AVERAGES	
Butter (per lb.)	\$2.2175
Cheese (per lb.)	\$1.5730
Dry Whey (per lb.)	\$0.2575
Nonfat Dry Milk (per lb.)	\$0.7004

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} The Class I Price announced for the California Marketing Area is per hundredweight at 3.5% butterfat at the Los Angeles County, CA location differential of \$2.10.

^{3/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

^{4/} The Class I skim price for the California Marketing Area is the higher of the advanced Class III or IV skim milk pricing factors plus \$2.10, subject to any adjustment for location.

^{5/} The Class I butterfat price for the California Marketing Area is the advanced butterfat pricing factor plus \$0.0210 (\$2.10 divided by 100), subject to any adjustment for location.

^{6/} The Class II skim price is the advanced Class IV skim milk pricing factor plus \$0.70.

(Class I prices by location on next page.)

Released: (Sample) April 18, 2018

Cary Hunter
Acting Market Administrator

Advanced Price: Summary

Class I Price and Advanced Pricing Factors

- On or before the 23rd of each month
- Base Skim and Base Butterfat same across US
- Class I Differentials apply on a county basis
- Class II Skim and Nonfat Solids Announced
- Based on two weeks of AMS surveys
- Does not include a “fluid carrier”

Agricultural Marketing Service

Final: On or before the 5th

United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS AND COMPONENT PRICES^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)^{2/ 3/}	
Processor Assessment ^{4/}	\$16.54
Total (per cwt.)	\$0.20
	\$16.74
Skim Milk Price (per cwt.) ^{2/}	\$8.08
Butterfat Price (per lb.) ^{2/}	\$2.4987
CLASS II PRICE^{3/}	\$14.47
Skim Milk Price (per cwt.) ^{2/}	\$5.45
Butterfat Price (per lb.)	\$2.6309
Nonfat Solids Price (per lb.) ^{2/}	\$0.6056
CLASS III PRICE^{3/}	\$15.18
Skim Milk Price (per cwt.)	\$6.21
Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
CLASS IV PRICE^{3/}	\$14.57
Skim Milk Price (per cwt.)	\$5.58
Butterfat Price (per lb.)	\$2.6239
Nonfat Solids Price (per lb.)	\$0.6196
MONTHLY COMPONENT PRICES	
Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
Nonfat Solids Price (per lb.)	\$0.6196
MONTHLY PRODUCT PRICE AVERAGES	
Butter (per lb.)	\$2.3382
Cheese (per lb.)	\$1.6353
Dry Whey (per lb.)	\$0.2711
Nonfat Dry Milk (per lb.)	\$0.7937

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*. Class I prices are announced at the Los Angeles County, CA location differential of \$2.10 per hundredweight.

^{3/} The Class prices announced are per hundredweight at 3.5% butterfat.

^{4/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 *et seq.*) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

Agricultural Marketing Service

Final: Class II, III and IV



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 862-2037 — Fax: (844) 206-7024
email: market.admin@cafrmo.com
website: www.cafrmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS AND COMPONENT PRICES^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)^{2/ 3/}	\$16.54
Processor Assessment ^{4/}	\$0.20
Total (per cwt.)	\$16.74
Skim Milk Price (per cwt.) ^{2/}	\$8.08
Butterfat Price (per lb.) ^{2/}	\$2.4987
CLASS II PRICE^{2/}	\$14.47
Skim Milk Price (per cwt.) ^{2/}	\$5.45
Butterfat Price (per lb.)	\$2.6309
Nonfat Solids Price (per lb.) ^{2/}	\$0.6056
CLASS III PRICE^{2/}	\$15.18
Skim Milk Price (per cwt.)	\$6.21
Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
CLASS IV PRICE^{2/}	\$14.57
Skim Milk Price (per cwt.)	\$5.58
Butterfat Price (per lb.)	\$2.6239
Nonfat Solids Price (per lb.)	\$0.6196
MONTHLY COMPONENT PRICES	
Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
Nonfat Solids Price (per lb.)	\$0.6196
MONTHLY PRODUCT PRICE AVERAGES	
Butter (per lb.)	\$2.3382
Cheese (per lb.)	\$1.6353
Dry Whey (per lb.)	\$0.2711
Nonfat Dry Milk (per lb.)	\$0.7937

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*. Class I prices are announced at the Los Angeles County, CA location differential of \$2.10 per hundredweight.

^{3/} The Class prices announced are per hundredweight at 3.5% butterfat.

^{4/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 *et seq.*) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

Agricultural Marketing Service

Final: Components



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmno.com
website: www.cafmno.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS AND COMPONENT PRICES^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)^{2/ 3/}	\$16.54
Processor Assessment ^{4/}	\$0.20
Total (per cwt.)	\$16.74
Skim Milk Price (per cwt.) ^{2/}	\$8.08
Butterfat Price (per lb.) ^{2/}	\$2.4987
CLASS II PRICE^{3/}	\$14.47
Skim Milk Price (per cwt.) ^{2/}	\$5.45
Butterfat Price (per lb.)	\$2.6309
Nonfat Solids Price (per lb.) ^{2/}	\$0.6056
CLASS III PRICE^{3/}	\$15.18
Skim Milk Price (per cwt.)	\$6.21
Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
CLASS IV PRICE^{3/}	\$14.57
Skim Milk Price (per cwt.)	\$5.58
Butterfat Price (per lb.)	\$2.6239
Nonfat Solids Price (per lb.)	\$0.6196

MONTHLY COMPONENT PRICES

Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
Nonfat Solids Price (per lb.)	\$0.6196

MONTHLY PRODUCT PRICE AVERAGES

Butter (per lb.)	\$2.3382
Cheese (per lb.)	\$1.6353
Dry Whey (per lb.)	\$0.2711
Nonfat Dry Milk (per lb.)	\$0.7937

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*. Class I prices are announced at the Los Angeles County, CA location differential of \$2.10 per hundredweight.

^{3/} The Class prices announced are per hundredweight at 3.5% butterfat.

^{4/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

Agricultural Marketing Service

Final: One Month Survey



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

(Example) ANNOUNCEMENT OF CLASS AND COMPONENT PRICES^{1/}

	May 2018
CLASS I PRICE (LOS ANGELES COUNTY, CA)^{2/ 3/}	\$16.54
Processor Assessment ^{4/}	\$0.20
Total (per cwt.)	\$16.74
Skim Milk Price (per cwt.) ^{2/}	\$8.08
Butterfat Price (per lb.) ^{2/}	\$2.4987
CLASS II PRICE^{3/}	\$14.47
Skim Milk Price (per cwt.) ^{2/}	\$5.45
Butterfat Price (per lb.)	\$2.6309
Nonfat Solids Price (per lb.) ^{2/}	\$0.6056
CLASS III PRICE^{3/}	\$15.18
Skim Milk Price (per cwt.)	\$6.21
Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
CLASS IV PRICE^{3/}	\$14.57
Skim Milk Price (per cwt.)	\$5.58
Butterfat Price (per lb.)	\$2.6239
Nonfat Solids Price (per lb.)	\$0.6196

MONTHLY COMPONENT PRICES

Butterfat Price (per lb.)	\$2.6239
Protein Price (per lb.)	\$1.8609
Other Solids Price (per lb.)	\$0.0742
Nonfat Solids Price (per lb.)	\$0.6196

MONTHLY PRODUCT PRICE AVERAGES

Butter (per lb.)	\$2.3382
Cheese (per lb.)	\$1.6353
Dry Whey (per lb.)	\$0.2711
Nonfat Dry Milk (per lb.)	\$0.7937

^{1/} See Price Formulas at <https://www.ams.usda.gov/resources/price-formulas>.

^{2/} Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*. Class I prices are announced at the Los Angeles County, CA location differential of \$2.10 per hundredweight.

^{3/} The Class prices announced are per hundredweight at 3.5% butterfat.

^{4/} The 20-cent per hundredweight processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 *et seq.*) imposed on any person who processes and markets commercially more than 3 million pounds of packaged fluid milk products on a monthly basis. Deliveries to consumer residences are excluded. Effective February 29, 2016, processors of certified "organic" and "100 percent organic" fluid milk products may apply for an organic assessment exemption for those products.

Final Price: Summary

Final Class and Component Prices

- On or before the 5th of each month. Every month.
- Class II, III and IV are the same across FO's
- Component Prices are the same across all FO's
- Based on four (or five) weeks of AMS surveys

Bridging Class and Uniform Prices



Allocation Process: Overview

- The allocation process determines the classification of Producer Milk by subtracting the handler's receipts from the handler's gross utilization
- All Federal Orders share the same process, and the steps are provided in detail in §1000.43- §1000.44

Agricultural Marketing Service

Allocation Process: Sample Market

Allocation - Masterpeg

Federal Order No. XYZ
Month YYYY

Section	Description	Allocation							
		Class I		Class II		Class III		Class IV	
		Skim	Butterfat	Skim	Butterfat	Skim	Butterfat	Skim	Butterfat
40	Gross Utilization, in Each Class	172,738,000	4,061,000	99,475,000	6,344,000	433,893,000	16,517,000	312,080,000	14,454,000
44(a & b)(1)(i)	Pkg FMP - Unreg Supply Plant	400,000	23,000	0	0	0	0	0	0
44(a & b)(1)(ii)	Open Inv: Pkg FMP	22,000,000	638,000	0	0	0	0	0	0
44(a & b)(2)	BulkConc FMP & Other Source-CI II	0	0	2,300,000	2,000	0	0	0	0
44(a & b)(3)(i)	BulkConc FMP, Other Source-CI III, IV	0	0	0	62,000	0	2,000	9,600,000	49,000
44(a & b)(3)(iv)	Producer-Handler	0	0	0	0	0	0	540,000	9,000
44(a & b)(3)(v)	FMP- Dairy Farmer for Other Markets	0	0	0	31,000	346,000	0	1,013,000	25,000
44(a & b)(4)	FMP Unreg Sup Plant-Not Req Class I	0	0	0	0	0	0	280,000	2,000
44(a & b)(5)	Excess FMP Unreg Sup Plant	0	0	0	0	0	0	0	1,000
44(a & b)(7)	Remaining Inventory	0	0	411,000	21,000	62,000	0	14,100,000	865,000
44(a & b)(8)	FMP Unreg Sup Plant-ReqCII+Rem44(5)	18,000	0	0	0	0	0	2,000	0
44(a & b)(10)	FMP & Bulk FCP from Pool Plants	3,620,000	100,000	1,764,000	1,228,000	0	0	65,000	3,000
44(c)	PM in Each Class-Skim & Bfat	146,700,000	3,300,000	95,000,000	5,000,000	433,485,000	16,515,000	286,500,000	13,500,000
Producer Milk In Each Class (Product Pounds)		150,000,000		100,000,000		450,000,000		300,000,000	
Total Producer Milk - All Classes (Product Pounds)		1,000,000,000	38,315,000						
Producer Butterfat Test		3.83%							
Percentage Utilization of Producer Milk		15.00%		10.00%		45.00%		30.00%	

Agricultural Marketing Service

Allocation Process: Utilization

Allocation - Masterpeg

Federal Order No. XYZ
Month YYYY

Section	Description	Allocation							
		Class I		Class II		Class III		Class IV	
		Skim	Butterfat	Skim	Butterfat	Skim	Butterfat	Skim	Butterfat
40	Gross Utilization, in Each Class	172,738,000	4,061,000	99,475,000	6,344,000	433,893,000	16,517,000	312,080,000	14,454,000

Agricultural Marketing Service

Allocation Process: Receipts

Allocation - Masterpeg

Federal Order No. XYZ
Month YYYY

Section	Description	Allocation							
		Class I		Class II		Class III		Class IV	
		Skim	Butterfat	Skim	Butterfat	Skim	Butterfat	Skim	Butterfat
40	Gross Utilization, in Each Class	172,738,000	4,061,000	99,475,000	6,344,000	433,893,000	16,517,000	312,080,000	14,454,000
44(a & b)(1)(i)	Pkg FMP - Unreg Supply Plant	400,000	23,000	0	0	0	0	0	0
44(a & b)(1)(ii)	Open Inv: Pkg FMP	22,000,000	638,000	0	0	0	0	0	0
44(a & b)(2)	BulkConc FMP & Other Source-CI II	0	0	2,300,000	2,000	0	0	0	0
44(a & b)(3)(i)	BulkConc FMP, Other Source-CI III, IV	0	0	0	62,000	0	2,000	9,600,000	49,000
44(a & b)(3)(iv)	Producer-Handler	0	0	0	0	0	0	540,000	9,000
44(a & b)(3)(v)	FMP- Dairy Farmer for Other Markets	0	0	0	31,000	346,000	0	1,013,000	25,000
44(a & b)(4)	FMP Unreg Sup Plant-Not Req Class I	0	0	0	0	0	0	260,000	2,000
44(a & b)(5)	Excess FMP Unreg Sup Plant	0	0	0	0	0	0	0	1,000
44(a & b)(7)	Remaining Inventory	0	0	411,000	21,000	62,000	0	14,100,000	865,000
44(a & b)(8)	FMP Unreg Sup Plant-ReqCII+Rem 44(5)	18,000	0	0	0	0	0	2,000	0
44(a & b)(10)	FMP & Bulk FCP from Pool Plants	3,620,000	100,000	1,764,000	1,228,000	0	0	65,000	3,000

Agricultural Marketing Service

Allocation Process: Producer Milk

Allocation - Masterpeg

Federal Order No. XYZ
Month YYYY

Section	Description	Allocation							
		Class I		Class II		Class III		Class IV	
		Skim	Butterfat	Skim	Butterfat	Skim	Butterfat	Skim	Butterfat
40	Gross Utilization, in Each Class	172,738,000	4,061,000	99,475,000	6,344,000	433,893,000	16,517,000	312,080,000	14,454,000
44(a & b)(1)(i)	Pkg FMP - Unreg Supply Plant	400,000	23,000	0	0	0	0	0	0
44(a & b)(1)(ii)	Open Inv; Pkg FMP	22,000,000	638,000	0	0	0	0	0	0
44(a & b)(2)	BulkConc FMP & Other Source-Cl II	0	0	2,300,000	2,000	0	0	0	0
44(a & b)(3)(i)	BulkConc FMP, Other Source-Cl III, IV	0	0	0	62,000	0	2,000	9,600,000	49,000
44(a & b)(3)(iv)	Producer-Handler	0	0	0	0	0	0	540,000	9,000
44(a & b)(3)(v)	FMP- Dairy Farmer for Other Markets	0	0	0	31,000	346,000	0	1,013,000	25,000
44(a & b)(4)	FMP Unreg Sup Plant-Not Req Class I	0	0	0	0	0	0	260,000	2,000
44(a & b)(5)	Excess FMP Unreg Sup Plant	0	0	0	0	0	0	0	1,000
44(a & b)(7)	Remaining Inventory	0	0	411,000	21,000	62,000	0	14,100,000	865,000
44(a & b)(8)	FMP Unreg Sup Plant-ReqClI+Rem44(5)	18,000	0	0	0	0	0	2,000	0
44(a & b)(10)	FMP & Bulk FCP from Pool Plants	3,620,000	100,000	1,764,000	1,228,000	0	0	65,000	3,000
44(c)	PM in Each Class-Skim & Bfat	146,700,000	3,300,000	95,000,000	5,000,000	433,485,000	16,515,000	286,500,000	13,500,000

Agricultural Marketing Service

Allocation Process: Producer Milk

Allocation - Masterpeg

Federal Order No. XYZ
Month YYYY

Section	Description	Allocation							
		Class I		Class II		Class III		Class IV	
		Skim	Butterfat	Skim	Butterfat	Skim	Butterfat	Skim	Butterfat
40	Gross Utilization, in Each Class	172,738,000	4,061,000	99,475,000	6,344,000	433,893,000	16,517,000	312,080,000	14,454,000
44(a & b)(1)(i)	Pkg FMP - Unreg Supply Plant	400,000	23,000	0	0	0	0	0	0
44(a & b)(1)(ii)	Open Inv: Pkg FMP	22,000,000	638,000	0	0	0	0	0	0
44(a & b)(2)	BulkConc FMP & Other Source-CI II	0	0	2,300,000	2,000	0	0	0	0
44(a & b)(3)(i)	BulkConc FMP, Other Source-CI III, IV	0	0	0	62,000	0	2,000	9,600,000	49,000
44(a & b)(3)(iv)	Producer-Handler	0	0	0	0	0	0	540,000	9,000
44(a & b)(3)(v)	FMP- Dairy Farmer for Other Markets	0	0	0	31,000	346,000	0	1,013,000	25,000
44(a & b)(4)	FMP Unreg Sup Plant-Not Req Class I	0	0	0	0	0	0	260,000	2,000
44(a & b)(5)	Excess FMP Unreg Sup Plant	0	0	0	0	0	0	0	1,000
44(a & b)(7)	Remaining Inventory	0	0	411,000	21,000	62,000	0	14,100,000	865,000
44(a & b)(8)	FMP Unreg Sup Plant-ReqCI+Rem 44(5)	18,000	0	0	0	0	0	2,000	0
44(a & b)(10)	FMP & Bulk FCP from Pool Plants	3,620,000	100,000	1,764,000	1,228,000	0	0	65,000	3,000
44(c)	PM in Each Class-Skim & Bfat	146,700,000	3,300,000	95,000,000	5,000,000	433,485,000	16,515,000	286,500,000	13,500,000
Producer Milk in Each Class (Product Pounds)		150,000,000		100,000,000		450,000,000		300,000,000	
Total Producer Milk - All Classes (Product Pounds)		1,000,000,000	38,315,000						
Producer Butterfat Test			3.83%						
Percentage Utilization of Producer Milk		15.00%		10.00%		45.00%		30.00%	

Agricultural Marketing Service

Statistical Uniform Price (UP) Calculation



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 3B
Woodland, CA 95695-2983

EXAMPLE STATISTICAL UNIFORM PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)				Component Prices	
Producer Price Differential			\$0.60	Butterfat Price	\$2.6000 /lb
Class III Price (@ 3.5% Butterfat)			\$16.24	Protein Price	2.1000 /lb
Statistical Uniform Price (@ 3.5% Butterfat)			\$16.84	Other Solids Price	0.1500 /lb
Statistical Uniform Price (@ Average Pool Component Tests)			\$18.05	Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt/lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.6070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.6000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,893,000.00
Add: Overage—All Classes				10,000.00
Inventory Reclassification—All Classes				50,000.00
Other Source Receipts	50,000 Pounds			2,000.00
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,619,000.00)	
Value of Producer Protein	31,575,000	2.1000	(66,307,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	(174,532,750.00)
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers				3,500,000.00
One-half Unobligated Balance—Producer Settlement Fund				500,000.00
Less: Producer Settlement Fund—Reserve				(412,250.00)
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential			\$0.60	
Statistical Uniform Price			\$16.84	

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Statistical Uniform Price Announcement

Page 2

Payment Schedule

Payment Dates for the Month of:

EXAMPLE

Payments TO the Producer Settlement Fund due on:	Month 16, 2018
Payments FROM the Producer Settlement Fund made on:	Month 18, 2018
Final payments TO a Cooperative Association must be made on:	Month 18, 2018
Final payments to Producers must be RECEIVED by:	Month 19, 2018

Producer Price Differential and Statistical Uniform Price, by Zone Differential

	Zone Differential ^{1/}	Adjustment dollars per hundredweight	Producer Price Differential	Statistical ^{2/} Uniform Price
As Announced:	\$2.10	\$0.00	0.60	16.84
Other Zones:	\$2.00	(\$0.10)	0.50	16.74
	\$1.80	(\$0.30)	0.30	16.54
	\$1.70	(\$0.40)	0.20	16.44
	\$1.60	(\$0.50)	0.10	16.34

^{1/} Differentials listed apply to zones included in the California Marketing Area. Outside of this area, differentials may be above or below this range. Differentials apply on a county basis.

^{2/} Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

Producer Milk Received by Component Pounds

Producer Milk Receipts	Skim	Butterfat	Protein pounds	Other Solids	Nonfat Solids
Class I	146,700,000	3,300,000	4,725,000	8,925,000	13,650,000
Class II	95,000,000	5,000,000	3,000,000	5,700,000	8,700,000
Class III	433,485,000	16,515,000	14,850,000	25,650,000	40,500,000
Class IV	286,500,000	13,500,000	9,000,000	17,100,000	26,100,000
Total Producer Milk	961,685,000	38,315,000	31,575,000	57,375,000	88,950,000

Selected Pool Statistics

Average test of producer receipts:	Butterfat	3.83 %
	True Protein	3.16 %
	Other Solids	5.74 %

Administrative Assessment and Marketing Service Deduction

\$ 1000.85 - Assessment for order administration	\$0.08	per hundredweight
\$ 1000.86 - Deduction for marketing services	\$0.05	per hundredweight

Agricultural Marketing Service

UP: Producer Milk by Class



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 862-2037 — Fax: (844) 208-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St. Ste. 38
Woodland, CA 95695-2983

**EXAMPLE
STATISTICAL UNIFORM PRICE ANNOUNCEMENT**

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)		Component Prices	
Producer Price Differential	\$0.60	Butterfat Price	\$2.6000 /lb
Class III Price (@ 3.5% Butterfat)	\$16.24	Protein Price	2.1000 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$16.84	Other Solids Price	0.1500 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$18.05	Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.6070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.6000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,883,000.00
Add: Overage—All Classes			10,000.00	
Inventory Reclassification—All Classes			50,000.00	
Other Source Receipts	50,000 Pounds		2,000.00	
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,819,000.00)	
Value of Producer Protein	31,575,000	2.1000	(66,307,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers			3,500,000.00	
One-half Unobligated Balance—Producer Settlement Fund			500,000.00	
Less: Producer Settlement Fund—Reserve			(412,250.00)	
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential		\$0.60		
Statistical Uniform Price		\$16.84		

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**
Statistical Uniform Price Announcement

Page 2

Payment Schedule
Payment Dates for the Month of:
EXAMPLE

Payments TO the Producer Settlement Fund due on:	Month 16, 2018
Payments FROM the Producer Settlement Fund made on:	Month 18, 2018
Final payments TO a Cooperative Association must be made on:	Month 18, 2018
Final payments to Producers must be RECEIVED by:	Month 19, 2018

Producer Price Differential and Statistical Uniform Price, by Zone Differential

	Zone Differential ^{1/}	Adjustment dollars per hundredweight	Producer Price Differential	Statistical ^{2/} Uniform Price
As Announced:	\$2.10	\$0.00	0.60	16.84
Other Zones:	\$2.00	(\$0.10)	0.50	16.74
	\$1.80	(\$0.30)	0.30	16.54
	\$1.70	(\$0.40)	0.20	16.44
	\$1.60	(\$0.50)	0.10	16.34

^{1/} Differentials listed apply to zones included in the California Marketing Area. Outside of this area, differentials may be above or below this range. Differentials apply on a county basis.

^{2/} Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

Producer Milk Received by Component Pounds

	Skim	Butterfat	Protein pounds	Other Solids	Nonfat Solids
Producer Milk Receipts					
Class I	146,700,000	3,300,000	4,725,000	8,925,000	13,650,000
Class II	95,000,000	5,000,000	3,000,000	5,700,000	8,700,000
Class III	433,485,000	16,515,000	14,850,000	25,650,000	40,500,000
Class IV	286,500,000	13,500,000	9,000,000	17,100,000	26,100,000
Total Producer Milk	961,685,000	38,315,000	31,575,000	57,375,000	88,950,000

Selected Pool Statistics

Average test of producer receipts:	Butterfat	3.83 %
	True Protein	3.16 %
	Other Solids	5.74 %

Administrative Assessment and Marketing Service Deduction

\$ 1000.85 - Assessment for order administration	\$0.08	per hundredweight
\$ 1000.86 - Deduction for marketing services	\$0.05	per hundredweight

Agricultural Marketing Service

UP: Pool Value



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmno.com
website: www.cafmno.com

Mailing Address:
221 W Court St. Ste. 38
Woodland, CA 95695-2983

**EXAMPLE
STATISTICAL UNIFORM PRICE ANNOUNCEMENT**

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)		Component Prices	
Producer Price Differential	\$0.60	Butterfat Price	\$2.6000 /lb
Class III Price (@ 3.5% Butterfat)	\$16.24	Protein Price	2.1000 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$16.84	Other Solids Price	0.1500 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$18.05	Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.6070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.6000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,983,000.00
Add: Overage—All Classes				10,000.00
Inventory Reclassification—All Classes				50,000.00
Other Source Receipts	50,000 Pounds			2,000.00
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,619,000.00)	
Value of Producer Protein	31,575,000	2.1000	(66,307,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	(174,532,750.00)
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers				3,500,000.00
One-half Unobligated Balance—Producer Settlement Fund				500,000.00
Less: Producer Settlement Fund—Reserve				(412,250.00)
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential		\$0.60		
Statistical Uniform Price		\$16.84		

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

Agricultural Marketing Service

UP: Producer Milk Credits



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@calmno.com
website: www.calmno.com

Mailing Address:
221 W Court St. Ste. 38
Woodland, CA 95695-2983

EXAMPLE STATISTICAL UNIFORM PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)		Component Prices	
Producer Price Differential	\$0.60	Butterfat Price	\$2.6000 /lb
Class III Price (@ 3.5% Butterfat)	\$16.24	Protein Price	2.1000 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$16.84	Other Solids Price	0.1500 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$18.05	Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.8070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.6000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,883,000.00
Add: Overage—All Classes				10,000.00
Inventory Reclassification—All Classes				50,000.00
Other Source Receipts	50,000 Pounds			2,000.00
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,619,000.00)	
Value of Producer Protein	31,575,000	2.1000	(66,307,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	(174,532,750.00)
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers				3,500,000.00
One-half Unobligated Balance—Producer Settlement Fund				500,000.00
Less: Producer Settlement Fund—Reserve				(412,250.00)
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential		\$0.60		
Statistical Uniform Price		\$16.84		

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Statistical Uniform Price Announcement

Page 2

Payment Schedule

Payment Dates for the Month of:

EXAMPLE

Payments TO the Producer Settlement Fund due on:	Month 16, 2018
Payments FROM the Producer Settlement Fund made on:	Month 18, 2018
Final payments TO a Cooperative Association must be made on:	Month 18, 2018
Final payments to Producers must be RECEIVED by:	Month 19, 2018

Producer Price Differential and Statistical Uniform Price, by Zone Differential

	Zone Differential ^{1/}	Adjustment	Producer Price Differential	Statistical ^{2/} Uniform Price
				dollars per hundredweight
As Announced:	\$2.10	\$0.00	0.60	16.84
Other Zones:	\$2.00	(\$0.10)	0.50	16.74
	\$1.80	(\$0.30)	0.30	16.54
	\$1.70	(\$0.40)	0.20	16.44
	\$1.60	(\$0.50)	0.10	16.34

^{1/} Differentials listed apply to zones included in the California Marketing Area. Outside of this area, differentials may be above or below this range. Differentials apply on a county basis.

^{2/} Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

Producer Milk Received by Component Pounds

Producer Milk Receipts	Skim	Butterfat	Protein pounds	Other Solids	Nonfat Solids
Class I	146,700,000	3,300,000	4,725,000	8,925,000	13,650,000
Class II	95,000,000	5,000,000	3,000,000	5,700,000	8,700,000
Class III	433,485,000	16,515,000	14,850,000	25,650,000	40,500,000
Class IV	286,500,000	13,500,000	9,000,000	17,100,000	26,100,000
Total Producer Milk	961,685,000	38,315,000	31,575,000	57,375,000	88,950,000

Selected Pool Statistics

Average test of producer receipts:	Butterfat	3.83 %
	True Protein	3.16 %
	Other Solids	5.74 %

Administrative Assessment and Marketing Service Deduction

\$ 1000.85 - Assessment for order administration	\$0.08	per hundredweight
\$ 1000.86 - Deduction for marketing services	\$0.05	per hundredweight

Agricultural Marketing Service

UP: Producer Milk Value - Credits



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 682-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St. Ste. 3B
Woodland, CA 95695-2983

**EXAMPLE
STATISTICAL UNIFORM PRICE ANNOUNCEMENT**

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)			Component Prices	
Producer Price Differential		\$0.60	Butterfat Price	\$2.6000 /lb
Class III Price (@ 3.5% Butterfat)		\$16.24	Protein Price	2.1000 /lb
Statistical Uniform Price (@ 3.5% Butterfat)		\$16.84	Other Solids Price	0.1500 /lb
Statistical Uniform Price (@ Average Pool Component Tests)		\$18.05	Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt/lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.8070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.8000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,883,000.00
Add: Overage—All Classes				10,000.00
Inventory Reclassification—All Classes				50,000.00
Other Source Receipts	50,000 Pounds			2,000.00
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,819,000.00)	
Value of Producer Protein	31,575,000	2.1000	(66,307,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	(174,532,750.00)
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers				3,500,000.00
One-half Unobligated Balance—Producer Settlement Fund				500,000.00
Less: Producer Settlement Fund—Reserve				(412,250.00)
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential		\$0.60		
Statistical Uniform Price		\$16.84		

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

Agricultural Marketing Service

UP: Producer Settlement Fund



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 38
Woodland, CA 95695-2983

EXAMPLE STATISTICAL UNIFORM PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)		Component Prices	
Producer Price Differential	\$0.60	Butterfat Price	\$2.6000 /lb
Class III Price (@ 3.5% Butterfat)	\$16.24	Protein Price	2.1000 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$16.84	Other Solids Price	0.1500 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$18.05	Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.6070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.6000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,883,000.00
Add: Overage—All Classes				10,000.00
Inventory Reclassification—All Classes				50,000.00
Other Source Receipts	50,000 Pounds			2,000.00
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,619,000.00)	
Value of Producer Protein	31,575,000	2.1000	(66,307,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	(174,532,750.00)
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers				3,500,000.00
One-half Unobligated Balance—Producer Settlement Fund				500,000.00
Less: Producer Settlement Fund—Reserve				(412,250.00)
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential		\$0.60		
Statistical Uniform Price		\$16.84		

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

Agricultural Marketing Service

UP: Producer Price Differential



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

**CALIFORNIA MARKETING AREA
FEDERAL MILK ORDER NO. 51**

Tel.: (530) 662-2037 — Fax: (844) 206-7024
email: market.admin@cafmmo.com
website: www.cafmmo.com

Mailing Address:
221 W Court St, Ste. 38
Woodland, CA 95695-2983

**EXAMPLE
STATISTICAL UNIFORM PRICE ANNOUNCEMENT**

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)		Component Prices	
Producer Price Differential	\$0.60	Butterfat Price	\$2.6000 /lb
Class III Price (@ 3.5% Butterfat)	\$16.24	Protein Price	2.1000 /lb
Statistical Uniform Price (@ 3.5% Butterfat)	\$16.84	Other Solids Price	0.1500 /lb
Statistical Uniform Price (@ Average Pool Component Tests)	\$18.05	Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt/lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.6070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.6000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,883,000.00
Add: Overage—All Classes				10,000.00
Inventory Reclassification—All Classes				50,000.00
Other Source Receipts	50,000 Pounds			2,000.00
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,619,000.00)	
Value of Producer Protein	31,675,000	2.1000	(66,507,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	(174,532,750.00)
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers				3,500,000.00
One-half Unobligated Balance—Producer Settlement Fund				500,000.00
Less: Producer Settlement Fund—Reserve				(412,250.00)
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential		\$0.60		
Statistical Uniform Price		\$16.84		

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

Agricultural Marketing Service

UP: All Sections Together



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Tel.: (530) 682-2037 — Fax: (844) 206-7024
email: market.admin@cafmmmo.com
website: www.cafmmmo.com

Mailing Address:
221 W Court St. Ste. 38
Woodland, CA 95695-2983

EXAMPLE STATISTICAL UNIFORM PRICE ANNOUNCEMENT

Producer Milk	Percent	Pounds	Minimum Class Price
Class I	15.0	150,000,000	\$18.37
Class II	10.0	100,000,000	\$16.77
Class III	45.0	450,000,000	\$16.24
Class IV	30.0	300,000,000	\$16.05
Total Producer Milk	100.0	1,000,000,000	

Computation of Uniform Price (per cwt @ Los Angeles County, CA)	Component Prices
Producer Price Differential	\$0.60
Class III Price (@ 3.5% Butterfat)	\$16.24
Statistical Uniform Price (@ 3.5% Butterfat)	\$16.84
Statistical Uniform Price (@ Average Pool Component Tests)	\$18.05
Butterfat Price	\$2.6000 /lb
Protein Price	2.1000 /lb
Other Solids Price	0.1500 /lb
Nonfat Solids Price	0.8000 /lb

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL				
	Product Pounds	Price per cwt/lb.	Component Value	Total Value
Class I— Skim	146,700,000	\$9.50	13,936,500.00	
Butterfat	3,300,000	2.6300	8,679,000.00	
Less: Location Adjustment to Handlers			(375,000.00)	\$22,240,500.00
Class II— Butterfat	5,000,000	2.6070	13,035,000.00	
Nonfat Solids	8,700,000	0.8800	7,656,000.00	20,691,000.00
Class III— Butterfat	16,515,000	2.6000	42,939,000.00	
Protein	14,850,000	2.1000	31,185,000.00	
Other Solids	25,650,000	0.1500	3,847,500.00	77,971,500.00
Class IV— Butterfat	13,500,000	2.6000	35,100,000.00	
Nonfat Solids	26,100,000	0.8000	20,880,000.00	55,980,000.00
Total Classified Value				\$176,883,000.00
Add: Overage—All Classes				10,000.00
Inventory Reclassification—All Classes				50,000.00
Other Source Receipts	50,000 Pounds			2,000.00
Total Pool Value				\$176,945,000.00
Less: Value of Producer Butterfat	38,315,000	2.6000	(99,619,000.00)	
Value of Producer Protein	31,575,000	2.1000	(66,307,500.00)	
Value of Producer Other Solids	57,375,000	0.1500	(8,606,250.00)	(174,532,750.00)
Total PPD Value Before Adjustments				\$2,412,250.00
Add: Location Adjustment to Producers				3,500,000.00
One-half Unobligated Balance—Producer Settlement Fund				500,000.00
Less: Producer Settlement Fund—Reserve				(412,250.00)
Total Pool Milk & PPD Value	1,000,050,000 Producer pounds			\$6,000,000.00
Producer Price Differential			\$0.60	
Statistical Uniform Price			\$16.84	

(Selected pool and price statistics on next page)

Cary Hunter, Acting Market Administrator

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

Statistical Uniform Price Announcement

Page 2

Payment Schedule

Payment Dates for the Month of:

EXAMPLE

Payments TO the Producer Settlement Fund due on:	Month 16, 2018
Payments FROM the Producer Settlement Fund made on:	Month 18, 2018
Final payments TO a Cooperative Association must be made on:	Month 18, 2018
Final payments to Producers must be RECEIVED by:	Month 19, 2018

Producer Price Differential and Statistical Uniform Price, by Zone Differential

	Zone Differential ^{1/}	Adjustment	Producer Price Differential	Statistical ^{2/} Uniform Price
				dollars per hundredweight
As Announced:	\$2.10	\$0.00	0.60	16.84
Other Zones:	\$2.00	(\$0.10)	0.50	16.74
	\$1.80	(\$0.30)	0.30	16.54
	\$1.70	(\$0.40)	0.20	16.44
	\$1.60	(\$0.50)	0.10	16.34

^{1/} Differentials listed apply to zones included in the California Marketing Area. Outside of this area, differentials may be above or below this range. Differentials apply on a county basis.

^{2/} Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

Producer Milk Received by Component Pounds

Producer Milk Receipts	Skim	Butterfat	Protein	Other Solids	Nonfat Solids
Class I	146,700,000	3,300,000	4,725,000	8,925,000	13,650,000
Class II	95,000,000	5,000,000	3,000,000	5,700,000	8,700,000
Class III	433,485,000	16,515,000	14,850,000	25,650,000	40,500,000
Class IV	286,500,000	13,500,000	9,000,000	17,100,000	26,100,000
Total Producer Milk	961,685,000	38,315,000	31,575,000	57,375,000	88,950,000

Selected Pool Statistics

Average test of producer receipts:	Butterfat	3.83 %
	True Protein	3.16 %
	Other Solids	5.74 %

Administrative Assessment and Marketing Service Deduction

\$ 1000.85 - Assessment for order administration	\$0.08	per hundredweight
\$ 1000.86 - Deduction for marketing services	\$0.05	per hundredweight

Pool Pricing: PPD Discussion

- Producer Price Differential:
 - = \$0.00/cwt, if value of pool is equal to Class III value
 - = Positive value, if value of pool is greater than Class III value
 - = Negative value, if value of pool is lower than Class III value

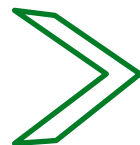
Positive PPD

Pool Revenue

- Class I Handler Value
- Class II Handler Value
- Class III Handler Value
- Class IV Handler Value

Class III Component Values

- Butterfat Value
- Protein Value
- Other Solids Value



**POSITIVE
PRODUCER
PRICE
DIFFERENTIAL
(PPD)**



Negative PPD

Pool Revenue

- Class I Handler Value
- Class II Handler Value
- Class III Handler Value
- Class IV Handler Value

Class III Component Values

- Butterfat Value
- Protein Value
- Other Solids Value



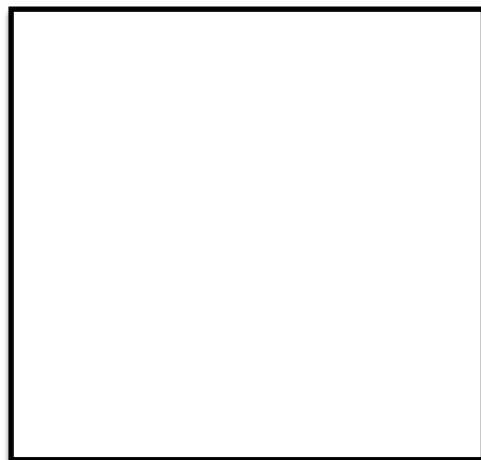
**NEGATIVE
PRODUCER
PRICE
DIFFERENTIAL
(PPD)**



Positive PPD

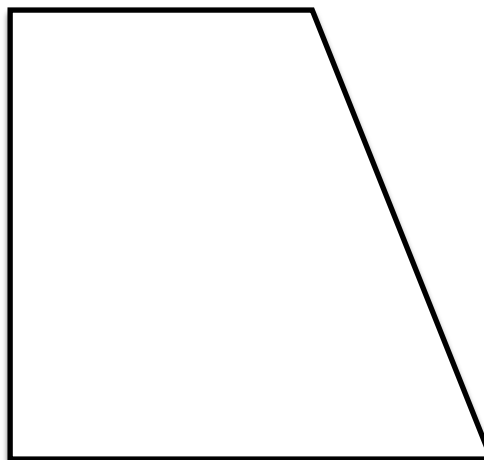
Pool Revenue

(Class I prices determined before the month)

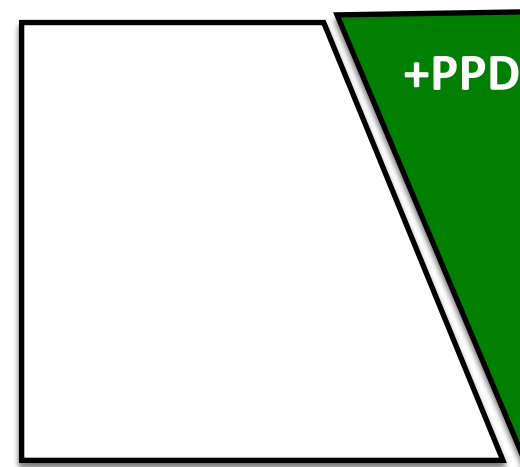


Class III Component Values

(determined after the month)



Payment Breakdown

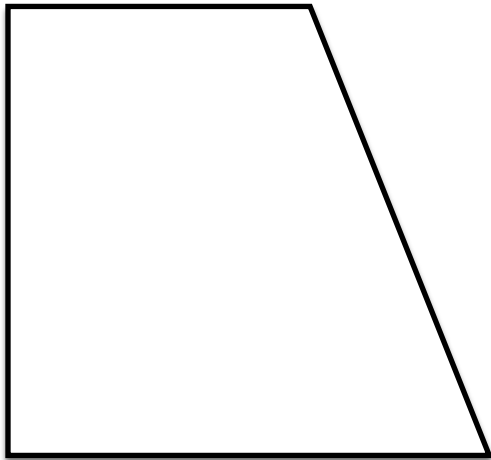


When the value of the pool is **greater** than your Class III component value payments, the PPD is **positive**

Negative PPD

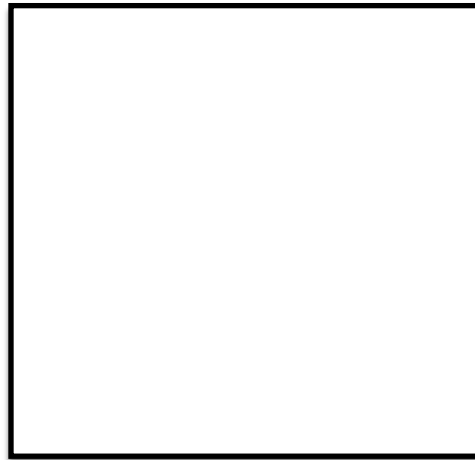
Pool Revenue

(Class I prices determined before the month)

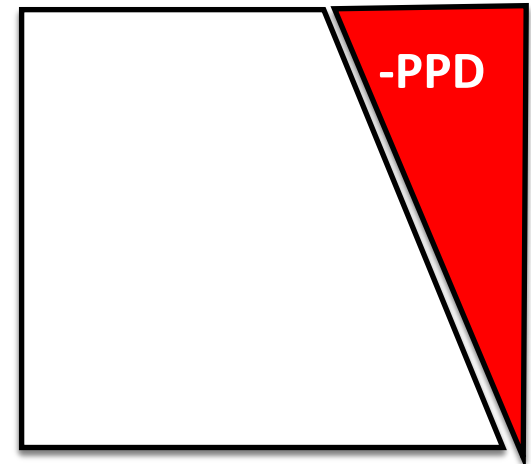


Class III Component Values

(determined after the month)



Payment Breakdown



When the value of the pool is **less** than your Class III component value payments, the PPD is **negative**.

This is an indication that Class III values have increased throughout the month.

Producer Price Differential

Important to remember:

- Class I prices announced **before** the month
- Class III prices announced **after** the month
- Producers paid at Class III component values
- When component values increase in the market **during** the month:
 - Class III component values (which all producers are paid) could be higher than Class I prices paid into the pool
→ Can result in a negative PPD

FO vs CA Perspective: FO Class I

- Federal Order Class I Milk: Priced on Skim and Butterfat.
- California Class 1 Milk: Priced on Butterfat, Solids-Not-Fat, and Fluid Carrier (water).

FO vs CA Perspective: FO Class II

- Federal Order Class II Milk: Priced on Butterfat and Solids-Not-Fat.
- California Class 2, 3, 4a, and 4b Milk: Priced on Butterfat and Solids-Not-Fat.

FO vs CA Perspective: FO Class III

- Federal Order Class III Milk: Priced on Butterfat, Protein and Other Solids.
- California Class 2, 3, 4a, and 4b Milk: Priced on Butterfat and Solids-Not-Fat.

FO vs CA Perspective: FO Class IV

- Federal Order Class IV Milk: Priced on Butterfat and Solids-Not-Fat.
- California Class 2, 3, 4a, and 4b Milk: Priced on Butterfat and Solids-Not-Fat.

Pool Pricing: Handler Obligation

- Cover Sheet
- Computation of Producer Price Differential
- Shrinkage
- Report of Receipts and Utilization - Comp
- Handler List
- **Handler Obligation**
- Allocation
- Other Source Receipts

Sample Distributing Plant Obligation

(Sample) COMPUTATION OF HANDLER OBLIGATION

Sample Month

Sample Distributing Plant, City, State

	% UTILIZATION PER CLASS	PRODUCT POUNDS	SKIM POUNDS	BUTTERFAT POUNDS	PROTEIN POUNDS	OTHER SOLIDS	NONFAT SOLIDS
Class I Producer Milk	50.00 %	5,000,000	4,900,000	100,000	162,487	289,430	451,917
Class II Producer Milk	30.00 %	3,000,000	2,800,000	200,000	92,850	165,389	258,239
Class III Producer Milk	10.00 %	1,000,000	950,000	50,000	31,503	56,114	87,617
Class IV Producer Milk	10.00 %	1,000,000	1,000,000	0	33,161	59,067	92,228
TOTAL PRODUCER MILK	100.00 %	10,000,000	9,650,000	350,000	320,001	570,000	890,001
		POUNDS		BUTTERFAT POUNDS	LB/CWT PRICE		TOTAL DOLLARS
Class I							
Skim Milk		4,900,000			\$ 9.50/cwt		\$465,500.00
Butterfat				100,000	\$ 2.6300/lb		263,000.00
Class I Differential at Location							0.00
Class II				200,000			
Butterfat					\$ 2.6070/lb		521,400.00
Nonfat Solids		258,239			\$ 0.8800/lb		227,250.32
Class III				50,000			
Butterfat					\$ 2.6000/lb		130,000.00
Protein		31,503			\$ 2.1000/lb		66,156.30
Other Solids		56,114			\$ 0.1500/lb		8,417.10
Class IV				0			
Butterfat					\$ 2.6000/lb		0.00
Nonfat Solids		92,228			\$ 0.8000/lb		73,782.40
Total Producer Milk		10,000,000		350,000			\$1,755,506.12
PM Value							\$1,755,506.12
Producer Lbs. X Producer Price Diff.		10,000,000			\$ 0.60/cwt		(60,000.00)
Butterfat X Butterfat Price		350,000			\$ 2.6000/lb		910,000.00
Protein X Protein Price		320,001			\$ 2.1000/lb		672,002.10
Other Solids X Other Solids Price		570,000			\$ 0.1500/lb		85,500.00
Location Adjustment							0.00
TOTAL CREDITS TO HANDLER							\$1,607,502.10
SUMMARY OF ACCOUNTS							
		POUNDS ELIGIBLE			ASSESSMENT RATE		TOTAL DOLLARS
Due To Producer Settlement Fund							\$148,004.02
Adjustments - Audit							0.00
Net Due To Producer Settlement Fund							\$148,004.02
Due To Administrative Fund			10,000,000		\$ 0.035/cwt		\$3,500.00
Adjustments - Audit							0.00
Net Due To Administrative Fund							\$3,500.00
Total Amount Due To Market Administrator By Sample Date							\$151,504.02

Handler Obligation: Funds

- Producer Settlement Fund (§1051.70-§1051.72)
 - The “pool bill”
 - The amount owed to/from the pool
- Administrative Fund (§1051.85)
 - Flat rate, applicable to total pounds (per cwt)
 - Rate specified by MA, no more than \$0.08
- Marketing Services Fund (§1000.86)
 - Flat rate, applicable to non-member milk (per cwt)
 - Rate specified by MA, no more than \$0.07
 - Marketing service is also available to coop members if the coop is not performing these services

Pool Pricing: Putting it all together

- Four classes of milk
- Advanced and Final Class Price Announcements
- Allocation process classifies producer milk
- Producer Milk Value
- Credits to Handler
- PPD
- Obligation