

UNITED STATES DEPARTMENT OF AGRICULTURE

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FEDERAL MILK ORDERS 124 & 131

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Federal Order Minimum Cost for Selected Products & Containers* July 20, 2016

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of each order and the \$0.20 per hundredweight Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 et seq). Not included are any other assessments or costs associated with bottling milk, such as standardization, pasteurization, processing, packaging, labor, delivery, etc.

	Month	PNW (FO 124)		AZ (FO 131)	
		Skim	Butterfat	Skim	Butterfat
Class I Skim and Butterfat Prices	May 2016	\$8.22	\$2.2465	\$8.67	\$2.2510
	June 2016	\$7.41	\$2.3118	\$7.86	\$2.3163
	July 2016	\$7.67	\$2.3999	\$8.12	\$2.4044
	August 2016	\$8.26	\$2.6283	\$8.71	\$2.6328

Product	Butterfat Percent	Month	PNW (FO 124)		AZ (FO 131)	
			Gallons	Half Pints	Gallons	Half Pints
White Milk	3.25%	May 2016	\$1.3118	\$0.0820	\$1.3505	\$0.0844
		June 2016	\$1.2627	\$0.0789	\$1.3014	\$0.0813
		July 2016	\$1.3090	\$0.0818	\$1.3477	\$0.0842
		August 2016	\$1.4219	\$0.0889	\$1.4606	\$0.0913
	2.00%	May 2016	\$1.0817	\$0.0676	\$1.1205	\$0.0700
		June 2016	\$1.0245	\$0.0640	\$1.0633	\$0.0665
		July 2016	\$1.0617	\$0.0664	\$1.1005	\$0.0688
		August 2016	\$1.1509	\$0.0719	\$1.1897	\$0.0744
	1.00%	May 2016	\$0.8951	\$0.0559	\$0.9339	\$0.0584
		June 2016	\$0.8316	\$0.0520	\$0.8704	\$0.0544
		July 2016	\$0.8614	\$0.0538	\$0.9002	\$0.0563
		August 2016	\$0.9315	\$0.0582	\$0.9702	\$0.0606
	0.06%	May 2016	\$0.7206	\$0.0450	\$0.7594	\$0.0475
		June 2016	\$0.6511	\$0.0407	\$0.6899	\$0.0431
		July 2016	\$0.6740	\$0.0421	\$0.7128	\$0.0445
		August 2016	\$0.7260	\$0.0454	\$0.7649	\$0.0478
Chocolate Milk	3.25%	May 2016	\$1.2203	\$0.0763	\$1.2563	\$0.0785
		June 2016	\$1.1746	\$0.0734	\$1.2106	\$0.0757
		July 2016	\$1.2176	\$0.0761	\$1.2536	\$0.0784
		August 2016	\$1.3227	\$0.0827	\$1.3587	\$0.0849
	1.00%	May 2016	\$0.8307	\$0.0519	\$0.8667	\$0.0542
		June 2016	\$0.7718	\$0.0482	\$0.8078	\$0.0505
		July 2016	\$0.7995	\$0.0500	\$0.8355	\$0.0522
		August 2016	\$0.8645	\$0.0540	\$0.9005	\$0.0563
	0.06%	May 2016	\$0.6680	\$0.0417	\$0.7040	\$0.0440
		June 2016	\$0.6035	\$0.0377	\$0.6395	\$0.0400
		July 2016	\$0.6248	\$0.0390	\$0.6608	\$0.0413
		August 2016	\$0.6730	\$0.0421	\$0.7090	\$0.0443

	Product	Gallons	Half Pints
Conversion Factors	White Milk, 3.25%	8.60	0.53750
	White Milk, 2.00%	8.62	0.53875
	White Milk, 1.00%	8.62	0.53875
	White Milk, 0.06%	8.63	0.539375
	Chocolate Milk**	8.00	0.50000

* Price formula: $\frac{((\text{Percent Skim} \times \text{Skim Price}) / 100 + (\text{Percent Butterfat} \times \text{Butterfat Price}))}{100} \times \text{Conversion Factor}$

For example, the formula for a gallon of whole milk would be: $\frac{((96.75 \times \text{Skim Price}) / 100 + (3.25 \times \text{Butterfat Price}))}{100} \times 8.6$

** Conversion factors for chocolate milk vary between products.