

**United States Department of Agriculture
Agricultural Marketing Service
Dairy Programs
Milk Market Administrator
Federal Orders 124 & 131**

April 22, 2015

Federal Order Minimum Cost for Selected Products/Containers

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of each order and effect of Processor Assessment (See Note 1). Not included in these costs are the expenses of standardization, pasteurization, processing, packaging, labor, delivery, etc.

<u>White Milk</u>		<u>FO 124</u>		<u>FO 131</u>	
		<u>Gallons</u>	<u>Half Pints</u>	<u>Gallons</u>	<u>Half Pints</u>
3.25%	February 2015	\$1.5432	\$0.0964	\$1.5819	\$0.0989
	March 2015	\$1.4819	\$0.0926	\$1.5206	\$0.0950
	April 2015	\$1.4757	\$0.0922	\$1.5144	\$0.0946
	May 2015	\$1.5030	\$0.0939	\$1.5417	\$0.0964
2.00%	February 2015	\$1.3782	\$0.0861	\$1.4170	\$0.0886
	March 2015	\$1.3016	\$0.0814	\$1.3404	\$0.0838
	April 2015	\$1.2905	\$0.0807	\$1.3293	\$0.0831
	May 2015	\$1.3123	\$0.0820	\$1.3511	\$0.0844
1.00%	February 2015	\$1.2434	\$0.0777	\$1.2822	\$0.0801
	March 2015	\$1.1546	\$0.0722	\$1.1934	\$0.0746
	April 2015	\$1.1396	\$0.0712	\$1.1784	\$0.0736
	May 2015	\$1.1570	\$0.0723	\$1.1958	\$0.0747
0.06%	February 2015	\$1.1179	\$0.0699	\$1.1568	\$0.0723
	March 2015	\$1.0177	\$0.0636	\$1.0565	\$0.0660
	April 2015	\$0.9989	\$0.0624	\$1.0378	\$0.0649
	May 2015	\$1.0121	\$0.0633	\$1.0510	\$0.0657
<u>Chocolate Milk *</u>					
3.25%	February 2015	\$1.4355	\$0.0897	\$1.4715	\$0.0920
	March 2015	\$1.3785	\$0.0862	\$1.4145	\$0.0884
	April 2015	\$1.3727	\$0.0858	\$1.4087	\$0.0880
	May 2015	\$1.3981	\$0.0874	\$1.4341	\$0.0896
1.00%	February 2015	\$1.1539	\$0.0721	\$1.1899	\$0.0744
	March 2015	\$1.0716	\$0.0670	\$1.1076	\$0.0692
	April 2015	\$1.0576	\$0.0661	\$1.0936	\$0.0684
	May 2015	\$1.0738	\$0.0671	\$1.1098	\$0.0694
0.06%	February 2015	\$1.0363	\$0.0648	\$1.0723	\$0.0670
	March 2015	\$0.9434	\$0.0590	\$0.9794	\$0.0612
	April 2015	\$0.9260	\$0.0579	\$0.9620	\$0.0601
	May 2015	\$0.9382	\$0.0586	\$0.9742	\$0.0609
<u>Class I Prices</u>		<u>Skim</u>	<u>Butterfat</u>	<u>Skim</u>	<u>Butterfat</u>
February 2015		\$12.86	\$1.6929	\$13.31	\$1.6974
March 2015		\$11.69	\$1.8218	\$12.14	\$1.8263
April 2015		\$11.47	\$1.8652	\$11.92	\$1.8697
May 2015		\$11.62	\$1.9182	\$12.07	\$1.9227

Conversion Factors

<u>White 3.25% Gal.</u> 8.60	<u>White 3.25% 1/2 Pint</u> 0.53750	<u>White 2.00% Gal.</u> 8.62	<u>White 2.00% 1/2 Pint</u> 0.53875	<u>White 1.00% Gal.</u> 8.62	<u>White 1.00% 1/2 Pint</u> 0.53875	<u>White 0.06% Gal.</u> 8.63	<u>White 0.06% 1/2 Pint</u> 0.539375
<u>Chocolate Gal.</u> 8.00	<u>Chocolate 1/2 Pint</u> 0.50000						

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 following formula:

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

For example, the formula for a gallon of whole milk would be:

$$(((96.75 \times \text{Skim Price}) / 100 + (3.25 \times \text{Butterfat Price})) / 100) \times 8.6$$

Note 3: Asterisk (*): Conversion factors for chocolate milk vary between products.