

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

June 17, 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%	April 2015	\$1.4757	\$0.0922	\$1.5144	\$0.0946	
	May 2015	\$1.5030	\$0.0939	\$1.5417	\$0.0964	
	June 2015	\$1.5271	\$0.0954	\$1.5658	\$0.0979	
	July 2015	\$1.5587	\$0.0974	\$1.5974	\$0.0998	
2.00%	April 2015	\$1.2905	\$0.0807	\$1.3293	\$0.0831	
	May 2015	\$1.3123	\$0.0820	\$1.3511	\$0.0844	
	June 2015	\$1.3222	\$0.0826	\$1.3610	\$0.0851	
	July 2015	\$1.3450	\$0.0841	\$1.3838	\$0.0865	
1.00%	April 2015	\$1.1396	\$0.0712	\$1.1784	\$0.0736	
	May 2015	\$1.1570	\$0.0723	\$1.1958	\$0.0747	
	June 2015	\$1.1555	\$0.0722	\$1.1942	\$0.0746	
	July 2015	\$1.1712	\$0.0732	\$1.2100	\$0.0756	
0.06%	April 2015	\$0.9989	\$0.0624	\$1.0378	\$0.0649	
	May 2015	\$1.0121	\$0.0633	\$1.0510	\$0.0657	
	June 2015	\$0.9999	\$0.0625	\$1.0387	\$0.0649	
	July 2015	\$1.0089	\$0.0631	\$1.0478	\$0.0655	
<u>Chocolate Milk *</u>						
3.25%	April 2015	\$1.3727	\$0.0858	\$1.4087	\$0.0880	
	May 2015	\$1.3981	\$0.0874	\$1.4341	\$0.0896	
	June 2015	\$1.4205	\$0.0888	\$1.4565	\$0.0910	
	July 2015	\$1.4500	\$0.0906	\$1.4860	\$0.0929	
1.00%	April 2015	\$1.0576	\$0.0661	\$1.0936	\$0.0684	
	May 2015	\$1.0738	\$0.0671	\$1.1098	\$0.0694	
	June 2015	\$1.0724	\$0.0670	\$1.1084	\$0.0693	
	July 2015	\$1.0869	\$0.0679	\$1.1229	\$0.0702	
0.06%	April 2015	\$0.9260	\$0.0579	\$0.9620	\$0.0601	
	May 2015	\$0.9382	\$0.0586	\$0.9742	\$0.0609	
	June 2015	\$0.9269	\$0.0579	\$0.9629	\$0.0602	
	July 2015	\$0.9353	\$0.0585	\$0.9713	\$0.0607	
<u>Class I Prices</u>		<u>Skim</u>	<u>Butterfat</u>	<u>Skim</u>	<u>Butterfat</u>	
		April 2015	\$11.47	\$1.8652	\$11.92	\$1.8697
		May 2015	\$11.62	\$1.9182	\$12.07	\$1.9227
		June 2015	\$11.47	\$2.0491	\$11.92	\$2.0536
		July 2015	\$11.57	\$2.1325	\$12.02	\$2.1370

Conversion Factors

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