

October 2014 Quota & Excess Prices Determination for Montana

	Quota Delivered (lbs)	Excess Delivered (lbs)	Total Delivered (lbs)
Skim	21,909,651	1,301,245	23,210,896
Butterfat	869,340	52,311	921,651
Milk	22,778,991	1,353,556	24,132,547
% of Total Production	94.3912%	5.6088%	100.0000%

SKIM						
	Skim Value (\$)	Additional Value of Reclassified Pool Milk - Skim (\$)	Skim Value Based on Producer Usage (\$)	Skim - Announced Price (\$/lb)	Month's Production Utilized - SKIM (Producer Usage) (lbs)	% of Total Production Utilized - SKIM
Class I	\$ 2,097,219.83		\$ 2,097,219.83	\$ 0.1623	12,921,872	55.67%
Class II	\$ 59,512.29		\$ 59,512.29	\$ 0.1160	513,037	2.21%
Class III	\$ 1,009,859.66		\$ 1,009,859.66	\$ 0.1033	9,775,989	42.12%
	\$ 3,166,591.78				23,210,898	100.00%
Calculation of Poolwide Value of Skim:						
	\$ 3,166,591.78	Skim Value				
	\$ 377,201.08	Gain / Loss on Out-of-State Sale of Surplus before Hauling				
	\$ (36,363.88)	Out-of-State Surplus Hauling				
	\$ (40,536.73)	In-State Surplus Hauling				
	\$ 3,466,892.25	Poolwide Value of Skim				
	\$ 27,230.69	1/2 of Prior Month's Settlement Fund Balance				
	\$ (27,334.79)	Less: Quota Milk Delivered * \$0.12/cwt				
	\$ 3,466,788.15	Adjusted Poolwide Value of Skim				
		23,210,896 Total Skim Delivered (lbs)				
	\$ 0.14936	Poolwide Value of Skim (\$/lb)				
Quota Skim Price Calculation:						
	\$ 0.01500	Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt				
	5.6088%	Excess % of Total Production				
	\$ 0.00084	Quota Differential for Skim (\$/lb)				
	\$ 0.14936	Poolwide Value of Skim (\$/lb)				
	\$ 0.1502	Quota Blend Price for Skim (\$/lb)				
	\$ 14.49	Quota Value for Skim Portion of cwt of milk testing 3.5% butterfat - 96.5 lbs Skim				
Excess Skim Price Calculation:						
	\$ (0.01500)	Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt				
	94.3912%	Quota % of Total Production				
	\$ (0.01416)	Excess Differential (\$/lb)				
	\$ 0.14936	Poolwide Value of Skim (\$/lb)				
	\$ (0.01416)	Less: Excess Differential (\$/lb)				
	\$ 0.1352	Excess Blend Price for Skim (\$/lb)				
	\$ 13.05	Excess Value for Skim Portion of cwt of milk testing 3.5% butterfat - 96.5 lbs Skim				

Blend Prices @ 3.5% butterfat test	
\$ 14.49	Quota Value for Skim Portion of cwt of milk testing 3.5% butterfat
\$ 9.80	Quota Value for Butterfat Portion of cwt of milk testing 3.5% butterfat
\$ 24.30	Quota Blend Price (\$/cwt for milk testing 3.5% butterfat)
\$ 13.05	Excess Value for Skim Portion of cwt of milk testing 3.5% butterfat
\$ 9.75	Excess Value for Butterfat Portion of cwt of milk testing 3.5% butterfat
\$ 22.80	Excess Blend Price (\$/cwt for milk testing 3.5% butterfat)

BUTTERFAT						
	Butterfat Value (\$)	Additional Value of Reclassified Pool Milk - Butterfat (\$)	Butterfat Value Based on Producer Usage (\$)	Butterfat - Announced Price (\$/lb)	Month's Production Utilized (Producer Usage) - BUTTERFAT (lbs)	% of Total Production Utilized - BUTTERFAT
Class I	\$ 719,352.80		\$ 719,352.80	\$ 3.1665	227,176	24.65%
Class II	\$ 215,312.50		\$ 215,312.50	\$ 3.2500	66,250	7.19%
Class III	\$ 1,645,630.15		\$ 1,645,630.15	\$ 2.6195	628,223	68.16%
	\$ 2,580,295.45				921,649	100.00%
	\$ 2,580,295.45	Poolwide Value of Butterfat				
		921,651 Total Butterfat Delivered (lbs)				
	\$ 2.79964	Poolwide Value of Butterfat (\$/lb)				
Quota Butterfat Price Calculation:						
	\$ 0.01500	Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt				
	5.6088%	Excess % of Total Production				
	\$ 0.00084	Quota Differential for Butterfat (\$/lb)				
	\$ 2.79964	Poolwide Value of Butterfat (\$/lb)				
	\$ 2.8005	Quota Blend Price for Butterfat (\$/lb)				
	\$ 9.80	Quota Value for Butterfat Portion of cwt of milk testing 3.5% butterfat - 3.5 lbs Butterfat				
Excess Butterfat Price Calculation:						
	\$ (0.01500)	Quota/Excess Differential (\$/lb): \$1.50/cwt / 100 lbs/cwt				
	94.3912%	Quota % of Total Production				
	\$ (0.01416)	Excess Differential (\$/lb)				
	\$ 2.79964	Poolwide Value of Butterfat (\$/lb)				
	\$ (0.01416)	Less: Excess Differential (\$/lb)				
	\$ 2.7855	Excess Blend Price for Butterfat (\$/lb)				
	\$ 9.75	Excess Value for Butterfat Portion of cwt of milk testing 3.5% butterfat - 3.5 lbs Butterfat				

PRODUCER POOL INFORMATION SHEET

AVERAGE CALCULATION OF QUOTA & EXCESS MILK PRICES

October 2014

Total Quota Pounds: 22,778,991			PRICES PER CWT & ADJUSTMENTS	
CALCULATION OF QUOTA PRICE			Price Before Deductions \$23.581667	
Value of Pool Milk at Butterfat Test	3.82%	\$5,746,815.51	Quota Haul \$1.314277	
Adjustment for 3.5% Butterfat		(\$215,597.05)	Class I haul (\$0.177957)	
Value of Pool Milk at Butterfat Test	3.50%	\$5,531,218.46	Previous Settlement Fund \$0.119543	
Less Total Value of Excess Milk		(\$159,552.60)	Current Settlement Fund (\$0.120000)	
Value of <u>Quota</u> Milk at Butterfat Test	3.50%	\$5,371,665.86	Price Prior to Audit Adj. \$24.717531	
Total Quota Surplus Haul		\$299,379.09	Audit Adjustment \$0.000000	
Total Class I Quota Haul		(\$40,536.73)	Price After Audit & Deducts \$24.717531	
1/2 of Previous Settlement Fund		\$27,230.69		
Transfer to Current Settlement Fund		(\$27,334.77)		
Net Quota Value After Deductions		\$5,630,404.14	AVERAGE QUOTA PRICES @ 3.5% TEST	
Audit Adjustments		\$0.00	Quota Blend	
Quota Milk Value After Audit Adjustments		\$5,630,404.14	Class I \$14.024667	
			Class II \$0.617864	
			Class III \$9.653356	
			Quota Blend Price / cwt \$24.295888	
CALCULATION OF EXCESS PRICE			Quota Fat	
Total Excess Pounds: 1,353,556			Class I \$0.731825	
Value of Excess Fat at 3.5% Test		\$124,096.19	Class II \$0.213418	
Value of Excess Skim		\$35,456.41	Class III \$1.855250	
Value of Excess Milk		\$159,552.60	Quota Milk Fat Blend \$2.800492	
Total Excess Over Quota Haul		\$41,458.11	Quota Skim	
Total Value of Excess Milk		\$201,010.71	Class I \$0.086701	
			Class II \$0.003820	
			Class III \$0.059678	
			Value of Skim per pound \$0.150199	
			Value of Skim in CWT \$14.494165	
QUOTA PERCENTAGES OF UTILIZATION			AVERAGE EXCESS PRICES @ 3.5% TEST	
	<u>PRODUCT</u>	<u>FAT</u>	Excess Price	
Class I	57.72%	26.13%	Class I \$13.158801	
Class II	2.54%	7.62%	Class II \$0.579718	
Class III	39.73%	66.25%	Class III \$9.057369	
			Excess Price / cwt \$22.795888	
EXPORTED BULK MILK			Excess Fat	
	<u>PRODUCT</u>	<u>FAT</u>	Class I \$0.727905	
Class I	0	0	Class II \$0.212275	
Class II	0	0	Class III \$1.845313	
Class III	1,907,453	1,108,488	Excess Fat Price \$2.785492	
			Excess Skim	
IMPORTED BULK MILK			Class I \$0.078043	
	<u>PRODUCT</u>	<u>FAT</u>	Class II \$0.003438	
Class I	0	0	Class III \$0.053718	
Class II	0	0	Value of Skim per pound \$0.135199	
Class III	1,424,818	54,750	Value of Skim in CWT \$13.046665	
COST/PROFIT BREAKDOWN FOR OUT-OF-STATE SURPLUS MILK				
		<u>\$/cwt</u>		
Value Recv'd for Surplus Milk:	\$1,816,644.85	\$16.33	Excess Over Quota Haul: (\$41,458.11)	
MT Value of Surplus Milk:	(\$1,439,443.77)	(\$12.94)	Surplus Value - In Quota Haul: (\$299,379.09)	
Haul Costs - Out-of-State:	(\$36,363.88)	(\$0.33)	Class I Quota Surplus Haul: \$40,536.73	
Subtotal:	\$340,837.20	\$3.06		
Haul Costs - In-State:	(\$40,536.73)			
Gain/Loss on Sale of Surplus Milk:	\$300,300.47			

**UTILIZATION OF PRODUCER MILK
DELIVERED TO MONTANA POOL PLANTS
By Weight (lbs)
October 2014**

Pool Plant	Class I	Class II	Class III	Total Milk Delivered	Percent of Usage
Darigold - Bozeman	5,186,844	96,096	8,255,020	13,537,960	56.10%
Meadow Gold - Billings	1,251,235	5,111	137,285	1,393,631	5.77%
Meadow Gold - Great Falls	6,632,553	450,795	2,009,153	9,092,501	37.68%
MT Correctional Ent.	78,416	27,285	2,754	108,455	0.45%
Totals:	13,149,048	579,287	10,404,212	24,132,547	100.00%
Percent of Total Delivered Milk Utilized by Class	54.49%	2.40%	43.11%		

**UTILIZATION OF PRODUCER MILK
DELIVERED TO MONTANA POOL PLANTS
By Percentage of Class
October 2014**

Pool Plant	Class I	Class II	Class III	Total Milk Delivered	Percent of Usage
Darigold	39.45%	16.59%	79.34%	13,537,960	56.10%
Meadow Gold-Billings	9.52%	0.88%	1.32%	1,393,631	5.77%
Meadow Gold-Great Falls	50.44%	77.82%	19.31%	9,092,501	37.68%
MT Correctional Ent.	0.60%	4.71%	0.03%	108,455	0.45%
Class Totals	100.00%	100.00%	100.00%	24,132,547	100.00%