

FLORIDA Fluid Milk Report

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Market Administrator

Florida Marketing Area
Federal Order No. 6



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USDA Hurricane Assistance Programs

Department of Agriculture Secretary Mike Johanns has announced that sign-up begins May 17, 2006, for four crop and livestock assistance programs providing aid to producers affected by the destructive 2005 hurricanes. The four programs - Livestock Indemnity Program, Feed Indemnity Program, Hurricane Indemnity Program and Tree Indemnity Program - are funded through the use of \$250 million authorized in October 2005 for crop disaster, livestock, and tree assistance. Additionally, funding is being made available for aquaculture operations.

The Livestock Indemnity Program provides payments to livestock owners or growers for the death of livestock caused by the hurricanes at the rate of 75 percent of fair market value. The Feed Indemnity Program provides payments to livestock owners that incurred increased feed costs or sustained feed losses from the hurricanes. The Hurricane Indemnity Program provides additional payments to those who suffered crop losses, provided they have already received compensation from a Federal crop insurance program. The Tree Indemnity Program will provide payments to owners of commercially grown fruit trees, nut trees, bushes and vines that were lost or damaged due to the hurricanes.

Producers in Alabama, Florida, Louisiana, Mississippi, North Carolina, and Texas counties declared primary presidential or secretarial disaster areas in 2005 because of hurricanes are eligible for the new programs. A complete list of the counties is posted online at www.fsa.usda.gov/PAS/news/releases/. Producers must also meet other eligibility requirements to received assistance.

Additional information about U.S. Department of Agriculture hurricane assistance is available at USDA Service Centers nationwide and online at www.usda.gov/HurricaneInfo.xml.

Blend Price Declines

The uniform blend price in Hillsborough County, FL, was \$14.36 per hundredweight for milk at 3.5 percent butterfat for the month of April. This represents a decrease of \$1.05 from the previous month and is \$2.94 lower when compared with April 2005. Class I utilization was 79.12 percent in April, a decrease of 1.64 percent compared to the previous month, but a fraction of a percent higher than April 2005.

National Dairy Situation

USDA estimates that the total U.S. production of milk in March was 15.95 billion pounds, an increase of 4.9 percent from March 2005 and an increase of 1.1 percent when compared with February 2006 on a daily average basis. Total cheese output (excluding cottage cheese) was 810 million pounds, 1.5 percent above March 2005 and 12.3 percent above February 2006. Butter production was 142 million pounds, 16.0 percent above March 2005 and 3.7 percent above February 2006. Nonfat dry milk production was 28 million pounds in March, 17.2 percent more than March 2005 and a decrease of 1.2 percent versus February 2006 on a daily average basis.

National Dairy Situation

The U.S. Department of Agriculture's National Organic Program (NOP) published an Advanced Notice of Proposed Rulemaking (ANPR) in the Federal Register April 13, exploring the role of pasture in organic management of ruminant animals—particularly dairy animals. It gives a history of the pasture issue, the development of the NOP standards and a discussion surrounding the issue since the standards were implemented in October 2002. The ANPR also contains questions that interested parties might consider for making formal comments. The comment period is open for 60 days, ending June 12. Visit the NOP website at www.ams.usda.gov/nop under Today's News for April 10 for more details.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - APRIL 2006

Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	46.07%	4,625,181	\$1.2715	\$ 5,880,917.65
Class I Differential at Location				188,927.69
Class II Butterfat	33.45%	3,357,987	\$1.2413	4,168,269.27
Class III Butterfat	5.15%	516,919	\$1.2343	638,033.10
Class IV Butterfat	15.33%	1,538,825	\$1.2343	1,899,371.70
Total Butterfat	100.00%	10,038,912		\$ 12,775,519.41
Uniform Butterfat Price per lb. (Hillsborough County, Florida):			\$1.2726	

Calculation of Uniform Skim Milk Price:

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	80.37%	216,020,125	\$7.02 /cwt.	\$ 15,164,612.77
Class I Butterfat	46.07%	4,625,181	\$1.2715 /lb.	5,880,917.65
Class I Differential at Location		220,645,306		9,002,525.55
Total Class I Milk	79.12%	220,645,306		\$ 30,048,055.97
Class II Skim Milk	6.27%	16,861,980	\$7.28 /cwt.	\$ 1,227,552.14
Class II Butterfat	33.45%	3,357,987	\$1.2413 /lb.	4,168,269.27
Total Class II Milk	7.25%	20,219,967		\$ 5,395,821.41
Class III Skim Milk	6.46%	17,376,343	\$6.85 /cwt.	\$ 1,190,279.51
Class III Butterfat	5.15%	516,919	\$1.2343 /lb.	638,033.10
Total Class III Milk	6.42%	17,893,262		\$ 1,828,312.61
Class IV Skim Milk	6.90%	18,561,201	\$6.26 /cwt.	\$ 1,161,931.21
Class IV Butterfat	15.33%	1,538,825	\$1.2343 /lb.	1,899,371.70
Total Class IV Milk	7.21%	20,100,026		\$ 3,061,302.91
Producer Milk	100.00%	278,858,561		\$ 40,333,492.90

Adjustments

Overage and Other Source	\$4,011.18
Inventory Adjustments	(\$74.92)
Producer butterfat at uniform butterfat price	(\$12,775,519.41)
Location Adjustments to Producers	(\$19,386.93)
1/2 Unobligated Balance in P.S.F.	\$168,232.50

Adjusted Pool Value

Reserve for Producer Settlement Fund	\$ 10.30831	\$27,710,755.32
	\$ 0.04831	\$129,859.33

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida):

\$10.26

Uniform Price per cwt. (Hillsborough County, Florida)

\$14.36*

* At 3.5% butterfat test; for information purposes.

OTHER FEDERAL ORDERS: CLASS I AND UNIFORM PRICES (At 3.5% Butterfat)

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	APR 2006	MAY 2006	MAR 2006	APR 2006	APR 2006
Appalachian (Charlotte)	\$ 14.32	\$ 14.07	\$ 14.13	\$ 13.01	56.25%
Arizona-Las Vegas (Phoenix)	\$ 13.57	\$ 13.32	\$ 12.21	\$ 11.66	32.26%
Central (Kansas City)	\$ 13.22	\$ 12.97	\$ 12.00	\$ 11.49	25.90%
Florida (Tampa)	\$ 15.22	\$ 14.97	\$ 15.41	\$ 14.36	79.12%
Mideast (Cleveland)	\$ 13.22	\$ 12.97	\$ 12.36	\$ 11.75	34.20%
Northeast (Boston)	\$ 14.47	\$ 14.22	\$ 13.43	\$ 12.64	41.50%
Pacific Northwest (Seattle)	\$ 13.13	\$ 12.88	\$ 11.86	\$ 11.35	25.84%
Southeast (Atlanta)	\$ 14.32	\$ 14.07	\$ 13.77	\$ 12.94	50.68%
Southwest (Dallas)	\$ 14.22	\$ 13.97	\$ 12.95	\$ 12.41	35.55%
Upper Midwest (Chicago)	\$ 13.02	\$ 12.77	\$ 11.67	\$ 11.29	16.10%

**FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6
STATISTICAL SUMMARY**

Receipts:	April 2006	April 2005
Producer Milk		
Class I	220,645,306	223,900,945
Class II	20,219,967	19,354,110
Class III	17,893,262	32,348,431
Class IV	20,100,026	8,081,712
Total Producer Milk	<u>278,858,561</u>	<u>283,685,198</u>
Average Butterfat Test	3.60%	78.93%
Percent of Producer Milk in Class I	79.12%	3.53%
Daily Average Receipts	9,295,285	9,456,173
Other Source Milk		
Class I	3,790,835	3,535,015
Class II	8,446,715	10,270,647
Class III	0	0
Class IV	1,836,445	2,495,141
Total Other Source Milk	<u>14,073,995</u>	<u>16,300,803</u>
Overage		
Class I	0	0
Class II	0	0
Class III	0	3,492
Class IV	5,847	92,441
Total Overage	<u>5,847</u>	<u>95,933</u>
Opening Inventory		
Class I	16,362,463	12,165,790
Class II	4,094	1,645,870
Class III	0	93,621
Class IV	5,084,187	5,391,652
Total Opening Inventory	<u>21,450,744</u>	<u>19,296,933</u>
Total Receipts	314,389,147	319,378,867
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	15,167,772	14,806,273
Route Disposition Class I	224,978,242	222,448,347
Shrinkage	565,637	1,065,107
Transfers & Diversions to Nonpool	86,953	1,282,023
Total Class I Utilization	<u>240,798,604</u>	<u>239,601,750</u>
Average Butterfat Test	2.09%	2.10%
Daily Average Utilization	8,026,620	7,986,725
Class II Utilization		
Nonfluid Used To Produce	8,432,602	10,113,310
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods Used To Produce/Other Uses	6,363,683	6,856,068
Total Class II Utilization	<u>13,874,491</u>	<u>14,301,249</u>
Average Butterfat Test	28,670,776	31,270,627
Average Butterfat Test	11.73%	11.56%
Class III Utilization		
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce	17,893,262	32,445,544
Other Uses	0	0
Total Class III Utilization	<u>17,893,262</u>	<u>32,445,544</u>
Average Butterfat Test	2.89%	1.31%
Class IV Utilization		
Inventory	10,582,470	3,625,435
Nonfluid Used To Fortify	1,518,712	1,635,879
Shrinkage	3,694,913	3,415,324
Transfers & Diversions to Nonpool Used To Produce/Other Uses	9,684,879	6,251,164
Total Class IV Utilization	<u>1,545,531</u>	<u>1,133,144</u>
Average Butterfat Test	27,026,505	16,060,946
Average Butterfat Test	7.26%	11.99%
Total Utilization	314,389,147	319,378,867

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in April 2006 is \$14.36 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.26 per hundredweight plus 3.5 times the uniform butterfat price of \$1.2726 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions.

Uniform prices are the result of marketwide pooling; all producer milk was classified and priced according to the milk's use. In April, Class I use accounted for 80.37% of all producer skim milk (priced to handlers at \$7.02 per hundredweight, plus the Class I differential and 46.07% of producer butterfat (priced to handlers at \$1.2715 per pound plus Class I differential). Class II use accounted for 6.27% of all producer skim milk (\$7.28 per hundredweight) and 33.45% of producer butterfat (\$1.2413 per pound). Class III use accounted for 6.46% of all producer skim milk (\$6.85 per hundredweight) and 5.15% of producer butterfat (\$1.2343 per pound). Class IV use accounted for 6.90% of all producer skim milk (\$6.26 per hundredweight) and 15.33% of producer butterfat (\$1.2343 per pound).

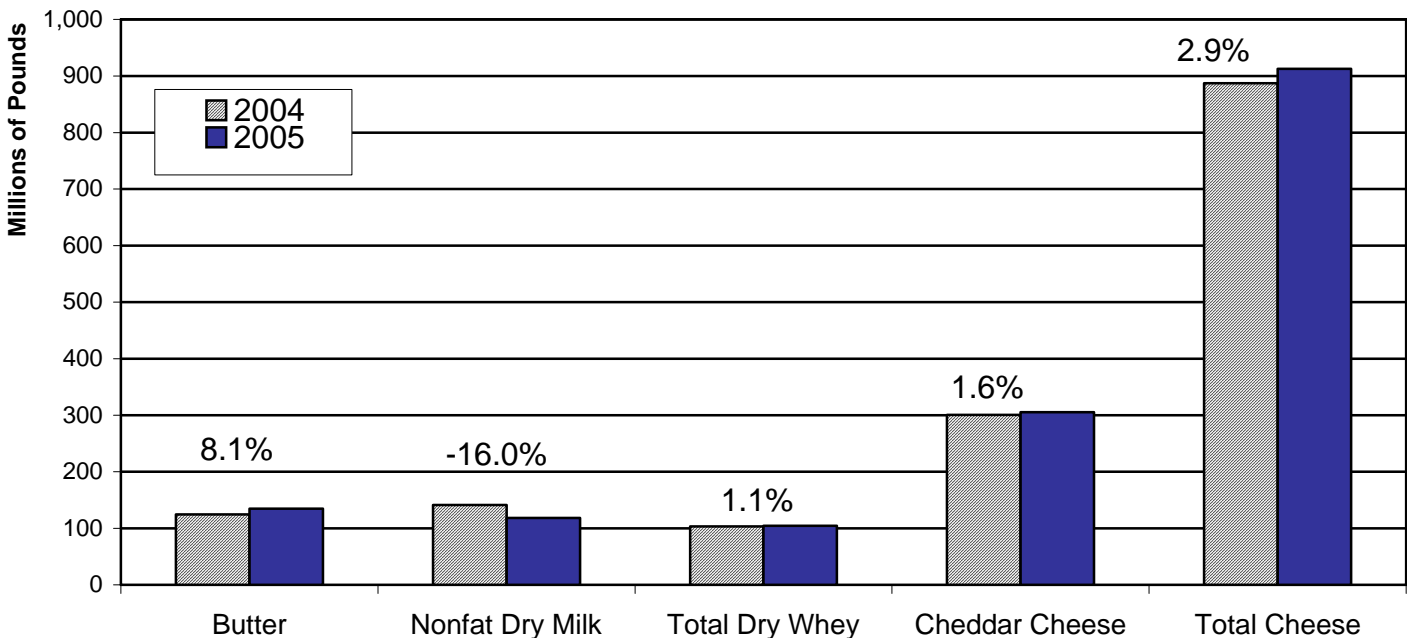
Receipts of producer milk during April 2006 totaled 278.9 million pounds, 4.8 million pounds less than was pooled in April of last year. Florida producers supplied 216.7 million pounds of milk in March 2006 to pool plants or 72.34% of the total producer milk pooled in Florida. In March 2005 Florida producers supplied 75.75% of the total producer milk pooled on the Florida market.

There were 11 regulated pool distributing plants and 4 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for April 2006. In-area Class I route disposition totaled 262.5 million pounds in March 2006, 2.9 million pounds less than March 2005. This is a decrease of 1.69 percent after making adjustments for calendar composition.

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
March 2006		
Whole Milk	97,447,024	37.13%
Fat Free Milk	36,823,531	14.03%
Lowfat Milk (incl. 1%)	32,110,285	12.23%
Reduced Fat Milk (incl. 2%)	72,881,163	27.77%
Cultured Fluid Milk (incl. Buttermilk)	1,320,354	0.50%
Flavored Drinks and Milk	21,895,945	8.34%
Total Disposition in Marketing Area	262,478,302	100.0%
Total Disposition by Pool Plants	235,237,624	89.62%
Total Disposition by Nonpool Plants	27,240,678	10.38%
Total Disposition in Marketing Area	262,478,302	100.0%

2005 U.S. Production of Dairy Products



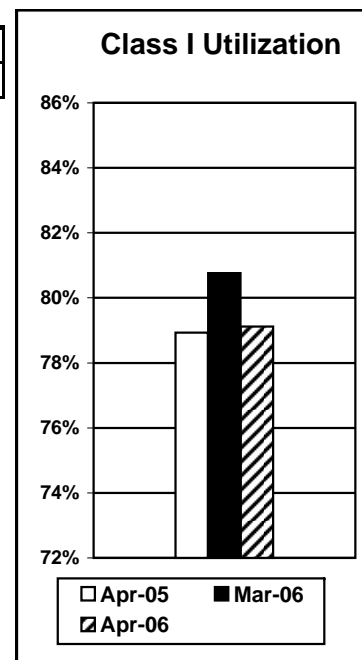
Last year, U.S. milk production rose 3.5 percent compared with 2004. The chart above shows how dairy markets allocated milk to the four products used in Federal Order pricing formulas: butter, nonfat dry milk, dry whey and Cheddar cheese. Not shown but included in 'Total Cheese' is the other major style of cheeses in this country, 'Italian-type' cheeses, production of which grew nearly twice as fast (3.9 percent) as 'American-type' cheeses (2.0 percent) in 2005 compared with 2004. Source: Dairy Market News

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2005	\$13.70	\$2.1218	\$20.65	\$7.20	\$1.7400	\$13.04	\$8.37	\$1.7330	\$14.14	\$ 6.69	\$1.7330	\$12.52	\$ 12.81	\$1.9275	\$19.11
Feb	\$11.97	\$1.7838	\$17.79	\$7.38	\$1.7824	\$13.36	\$8.79	\$1.7754	\$14.70	\$ 6.76	\$1.7754	\$12.74	\$ 11.24	\$1.7820	\$17.08
Mar	\$13.59	\$1.8058	\$19.43	\$7.44	\$1.7349	\$13.25	\$8.32	\$1.7279	\$14.08	\$ 6.85	\$1.7279	\$12.66	\$ 12.40	\$1.7660	\$18.15
Apr	\$12.35	\$1.7759	\$18.13	\$7.54	\$1.7034	\$13.24	\$8.99	\$1.6964	\$14.61	\$ 6.91	\$1.6964	\$12.61	\$ 11.63	\$1.7365	\$17.30
May	\$13.14	\$1.7492	\$18.80	\$7.61	\$1.5545	\$12.78	\$8.66	\$1.5475	\$13.77	\$ 7.03	\$1.5475	\$12.20	\$ 11.95	\$1.6411	\$17.28
Jun	\$12.58	\$1.5666	\$17.62	\$7.73	\$1.6002	\$13.06	\$8.65	\$1.5932	\$13.92	\$ 7.00	\$1.5932	\$12.33	\$ 11.67	\$1.5833	\$16.80
Jul	\$12.73	\$1.6010	\$17.89	\$7.73	\$1.8077	\$13.79	\$8.34	\$1.8007	\$14.35	\$ 7.12	\$1.8007	\$13.17	\$ 11.92	\$1.7035	\$17.47
Aug	\$12.29	\$1.8796	\$18.44	\$7.81	\$1.8316	\$13.95	\$7.48	\$1.8246	\$13.60	\$ 7.31	\$1.8246	\$13.44	\$ 11.78	\$1.8564	\$17.87
Sep	\$11.71	\$1.8272	\$17.70	\$8.00	\$1.8942	\$14.35	\$7.97	\$1.8872	\$14.30	\$ 7.40	\$1.8872	\$13.75	\$ 11.36	\$1.8589	\$17.47
Oct	\$11.96	\$1.9218	\$18.27	\$8.12	\$1.8326	\$14.25	\$8.25	\$1.8256	\$14.35	\$ 7.48	\$1.8256	\$13.61	\$ 11.52	\$1.8781	\$17.69
Nov	\$12.48	\$1.8626	\$18.56	\$8.11	\$1.6184	\$13.49	\$7.99	\$1.6114	\$13.35	\$ 7.52	\$1.6114	\$12.90	\$ 12.01	\$1.7497	\$17.71
Dec	\$12.03	\$1.7033	\$17.57	\$8.22	\$1.5106	\$13.22	\$8.40	\$1.5036	\$13.37	\$ 7.57	\$1.5036	\$12.57	\$ 11.65	\$1.6138	\$16.89
Jan 2006	\$12.42	\$1.5416	\$17.38	\$8.38	\$1.4754	\$13.25	\$8.55	\$1.4684	\$13.39	\$ 7.32	\$1.4684	\$12.20	\$ 11.85	\$1.5063	\$16.71
Feb	\$12.51	\$1.5171	\$17.38	\$8.17	\$1.3539	\$12.62	\$7.76	\$1.3469	\$12.20	\$ 6.62	\$1.3469	\$11.10	\$ 11.75	\$1.4279	\$16.34
Mar	\$11.95	\$1.4168	\$16.49	\$7.52	\$1.2666	\$11.69	\$6.94	\$1.2596	\$11.11	\$ 6.50	\$1.2596	\$10.68	\$ 11.13	\$1.3345	\$15.41
Apr	\$11.02	\$1.3115	\$15.22	\$7.28	\$1.2413	\$11.37	\$6.85	\$1.2343	\$10.93	\$ 6.26	\$1.2343	\$10.36	\$ 10.26	\$1.2726	\$14.36
May	\$10.90	\$1.2731	\$14.97	\$6.94											

FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2005	269,921	268	228,531	84.67%	20,038	7.42%	9,356	3.47%	11,996	4.44%
Feb	264,725	265	209,460	79.12%	19,747	7.46%	25,917	9.79%	9,602	3.63%
Mar	299,551	280	230,934	77.10%	21,444	7.16%	34,398	11.48%	12,775	4.26%
Apr	283,685	276	223,901	78.93%	19,354	6.82%	32,348	11.40%	8,082	2.85%
May	284,235	258	208,300	73.29%	20,388	7.17%	42,411	14.92%	13,136	4.62%
Jun	259,315	266	199,019	76.75%	20,228	7.80%	30,006	11.57%	10,062	3.88%
Jul	249,085	327	203,230	81.59%	18,953	7.61%	14,708	5.90%	12,194	4.90%
Aug	249,205	433	218,382	87.63%	20,690	8.30%	823	0.33%	9,310	3.74%
Sep	227,116	452	201,402	88.67%	18,683	8.23%	1,228	0.54%	5,804	2.56%
Oct	229,211	375	199,793	87.17%	19,046	8.31%	740	0.32%	9,632	4.20%
Nov	247,249	370	218,145	88.23%	18,751	7.58%	695	0.28%	9,658	3.91%
Dec	262,046	341	231,459	88.32%	18,649	7.12%	2,937	1.12%	9,002	3.44%
Jan 2006	278,593	358	238,003	85.42%	19,917	7.15%	2,189	0.79%	18,485	6.64%
Feb	261,947	294	215,649	82.33%	18,257	6.97%	11,947	4.56%	16,094	6.14%
Mar	299,525	296	241,924	80.76%	21,714	7.25%	20,145	6.73%	15,742	5.26%
Apr	278,859	300**	220,645	79.12%	20,220	7.25%	17,893	6.42%	20,100	7.21%



* Class I and uniform prices are at Hillsborough County (Tampa), Florida; ** Estimated

Florida Marketing Area - Federal Order 6

Pool and Payment Dates For the Pooling Periods May through July 2006

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	First Partial Payment Due**		Second Partial Payment Due**		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
May 2006	06/11/06	06/12/06	06/13/06	05/19/06	05/22/06	06/05/06	06/05/06	06/13/06	06/14/06
Jun 2006	07/11/06	07/12/06	07/13/06	06/19/06	06/20/06	07/05/06	07/05/06	07/13/06	07/14/06
Jul 2006	08/11/06	08/14/06	08/15/06	07/19/06	07/20/06	08/04/06	08/07/06	08/15/06	08/16/06

**The base rate for making partial payments in Hillsborough Co., FL for May will be \$12.92 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$12.21 for nonmembers (85 percent of the preceding month's uniform price).

Producer Touch Base Requirements & Handler Diversion Limits

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Producer Touch Base Days	10	10	10	10	10	10	10	10	10	10	10	10
Diversion Percentage Limits	15%	15%	20%	20%	20%	20%	10%	10%	10%	10%	10%	15%

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MILK MARKET ADMINISTRATOR
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