2. Maximum Producer Ratio – This is the maximum amount
ratio cap calculations are reflected in the payment section.
the producer isn't paid for kgs over ratio, the details of the
the SNF ratio for the previous 13 months. It includes the
The graph at the bottom left side of the statement shows
Deposit for the previous month's milk shipments.
shipments, except where minimum transportation charges
over-production credits.
3. Over-Quota – Shows the number of kgs over the
are zero.
Section 4: Payment Information
There are three payment sections.
•  Projected production needed to fill the quota
•  Statement for August received in mid-September
•  Two estimates are provided, based on the most
•  The monthly within-butterfat yield multiplied by the
•  Production above available quota and credits is

2. SNF Ratio Cap – This section shows SNF
price for the current month. If the kgs of SNF are over the
•  Show the number of kgs over the monthly
•  The example includes incentive days as two were
- (3 incentive days multiplied by quota 68.12 kg
- (68.12 kg quota divided by a BF test of 3.73 kg/l
- (the extra litres for the month which would be
- Incentive Days daily quota x # of incentive days
- The gross average returns for the month
= the extra kg of BF available for the month)
- (3 incentive days multiplied by quota 68.12 kg
- production credits available (line m) can be converted to

3. Your Ratio - This figure indicates the ratio of your
average return per kilogram of butterfat, i.e. 3.73 ÷ 3.75 = $92.70 per kg of BF

Section 7: Milk Payment
Formula
daily quota x # of quota days
daily quota
- (3 incentive days multiplied by quota 68.12 kg
- the second based on the recent monthly butterfat test, and the
• Incentive Days do not apply every month. For the latest information, producers should contact
• The example includes incentive days as two were
- the deduction is subtracted from the final payment on the 15th in the exchange
- The payment on the 15th of the month (or the next business day if a weekend or holiday),
- The payment for the current month, is paid. This interim payment is for 90 per cent of the estimated value of
- 2 kg of BF of butterfat premium, protein and lactose-other-solids (lactose

E
each month, every milk producer licensed by Dairy Farmers of Ontario, receives a milk
statement, which shows their final payment, deductions and charges for the previous
month's milk shipments. Ontario milk producers are paid twice a month. On the first of the month, an interim
payment is made. This interim payment is for 90 per cent of the estimated value of
shipments made from the start to the 15th of the previous month. A prorated portion of
standard deductions and assignments is withheld from the interim payment. An
interim payment statement is only available electronically to a producer in the username and
password-protected area of the DFO website.
The payment on the 15th of the month (or the next business day if a weekend or holiday), is
for all milk shipments from the previous month, less the interim payment. The statement for
final payment is available electronically on the 15th. If paying for a quota purchase by
deductions, the statement for final payment on the 15th of the exchange
month (i.e. Aug. 15 for the Aug. 1 exchange) All
payments for milk shipments are by direct deposit.
Producers are paid for the components in their milk under a system of multiple-component pricing.
The three milk components are butterfat, protein, and lactose-other-solids (lactose
and minerals).
An explanation by section of the final milk statement follows.

3. Your Ratio - This figure indicates the ratio of your
within-quota SNF shipments in comparison to
within-quota butterfat shipments. The producer
maximum before zero payment is received is 2.35 to 1.
The fluctuating line shows the producer SNF ratio and the
straight line shows the producer target ratio.
Section 6: Information Area
This area contains information on the weighted average tests, production potential and average prices.
Production Potential
• Projected production needed to fill the quota for
• Statement for August received in mid-September
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The fluctuating line shows the producer SNF ratio and the
straight line shows the producer target ratio.
Section 1: Pickup Lists

• Milk in the bulk tank is measured in liters. The volume is recorded on the driver’s hand-held computer and on a Record of Milk Book at the milkhouse.

• The volumes of all milk picked up are multiplied by the pickup date.

• Food bank donations and volume corrections are shown as adjustments (Adj.) above the monthly volume total. For food bank donations, the volume is deducted from the first pickup or pickups in a month for the component yield calculation. Even though the donated litres are displayed at the end of the pickups column for the month on the statement.

• Component yield is calculated by multiplying the pickup column for the month on the statement.

• The order of utilization is monthly quota first, over-production credits and then over-production credits. If a producer had more than 10 OPCs on February 1, 2010 the maximum number of over-production credits (OPC) is 10. However, producers who had more than 10 OPCs on February 1, 2010 must complete their milk for the entire month by multiplying daily milk for the last pickup in the current month.

• Note: Quota utilization is administered monthly, with the exception of any quota credits utilized in the last month, to the last pickup in the current month.

Section 2: Components and Test Results Summary

The lower part of section 2 shows the volume, kg of components (per section 1 above) and shows the calculated SCC, measured in mg/l. In this example, (254 day) of butterfat doubled by the total of milk, 254(2,099.91) would be the weighted average of milk for the month of 3,756 kg of butterfat for every 254 kg of milk.

The test results on which the calculated SCC are based are usually determined by the same method used to calculate SCC, that is, a modified Fossomatic test of a milk sample collected in the milking area. The SCC result is multiplied by the SCC test for each pickup.

• Official Freezing Point Test - If a freezing point test result is greater than -0.507°C, a penalty will be charged. The test result is reported in °C.

• Protein - Protein is measured in g/l and reported as a percentage, e.g., 3.5%.

• Buttermilk - Buttermilk is measured in kg and reported as a percentage, e.g., 0.8%.

• Lactose/Other Solids - Lactose/Other Solids are measured in g/l and reported as a percentage, e.g., 4.7%.

• SCC - SCC is measured in mg/l and reported as a percentage, e.g., 1,000 mg/l.

• Test results above the regulatory standard, a summary of either Grade A, conditional Grade A, non-Grade A or unsanitary, from the most recent inspection is displayed.

• Inhibitors - All loads are tested for inhibitors, the message “Positive” will appear. If the result or results were negative, the message “Absent” will appear.

• Buttermilk - If a freezing point estimation is done for each composition test and the test result is over the regulatory standard, the test result will be multiplied by the SCC test for each pickup.

• The top part of section 3 shows the number of bacteria test results done by the laboratory for the month. SCC was calculated using exactly the same method used to calculate SCC, that is, a modified Fossomatic test of a milk sample collected in the milking area. The SCC result is multiplied by the SCC test for each pickup.

Section 3: Quota, Incentive and Credit Utilization and Status

Quota is allotted to producers in kilograms of milk. The weighted average SCC is calculated using the same method used to calculate SCC, that is, a modified Fossomatic test of a milk sample collected in the milking area. The SCC result is multiplied by the SCC test for each pickup. For incentive days, the weighted average of SCC for all pickups determined for those shipping milk for the entire month by multiplying daily quota by the number of days from the last pickup in the month to the last pickup in the current month.

• Note: You need to ship some milk in the last week of the month in order to keep your milk quota for the next month. If milk quota is not used during the current month, a penalty will be imposed on the next month.

• The maximum number of over-production credits (OPC) is 10. However, producers who had more than 10 OPCs on February 1, 2010 may have a higher maximum number of over-production credits.

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• Example:

  - Milk in the bulk tank is measured in liters. The volume is recorded on the driver’s hand-held computer and on a Record of Milk Book in the milkhouse.

  - The volumes of all milk picked up are multiplied by the pickup date.

  - Food bank donations and volume corrections are shown as adjustments (Adj.) above the monthly volume total. For food bank donations, the volume is deducted from the first pickup or pickups in a month for the component yield calculation. Even though the donated litres are displayed at the end of the pickups column for the month on the statement.

  - Component yield is calculated by multiplying the pickup column for the month on the statement.

  - The order of utilization is monthly quota first, over-production credits and then over-production credits. If a producer had more than 10 OPCs on February 1, 2010 the maximum number of over-production credits (OPC) is 10. However, producers who had more than 10 OPCs on February 1, 2010 must complete their milk for the entire month by multiplying daily milk for the last pickup in the current month.

  - Note: Quota utilization is administered monthly, with the exception of any quota credits utilized in the last month, to the last pickup in the current month.

  - Example:

  - Milk in the bulk tank is measured in liters. The volume is recorded on the driver’s hand-held computer and on a Record of Milk Book in the milkhouse.

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