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10-24-01 hr

Mideast Marketing Order Federal Order No. 33

October 23, 2001

Presented by
Carl D. Herbein, CPA

On behalf of:

Dean Dairy Products Company, Schneider's Dairy, Inc., Turner Dairy Farms, Inc.,
Marburger Farm Dairy, Inc., Fike's Dairy, Inc., United Dairy, Inc., Carl Colteryahn Dairy,
Inc., Superior Dairy, Goshen Dairy, Smith Dairy Products Company, and Reiter Dairy

HERBEIN + COMPANY, INC.
401 Oley Street
Reading, PA 19601
Phone: (610) 378-1175
Fax: (610) 378-0999
cdherbein@herbein.com
www.herbein.com



Analysis of Change in Producer Payment Dates in Federal Order Reform 1/1/2000

<u>Month-Yr</u>	<u>Total Pool</u>	<u>Total FO 33 Pounds</u>	<u>Dollar Amount Of Advance</u>	<u>Dollar Amount Of Final</u>
Sep-00	\$159,730,078	1,259,412,458	\$67,756,387	\$91,973,691
Oct-00	\$163,316,571	1,313,325,148	\$63,675,086	\$99,641,485
Nov-00	\$157,122,360	1,264,415,828	\$54,180,217	\$102,942,143
Dec-00	\$160,314,408	1,245,776,246	\$56,481,892	\$103,832,517
Jan-01	\$180,442,532	1,385,170,073	\$66,957,336	\$113,485,196
Feb-01	\$152,446,777	1,195,216,203	\$65,758,235	\$86,688,542
Mar-01	\$183,705,779	1,338,060,577	\$73,938,642	\$109,767,137
Apr-01	\$186,903,834	1,306,014,576	\$78,752,680	\$108,151,154
May-01	\$224,851,232	1,473,337,807	\$98,594,817	\$126,256,415
Jun-01	\$253,098,037	1,585,679,090	\$119,084,493	\$134,013,544
Jul-01	\$264,340,145	1,651,285,026	\$118,333,218	\$146,006,927
Aug-01	\$250,507,376	1,539,609,595	\$112,192,843	\$138,314,533
<u>AVERAGE</u>	<u>\$194,731,594</u>	<u>16,557,302,627 LBS</u>		

AVERAGE \$81,308,820 \$113,422,774

INTEREST RATE 7.0%

CHANGE IN ADVANCE PAYMENT FROM LAST DAY OF MONTH TO 26TH

# of Days Advance Payment Moved	4.4	
Days in Year	365	
Portion of Year	0.0121	
Interest Cost of 4.4 Days		0.0844%
Average Advance Payment		\$81,308,820
Annual Interest Cost-Change in Advance		<u>\$823,335</u>

CHANGE IN FINAL PAYMENT FROM 18TH TO 17TH

# of Days Final Payment Moved	1	
Days in Year	365	
Portion of Year	0.0027	
Interest Cost of 1 Day		0.0192%
Average Final Payment		\$113,422,774
Annual Interest Cost-Change in Final		<u>\$261,028</u>
Total Annual Interest Cost of Date Changes		<u><u>\$1,084,363</u></u>

Analysis of DFA Proposal for Increasing the Amount of the Advance Producer Payments

<u>Advance now paid at lowest class price</u>				<u>DFA</u>	<u>Dollar Amt</u>	<u>Total</u>	<u>Days in</u>	<u>15 Days</u>	<u>Dollar Amount</u>
<u>Month-Yr</u>	<u>Class 3</u>	<u>Class 4</u>	<u>Lower</u>	<u>Proposal</u>	<u>of Proposed</u>	<u>FO 33</u>	<u>Month</u>	<u>Milk Cwt</u>	<u>Higher Advance</u>
			<u>of 3 or 4</u>	<u>110%</u>	<u>Difference</u>	<u>Pounds</u>			<u>DFA Proposal</u>
Sep-00	\$ 10.76	\$ 11.94	\$ 10.76	\$ 11.836	\$ 1.076	1,259,412,458	30	6,297,062	\$6,775,638.71
Oct-00	10.02	11.81	10.02	11.022	1.002	1,313,325,148	31	6,354,799	\$6,367,508.60
Nov-00	8.57	13.00	8.57	9.427	0.857	1,264,415,828	30	6,322,079	\$5,418,021.70
Dec-00	9.37	13.27	9.37	10.307	0.937	1,245,776,246	31	6,027,950	\$5,648,189.15
Jan-01	9.99	12.13	9.99	10.989	0.999	1,385,170,073	31	6,702,436	\$6,695,733.56
Feb-01	10.27	12.70	10.27	11.297	1.027	1,195,216,203	28	6,402,944	\$6,575,823.49
Mar-01	11.42	13.46	11.42	12.562	1.142	1,338,060,577	31	6,474,487	\$7,393,864.15
Apr-01	12.06	14.41	12.06	13.266	1.206	1,306,014,576	30	6,530,073	\$7,875,268.04
May-01	13.83	15.04	13.83	15.213	1.383	1,473,337,807	31	7,129,054	\$9,859,481.68
Jun-01	15.02	15.33	15.02	16.522	1.502	1,585,679,090	30	7,928,395	\$11,908,449.29
Jul-01	15.46	14.81	14.81	16.291	1.481	1,651,285,026	31	7,990,089	\$11,833,321.81
Aug-01	15.55	15.06	15.06	16.566	1.506	1,539,609,595	31	7,449,724	\$11,219,284.34
						TOTAL	16,557,302,627	LBS	
							165,573,026	CWT	
						AVERAGE	\$	1.177	
								AVERAGE	\$8,130,882.04

Interest Rate	7.0%
# of Days Partial to Final	21.5
Days in Year	365
Portion of Year	0.05890411
Interest Cost of 21.5 Days	0.41%
Higher Advance	\$8,130,882.04
Annual Interest Cost	\$402,311.59

<u>Month-Yr</u>	<u>Total FO 33 Pounds of Milk</u>	<u>Producer Milk Not Historically Associated With FO 33</u>	<u>Percent Producer Milk Not Historically Associated With FO 33</u>	<u>Traditional Producer Milk Pounds of Milk (000)</u>	<u>Producer Settlement Fund</u>	<u>Actual Producer Price Differential</u>	<u>PPD Excluding Non-Traditional Producer Milk</u>	<u>Money from Pool Paid for Non-Traditional Producer Milk</u>	<u>PPD Lost By FO 33 Producers Non-Traditional Producer Milk</u>
January-01	1,385,170,073	303,675,153	21.9%	1,081,494,920	\$ 35,321,837	\$ 2.55	\$ 3.27	\$ 7,743,716	\$ 0.72
February-01	1,195,216,203	296,039,770	24.8%	899,176,433	\$ 24,023,845	\$ 2.01	\$ 2.67	\$ 5,950,399	\$ 0.66
March-01	1,338,060,577	338,286,090	25.3%	999,774,487	\$ 24,352,703	\$ 1.82	\$ 2.44	\$ 6,156,807	\$ 0.62
April-01	1,306,014,576	346,200,323	26.5%	959,814,253	\$ 24,553,075	\$ 1.88	\$ 2.56	\$ 6,508,566	\$ 0.68
May-01	1,473,337,807	444,141,206	30.1%	1,029,196,601	\$ 19,006,057	\$ 1.29	\$ 1.85	\$ 5,729,422	\$ 0.56
June-01	1,585,679,090	480,467,877	30.3%	1,105,211,213	\$ 15,063,951	\$ 0.95	\$ 1.36	\$ 4,564,445	\$ 0.41
July-01	1,651,285,026	465,892,690	28.2%	1,185,392,336	\$ 12,880,024	\$ 0.78	\$ 1.09	\$ 3,633,963	\$ 0.31
August-01	1,539,609,595	432,182,583	28.1%	1,107,427,012	\$ 15,242,134	\$ 0.99	\$ 1.38	\$ 4,278,608	\$ 0.39
	11,474,372,947	3,106,885,692	27.1%	8,367,487,255	\$ 170,443,626	\$ 1.49	\$ 2.04	\$ 44,565,926	\$ 0.55