

Zionsville Community Schools

Board of School Trustees Meeting “Item for Consideration”

New Business Item 6e • Date: October 5, 2026

Renewal of CIMA as bulk natural gas supplier

Category:

☐ Human Resources, Personnel/Staffing	☐ Curriculum, Instruction, Assessment	
☒ Finance, Budgeting, Accounting	☐ Student Services	☐ Board Policy
☐ Facilities, Transportation, Nutrition	☐ Community Relations	☐ Other

Type of Board of Trustees Consideration Sought:

Action	☒
Discussion	☐
Report	☐

Facts of this Matter:

Zionsville Community Schools has purchased natural gas from a bulk supplier since 1999. During that time we have seen the positive benefits of this approach to meeting our natural gas needs and reaped large cost savings as a result. Essentially, this means that we are buying gas at wholesale rates for our eligible buildings rather than pay retail. In 2018, ZCS moved to CIMA Energy, Ltd. maintaining annual review of pricing and price locks when identified as advantageous to ZCS and our budget. Natural gas is our second largest utility expense, approximately 18% of our overall Utility Budget, and can be volatile in pricing depending on world and weather events. Working with CIMA Energy, Ltd, has allowed us to mitigate the overall ebb and flow of market pricing to stabilize one of our larger utility expenditures. Renewing at \$3.53 per MMBtu for December 2026 through November 2027 will allow us to secure pricing that is highly favorable and sits comfortably below the average market expectations for the next 12 months. This price lock reflects a savings of \$0.699 per MMBtu, or an estimated \$48,900 on our contracted volume. In addition, we have negotiated the basis fee down from \$0.27 to \$0.08, saving an additional projected \$5600 for a total savings of \$54,500.

Objective POSITIVES related to this item or approach:

Taking action now allows staff to purchase natural gas at the lowest possible rate over the coming winter months and beyond.

Objective NEGATIVES related to this item or approach:

None identified.

Financial Implications, if any:

Natural gas expenditures are a part of our Operations Fund. For 2027, this fund is expected to experience a loss of approximately \$2,956,200 in lost revenue due to property tax caps and the supplemental homeowners credit. The savings projected from this renewal, and others like it, are paramount to the sustainability of our Operations expenditures in 2027 and beyond.

Opinion/Recommendation:

Approval.

Suggested Wording for a Motion, if any:

I move to authorize the Leadership Team to approve the natural gas renewal with CIMA Energy Lt. as presented.