



Wednesday, June 17, 2026

Town of Lapel  
 PO Box Po Box 999  
 Lapel, IN 46051

Dear Town and Council Members,

Enclosed are the renewal proposals for the Town’s insurance including the package policy, excess liability (umbrella), and worker’s compensation. We have also included a proposal for cyber liability coverage.

The renewal will see an overall increase due to rates/claims, added auto and equipment items, and a spike in the town’s work comp modification factor from a large loss that closed in 2025. Below is a summary of premiums and comparisons to last year.

	<i>Policy Term</i>		<i>% change</i>
	<i>25-26 Current</i>	<i>26-27 Renewal</i>	
Commercial Package Policy including Auto	\$ 51,702	\$ 64,228	24%
Excess Liability	\$ 3,237	\$ 4,064	26%
Work Comp	\$ 18,026	\$ 21,782	21%
<b>TOTAL Renewal/Policy</b>	<b>\$ 72,965</b>	<b>\$ 90,074</b>	<b>23%</b>
 New for 2026 Cyber Liability --		<b>\$ 4,177</b>	
<b>TOTAL all policies</b>		<b>\$ 94,251</b>	

Also enclosed is a proposal for cyber liability coverage. The annual premium for that policy is \$4,177/yr. It provides up to \$1million in cyber coverage with no deductible. If the town chose a \$2,500 deductible, then the premium would be \$399 less or \$3,777/yr.

Please see attached pages for further details on policy and premium impacts.

We are seeking the Town’s approval to notify insurance carriers to process renewals, submit the cyber liability policy, and for premium payment in full. We are extremely thankful and proud to be able to service the town’s insurance. Thank you for the opportunity.

Sincerely,  
 Sean Connolly  
 765-534-3154  
[sean@myersagency.com](mailto:sean@myersagency.com)



## Highlights of policy and premium impacts

### Commercial Package Policy including Auto

- Overall, rates are catching up after relatively flat rates for several years. You have likely seen this in your personal insurance over the past 2 years where rates have been more volatile.
- Total property coverage limit decreased \$478,391 with the removal of the old town hall and updates to the new town hall. The building type was changed from bank to town hall.
- Equipment coverage increased \$118,859 with new John Deere equipment items
- Town expenditures experienced a small increase of \$15,992 over last year
- Auto coverage increased by 3 units and total auto actual cash value physical damage limit is up \$202,958 with various vehicle changes
- The policy will reduce ~\$1,162/yr when the gas company sale is complete
- During the '25-'26 period, insurance has paid out \$175,384 in losses covering the town. This is also influencing rates. Loss history detail attached.

<b>Coverage Line</b>	<b>Losses Paid</b>	<b>Claims Still Open</b>
Auto Liability	\$ 65,609	3
Auto Physical Damage	\$ 46,127	0
Employment Practices Liability	\$ 15,000	1
General Liability	\$ -	0
Law Enforcement Liability	\$ 15,000	3
Commercial Property	\$ -	0
Work Comp	\$ 33,649	0
<b>TOTAL Losses Paid '25-'26</b>	<b>\$ 175,385</b>	<b>7</b>

### Excess Liability

- 26% increase due to rates changes and small increase in town expenditures

### Work Comp IPEP

- 21% increase due to work comp modification factor (1.38) spiking due to Nikoloff leg injury loss. \$30,406 was paid out for this loss and it closed 1/29/25. There are other losses but they have resulted in low payouts.
  - Work comp mod factor is a discount or surcharge that is tracked by the state and applied to the policy based on losses. It is based on a trailing 3 year loss history. This renewal the factor is 1.38; last renewal 0.90. This factor should taper down quickly with future renewals and no large losses.

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- IPEP is trying to temper the increase and has applied a 20% credit on the account
- IPEP recognized a spot year with losses but good otherwise. They see that town as making strides to minimize losses.
- Loss history detail attached.

