



Recordkeeper Transition: What We Heard and What's Next

MARNE DAGGETT | MERS Regional Relationship Manager

KARIMA LAJOIE | MERS Plan Services Manager



AGENDA

- Transition Recap
- Listening After Launch
- The Participant Experience
- The Big Picture
- Key Takeaways

Transition Recap



MISSION

To support a secure retirement for those who serve Michigan communities.

QUALITY

VALUE

FIDUCIARY

Retirement Readiness

Across Defined Contribution, 457, HCSP, & IRA Programs



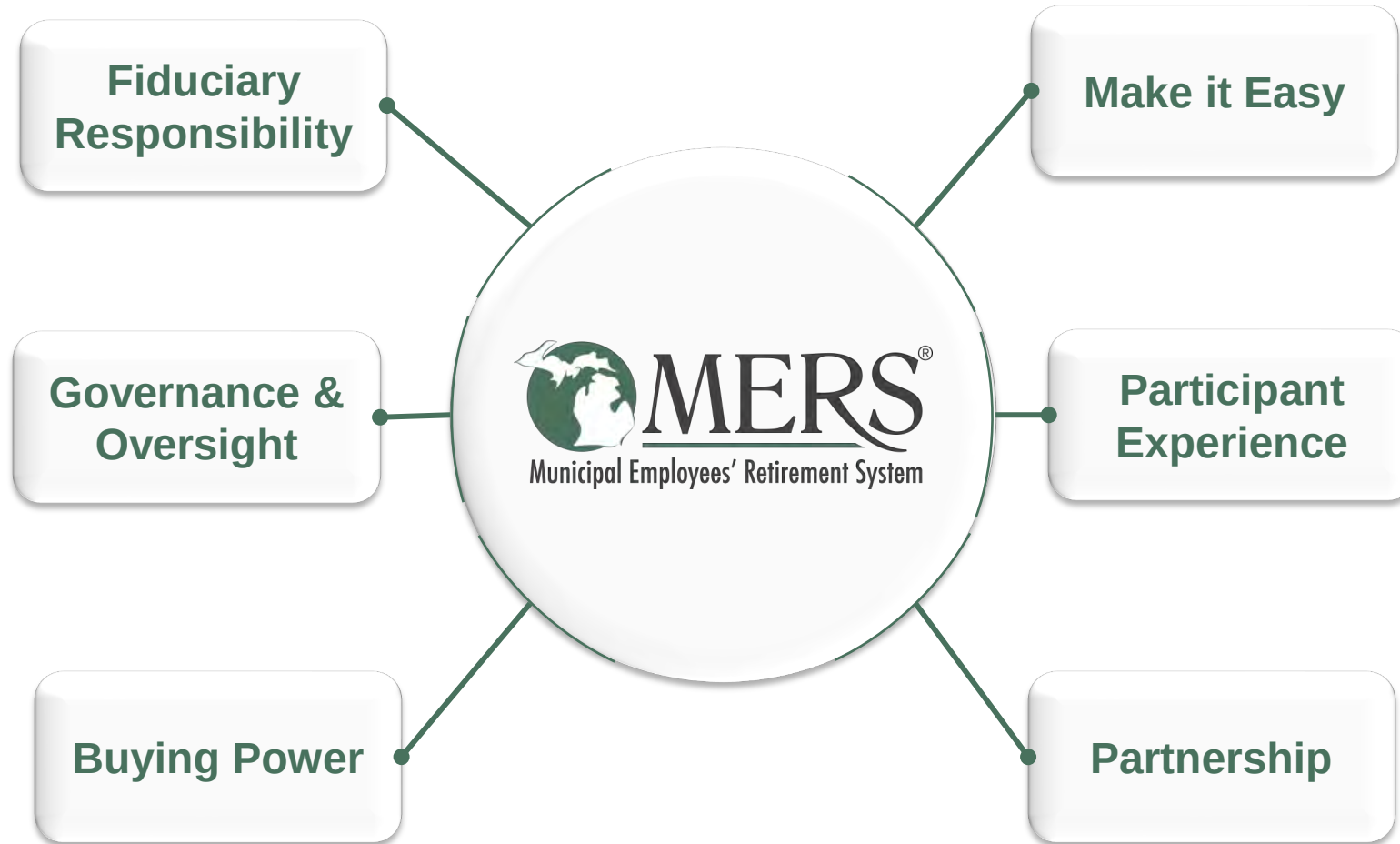
What is a Recordkeeper?

A recordkeeper manages the day-to-day operations of your retirement plans:

- Automates complex tasks
- Provides you with dashboards and reports
- Offers online access for your employees



Value of MERS



Due Diligence



Plan Analysis



Vendor
Meetings



RFP



Stakeholder
Interviews



Callan Committee
Review



Finalist
Interviews



Selection and
Contacting



Announcement



Implementation

Why MERS is Partnering with Empower



Empower has a proven track record with large **state-wide governmental** plans, such as MERS.

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By leveraging MERS' size and scale, we are able to secure the **best possible cost** for our members, while ensuring employers and participants will continue to receive **high-quality service**.

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They provide **robust security and risk management** infrastructure, supported by strong procedures, governance, and capabilities.

By the Numbers

6

impacted plans

IRA

457 Program

Defined Contribution Plan

Health Care Savings Program

Retiree Health Funding Vehicle

Investment Services Program

800+

employers enrolled

\$5B+

in assets

1,530

payroll configurations

85,814

participants

Employer Outreach

- Communications began in March 2025
- Unique payroll systems at each employer meant multiple forms of payroll reporting methods and resources would be needed

— Reporting Payroll

Based on your municipality's size, you'll be assigned a reporting option that best supports accurate and efficient payroll processing. The available payroll submission methods are:

- **Guided Payroll Process (GPP)**, which is used for smaller plans that allows for manual entry of payroll and demographic information.
[+ View GPP resources](#)
- **Payroll Data Interchange (PDI)**, which is used for mid to larger plans that utilize a predefined template to upload payroll and participant demographic information.
[+ View PDI resources](#)
- **Payroll Bridge (PB)**, which is used for larger plans utilizing a payroll provider that has an automated connection to Empower.
[+ View PB resources](#)
- **BS&A PDI**, which is used for mid to larger plans that have BS&A as their payroll provider and utilize the automated connection to Empower.
[+ View BS&A \(PDI only\) resources](#)



Better Together

Listening After Launch



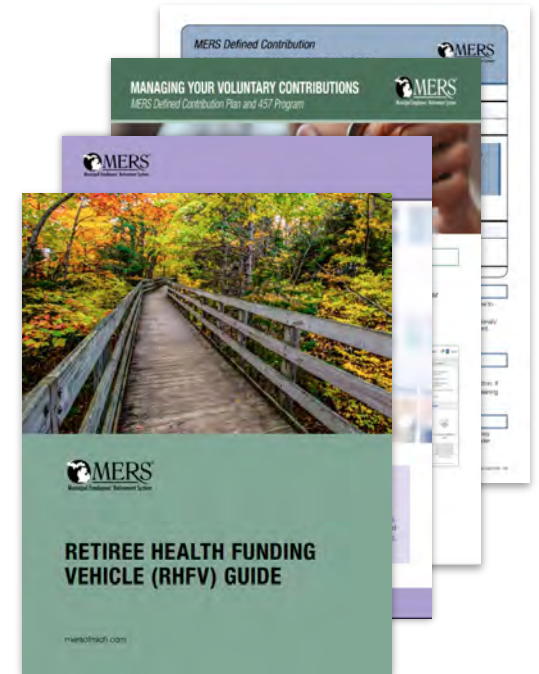
Post-Transition Support



Webinars

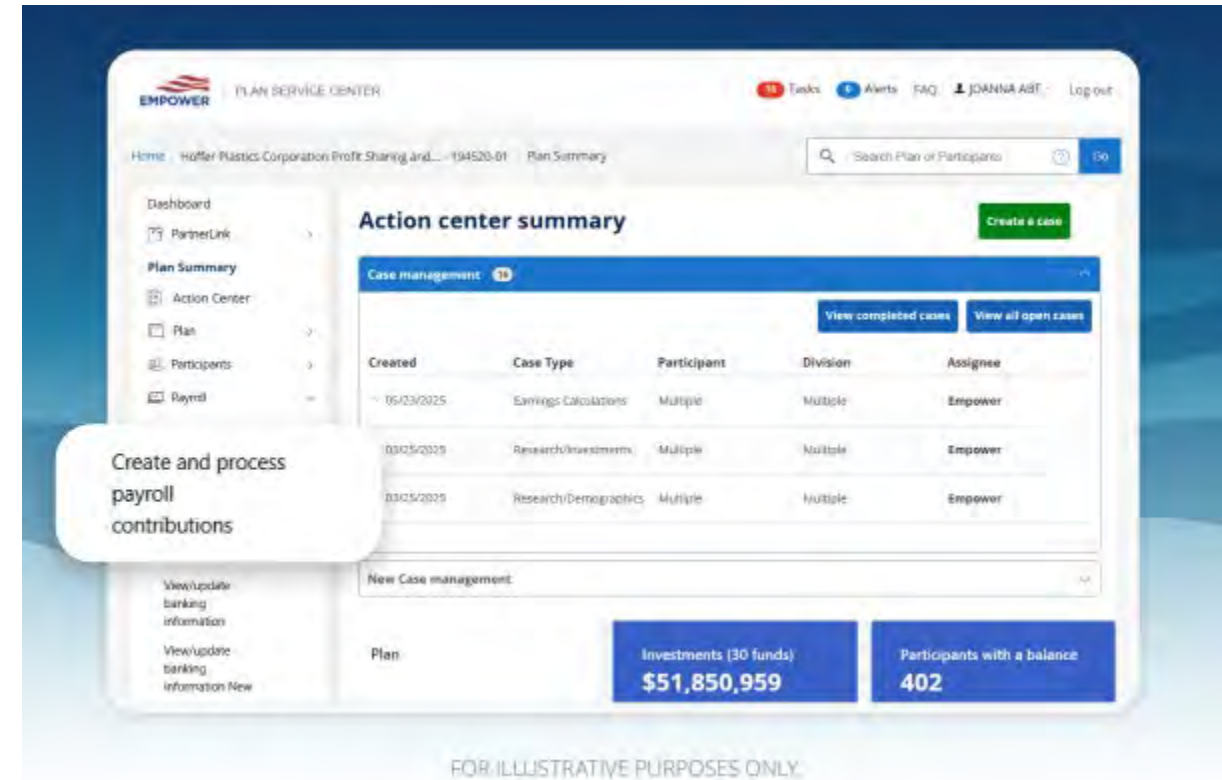


DC Reporting Bootcamps



New Resources

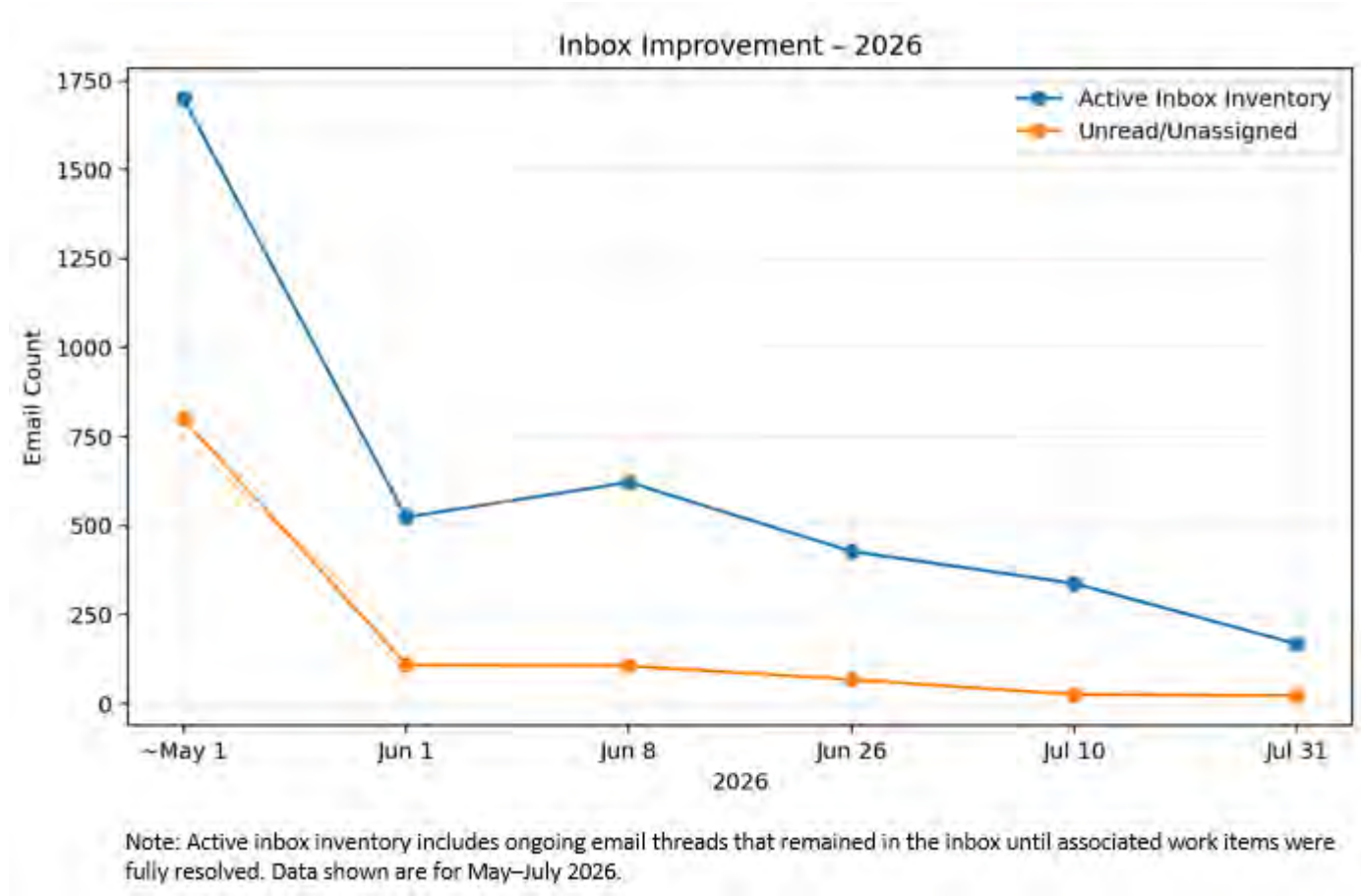
Coming in 2027!



File upload functionality for those using the Guided Payroll Process (GPP) – manual entry

Operational Improvements

- Faster response times
- More accurate answers the first time
- Improved escalation processes
- Better communication during delays
- Root-cause analysis
- Measurement and accountability



Accessing Data & Information

- 100+ standard reports available on demand
- Build your own reports
- More choice can also mean more complexity
- We're here to help!

Quick Tips



Favorite frequently used reports



Schedule reports



Consult the reports catalog

Accessing Data & Information

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NEW

Monthly, Quarterly, & Annual
Employer Statements

Quick Tips



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The Participant Experience

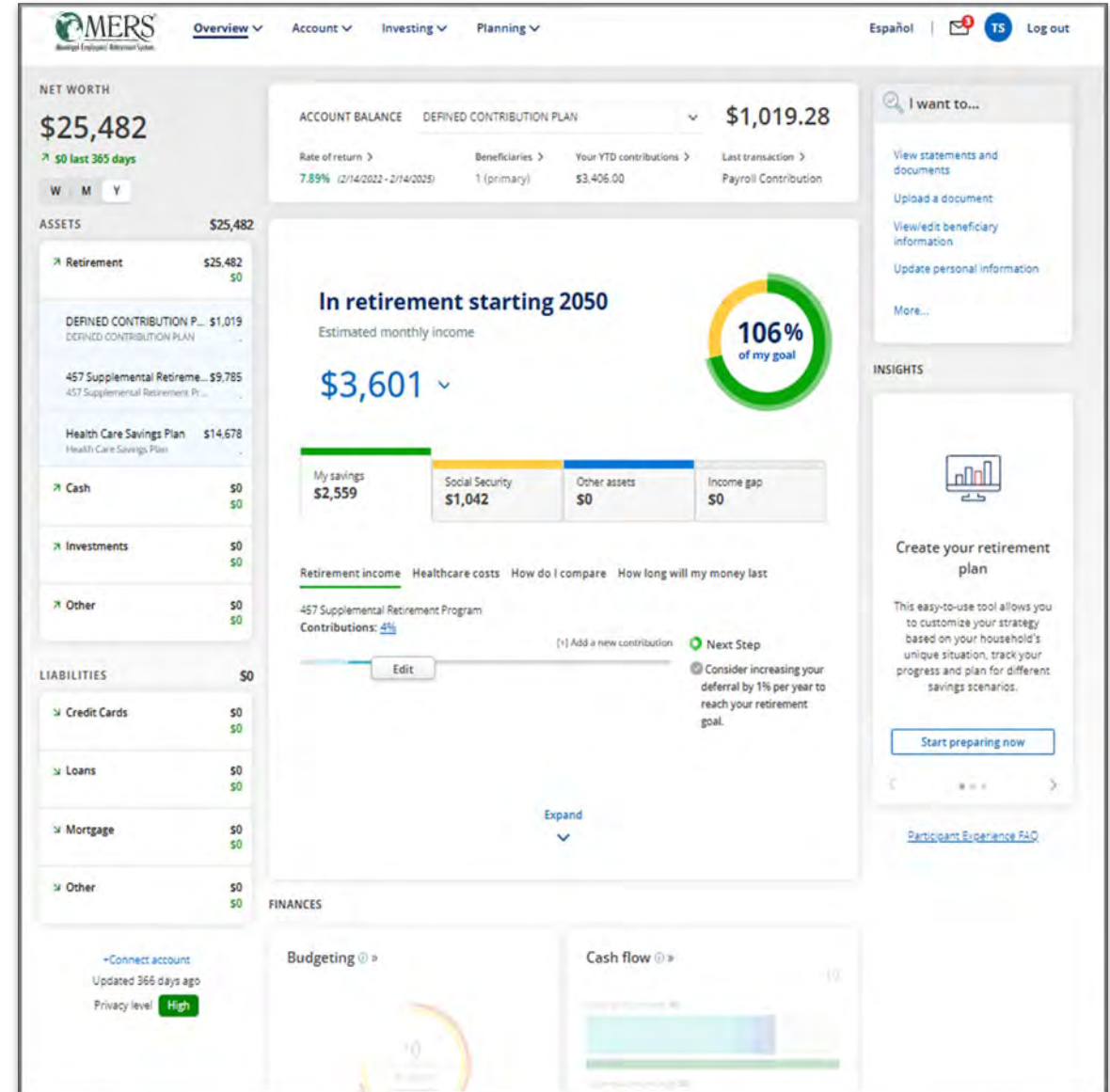


Participant Activity

31,343

participants created
an online account

Source: MERS data as of 6/30/2026



Why We Encourage Online Registration



Protection

- Establish control of their account
- Monitor for unusual activity



Engagement

- Easy access anytime
- Review savings, track progress, and take action
- Tools and resources to help make informed decisions

Protection: Security Guarantee

- MERS and Empower are committed to **protecting** participant data.
- Empower will **restore account losses** that occur through no fault of the participant.
- No eligibility requirements or registration needed.



Engagement: Opportunity for Education

Enrollment

After-tax Custom Enrollment

Select the contribution to be automatically deducted from your paycheck.

☒ Select another contribution rate

MY AFTER-TAX CONTRIBUTION ⓘ

0

Percent

Dollar

0

Back

Continue

Notice regarding after-tax contributions



This amount would be over and above the mandatory before-tax contributions that your employer is already withholding from your paycheck. There may be tax advantages to contributing to the after-tax plan instead. We encourage you to discuss both options with a qualified tax advisor before continuing.

By clicking "Confirm & Continue," you acknowledge that you understand that you are choosing to make voluntary after-tax contributions to your Defined Contribution Plan.

Cancel

Confirm & Continue


Municipal Employees' Retirement System

25

Did You Know?

Participant digital usage data

As of August 2026 month-end

The underlying data structure for these visuals were enhanced in July 2024 and February 2025. You may notice differences in the analytics and trending because of this change. The enhanced data structure has been optimized and captures additional behavior which may result in differences in utilization totals previously reported.

Total utilization



Utilization over time

Website utilization

Distinct website logins
37.00

Total website logins
114.0

Average website logins per individual
3.1

Mobile app utilization

Distinct mobile app logins
22

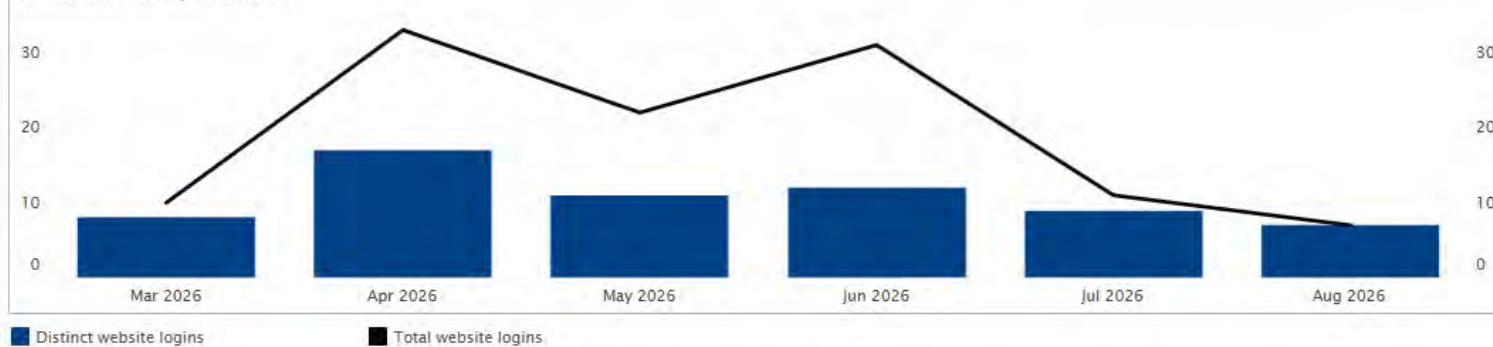
Total mobile app logins
298

Average mobile app logins per individual
13.5

Display KPI data for

- ☐ latest month end
- ☒ rolling 12 months
- ☐ latest 3 months
- ☐ latest 3 quarters

Website utilization by month-end



View summary of how many of your participants have created an account

Participant Service



Participant calls
answered

18,619



Average speed
to answer

56 seconds



Average
satisfaction of

4.46 out of 5

Driving Meaningful Retirement Outcomes

Through targeted communications



Dynamic content
based on individual's
situation and actions

*No prescheduled
calendars*



**Synchronized
communications**
across email, mail,
web, mobile, calls

*Not a single
email push*



Unique messaging
based on
demographic and
intended action

*Beyond superficial
personalization*



**Simplified
wording** with
research-inspired
language and design

*No industry
jargon*



Clear action with a
single-click guide to
the next step

*No content
without action*

Our retirement consultants are at your service

Am I on track for my retirement goals?

How much should I save for retirement?

Which investments are right for me?



The Big Picture



Retirement Planning is like a Garden



**Start with the
right soil.**

Plan design is a key
factor in retirement
outcomes.

Retirement Planning is like a Garden



Start with the right soil.

Plan design is a key factor in retirement outcomes.



Water the plant.

Automatic plan features help participants start and continue saving.

Retirement Planning is like a Garden



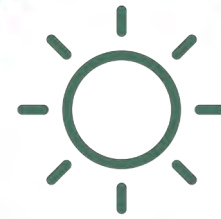
Start with the right soil.

Plan design is a key factor in retirement outcomes.



Water the plant.

Automatic plan features help participants start and continue saving.



Give the plant sunshine.

Advice helps guide participants toward their retirement goals.

Retirement Planning is like a Garden



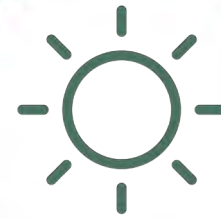
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Plan design is a key factor in retirement outcomes.



Water the plant.

Automatic plan features help participants start and continue saving.



Give the plant sunshine.

Advice helps guide participants toward their retirement goals.



Remove the weeds.

Financial pressures can become barriers to retirement saving.

Retirement Planning is like a Garden



3

Give the plant
sunshine

2

Water the plant

4

Remove the weeds

1

Start with the
right soil

Key Takeaways



Key Takeaways

- ☑ This was a **large** and **complex** transition.
- ☑ We **listened** carefully to employer and participant feedback and truly value the feedback.
- ☑ Many **improvements** have already been implemented.
- ☑ Additional **enhancements** remain underway.
- ☑ MERS and Empower are **committed** to a long-term partnership focused on creating the right climate to improve retirement readiness.

MERS of Michigan

1134 Municipal Way
Lansing, MI 48917

800.767.6377

mersofmich.com



This publication contains a summary description of MERS' benefits, policies or procedures. MERS has endeavored to ensure that the information provided is accurate and up to date. Where the publication conflicts with the relevant Plan Document, the Plan Document controls.

