

Recommended Broker/Dealers List for 2025-2026

A broker is an individual, investment bank, investment firm, or commercial bank that finds a willing buyer and a willing seller and then executes transactions with each. A dealer is an individual, investment bank, investment firm, or commercial bank that purchases or sells securities for purchase or sale to other investors. All broker/dealer firms are required to register with the Securities and Exchange Commission (SEC) and join a self-regulatory organization such as the National Association of Securities Dealers (NASD) or the New York Stock Exchange (NYSE).

Primary brokerage firms are banks and securities investment firms that are pre-approved to trade in U.S. Government securities with the Federal Reserve System. In order to trade with the Federal Reserve these firms are monitored by the Federal Reserve and must meet the highest capital standards. All government securities are initially sold exclusively to these firms, who in turn resale to other investment firms or individual investors.

There is a second tier of brokerage firms. These firms are not monitored by the Federal Reserve and are typically called *national* or *regional* brokerage firms. These firms must be registered with the Securities and Exchange Commission. Many do business worldwide, but primarily nationally by regions within the United States.

The last broker/dealer firm is the independent. An independent is usually acting only as a broker mediating transaction between the primary and regional firms and willing buyers. Independent brokers in Texas must be registered with the Texas State Securities Board.

In compliance with Texas *Government Code 2256.025*, Board Policy CDA (Legal) states, "The Board or a designated investment committee, shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the District." It is recommended the following investment broker/dealer firms be adopted as the approved list for the district:

Specific Brokerage Firms:

Hilltop Securities Inc.
Simmons Bank

ADOPTED October 27, 2025



Todd Grimes
President of the Board of Trustees

ATTEST:



Robby Teague
Secretary of the Board of Trustees