From: pdwyer@thebankofelkriver.com
To: Director - FASB
Subject: Comments on No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities" Exposure Draft
Date: Thursday, September 23, 2010 8:33:14 AM

Patrick Dwyer
630 Main St
Elk River, MN 55330-1503

September 23, 2010

Russell Golden
Technical Director, Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Dear Mr. Golden:

Dear Mr. Golden:

I am the president of a $400 million community bank in suburban Minneapolis. As part of our community focus we make direct purchases of Citiy of Elk River debt for things like fire trucks. There is no market for these obligations. How can they possibly be valued?

The underlying thought behind "mark to market" is totally flawed. Earnings booked because of paper entries are a sham and will be easily manipulated by Wall Street. True earnings come from making something or providing a service, not from making guesses about the value of assets.

Who will ever make a long term loan to a small business when it might have to be booked at 50% of face value (even though it is performing and highly rated) just because of a shift in interest rates?

Huge interest rate shift are becoming common. This will skew our earnings and not provide a true financial picture to our stockholders.

I beg you to drive a stake through the heart of this VERY BAD IDEA!

Patrick Dwyer
President
The Bank of Elk River
630 Main St.
Elk River, MN 55330

Sincerely,

Patrick Dwyer
763-241-8528