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Children's Health Care
Officer's Certificate
Pursuant to Section 4(a)(iii) of
Continuing Disclosure Agreement

I, Jerry Massmann, the Chief Financial Officer of the Corporation, hereby certify:

1. That attached is information for fiscal year 2007 of the type contained in the Official Statement dated November 1, 2007 and described in Exhibit B to the Continuing Disclosure Agreement.
2. That, based on the reliability of information obtained from governmental or other third party sources, the attached information is accurate and complete in all material respects to the best of my knowledge.

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Jerry Massmann Date: 6/2/08
Jerry Massmann
Chief Financial Officer

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Table 1

**CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Case Mix by Pediatric Service Line**

Pediatric Service Line	2007	
	Admits	% of Total
Anesthesiology	45	0.32%
Cardiology	331	2.36%
Critical Care	837	5.96%
Emergency Medicine	5	0.04%
Endocrinology	247	1.76%
ENT/Otolaryngology	286	2.04%
Gastroenterology	155	1.10%
General Medicine	84	0.60%
General Surgery	906	6.45%
Hematology/Oncology	1,091	7.77%
Infectious Disease	175	1.25%
Neonatology	1,833	13.06%
Nephrology	1	0.01%
Neurology	453	3.23%
Other Subspecialties	209	1.49%
Pediatric	6,472	46.10%
Subspecialty Surgery	503	3.58%
Urology	405	2.89%
Total	14,038	100.00%

Table 2

**CHILDREN'S HOSPITALS AND CLINICS
Net Change in Admitting Physicians**

	<u>2005</u>	<u>2006</u>	<u>2007</u>
Beginning of year	1,305	1,259	1,234
Net change	<u>(46)</u>	<u>(25)</u>	<u>5</u>
End of Year	1,259	1,234	1,239

Source: Children's internal records

Table 3

CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Employee Collective Bargaining Agreements

<u>Occupation</u>	<u>Number of Employees at 12/31/07</u>	<u>Union or Association</u>	<u>Contracts Expiration Dates at 12/31/07</u>
Registered Nurses	1,619	Minnesota Nurses Assoc.	6/1/2010
Service Workers	279	Service Employees International Union (SEIU)	2/28/2009
Other	<u>16</u>	Local No. 113, Local No. 653, and Local No. 70	Various
Total Contract Employees	1,914		

Source: Children's internal records.

Table 4

CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Acute Pediatric Service Line: Inpatient Discharges Volume and Market Share
(excludes chemical dependency, psychiatry, neonates, and newborns)
By Metropolitan* Hospital System - All Patient Origins (Ages 0-14)

Hospital	2004		2005		2006		2007	
Children's System	10,150	53.4%	10,313	52.4%	9,942	52.2%	10,713	53.8%
Fairview System	3,006	15.8%	3,242	16.5%	3,277	17.2%	3,527	17.7%
Allina System	1,160	6.1%	1,321	6.7%	1,331	7.0%	1,205	6.0%
Gillette	1,190	6.2%	1,346	6.8%	1,299	6.8%	1,322	6.6%
Hennepin County	1,262	6.6%	1,217	6.2%	1,144	6.1%	1,128	5.7%
North Memorial	720	3.8%	674	3.4%	617	3.2%	625	3.1%
Ridgeview	544	2.8%	575	2.9%	498	2.6%	486	2.4%
Methodist	479	2.5%	503	2.6%	423	2.2%	421	3.1%
HealthEast System	240	1.3%	214	1.1%	232	1.2%	204	1.0%
Regions	177	0.9%	167	0.8%	178	0.9%	198	1.0%
Lakeview	67	0.4%	69	0.4%	85	0.5%	78	0.4%
Regina	30	0.2%	40	0.2%	20	0.1%	14	0.1%
Metropolitan Hospital Total	19,025	100.0%	19,681	100.0%	19,046	100.0%	19,921	100.0%

*Metropolitan Hospital Systems are defined by the Minnesota Hospital Association (MHA) as Region 4 (7-County Metro) Reporting Hospitals, Region 4 Counties include: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties

Source: MHA Region 4 Hospitals (7-County Metro Hospitals) Standard Market Share Report, Ages 0-14

Table 5

**CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Neonatology Service Line: Number of Patient Days and Market Share
By Metropolitan* Hospital System - All Patient Origins (Ages 0-14)**

Hospital	2004		2005		2006		2007	
Children's System	33,048	34.4%	31,382	32.9%	32,276	32.0%	31,437	31.5%
Fairview System	18,386	19.1%	16,846	17.7%	19,950	19.7%	18,865	18.9%
Allina System	17,887	18.6%	18,353	19.2%	20,229	20.0%	21,821	21.9%
Gillette	5	0.0%	6	0.0%	5	0.0%	1	0.0%
Hennepin County	8,028	8.4%	8,128	8.5%	8,891	8.8%	7,779	7.8%
North Memorial	6,432	6.7%	8,451	8.9%	7,250	7.2%	7,644	7.7%
Ridgeview	1,020	1.1%	766	0.8%	772	0.8%	728	0.7%
Methodist	3,487	3.6%	3,555	3.7%	4,083	4.0%	4,623	4.6%
HealthEast System	4,570	4.8%	4,383	4.6%	4,230	4.2%	3,881	3.9%
Regions	2,645	2.8%	2,837	3.0%	2,714	2.7%	2,354	2.4%
Lakeview	418	0.4%	506	0.5%	384	0.4%	408	0.4%
Regina	84	0.1%	149	0.2%	204	0.2%	254	0.3%
Metropolitan Hospital Total	96,010	100.0%	95,362	100.0%	100,988	100.0%	99,815	100.0%

*Metropolitan Hospital Systems are defined by the Minnesota Hospital Association (MHA) as Region 4 (7-County Metro) Reporting Hospitals, Region 4 Counties include: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties

Note: The neonatology service line is defined by MHA as DRG's: 385-390, which includes neonates hospitalized in all levels of NICU's (excludes normal newborns).

Source: MHA Region 4 Hospitals (7-County Metro Hospitals) Standard Market Share Report, Ages 0-14

Table 6

CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Number of Staffed and Licensed Beds

<u>Licensed</u>	<u>Minneapolis</u>	<u>St. Paul</u>	<u>Total</u>
Regular Beds	153	116	269
Leased Beds	0	10	10
Bassinets	<u>74</u>	<u>57</u>	<u>131</u>
Total	227	183	410
Staffed Beds	199	133	332

Table 7

CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Discharges and Patient Days
(All discharges including acute pediatrics, chemical dependency, psychiatry, newborns and neonates)

For the Year Ended December 31,

Admissions

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Perinatal Services	1,756	1,581	1,707	1,864
Intensive Care Services	1,859	1,942	1,734	1,738
Medical and Surgical Services	9,861	9,891	9,670	10,431
Total	13,476	13,414	13,111	14,033

Patient Days

Perinatal Services	36,671	37,890	37,292	38,454
Intensive Care Services	7,695	7,764	9,478	9,970
Medical and Surgical Services	38,155	40,151	39,039	41,028
Total	82,521	85,805	85,809	89,452

Table 8

**CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Volume of Certain Outpatient Services**

	<u>For the Year Ended December 31,</u>			
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Outpatient Surgical Cases	14,243	14,953	15,607	15,488
Emergency Department Visits	67,818	73,360	76,737	83,256
Clinic Visits	<u>107,225</u>	<u>117,303</u>	<u>119,111</u>	<u>121,124</u>
Total	189,286	205,616	211,455	219,868

Source: Children's internal records.

Table 9

**CHILDREN'S HOSPITALS AND CLINICS OF MINNESOTA
Percent of Revenue by Payer**

	<u>Year Ended December 31,</u>			
	2004	2005	2006	2007
Medicaid	22.0%	16.4%	16.8%	17.9%
Medicaid Managed Care	12.5%	19.5%	19.9%	20.7%
HMO/PPO	61.0%	60.7%	59.3%	58.4%
Commercial Insurance and Other Payers	3.2%	2.4%	2.6%	1.7%
Self-Pay	1.3%	1.0%	1.4%	1.3%
TOTAL	100.0%	100.0%	100.0%	100%

Source: Children's internal records.

Capitalization Table

	December 31, 2006	December 31, 2007
	<u>(\$000)</u>	<u>(\$000)</u>
Series 1995B Bonds	\$24,000	\$23,200
Series 1998A Bonds	9,175	7,490
Series 2004A Bonds	49,950	48,900
Series 2004B Bonds	47,600	46,100
Series 2007A Bonds	--	<u>103,000</u>
Total debt	130,725	228,690
Unrestricted net assets	<u>334,960</u>	374,310
Total debt and unrestricted net assets	<u>\$465,685</u>	<u>\$603,000</u>
Ratio of debt to total capitalization	28.1%	37.9%

CHILDREN'S HOSPITAL AND CLINICS OF MINNESOTA
Consolidated*
Summary of Revenues and Expenses and
Other Changes in Unrestricted Net Assets (\$000)

	<u>2006</u>	<u>2007</u>
Revenue		
Net Patient Service Revenue	\$436,835	\$500,086
Other	22,437	20,101
Foundation Transfers	<u>7,512</u>	<u>6,539</u>
Total Revenue	<u>466,784</u>	<u>526,726</u>
Expenses		
Salaries, Benefits and Other	426,628	461,766
Depreciation and Amortization	24,880	26,888
Interest Expense	<u>5,534</u>	<u>6,447</u>
Total Expenses	<u>457,042</u>	<u>495,101</u>
Operating Income Before Acc. Depreciation	9,742	31,625
Accelerated Depreciation	<u>0</u>	<u>2,793</u>
Operating Income After Acc. Depreciation	9,742	24,832
Nonoperating Gains		
Investment Income, Net**	20,786	26,529
Income on Investments Accounted for		
Under Equity Method	<u>2,059</u>	<u>2,441</u>
Total Nonoperating Gains, Net	<u>22,845</u>	<u>28,970</u>
Excess of Revenue Over Expenses	<u>32,587</u>	<u>57,802</u>
Other Changes		
Net Change in Unrealized Appreciation on	8,370	(2,389)
Investments		
Net Change in Effective Portion of Swaps		(4,549)
Net Assets Released from		
Restrictions – Capital Acquisitions	849	1,144
Application of FAS 158 on the RSVP Plan		<u>(12,641)</u>
Increase in Unrestricted Net Assets	<u>\$41,806</u>	<u>\$39,367</u>

* Includes Children's Foundation, which is not a member of the Obligated Group. Children's Foundation accounted for \$ 814 and \$ 893 in increases in unrestricted net assets for the fiscal years ended December 31, 2006 and 2007, respectively.

** As required by generally accepted accounting principles, realized investment income includes unrealized gains and losses on derivative positions of (\$2,145) and (\$651) for the fiscal years ended December 31, 2006 and 2007, respectively.

CHILDREN'S HOSPITAL AND CLINICS OF MINNESOTA
Consolidated*
Summary Statements of Financial Position
(\$000)

	December 31, 2006	December 31, 2007
Assets		
Cash, Cash Equivalents and Short Term Investments	\$ 38,635	\$ 30,470
Other Current Assets	62,756	164,156
Donor Restricted Cash and Investments	47,294	50,386
Investments – Securities Lending Agreements	46,505	89,313
Unrestricted Investments	204,606	240,007
Other Assets	31,974	42,586
Collateral Held for Securities Lending Agreements	47,328	90,483
Land, Building & Equipment – Net	167,522	164,388
Total Assets	<u>\$646,620</u>	<u>\$872,149</u>
Liabilities		
Current Liabilities	\$71,421	\$79,216
Payable under Securities Lending Agreements	47,328	90,843
Fair Value of Interest Rate Swaps	3,669	8,742
Intercompany Payable (Receivable)		0
Long Term Debt – Less Current Portion	125,082	222,782
Other Long Term Liabilities	13,414	29,068
Total Liabilities	<u>260,914</u>	<u>430,651</u>
Net Assets		
Unrestricted	334,960	374,327
Temporarily Restricted	20,217	34,215
Permanently Restricted	30,529	32,956
Total Net Assets	<u>385,706</u>	<u>441,498</u>
Total Liabilities and Net Assets	<u>\$646,620</u>	<u>\$872,149</u>

* Includes Children's Foundation, which is not a member of the Obligated Group. Children's Foundation had total net assets, which include both restricted and unrestricted net assets, of \$46,248, and \$ 69,257 as of December 31, 2006 and 2007, respectively. The unrestricted net assets of Children's Foundation were \$1,193 and \$ 2,086 as of December 31, 2006 and 2007, respectively.