

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL INCOME FUND II, INC  
Form N-CSRS  
December 06, 2013

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT  
INVESTMENT COMPANIES**

Investment Company Act file number:	811-07420
Exact name of registrant as specified in charter:	Delaware Investments® Minnesota Municipal Income Fund II, Inc.
Address of principal executive offices:	2005 Market Street Philadelphia, PA 19103
Name and address of agent for service:	David F. Connor, Esq. 2005 Market Street Philadelphia, PA 19103
Registrant's telephone number, including area code:	(800) 523-1918
Date of fiscal year end:	March 31
Date of reporting period:	September 30, 2013

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Item 1. Reports to Stockholders

## Semiannual Report

Delaware  
Investments®  
Closed-End  
Municipal Bond  
Funds

September 30, 2013

The figures in the semiannual report for Delaware Investments Closed-End Municipal Bond Funds represent past results, which are not a guarantee of future results. A rise or fall in interest rates can have a significant impact on bond prices. Funds that invest in bonds can lose their value as interest rates rise.

### Closed-end funds

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## Table of contents

> Fund basics	1
> Security type/Sector/State allocations	2
> Schedules of investments	4
> Statements of assets and liabilities	17
> Statements of operations	18
> Statements of changes in net assets	19
> Financial highlights	20
> Notes to financial statements	23
> Other Fund information	29
> About the organization	33

Delaware Management Holdings, Inc. and its subsidiaries (collectively known by the marketing name of Delaware Investments) are wholly owned subsidiaries of Macquarie Group Limited, a global provider of banking, financial, advisory, investment and funds management services. For more information, including press releases, please visit [delawareinvestments.com](http://delawareinvestments.com).

Unless otherwise noted, views expressed herein are current as of Sept. 30, 2013, and subject to change. Information is as of the date indicated and subject to change.

Funds are not FDIC insured and are not guaranteed. It is possible to lose the principal amount invested.

Mutual fund advisory services are provided by Delaware Management Company, a series of Delaware Management Business Trust, which is a registered investment advisor. Delaware Investments, a member of Macquarie Group, refers to Delaware Management Holdings, Inc. and its subsidiaries. Macquarie Group refers to Macquarie Group Limited and its subsidiaries and affiliates worldwide.

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## Fund basics

**Delaware Investments®  
Colorado Municipal Income Fund, Inc.**

As of September 30, 2013

**Fund objective**

The Fund seeks to provide current income exempt from both regular federal income tax and Colorado state personal income tax, consistent with the preservation of capital.

**Total Fund net assets**

\$67 million

**Number of holdings**

80

**Fund start date**

July 29, 1993

**CUSIP number**

246101109

**Delaware Investments  
Minnesota Municipal Income Fund II, Inc.**

As of September 30, 2013

**Fund objective**

The Fund seeks to provide current income exempt from both regular federal income tax and Minnesota state personal income tax, consistent with the preservation of capital.

**Total Fund net assets**

\$162 million

**Number of holdings**

144

**Fund start date**

Feb. 26, 1993

**CUSIP number**

24610V103

**Delaware Investments  
National Municipal Income Fund**

As of September 30, 2013

**Fund objective**

The Fund seeks to provide current income exempt from regular federal income tax, consistent with the preservation of capital.

**Total Fund net assets**

\$60 million

**Number of holdings**

170

**Fund start date**

Feb. 26, 1993

**CUSIP number**

24610T108

## Security type/Sector/State allocations

As of September 30, 2013 (Unaudited)

Sector designations may be different than the sector designations presented in other Fund materials.

### Delaware Investments® Colorado Municipal Income Fund, Inc.

Security type/Sector	Percentage of Net Assets
<b>Municipal Bonds</b>	<b>142.27%</b>
Corporate-Backed Revenue Bond	1.27%
Education Revenue Bonds	19.67%
Electric Revenue Bonds	5.49%
Healthcare Revenue Bonds	39.08%
Housing Revenue Bonds	1.01%
Lease Revenue Bonds	10.11%
Local General Obligation Bonds	14.49%
Pre-Refunded Bonds	18.56%
Special Tax Revenue Bonds	25.11%
State General Obligation Bond	1.15%
Transportation Revenue Bonds	4.79%
Water & Sewer Revenue Bond	1.54 %
<b>Short-Term Investment</b>	<b>0.37%</b>
<b>Total Value of Securities</b>	<b>142.64%</b>
<b>Liquidation Value of Preferred Stock</b>	<b>(44.45%)</b>
<b>Receivables and Other Assets Net of Liabilities</b>	<b>1.81%</b>
<b>Total Net Assets</b>	<b>100.00%</b>

As of the date of this report, Delaware Investments Colorado Municipal Income Fund, Inc. held bonds issued by or on behalf of territories of the United States as follows:

Territory	(as a % of fixed income investments)
Guam	1.51%
Puerto Rico	7.35%

### Delaware Investments Minnesota Municipal Income Fund II, Inc.

Security type/Sector	Percentage of Net Assets
<b>Municipal Bonds</b>	<b>143.54%</b>
Corporate-Backed Revenue Bonds	6.83%
Education Revenue Bonds	17.52%
Electric Revenue Bonds	9.13%
Healthcare Revenue Bonds	40.57%
Housing Revenue Bonds	6.67%
Lease Revenue Bonds	10.94%
Local General Obligation Bonds	9.35%
Pre-Refunded/Escrowed to Maturity Bonds	20.02%
Special Tax Revenue Bonds	7.54%
State General Obligation Bonds	8.29%
Transportation Revenue Bonds	3.46%
Water & Sewer Revenue Bonds	3.22%
<b>Short-Term Investments</b>	<b>0.31%</b>
<b>Total Value of Securities</b>	<b>143.85%</b>

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Liquidation Value of Preferred Stock	(46.37%)
Receivables and Other Assets Net of Liabilities	2.52%
Total Net Assets	100.00%

As of the date of this report, Delaware Investments Minnesota Municipal Income Fund II, Inc. held bonds issued by or on behalf of territories of the United States as follows:

Territory	(as a % of fixed income investments)
Guam	0.07%
Puerto Rico	1.45%

Sector designations may be different than the sector designations presented in other Fund materials.

**Delaware Investments®**  
**National Municipal Income Fund**

Security type/Sector	Percentage of Net Assets
<b>Municipal Bonds</b>	<b>147.89%</b>
Corporate-Backed Revenue Bonds	15.51%
Education Revenue Bonds	25.64%
Electric Revenue Bonds	2.85%
Healthcare Revenue Bonds	25.17%
Housing Revenue Bonds	2.56%
Lease Revenue Bonds	15.50%
Local General Obligation Bonds	2.52%
Special Tax Revenue Bonds	23.83%
State General Obligation Bonds	4.56%
Transportation Revenue Bonds	22.63%
Water & Sewer Revenue Bonds	7.12%
<b>Short-Term Investments</b>	<b>1.64%</b>
<b>Total Value of Securities</b>	<b>149.53%</b>
<b>Liquidation Value of Preferred Stock</b>	<b>(49.85%)</b>
<b>Receivables and Other Assets Net of Liabilities</b>	<b>0.32%</b>
<b>Total Net Assets</b>	<b>100.00%</b>

State or Territory	(as a % of fixed income investments)
Alaska	0.35%
Arizona	10.68%
California	15.08%
Colorado	2.31%
Florida	2.93%
Georgia	1.84%
Guam	2.07%
Hawaii	0.34%
Idaho	1.17%
Illinois	1.75%
Iowa	0.09%
Kansas	0.15%
Louisiana	3.27%
Maine	0.35%
Maryland	2.35%
Massachusetts	0.99%
Minnesota	5.18%
Missouri	2.23%
New Hampshire	0.36%
New Jersey	5.05%
New Mexico	0.56%
New York	14.39%
Ohio	1.78%
Oregon	2.70%
Pennsylvania	6.93%
Puerto Rico	3.42%
South Carolina	0.55%
Texas	7.51%
Virginia	1.88%
Washington D.C.	0.28%
West Virginia	0.67%
Wisconsin	0.50%
Wyoming	0.29%
<b>Total</b>	<b>100.00%</b>





## Schedules of investments

**Delaware Investments® Colorado Municipal Income Fund, Inc.**  
September 30, 2013 (Unaudited)

	Principal Amount	Value
<b>Municipal Bonds 142.27%</b>		
Corporate-Backed Revenue Bond 1.27%		
Public Authority for Colorado Energy		
Natural Gas Revenue Series 2008		
6.50% 11/15/38	\$ 750,000	\$ 858,720
		858,720
<b>Education Revenue Bonds 19.67%</b>		
Colorado Educational & Cultural		
Facilities Authority Revenue		
(Academy Charter School Project)		
5.50% 5/1/36 (SGI)	1,720,000	1,749,137
(Bromley Charter School Project)		
5.25% 9/15/32 (SGI)	3,245,000	3,263,172
(Charter School - Community		
Leadership Academy)		
7.45% 8/1/48	500,000	506,070
(Littleton Charter School Project)		
4.375% 1/15/36 (Assured GTY)	1,200,000	1,066,524
(Student Housing - Campus		
Village Apartments) 5.00% 6/1/23	1,065,000	1,145,983
Colorado School of Mines Series B		
5.00% 12/1/42	1,250,000	1,289,813
Colorado State Board of		
Governors Revenue		
(University Enterprise System)		
Series A 5.00% 3/1/39	10,000	10,408
University of Colorado 5.00% 6/1/31	3,185,000	3,412,950
University of Colorado Enterprise		
Systems Revenue Series A		
5.375% 6/1/38	750,000	826,980
		13,271,037
<b>Electric Revenue Bonds 5.49%</b>		
Colorado Springs Utilities System		
Improvement Revenue Series C		
5.50% 11/15/48	750,000	810,353
Platte River Power Authority Revenue		
Series HH 5.00% 6/1/28	1,500,000	1,687,230
Puerto Rico Electric Power		
Authority Revenue		
Series TT 5.00% 7/1/37	685,000	471,725
Series WW 5.50% 7/1/38	300,000	215,181
Series XX 5.25% 7/1/40	750,000	521,850
		3,706,339
<b>Healthcare Revenue Bonds 39.08%</b>		
Aurora Hospital Revenue (Children s		
Hospital Association Project)		
Series A 5.00% 12/1/40	4,000,000	4,000,839
Colorado Health Facilities		
Authority Revenue		
(Boulder Community Hospital		
Project) 5.00% 10/1/32	500,000	511,090
(Catholic Health Initiatives)		
Series A 5.00% 7/1/39	750,000	754,410
Series A 5.00% 2/1/41	2,400,000	2,402,759
Series A 5.25% 2/1/33	1,625,000	1,689,009
Series C-1 5.10% 10/1/41 (AGM)	1,000,000	1,003,400

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	Series D 6.125% 10/1/28 (Christian Living Communities Project) Series A	750,000	860,753
	5.75% 1/1/37	885,000	865,495
	6.375% 1/1/41 (Covenant Retirement Communities Inc)	615,000	620,812
	5.00% 2/1/33	1,000,000	927,380
	5.75% 12/1/36 (Evangelical Lutheran Good Samaritan Society)	1,000,000	984,190
	5.25% 6/1/23	1,000,000	1,048,930
	5.50% 6/1/33	2,000,000	2,033,580
	5.625% 6/1/43 (National Jewish Health Project)	1,000,000	1,007,330
	5.00% 1/1/27 (Sisters of Charity of Leavenworth Health System) 5.00% 1/1/40 (Total Long-Term Care)	500,000	500,800
	Series A 6.00% 11/15/30	4,750,000	4,769,902
Denver Health & Hospital Authority	Revenue (Recovery Zone Facilities)		
	5.625% 12/1/40	750,000	758,753
University of Colorado Hospital	Authority Revenue Series A		
	5.00% 11/15/37	500,000	500,885
	6.00% 11/15/29	650,000	717,555
			26,376,332
<b>Housing Revenue Bonds 1.01%</b>			
Colorado Housing & Finance	Authority (Single Family Mortgage - Class 1) Series A 5.50% 11/1/29 (FHA) (VA) (HUD)	345,000	357,996
Puerto Rico Housing Finance	Authority (Subordinated-Capital Fund Modernization)		
	5.50% 12/1/18 (HUD)	300,000	321,288
			679,284
<b>Lease Revenue Bonds 10.11%</b>			
Aurora Certificates of Participation	Series A 5.00% 12/1/30	630,000	672,342
Colorado State Building Excellent	Schools Today Certificates of Participation Series G		
	5.00% 3/15/32	2,000,000	2,093,680
Glendale Certificates Participation	5.00% 12/1/25 (SGI)	1,500,000	1,558,185
Pueblo County Certificates of	Participation (County Judicial Complex Project)		
	5.00% 9/15/42 (AGM)	2,000,000	2,012,880

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	Principal Amount	Value
<b>Municipal Bonds (continued)</b>		
Lease Revenue Bonds (continued)		
Regional Transportation District		
Certificates of Participation Series A 5.375% 6/1/31	\$ 460,000	\$ 487,968
		6,825,055
Local General Obligation Bonds 14.49%		
Arapahoe County School District		
No. 1 Englewood 5.00% 12/1/31	2,935,000	3,180,218
Boulder, Larimer & Weld Counties St.		
Vrain Valley School District No. Re-1J 5.00% 12/15/33	750,000	823,658
Central Colorado Water		
Conservancy District (Limited Tax) 5.00% 12/1/33	750,000	783,398
Denver City & County		
(Better Denver & Zoo) Series A 5.00% 8/1/25	650,000	737,562
(School District No. 1) 4.00% 12/1/28	1,250,000	1,273,525
Denver International Business		
Center Metropolitan District No. 1 5.00% 12/1/30	650,000	659,737
Jefferson County School District		
No. R-1 5.25% 12/15/24	750,000	897,285
Pueblo County School District No. 70		
5.00% 12/1/31	500,000	535,260
Rangely Hospital District		
6.00% 11/1/26	750,000	824,445
Sand Creek Metropolitan District		
5.00% 12/1/31 (SGI)	70,000	66,701
		9,781,789
§Pre-Refunded Bonds 18.56%		
Adams & Arapahoe Counties Joint		
School District No. 28J (Aurora) 6.00% 12/1/28-18	600,000	737,604
Bowles Metropolitan District		
5.00% 12/1/33-13 (AGM)	2,000,000	2,016,380
Colorado Health Facilities		
Authority Revenue (Evangelical Lutheran Good Samaritan Society) Series A 6.125% 6/1/38-14	750,000	779,640
Colorado State Board of Governors		
Series A 5.00% 3/1/39-19	690,000	814,034
Colorado Water Resources &		
Power Development Authority Revenue (Parker Water & Sanitation District Series D 5.125% 9/1/34-14 (NATL-RE) 5.25% 9/1/43-14 (NATL-RE)	1,500,000	1,567,935
	2,000,000	2,092,880
Regional Transportation District		
Revenue (FasTracks Project) Series A 4.375% 11/1/31-16 (AMBAC) 5.00% 11/1/28-16 (AMBAC)	1,250,000	1,389,913
	2,500,000	2,827,450
Sand Creek Metropolitan District		
5.00% 12/1/31-13 (SGI)	295,000	297,416
		12,523,252
Special Tax Revenue Bonds 25.11%		
Denver Convention Center Hotel		
Authority Revenue 5.00% 12/1/35 (SGI)	2,875,000	2,745,050
Guam Government Business Privilege		

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	Tax Revenue Series A		
	5.125% 1/1/42	435,000	434,000
	5.25% 1/1/36	565,000	582,504
	<b>Puerto Rico Sales Tax Financing</b>		
	Revenue First Subordinate		
	Series A 5.50% 8/1/37	700,000	559,902
	Series A 6.00% 8/1/42	590,000	481,340
	Series A-1 5.00% 8/1/43	1,560,000	1,133,543
	Series C 5.00% 8/1/40	1,000,000	846,260
	Series C 6.00% 8/1/39	500,000	410,965
	<b>Regional Transportation</b>		
	District Revenue		
	(Denver Transit Partners)		
	6.00% 1/15/41	2,175,000	2,192,248
	(FasTracks Project) Series A		
	4.50% 11/1/36 (AGM)	3,000,000	3,008,789
	5.00% 11/1/38	4,085,000	4,293,579
	<b>Tallyns Reach Metropolitan District</b>		
	No. 3 5.125% 11/1/38	295,000	258,960
			16,947,140
	<b>State General Obligation Bond 1.15%</b>		
	<b>Western State College</b>		
	5.00% 5/15/34	750,000	775,950
			775,950
	<b>Transportation Revenue Bonds 4.79%</b>		
	<b>Denver City &amp; County Airport</b>		
	System Revenue		
	Series A 5.25% 11/15/36	750,000	768,885
	Series B 5.00% 11/15/27	1,000,000	1,077,560
	Series B 5.00% 11/15/28	1,000,000	1,068,680
	<b>E-470 Public Highway Authority</b>		
	Revenue Series C 5.25% 9/1/25	310,000	319,498
			3,234,623
	<b>Water &amp; Sewer Revenue Bond 1.54%</b>		
	<b>Parker Water &amp; Sanitation District</b>		
	5.00% 8/1/43	1,000,000	1,036,800
			1,036,800
	<b>Total Municipal Bonds</b>		
	(cost \$96,018,020)		<b>96,016,321</b>

(continues) 5

## Schedules of investments

Delaware Investments<sup>®</sup> Colorado Municipal Income Fund, Inc.

	Principal Amount	Value
<b>Short-Term Investment 0.37%</b>		
⌘ Variable Rate Demand Note 0.37%		
Colorado State Educational & Cultural Facilities Authority Revenue (National Jewish Federation Bond Program) Series D-1 0.04% 7/1/36 (LOC-JPMorgan Chase Bank N.A.)	\$250,000	\$ 250,000
<b>Total Short-Term Investment</b> (cost \$250,000)		<b>250,000</b>
<b>Total Value of Securities 142.64%</b> (cost \$96,268,020)		<b>\$ 96,266,321</b>

§Pre-refunded bonds. Municipal bonds that are generally backed or secured by U.S. Treasury bonds. For pre-refunded bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in Notes to financial statements.

⌘Tax-exempt obligations that contain a floating or variable interest rate adjustment formula and an unconditional right of demand to receive payment of the unpaid principal balance plus accrued interest upon a short notice period (generally up to 30 days) prior to specified dates either from the issuer or by drawing on a bank letter of credit, a guarantee or insurance issued with respect to such instrument. The rate shown is the rate as of Sept. 30, 2013.

**Summary of Abbreviations:**

AGM Insured by Assured Guaranty Municipal Corporation  
 AMBAC Insured by AMBAC Assurance Corporation  
 ASSURED GTY Insured by Assured Guaranty Corporation  
 FHA Federal Housing Administration  
 HUD Housing & Urban Development Section 8  
 LOC Letter of Credit  
 NATL-RE Insured by National Public Finance Guarantee Corporation  
 SGI Insured by Syncora Guarantee Inc.  
 VA Veterans Administration Collateral

See accompanying notes, which are an integral part of the financial statements.

**Delaware Investments® Minnesota Municipal Income Fund II, Inc.**  
September 30, 2013 (Unaudited)

	Principal Amount	Value
<b>Municipal Bonds 143.54%</b>		
Corporate-Backed Revenue Bonds 6.83%		
Cloquet Pollution Control Revenue (Potlatch Project) 5.90% 10/1/26	\$ 5,500,000	\$ 5,499,560
Laurentian Energy Authority I Cogeneration Revenue Series A 5.00% 12/1/21	3,325,000	3,043,007
St. Paul Port Authority Revenue (Gerdau St. Paul Steel Mill Project) Series 7 4.50% 10/1/37 (AMT)	3,145,000	2,505,024
		11,047,591
Education Revenue Bonds 17.52%		
Baytown Township Lease Revenue (St. Croix Preparatory Academy) 5.75% 8/1/42	300,000	270,111
Deephaven Charter School (Eagle Ridge Academy Project) Series A 5.50% 7/1/43	500,000	459,635
Minnesota Higher Education		
Facilities Authority Revenue (Augsburg College) Series 6-J1 5.00% 5/1/28	1,500,000	1,506,165
(Carleton College) Series 6-T 5.00% 1/1/28	1,000,000	1,078,500
Series D 5.00% 3/1/30 (College of St. Benedict) Series 7-M 5.00% 3/1/31	1,120,000	1,197,683
5.125% 3/1/36 (Macalester College) Series 7-S 4.00% 5/1/43	300,000	300,969
(St. Catherine University) Series 7-Q 5.00% 10/1/32	275,000	273,719
(St. Mary's University) Series 5-U 4.80% 10/1/23	1,250,000	1,154,063
(St. Scholastic College) Series H 5.25% 12/1/35	700,000	703,024
(University of St. Thomas) Series 6-X 5.00% 4/1/29	1,400,000	1,401,274
Series 7-A 5.00% 10/1/39	1,000,000	1,014,650
Series 7-U 5.00% 4/1/20	2,250,000	2,374,335
5.00% 4/1/21	1,000,000	1,031,880
5.00% 4/1/22	495,000	576,274
St. Paul Housing & Redevelopment Authority Charter School Lease Revenue (Nova Classical Academy) Series A 6.375% 9/1/31	450,000	523,620
University of Minnesota Series A 5.00% 12/1/27	750,000	785,993
5.00% 12/1/28	1,110,000	1,249,327
5.00% 12/1/29	1,880,000	2,100,016
5.00% 12/1/31	2,265,000	2,509,575
5.00% 12/1/36	1,000,000	1,094,570
5.25% 4/1/29	3,000,000	3,209,309
Series C 5.00% 12/1/19	1,000,000	1,115,500
	1,290,000	1,522,935
		<b>28,327,695</b>
Electric Revenue Bonds 9.13%		
Central Minnesota Municipal		

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	Power Agency Revenue (Brookings Southeast Twin Cities Transportation) 5.00% 1/1/32		1,130,000	1,185,992
	Chaska Electric Revenue Refunding (Generating Facilities) Series A 5.25% 10/1/25		250,000	269,925
	Minnesota Municipal Power Agency Electric Revenue Series A 5.00% 10/1/34 5.25% 10/1/19		3,400,000 1,610,000	3,499,483 1,681,339
	Rochester Electric Utility Revenue 5.00% 12/1/30 Series B 5.00% 12/1/43		1,300,000 1,000,000	1,423,604 1,047,870
	Southern Minnesota Municipal Power Agency Supply Revenue Series A 5.25% 1/1/30		1,030,000	1,088,391
	Western Minnesota Municipal Power Agency Supply Revenue Series A 5.00% 1/1/25 5.00% 1/1/26		3,000,000 1,000,000	3,439,740 1,132,000
				14,768,344
Healthcare Revenue Bonds	40.57%			
	Anoka Health Care Facility Revenue (Homestead Anoka Project) Series A 7.00% 11/1/46		1,200,000	1,147,992
	Center City Health Care Facilities Revenue (Hazelden Foundation Project) 4.75% 11/1/31 5.00% 11/1/41		850,000 1,600,000	847,408 1,619,600
	Cloquet Housing Facilities Revenue (HADC Cloquet Project) Refunding Series A 5.00% 8/1/48		500,000	428,165
	Deephaven Housing & Healthcare (St. Therese Senior Living Project) Series A 5.00% 4/1/38 5.00% 4/1/40		280,000 270,000	237,633 225,353
	Duluth Economic Development Authority Revenue (St. Luke's Hospital Authority Obligation Group) 5.75% 6/15/32 6.00% 6/15/39		500,000 1,000,000	492,635 996,000
	Fergus Falls Health Care Facilities Revenue (Lake Region Healthcare) 5.00% 8/1/30		1,000,000	1,002,010
	Maple Grove Health Care System Revenue (Maple Grove Hospital) 5.25% 5/1/37		1,100,000	1,097,734

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# Schedules of investments

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

	Principal Amount	Value
<b>Municipal Bonds (continued)</b>		
<b>Healthcare Revenue Bonds (continued)</b>		
Minneapolis Health Care System Revenue (Fairview Health Services) Series A 6.375% 11/15/23	\$ 605,000	\$ 705,612
Series A 6.625% 11/15/28	1,040,000	1,211,902
Series B 6.50% 11/15/38 (ASSURED GTY)	2,295,000	2,626,490
Series D 5.00% 11/15/34 (AMBAC)	2,000,000	2,002,880
Minneapolis Revenue (National Marrow Donor Program Project) 4.875% 8/1/25	1,000,000	1,003,280
Minneapolis - St. Paul Housing & Redevelopment Authority Health Care Revenue (Childrens Health Care Facilities) Series A1 5.00% 8/15/34 (AGM)	500,000	505,915
Minnesota Agricultural & Economic Development Board Revenue Un-Refunded Balance 5.75% 11/15/26 (NATL-RE) 6.375% 11/15/29	100,000 195,000	100,107 195,661
Rochester Health Care & Housing Revenue (Samaritan Bethany) Series A 7.375% 12/1/41	1,220,000	1,287,783
Rochester Health Care Facilities Revenue (Mayo Clinic) 4.00% 11/15/41 Series A 4.00% 11/15/30 Series C 4.50% 11/15/38	8,335,000 2,240,000 2,000,000	7,599,019 2,484,272 2,225,920
Sartell Health Care Facility Revenue (Country Manor Campus Project) 5.25% 9/1/30 5.30% 9/1/37	1,000,000 600,000	911,510 527,538
Shakopee Health Care Facilities Revenue (St. Francis Regional Medical Center) 5.25% 9/1/34	1,560,000	1,563,182
St. Cloud Health Care Revenue (Centracare Health System Project) 5.50% 5/1/39 (ASSURED GTY) Series A 5.125% 5/1/30	1,500,000 5,175,000	1,571,040 5,459,935
St. Louis Park Health Care Facilities Revenue (Park Nicollet Health Services) 5.75% 7/1/39 Series C 5.50% 7/1/23	3,315,000 1,000,000	3,463,776 1,073,230
St. Paul Housing & Redevelopment Authority Health Care Facilities Revenue (Allina Health System) Series A 5.00% 11/15/18 (NATL-RE) Series A-1 5.25% 11/15/29 (Health Partners Obligation Group Project) 5.25% 5/15/36 (Regions Hospital Project) 5.30% 5/15/28	1,380,000 1,395,000 2,000,000 1,000,000	1,556,612 1,467,163 2,027,740 1,000,670

St. Paul Housing & Redevelopment Authority Hospital Revenue (Health East Project)	6.00% 11/15/30	2,775,000	2,834,857
	6.00% 11/15/35	2,500,000	2,546,350
St. Paul Housing & Redevelopment Authority Housing & Health Care Facilities (Senior Carondelet Village Project) Series A	6.00% 8/1/42	770,000	776,468
	(Senior Episcopal Homes Project) 5.125% 5/1/48	1,200,000	961,716
	Series A 4.75% 11/1/31	740,000	627,831
Washington County Housing & Redevelopment Authority Revenue (Birchwood & Woodbury Projects)	Series A 5.625% 6/1/37	1,500,000	1,373,580
Wayzata Senior Housing Revenue (Folkestone Senior Living Community) Series A	5.50% 11/1/32	420,000	410,760
	5.75% 11/1/39	945,000	933,622
	6.00% 5/1/47	1,475,000	1,484,425
Winona Health Care Facilities Revenue (Winona Health Obligated Group)	4.65% 7/1/26	465,000	459,685
	4.75% 7/1/27	785,000	766,741
	5.00% 7/1/23	1,010,000	1,059,894
	5.00% 7/1/34	750,000	720,458
			65,622,154
Housing Revenue Bonds	6.67%		
Minneapolis Multifamily Housing Revenue (Gaar Scott Loft Project)	5.95% 5/1/30 (AMT)	825,000	827,500
	(LOC-U.S. Bank N.A.) (Olson Townhomes Project)	600,000	600,096
	6.00% 12/1/19 (AMT) (Seward Towers Project)	2,000,000	2,013,480
	5.00% 5/20/36 (GNMA) (Sumner Housing Project)		
	Series A 5.15% 2/20/45 (GNMA) (AMT)	2,000,000	2,000,100
Minnesota State Housing Finance Agency (Rental Housing) Series A	5.00% 2/1/35 (AMT)	1,000,000	1,000,130
	(Residential Housing) Series D 4.75% 7/1/32 (AMT)	835,000	835,585
	Series I 5.15% 7/1/38 (AMT)	605,000	606,990
	Series L 5.10% 7/1/38 (AMT)	1,295,000	1,362,444

	Principal Amount	Value
<b>Municipal Bonds (continued)</b>		
<b>Housing Revenue Bonds (continued)</b>		
Minnesota State Housing Finance Agency Homeownership Finance (Mortgage-Backed Securities Program) 4.40% 7/1/32 (GNMA) (FNMA) (FHLMC)	\$ 1,440,000	\$ 1,543,766
		10,790,091
<b>Lease Revenue Bonds 10.94%</b>		
Andover Economic Development Authority Public Facilities Lease Revenue (Andover Community Center) 5.125% 2/1/24 5.20% 2/1/29	205,000 410,000	208,280 416,667
Minnesota State General Fund Revenue Appropriations Series B 4.00% 3/1/26 5.00% 3/1/27 5.00% 3/1/29	3,660,000 2,160,000 3,525,000	3,833,264 2,410,582 3,861,814
University of Minnesota Special Purpose Revenue (State Supported Biomed Science Research) 5.00% 8/1/35 5.00% 8/1/36	1,040,000 4,000,000	1,095,827 4,203,399
Virginia Housing & Redevelopment Authority Health Care Facility Lease Revenue 5.25% 10/1/25 5.375% 10/1/30	680,000 965,000	687,460 976,484
		17,693,777
<b>Local General Obligation Bonds 9.35%</b>		
City of Willmar (Rice Memorial Hospital Project) Series A 4.00% 2/1/32	2,940,000	2,928,504
Dakota County Community Development Agency (Senior Housing Facilities) Series A 5.00% 1/1/23	1,100,000	1,159,950
Hopkins Independent School District No. 270 Series A 5.00% 2/1/28	1,000,000	1,105,800
Rocori Independent School District No. 750 (School Building) Series B 5.00% 2/1/22 5.00% 2/1/24 5.00% 2/1/25 5.00% 2/1/26	1,010,000 1,075,000 1,115,000 1,155,000	1,146,502 1,215,094 1,248,376 1,282,397
St. Paul Independent School District No. 625 (School Building) Series B 5.00% 2/1/22 5.00% 2/1/26	1,300,000 1,000,000	1,544,907 1,144,660
Thief River Falls Independent School District No. 564 (School Building) Series A 4.00% 2/1/32	1,160,000	1,166,496
Washington County Housing & Redevelopment Authority Series B 5.50% 2/1/22 (NATL-RE) 5.50% 2/1/32 (NATL-RE)	525,000 655,000	526,969 656,919
		15,126,574
<b>§Pre-Refunded/Escrowed to Maturity Bonds 20.02%</b>		
Dakota-Washington Counties Housing & Redevelopment		

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Authority Revenue (Bloomington Single Family Residential Mortgage) Series B 8.375% 9/1/21 (GNMA) (FHA) (VA) (AMT)	7,055,000	9,657,166
Southern Minnesota Municipal Power Agency Supply Revenue Refunding Series A 5.75% 1/1/18-13	3,350,000	3,536,059
St. Paul Housing & Redevelopment Authority Sales Tax (Civic Center Project) 5.55% 11/1/23 5.55% 11/1/23 (NATL-RE) (IBC)	2,300,000 4,200,000	2,489,612 4,546,248
St. Paul Port Authority Lease Revenue (Robert Street Office Building Project) Series 3-11 5.00% 12/1/27-13	2,000,000	2,016,460
University of Minnesota Hospital & Clinics 6.75% 12/1/16	2,580,000	2,952,655
University of Minnesota Series A 5.50% 7/1/21 5.75% 7/1/18	4,000,000 2,000,000	4,778,560 2,406,360
		32,383,120
Special Tax Revenue Bonds 7.54%		
Guam Government Business Privilege Tax Revenue Series A 5.25% 1/1/36	150,000	154,647
Hennepin County Sales Tax Revenue (Second Lien-Ballpark Project) Series B 4.75% 12/15/27	1,905,000	2,001,755
Minneapolis Community Planning & Economic Development Department (Limited Tax Supported Common Bond Fund) 6.25% 12/1/30 Series 1 5.50% 12/1/24 (AMT) Series 5 5.70% 12/1/27	1,000,000 1,000,000 375,000	1,134,310 1,045,320 376,609
Minnesota Public Safety Radio 5.00% 6/1/23	2,845,000	3,203,384
Puerto Rico Sales Tax Financing Revenue ^(Capital Appreciation) Series A 5.73% 8/1/44 (NATL-RE) First Subordinate 6.00% 8/1/42 Series C 5.00% 8/1/40 5.25% 8/1/40	8,480,000 1,200,000 985,000 485,000	1,144,885 978,996 833,566 420,544

(continues) 9

## Schedules of investments

Delaware Investments<sup>®</sup> Minnesota Municipal Income Fund II, Inc.

	Principal Amount	Value
<b>Municipal Bonds</b> (continued)		
Special Tax Revenue Bonds (continued)		
St. Paul Port Authority (Brownsfields Redevelopment Tax) Series 2 5.00% 3/1/37	\$ 895,000	\$ 904,451
		12,198,467
State General Obligation Bonds 8.29%		
Minnesota State Refunding (State Various Purpose) Series D 5.00% 8/1/24	2,700,000	3,172,932
Minnesota State (State Trunk Highway) Series B 5.00% 10/1/22	5,500,000	6,548,795
5.00% 10/1/29	3,315,000	3,688,799
		13,410,526
Transportation Revenue Bonds 3.46%		
Minneapolis - St. Paul Metropolitan Airports Commission Revenue 5.00% 1/1/22	670,000	768,959
Series A 5.00% 1/1/35 (AMBAC) Series B 5.00% 1/1/26	2,000,000	2,008,280
5.00% 1/1/27	540,000	597,186
5.00% 1/1/30	1,190,000	1,296,446
5.00% 1/1/30	500,000	531,925
St. Paul Port Authority Revenue Refunding (Amherst H Wilder Foundation) Series 3 5.00% 12/1/36	380,000	390,336
		5,593,132
Water & Sewer Revenue Bonds 3.22%		
Metropolitan Council Waste Water Revenue Series B 4.00% 9/1/27	1,145,000	1,182,006
Series E 5.00% 9/1/21	2,100,000	2,524,579
St. Paul Sewer Revenue Series D 5.00% 12/1/21	1,325,000	1,501,186
		5,207,771
<b>Total Municipal Bonds</b>		<b>232,169,242</b>
(cost \$231,270,570)		
<b>Short-Term Investments 0.31%</b>		
Variable Rate Demand Notes 0.31%		
Minneapolis - St. Paul Housing & Redevelopment Authority Health Care Revenue (Allina Health System) Series B-2 0.03% 11/15/35	500,000	500,000
<b>Total Short-Term Investments</b>		<b>500,000</b>
(cost \$500,000)		
<b>Total Value of Securities 143.85%</b>		<b>\$ 232,669,242</b>
(cost \$231,770,570)		

Variable rate security. The rate shown is the rate as of Sept. 30, 2013. Interest rates reset periodically.

§Pre-refunded bonds. Municipal bonds that are generally backed or secured by U.S. Treasury bonds. For pre-refunded bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in Notes to financial statements.

^Zero coupon security. The rate shown is the yield at the time of purchase.

†Tax-exempt obligations that contain a floating or variable interest rate adjustment formula and an unconditional right of demand to receive payment of the unpaid principal balance plus accrued interest upon a short notice period (generally up to 30 days) prior to specified dates either from the issuer or by drawing on a bank letter of credit, a guarantee or insurance issued with respect to such instrument. The rate shown is the rate as of Sept. 30, 2013.

**Summary of Abbreviations:**

AGM Insured by Assured Guaranty Municipal Corporation  
AMBAC Insured by AMBAC Assurance Corporation  
AMT Subject to Alternative Minimum Tax  
ASSURED GTY Insured by Assured Guaranty Corporation  
FHA Federal Housing Administration  
FHLMC Federal Home Loan Mortgage Corporation collateral  
FNMA Federal National Mortgage Association collateral  
GNMA Government National Mortgage Association collateral  
IBC Insured Bond Certificate  
LOC Letter of Credit  
NATL-RE Insured by National Public Finance Guarantee Corporation  
VA Veterans Administration collateral

See accompanying notes, which are an integral part of the financial statements.

**Delaware Investments® National Municipal Income Fund**  
September 30, 2013 (Unaudited)

	Principal Amount	Value
<b>Municipal Bonds 147.89%</b>		
Corporate-Backed Revenue Bonds 15.51%		
Buckeye, Ohio Tobacco Settlement Financing Authority Asset-Backed Senior Turbo Series A-2 5.875% 6/1/47	\$ 480,000	\$ 361,526
6.50% 6/1/47	430,000	352,948
Golden State, California Tobacco Securitization Corporate Settlement Revenue (Asset-Backed Senior Notes) Series A-1 5.75% 6/1/47	1,615,000	1,245,714
Harris County, Texas Industrial Development Solid Waste Disposal Revenue (Deer Park Refining Project) 5.00% 2/1/23	150,000	160,916
Illinois Railsplitter Tobacco Settlement Authority 6.25% 6/1/24	500,000	542,760
Louisiana Local Government Environmental Facilities & Community Development Authority (Westlake Chemical) Series A 6.50% 8/1/29	645,000	693,053
Series A-1 6.50% 11/1/35	255,000	271,473
Maryland Economic Development Port Facilities Revenue (CNX Marine Terminals) 5.75% 9/1/25	260,000	269,815
M-S-R Energy Authority, California Gas Series C 7.00% 11/1/34	1,000,000	1,216,550
Navajo County, Arizona Pollution Control Revenue (Arizona Public Services-Cholla) Series D 5.75% 6/1/34	500,000	555,100
New Jersey Economic Development Authority Special Facilities Revenue (Continental Airlines Project) 5.25% 9/15/29 (AMT)	500,000	459,410
Ohio State Air Quality Development Authority Revenue (First Energy Generation) Series A 5.70% 8/1/20	260,000	288,324
Pennsylvania Economic Development Financing Authority Exempt Facilities Revenue (Allegheny Energy Supply) 7.00% 7/15/39	220,000	225,029
Pima County, Arizona Industrial Development Authority Pollution Control Revenue (Tucson Electric Power San Juan) 5.75% 9/1/29	250,000	254,930
Salt Verde Financial, Arizona Gas Revenue Senior Note 5.00% 12/1/37	400,000	394,804
St. John the Baptist Parish, Louisiana (Marathon Oil) Series A 5.125% 6/1/37	500,000	496,235
Suffolk County, New York Tobacco Asset Securitization Series B 5.00% 6/1/32	750,000	733,913
Tobacco Settlement Financing Corporation, Louisiana		

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Asset-Backed Note Series A 5.25% 5/15/35	460,000	451,228
Tobacco Settlement Financing Corporation, New Jersey Series 1A 5.00% 6/1/41	500,000	359,500
		9,333,228
<b>Education Revenue Bonds 25.64%</b>		
Arizona Board of Regents System Revenue (University of Arizona) Series A 5.00% 6/1/39	500,000	521,245
Bowling Green, Ohio Student Housing Revenue (CFP I State University Project) 6.00% 6/1/45	260,000	268,910
California Statewide Communities Development Authority School Facility Revenue (Aspire Public Schools) 6.125% 7/1/46	625,000	615,806
California Statewide Communities Development Authority Student Housing Revenue (Irvine, LLC - UCI East Campus) 6.00% 5/15/23 (Lancer Plaza Project) 5.625% 11/1/33	470,000 1,000,000	507,661 891,280
Deephaven, Minnesota Charter School (Eagle Ridge Academy Project) Series A 5.50% 7/1/43	500,000	459,635
Delaware County, Pennsylvania Authority (Villanova University) 5.00% 8/1/20	390,000	450,992
Iowa Higher Education Loan Authority Revenue (Private College Facilities) 5.00% 10/1/38	85,000	80,700
Marietta, Georgia Development Authority Revenue (Life University Income Project) 7.00% 6/15/39	430,000	439,937
Maryland Health & Higher Educational Facilities Authority (Loyola University) Series A 5.00% 10/1/39	650,000	663,702
Maryland State Economic Development Student Housing Revenue (University of Maryland College Park Projects) 5.75% 6/1/33	370,000	378,617
Massachusetts State Health & Educational Facilities Authority Revenue (Harvard University) Series A 5.00% 12/15/29	600,000	659,280
Missouri State Health & Educational Facilities Authority Revenue (Washington University) Series B 5.00% 11/15/30	600,000	663,594

(continues) 11



## Schedules of investments

### Delaware Investments® National Municipal Income Fund

	Principal Amount	Value
<b>Municipal Bonds (continued)</b>		
Education Revenue Bonds (continued)		
Monroe County, New York Industrial Development Revenue (Nazareth College Rochester Project) 5.50% 10/1/41	\$ 495,000	\$ 505,593
Montgomery County, Pennsylvania Higher Education & Health Authority Revenue (Arcadia University) 5.25% 4/1/30	550,000	568,337
New Jersey Economic Development Authority Revenue (MSU Student Housing Project) 5.875% 6/1/42	735,000	773,801
New York City, New York Trust for Cultural Resources (Whitney Museum of American Art) 5.00% 7/1/31	500,000	515,915
New York State Dormitory Authority (Columbia University) 5.00% 10/1/41	600,000	637,362
#Oregon State Facilities Authority Revenue (Concordia University Project) Series A 144A 6.125% 9/1/30	135,000	137,074
Pennsylvania State Higher Educational Facilities Authority Student Housing Revenue (Edinboro University Foundation) 5.80% 7/1/30	400,000	397,420
(University Properties - East Stoudsburg University) 5.25% 7/1/19	510,000	545,486
Phoenix, Arizona Industrial Development Authority Revenue (Eagle College Prep Project) Series A 5.00% 7/1/43	500,000	425,480
(Rowan University Project) 5.00% 6/1/42	1,000,000	979,050
Pima County, Arizona Industrial Development Authority Education Revenue (Edkey Charter School Project) 6.00% 7/1/48	500,000	443,735
Private Colleges & Universities Authority Revenue, Georgia (Mercer University) Series A 5.00% 10/1/32	135,000	131,131
St Lawrence County, New York Industrial Development Agency (St. Lawrence University Project) 5.00% 7/1/26	270,000	299,851
Swarthmore Borough Authority, Pennsylvania (Swarthmore College Project) 5.00% 9/15/32	490,000	529,078
Troy, New York Capital Resource Revenue (Rensselaer Polytechnic) Series A 5.125% 9/1/40	600,000	606,066
University of California Series A1		

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	5.00% 5/15/32	1,000,000	1,076,709
	Wyoming Community Development Authority Student Housing Revenue (CHF-Wyoming LLC) 6.50% 7/1/43	250,000	256,800
			15,430,247
<b>Electric Revenue Bonds</b>	<b>2.85%</b>		
	Puerto Rico Electric Power Authority Revenue Series TT 5.00% 7/1/26	695,000	520,347
	Series WW 5.50% 7/1/38	200,000	143,454
	Series XX 5.25% 7/1/40	805,000	560,119
	South Carolina State Public Service Authority Series E 5.00% 12/1/48	500,000	493,875
			1,717,795
<b>Healthcare Revenue Bonds</b>	<b>25.17%</b>		
	Arizona Health Facilities Authority Revenue (Catholic Healthcare West) Series D 5.00% 7/1/28	500,000	512,895
	Brevard County, Florida Health Facilities Authority Revenue (Health First Project) 7.00% 4/1/39	90,000	97,734
	Butler County, Pennsylvania Hospital Authority Revenue (Butler Health System Project) 7.125% 7/1/29	450,000	519,966
	California Statewide Communities Development Authority Revenue (Kaiser Permanente) Series A 5.00% 4/1/42	1,000,000	1,003,779
	Colorado Health Facilities Authority (Children's Hospital Project) Series A 5.00% 12/1/36	1,000,000	1,005,079
	Duluth, Minnesota Economic Development Authority Revenue (St. Luke's Hospital Authority Obligation Group) 5.75% 6/15/32	400,000	394,108
	Hawaii Pacific Health Special Purpose Revenue Series A 5.50% 7/1/40	300,000	307,359
	Illinois Finance Authority Revenue (Silver Cross & Medical Centers) 7.00% 8/15/44	950,000	1,027,310
	Koyukuk, Alaska Revenue (Tanana Chiefs Conference Health Care Facility Project) 7.75% 10/1/41	300,000	318,393
	Louisiana Public Facilities Authority Revenue (Ochsner Clinic Foundation Project) 6.50% 5/15/37	105,000	115,680
	Lycoming County, Pennsylvania Authority Health System Revenue (Susquehanna Health System Project) Series A 5.50% 7/1/28	500,000	513,200
	Maine Health & Higher Educational Facilities Authority Revenue (Maine General Medical Center) 6.75% 7/1/41	300,000	316,602

	Principal Amount	Value
<b>Municipal Bonds (continued)</b>		
<b>Healthcare Revenue Bonds (continued)</b>		
Maricopa County, Arizona Industrial Development Authority Health Facilities Revenue (Catholic Healthcare West) Series A 6.00% 7/1/39	\$ 500,000	\$ 529,680
Maryland Health & Higher Educational Facilities Authority Revenue (Carroll Hospital) Series A 5.00% 7/1/37	340,000	340,092
Monroe County, Pennsylvania Hospital Authority Revenue (Pocono Medical Center) Series A 5.00% 1/1/41	500,000	488,680
Montgomery County, Pennsylvania Industrial Development Authority Revenue (Mortgage - Whitmarsh Continuing Care) 6.25% 2/1/35	675,000	657,113
New Hampshire Health & Education Facilities Authority Revenue (Dartmouth-Hitchcock Medical Center) 6.00% 8/1/38	300,000	324,690
New Jersey Health Care Facilities Financing Authority Revenue (St. Peters University Hospital) 6.25% 7/1/35	300,000	300,054
New Mexico State Hospital Equipment Loan Council Revenue (Presbyterian Healthcare) 5.00% 8/1/39	500,000	503,235
New York State Dormitory Authority Revenue Non State Supported Debt (Orange Regional Medical Center) 6.25% 12/1/37	500,000	499,325
Ohio State Hospital Facilities Revenue (Cleveland Clinic Health) Series A 5.50% 1/1/39	300,000	325,875
Orange County, Florida Health Facilities Authority Revenue (Mayflower Retirement Center) 5.00% 6/1/32 5.00% 6/1/36 5.125% 6/1/42	400,000 250,000 750,000	391,188 241,273 725,880
Oregon Health & Science University Series E 4.00% 7/1/29	800,000	772,696
Philadelphia, Pennsylvania Hospitals & Higher Education Facilities Authority Revenue (Temple University Health System) Series A 5.50% 7/1/30	300,000	270,186
St. Cloud, Minnesota Health Care Revenue (Centracare Health System Project) Series A 5.125% 5/1/30	740,000	780,744
University Medical Center, Tuscon, Arizona Hospital Revenue 6.50% 7/1/39	500,000	538,730
West Virginia Hospital Finance Authority Revenue (Highland Hospital Obligation Group) 9.125% 10/1/41	500,000	600,735
Yavapai County, Arizona Industrial Development Authority Revenue (Yavapai Regional Medical Center) Series A 5.00% 8/1/28	720,000	723,010

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		15,145,291	
<b>Housing Revenue Bonds 2.56%</b>			
	California Municipal Finance Authority Mobile Home Park Revenue (Caritas Projects) Series A 5.50% 8/15/47	750,000	731,948
	6.40% 8/15/45	430,000	445,850
	Florida Housing Finance Homeowner Mortgage Revenue Series 2 5.90% 7/1/29 (NATL-RE) (AMT)	175,000	176,272
	Puerto Rico Housing Finance Authority (Subordinated-Capital Fund Modernization) 5.50% 12/1/18 (HUD)	175,000	187,418
		1,541,488	
<b>Lease Revenue Bonds 15.50%</b>			
	California State Public Works Board Lease Revenue (Various Capital Projects) Series A 5.00% 4/1/37	1,000,000	1,011,740
	Hudson Yards, New York Infrastructure Revenue Series A 5.75% 2/15/47	1,100,000	1,165,901
	Idaho State Building Authority Revenue (Health & Welfare Project) Series A 5.00% 9/1/24	135,000	157,873
	(State Police) Series I 5.00% 9/1/23	760,000	890,978
	Minnesota State General Revenue Appropriations Series B 5.00% 3/1/29	2,000,000	2,191,100
	New Jersey Economic Development Authority (School Facilities Construction) Series EE 5.00% 9/1/18	100,000	114,541
	New York City, New York Industrial Development Agency (Senior Trips) Series A 5.00% 7/1/28 (AMT)	250,000	229,633
	New York Liberty Development Revenue (World Trade Center Project) 5.75% 11/15/51	970,000	1,037,396
	Pima County, Arizona Industrial Development Authority Metro Police Facility Revenue (Nevada Project) Series A 5.25% 7/1/31	500,000	511,910
	5.375% 7/1/39	500,000	513,380
	Public Finance Authority, Wisconsin Airport Facilities (AFCO Investors II Portfolio) 5.75% 10/1/31 (AMT)	500,000	451,475
	San Jose, California Financing Authority Series A 5.00% 6/1/28	500,000	534,775

(continues) 13

## Schedules of investments

## Delaware Investments® National Municipal Income Fund

	Principal Amount	Value
<b>Municipal Bonds (continued)</b>		
<b>Lease Revenue Bonds (continued)</b>		
Ventura County, California Public Financing Authority Series A 5.00% 11/1/32	\$ 500,000	\$ 517,700
		9,328,402
<b>Local General Obligation Bonds 2.52%</b>		
Gila County, Arizona Unified School District No. 10 (Payson School Improvement Project of 2006) Series A 5.25% 7/1/27 (AMBAC)	500,000	541,879
New York City, New York Series A-1 5.25% 8/15/21 Series I-1 5.375% 4/1/36	250,000 250,000	285,828 275,895
Ramapo Local Development, New York Revenue Guaranteed 5.00% 3/15/33	60,000	61,223
Ramsey County, Minnesota Capital Improvement Series B 5.00% 2/1/18	300,000	349,098
		1,513,923
<b>Special Tax Revenue Bonds 23.83%</b>		
Anne Arundel County, Maryland Special Obligation Revenue (National Business Park - North Project) 6.10% 7/1/40	200,000	205,874
Brooklyn Arena Local Development, New York Pilot Revenue (Barclays Center Project) 6.25% 7/15/40 6.50% 7/15/30	940,000 300,000	986,135 326,199
California State Economic Recovery Series A 5.25% 7/1/21	260,000	303,828
California Statewide Communities Development Authority Revenue (Statewide Inland Regional Center Project) 5.375% 12/1/37	500,000	506,845
Guam Government Business Privilege Tax Revenue Series A 5.00% 1/1/22 Series B-1 5.00% 1/1/42	775,000 980,000	881,462 981,891
Louisiana Stadium & Exposition District Senior Series A 5.00% 7/1/36	415,000	417,195
Massachusetts Bay Transportation Authority Senior Series A 5.25% 7/1/29	200,000	228,870
Miami-Dade County, Florida Special Obligation (Capital Appreciation & Income) Series B 5.00% 10/1/35 (NAT-RE)	1,000,000	1,001,980
Mosaic District, Virginia Community Development Authority Revenue Series A 6.875% 3/1/36	520,000	574,293
New Jersey Economic Development		

	Authority Revenue			
	5.00% 6/15/28		200,000	201,812
	5.00% 6/15/29		800,000	795,640
	New York City, New York Industrial Development Agency Civic Facility Revenue (YMCA of Greater New York Project) 5.00% 8/1/36		1,000,000	1,008,340
	New York State Dormitory Authority (State Personal Income Tax Revenue-Education) Series A 5.00% 3/15/38		570,000	589,500
	Peoria, Arizona Municipal Development Authority Sales Tax & Excise Shared Revenue (Senior Lien & Subordinate Lien) 5.00% 1/1/18		1,085,000	1,230,792
	Puerto Rico Sales Tax Financing Revenue Series C 5.00% 8/1/22		530,000	551,921
	Series C 5.00% 8/1/40		600,000	507,756
	First Subordinate Series A 6.00% 8/1/42		245,000	199,878
	Series C 6.00% 8/1/39		300,000	246,579
	(Convertible Capital Appreciation Bonds) Series A 6.75% 8/1/32		220,000	163,834
	Regional Transportation District, Colorado Tax Revenue (Denver Transit Partners) 6.00% 1/15/41		500,000	503,965
	(FasTracks Project) Series A 5.00% 11/1/26		500,000	568,765
	San Mateo, California Special Tax Community Facilities District No. 2008-1 (Bay Meadows) 6.00% 9/1/42		95,000	98,920
	Virginia Public Building Authority Series A 5.00% 8/1/26		1,000,000	1,119,070
	^Wyandotte County, Kansas City, Kansas Unified Government Special Obligation Revenue (Capital Appreciation) Sales Tax Subordinate Lien Series B 6.07% 6/1/21		205,000	136,811
				14,338,155
State General Obligation Bonds	4.56%			
	California State Various Purposes 5.00% 10/1/41		440,000	450,490
	5.25% 11/1/40		320,000	334,410
	6.00% 4/1/38		105,000	119,783
	New York State Series A 5.00% 2/15/39		300,000	318,300
	Oregon State Series K 5.00% 5/1/22		1,275,000	1,523,956
				2,746,939

	Principal Amount	Value
<b>Municipal Bonds (continued)</b>		
Transportation Revenue Bonds 22.63%		
Bay Area, California Toll Authority Revenue (San Francisco Bay Area) 5.00% 4/1/27	\$ 750,000	\$ 835,335
Central Texas Regional Mobility Authority Revenue Senior Lien 6.00% 1/1/41	520,000	526,646
Dallas/Fort Worth, Texas International Airport Series G 5.00% 11/1/33	1,000,000	1,022,700
Grand Parkway Transportation Subordinate Tier Toll Revenue Series B 5.00% 4/1/53	460,000	451,444
Harris County, Texas Metropolitan Transit Authority Series A 5.00% 11/1/24	500,000	566,955
Maryland State Economic Development Revenue (Transportation Facilities Project) Series A 5.75% 6/1/35	255,000	257,690
Metropolitan Transportation Authority, New York Series A 5.00% 11/15/41 Series C 5.00% 11/15/30	500,000 500,000	506,635 517,910
Metropolitan Washington D.C. Airports Authority Dulles Toll Road Revenue (First Senior Lien) Series A 5.25% 10/1/44	245,000	248,396
New Jersey State Turnpike Authority Revenue Series A 5.00% 1/1/27	1,000,000	1,082,390
New Jersey Transportation Trust Fund Authority Series A 5.00% 6/15/42 (Transportation Program) Series AA 5.00% 6/15/44	110,000 340,000	111,935 345,732
New York Liberty Development Revenue (1 World Trade Center Port Authority Construction) 5.00% 12/15/41	500,000	514,200
North Texas Tollway Authority Special Projects System Series A 5.00% 9/1/20	250,000	293,408
Pennsylvania Turnpike Commission Subordinate (Special Motor License Foundation) 5.00% 12/1/22 Series B 5.00% 12/1/41	500,000 500,000	564,540 509,030
Port Authority of New York & New Jersey Special Project (JFK International Air Terminal) 6.00% 12/1/42 6.50% 12/1/28	230,000 500,000	247,135 525,255
St. Louis, Missouri Airport Revenue (Lambert St. Louis International) 5.00% 7/1/32 (AMT) Series A-1 6.625% 7/1/34	1,000,000 325,000	978,490 363,474
Texas Private Activity Bond Surface Transportation Corporate Senior Lien Revenue (LBJ Infrastructure) 7.00% 6/30/40 7.50% 6/30/33 (NTE Mobility Partners) 6.75% 6/30/43 (AMT)	285,000 665,000 225,000	315,395 762,868 234,221

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	6.875% 12/31/39	1,000,000	1,090,519
	7.00% 12/31/38 (AMT)	165,000	174,786
	7.50% 12/31/31	500,000	568,920
			<b>13,616,009</b>
<b>Water &amp; Sewer Revenue Bonds</b>	<b>7.12%</b>		
	Atlanta, Georgia Water & Wastewater Revenue Series A 6.25% 11/1/39	950,000	1,085,803
	Los Angeles, California Wastewater System Revenue Series A 5.00% 6/1/27	500,000	562,800
	New York City, New York Municipal Water Finance Authority (Second Generation Resolution) Fiscal 2012 Series BB 5.25% 6/15/44	525,000	554,321
	Phoenix, Arizona Civic Improvement Wastewater Systems Revenue (Junior Lien) Series A 5.00% 7/1/39	900,000	935,937
	San Francisco, California City & County Public Utilities Commission Water Revenue Series F 5.00% 11/1/27	500,000	552,705
	Texas State Series C 5.00% 8/1/22	500,000	593,395
			<b>4,284,961</b>
<b>Total Municipal Bonds</b>			
	(cost \$89,110,737)		<b>88,996,438</b>
<b>Short-Term Investments</b>	<b>1.64%</b>		
Variable Rate Demand Notes	1.64%		
	Louisiana Public Facilities Authority 0.02% 12/1/43	500,000	500,000
	Saint Paul, Minnesota Port Authority 0.07% 2/1/28	485,000	485,000
<b>Total Short-Term Investments</b>			
	(cost \$985,000)		<b>985,000</b>
<b>Total Value of Securities</b>	<b>149.53%</b>		
	(cost \$90,095,737)		<b>\$ 89,981,438</b>

(continues) 15



## Schedules of investments

### Delaware Investments<sup>®</sup> National Municipal Income Fund

Variable rate security. The rate shown is the rate as of Sept. 30, 2013. Interest rates reset periodically.

#Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. At Sept. 30, 2013, the aggregate value of Rule 144A securities was \$137,074, which represented 0.23% of the Fund's net assets. See Note 6 in Notes to financial statements.

Step coupon bond. Indicates security that has a zero coupon that remains in effect until a predetermined date at which time the stated interest rate becomes effective.

^Zero coupon security. The rate shown is the yield at the time of purchase.

⌘Tax-exempt obligations that contain a floating or variable interest rate adjustment formula and an unconditional right of demand to receive payment of the unpaid principal balance plus accrued interest upon a short notice period (generally up to 30 days) prior to specified dates either from the issuer or by drawing on a bank letter of credit, a guarantee or insurance issued with respect to such instrument. The rate shown is the rate as of Sept. 30, 2013.

#### Summary of Abbreviations:

AMBAC Insured by AMBAC Assurance Corporation

AMT Subject to Alternative Minimum Tax

HUD Housing & Urban Development Section 8

NATL-RE Insured by National Public Finance Guarantee Corporation

See accompanying notes, which are an integral part of the financial statements.

## Statements of assets and liabilities

### Delaware Investments<sup>®</sup> Closed-End Municipal Bond Funds September 30, 2013 (Unaudited)

	Delaware Investments Colorado Municipal Income Fund, Inc.	Delaware Investments Minnesota Municipal Income Fund II, Inc.	Delaware Investments National Municipal Income Fund
<b>Assets:</b>			
Investments, at value <sup>1</sup>	\$ 96,016,321	\$ 232,169,242	\$ 88,996,438
Short-term investments, at value <sup>2</sup>	250,000	500,000	985,000
Cash	2,775,775	373,902	139,152
Interest income receivable	1,320,713	3,500,914	1,311,114
Receivable for securities sold	210,116	529,562	216,222
Offering cost for preferred shareholders	177,426	317,447	247,617
Total assets	100,750,351	237,391,067	91,895,543
<b>Liabilities:</b>			
Liquidation value of preferred stock	30,000,000	75,000,000	30,000,000
Payable for securities purchased	3,188,852	512,598	1,645,088
Investment management fees payable	31,622	76,863	29,212
Directors /Trustees fees payable	190	457	169
Other affiliates payable	2,824	6,032	4,225
Other accrued expenses	37,969	55,661	40,553
Total liabilities	33,261,457	75,651,611	31,719,247
<b>Total Net Assets Applicable to Common Shareholders</b>	<b>\$ 67,488,894</b>	<b>\$ 161,739,456</b>	<b>\$ 60,176,296</b>
<b>Net Assets Applicable to Common Shareholders Consist of:</b>			
Paid-in capital (\$0.01 par value) <sup>3,4</sup>	\$ 66,918,121	\$ 157,931,075	\$ 60,617,476
Undistributed net investment income	1,051,041	1,621,143	1,036,659
Accumulated net realized gain (loss) on investments	(478,569)	1,288,566	(1,363,629)
Net unrealized appreciation (depreciation) of investments	(1,699)	898,672	(114,210)
<b>Total Net Assets Applicable to Common Shareholders</b>	<b>\$ 67,488,894</b>	<b>\$ 161,739,456</b>	<b>\$ 60,176,296</b>
<b>Net Asset Value per Common Share</b>	<b>\$ 13.95</b>	<b>\$ 14.06</b>	<b>\$ 13.29</b>
<sup>1</sup> Investments, at cost	\$ 96,018,020	\$ 231,270,570	\$ 89,110,737
<sup>2</sup> Short-term investments, at cost	250,000	500,000	985,000
<sup>3</sup> Common shares outstanding	4,837,100	11,504,975	4,528,443
<sup>4</sup> Common shares authorized	200 million	200 million	unlimited

See accompanying notes, which are an integral part of the financial statements.

## Statements of operations

### Delaware Investments<sup>®</sup> Closed-End Municipal Bond Funds Six Months Ended September 30, 2013 (Unaudited)

	Delaware Investments Colorado Municipal Income Fund, Inc.	Delaware Investments Minnesota Municipal Income Fund II, Inc.	Delaware Investments National Municipal Income Fund
<b>Investment Income:</b>			
Interest	\$ 2,243,217	\$ 5,036,353	\$ 2,120,242
<b>Expenses:</b>			
Management fees	201,689	485,271	187,536
Rating agency fees	23,814	20,828	469
Offering cost	20,143	42,586	27,602
Accounting and administration expenses	19,542	47,018	18,170
Audit and tax	14,608	14,973	18,393
Dividend disbursing and transfer agent fees and expenses	12,938	32,868	15,794
Reports and statements to shareholders	8,203	16,333	643
Legal fees	6,884	23,033	9,148
Pricing fees	4,489	8,128	9,223
Taxes (Pennsylvania franchise tax)	4,000	6,957	
Stock exchange fees	2,375	5,307	
Directors /Trustees fees	1,711	4,044	1,544
Dues and services	942	2,232	856
Insurance	707	1,499	616
Custodian fees	659	1,439	812
Registration fees	398	398	398
Consulting fees	293	664	264
Directors /Trustees expenses	109	259	100
Total operating expenses	323,504	713,837	291,568
<b>Net Investment Income</b>	<b>1,919,713</b>	<b>4,322,516</b>	<b>1,828,674</b>
<b>Net Realized and Unrealized Loss:</b>			
Net realized loss on investments	(377,387)	(340,474)	(783,719)
Net change in unrealized appreciation (depreciation) of investments	(6,537,147)	(13,410,958)	(6,963,159)
<b>Net Realized and Unrealized Loss</b>	<b>(6,914,534)</b>	<b>(13,751,432)</b>	<b>(7,746,878)</b>
<b>Dividends and Distributions to Preferred Shareholders</b>	<b>(196,123)</b>	<b>(491,632)</b>	<b>(196,622)</b>
<b>Net Decrease in Net Assets Resulting from Operations</b>	<b>\$ (5,190,944)</b>	<b>\$ (9,920,548)</b>	<b>\$ (6,114,826)</b>

See accompanying notes, which are an integral part of the financial statements.

## Statements of changes in net assets

### Delaware Investments® Closed-End Municipal Bond Funds

	Delaware Investments Colorado Municipal Income Fund, Inc.		Delaware Investments Minnesota Municipal Income Fund II, Inc.	
	Six Months Ended 9/30/13 (Unaudited)	Year Ended 3/31/13	Six Months Ended 9/30/13 (Unaudited)	Year Ended 3/31/13
<b>Increase (Decrease) in Net Assets from Operations:</b>				
Net investment income	\$ 1,919,713	\$ 3,957,947	\$ 4,322,516	\$ 9,247,679
Net realized gain (loss)	(377,387)	89,037	(340,474)	2,208,718
Net change in unrealized appreciation (depreciation)	(6,537,147)	1,916,263	(13,410,958)	1,762,327
Dividends and distributions to preferred shareholders	(196,123)	(411,526)	(491,632)	(1,025,435)
Net increase (decrease) in net assets applicable to common shareholders resulting from operations	(5,190,944)	5,551,721	(9,920,548)	12,193,289
<b>Dividends and Distributions to Common Shareholders from:</b>				
Net investment income	(1,668,800)	(3,337,599)	(3,969,216)	(7,938,433)
Net realized gain		(478,873)		(460,199)
	(1,668,800)	(3,816,472)	(3,969,216)	(8,398,632)
<b>Net Increase (Decrease) in Net Assets Applicable to Common Shareholders</b>				
	(6,859,744)	1,735,249	(13,889,764)	3,794,657
<b>Net Assets Applicable to Common Shareholders:</b>				
Beginning of period	74,348,638	72,613,389	175,629,220	171,834,563
End of period	\$ 67,488,894	\$ 74,348,638	\$ 161,739,456	\$ 175,629,220
Undistributed net investment income	\$ 1,051,041	\$ 800,128	\$ 1,621,143	\$ 1,759,475
<b>Delaware Investments National Municipal Income Fund</b>				
	Six Months Ended 9/30/13 (Unaudited)	Year Ended 3/31/13		
<b>Increase (Decrease) in Net Assets from Operations:</b>				
Net investment income	\$ 1,828,674	\$ 3,678,465		
Net realized gain (loss)	(783,719)	1,281,216		
Net change in unrealized appreciation (depreciation)	(6,963,159)	2,597,893		
Dividends and distributions to preferred shareholders	(196,622)	(406,627)		
Net increase (decrease) in net assets applicable to common shareholders resulting from operations	(6,114,826)	7,150,947		
<b>Dividends and Distributions to Common Shareholders from:</b>				
Net investment income	(1,584,955)	(2,762,350)		
Net realized gain				
	(1,584,955)	(2,762,350)		
<b>Net Increase (Decrease) in Net Assets Applicable to Common Shareholders</b>				
	(7,699,781)	4,388,597		
<b>Net Assets Applicable to Common Shareholders:</b>				
Beginning of period	67,876,077	63,487,480		
End of period	\$ 60,176,296	\$ 67,876,077		

Undistributed net investment income	\$	1,036,659	\$	792,940
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See accompanying notes, which are an integral part of the financial statements.

## Financial highlights

### Delaware Investments® Colorado Municipal Income Fund, Inc.

Selected data for each share of the Fund outstanding throughout each period were as follows:

	Six Months Ended 9/30/13 <sup>1</sup> (Unaudited)	Year Ended				
		3/31/13	3/31/12	3/31/11	3/31/10	3/31/09
<b>Net asset value, beginning of period</b>	\$15.370	\$15.010	\$13.370	\$13.990	\$13.220	\$14.260
<b>Income (loss) from investment operations:</b>						
Net investment income	0.396	0.818	0.669	0.601	0.607	0.755
Net realized and unrealized gain (loss)	(1.430)	0.416	1.582	(0.651)	0.733	(0.965)
Dividends and distributions on preferred stock from:						
Net investment income	(0.041)	(0.085)	(0.031)			(0.173)
Total dividends and distributions on preferred stock	(0.041)	(0.085)	(0.031)			(0.173)
Total from investment operations	(1.075)	1.149	2.220	(0.050)	1.340	(0.383)
<b>Less dividends and distributions to common shareholders from:</b>						
Net investment income	(0.345)	(0.690)	(0.580)	(0.570)	(0.570)	(0.657)
Net realized gain		(0.099)				
Total dividends and distributions	(0.345)	(0.789)	(0.580)	(0.570)	(0.570)	(0.657)
<b>Net asset value, end of period</b>	\$13.950	\$15.370	\$15.010	\$13.370	\$13.990	\$13.220
<b>Market value, end of period</b>	\$12.650	\$14.840	\$14.600	\$12.450	\$13.390	\$11.240
<b>Total investment return based on:<sup>2</sup></b>						
Market value	(12.56%)	6.92%	22.41%	(3.00%)	24.49%	(21.63%)
Net asset value	(6.90%)	7.71%	17.19%	(0.30%)	10.55%	(2.66%)
<b>Ratios and supplemental data:</b>						
Net assets applicable to common shares, end of period (000 omitted)	\$67,489	\$74,349	\$72,613	\$64,689	\$67,651	\$63,952
Ratio of expenses to average net assets applicable to common shares <sup>3</sup>	0.91%	0.89%	0.73%	0.56%	0.56%	0.91%
Ratio of net investment income to average net assets						
applicable to common shares <sup>3</sup>	5.42%	5.27%	4.68%	4.31%	4.41%	5.55%
Ratio of net investment income to average net assets						
applicable to common shares net of dividends to preferred shares <sup>4</sup>	4.86%	4.72%	4.46%	4.31%	4.41%	4.28%
Portfolio turnover	11%	8%	64%	10%	20%	16%
<b>Leverage analysis:</b>						
Value of preferred shares outstanding (000 omitted) <sup>5</sup>	\$30,000	\$30,000	\$30,000	\$	\$	\$
Net asset coverage per share of preferred shares, end of period <sup>5</sup>	\$324,963	\$347,829	\$342,045	\$	\$	\$
Liquidation value per share of preferred shares <sup>5,6</sup>	\$100,000	\$100,000	\$100,000	\$	\$	\$

<sup>1</sup> Ratios have been annualized and total return and portfolio turnover have not been annualized.

<sup>2</sup> Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for the purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total investment return based on net asset value will be higher than total investment return based on market value in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods.

<sup>3</sup> Ratios do not reflect the effect of dividend payments to preferred shareholders, if applicable.

<sup>4</sup> Ratio reflects total net investment income less dividends paid to preferred shareholders, if applicable, divided by average net assets applicable to common shareholders.

<sup>5</sup> In November 2011, the Fund issued a new series of 300 variable rate preferred shares, with a liquidation preference of \$100,000 per share.

<sup>6</sup> Excluding any accumulated but unpaid dividends.

See accompanying notes, which are an integral part of the financial statements.



**Delaware Investments® Minnesota Municipal Income Fund II, Inc.**

Selected data for each share of the Fund outstanding throughout each period were as follows:

	Six Months Ended 9/30/13 <sup>1</sup> (Unaudited)	Year Ended				
		3/31/13	3/31/12	3/31/11	3/31/10	3/31/09
<b>Net asset value, beginning of period</b>	\$15.270	\$14.940	\$13.700	\$14.060	\$13.140	\$14.190
<b>Income (loss) from investment operations:</b>						
Net investment income	0.374	0.804	0.673	0.612	0.602	0.776
Net realized and unrealized gain (loss)	(1.196)	0.345	1.180	(0.402)	0.888	(1.013)
Dividends and distributions on preferred stock from:						
Net investment income	(0.043)	(0.089)	(0.033)			(0.175)
Total dividends and distributions on preferred stock	(0.043)	(0.089)	(0.033)			(0.175)
Total from investment operations	(0.865)	1.060	1.820	0.210	1.490	(0.412)
<b>Less dividends and distributions to common shareholders from:</b>						
Net investment income	(0.345)	(0.690)	(0.580)	(0.570)	(0.570)	(0.638)
Net realized gain		(0.040)				
Total dividends and distributions	(0.345)	(0.730)	(0.580)	(0.570)	(0.570)	(0.638)
<b>Net asset value, end of period</b>	\$14.060	\$15.270	\$14.940	\$13.700	\$14.060	\$13.140
<b>Market value, end of period</b>	\$12.880	\$15.630	\$14.230	\$12.600	\$12.740	\$11.250
<b>Total investment return based on:<sup>2</sup></b>						
Market value	(15.46%)	15.18%	17.95%	3.32%	18.58%	(11.91%)
Net asset value	(5.54%)	7.18%	13.90%	1.80%	12.04%	(2.48%)
<b>Ratios and supplemental data:</b>						
Net assets applicable to common shares, end of period (000 omitted)	\$161,739	\$175,629	\$171,835	\$157,655	\$161,723	\$151,184
Ratio of expenses to average net assets applicable to common shares <sup>3,5</sup>	0.85%	0.82%	0.70%	0.56%	0.56%	0.98%
Ratio of net investment income to average net assets applicable to common shares <sup>3</sup>	5.14%	5.23%	4.67%	4.35%	4.36%	5.74%
Ratio of net investment income to average net assets applicable to common shares net of dividends to preferred shares <sup>4</sup>	4.56%	4.65%	4.44%	4.35%	4.36%	4.45%
Portfolio turnover	7%	24%	44%	9%	19%	15%
<b>Leverage analysis:</b>						
Value of preferred shares outstanding (000 omitted) <sup>6</sup>	\$75,000	\$75,000	\$75,000	\$	\$	\$
Net asset coverage per share of preferred shares, end of period <sup>6</sup>	\$315,653	\$334,172	\$329,113	\$	\$	\$
Liquidation value per share of preferred shares <sup>6,7</sup>	\$100,000	\$100,000	\$100,000	\$	\$	\$

<sup>1</sup> Ratios have been annualized and total return and portfolio turnover have not been annualized.<sup>2</sup> Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for the purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total investment return based on net asset value will be higher than total investment return based on market value in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods.

Conversely, total investment return based on net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods.

<sup>3</sup> Ratios do not reflect the effect of dividend payments to preferred shareholders, if applicable.<sup>4</sup> Ratio reflects total net investment income less dividends paid to preferred shareholders, if applicable, divided by average net assets applicable to common shareholders.<sup>5</sup> The ratio of expenses to average net assets applicable to common shares includes interest and related expenses which include, but are not limited to, interest expense, remarketing fees, liquidity fees, and trustees' fees in connection with the Fund's participation in inverse floater programs for the year ended March 31, 2009. See Notes 1 and 6 in Notes of financial statements.<sup>6</sup> In November 2011, the Fund issued a new series of 750 variable rate preferred shares, with a liquidation preference of \$100,000 per share.<sup>7</sup> Excluding any accumulated but unpaid dividends.

See accompanying notes, which are an integral part of the financial statements.





## Financial highlights

### Delaware Investments® National Municipal Income Fund

Selected data for each share of the Fund outstanding throughout each period were as follows:

	Six Months Ended 9/30/13 <sup>1</sup> (Unaudited)	Year Ended 3/31/13	3/31/12	3/31/11	3/31/10	3/31/09
<b>Net asset value, beginning of period</b>	\$14.990	\$14.020	\$12.620	\$13.070	\$11.960	\$13.360
<b>Income (loss) from investment operations:</b>						
Net investment income	0.403	0.812	0.535	0.610	0.571	0.704
Net realized and unrealized gain (loss)	(1.710)	0.858	1.409	(0.532)	1.049	(1.367)
Dividends and distributions on preferred stock from:						
Net investment income	(0.043)	(0.090)	(0.004)			(0.172)
Total dividends and distributions on preferred stock	(0.043)	(0.090)	(0.004)			(0.172)
Total from investment operations	(1.350)	1.580	1.940	0.078	1.620	(0.835)
<b>Less dividends and distributions to common shareholders from:</b>						
Net investment income	(0.350)	(0.610)	(0.540)	(0.528)	(0.510)	(0.565)
Total dividends and distributions	(0.350)	(0.610)	(0.540)	(0.528)	(0.510)	(0.565)
<b>Net asset value, end of period</b>	\$13.290	\$14.990	\$14.020	\$12.620	\$13.070	\$11.960
<b>Market value, end of period</b>	\$11.900	\$14.480	\$13.240	\$12.200	\$12.140	\$10.850
<b>Total investment return based on:<sup>2</sup></b>						
Market value	(15.51%)	14.12%	13.19%	4.78%	16.69%	(4.31%)
Net asset value	(8.85%)	11.56%	15.87%	0.67%	13.97%	(5.65%)
<b>Ratios and supplemental data:</b>						
Net assets applicable to common shares, end of period (000 omitted)	\$60,176	\$67,876	\$63,487	\$30,559	\$31,650	\$28,967
Ratio of expenses to average net assets applicable to common shares <sup>3</sup>	0.92%	0.96%	0.99%	0.65%	0.63%	1.06%
Ratio of net investment income to average net assets applicable to common shares <sup>3</sup>	5.74%	5.46%	3.99%	4.64%	4.48%	5.63%
Ratio of net investment income to average net assets applicable to common shares net of dividends to preferred shares <sup>4</sup>	5.13%	4.86%	3.96%	4.64%	4.48%	4.25%
Portfolio turnover	21%	42%	101%	50%	69%	36%
<b>Leverage analysis:</b>						
Value of preferred shares outstanding (000 omitted) <sup>5</sup>	\$30,000	\$30,000	\$30,000	\$	\$	\$
Net asset coverage per share of preferred shares, end of period <sup>5</sup>	\$300,588	\$326,254	\$311,625	\$	\$	\$
Liquidation value per share of preferred shares <sup>5,6</sup>	\$100,000	\$100,000	\$100,000	\$	\$	\$

<sup>1</sup> Ratios have been annualized and total return and portfolio turnover have not been annualized.

<sup>2</sup> Total investment return is calculated assuming a purchase of common stock on the opening of the first day and a sale on the closing of the last day of each period reported. Dividends and distributions, if any, are assumed for the purposes of this calculation to be reinvested at prices obtained under the Fund's dividend reinvestment plan. Generally, total investment return based on net asset value will be higher than total investment return based on market value in periods where there is an increase in the discount or a decrease in the premium of the market value to the net asset value from the beginning to the end of such periods. Conversely, total investment return based on net asset value will be lower than total investment return based on market value in periods where there is a decrease in the discount or an increase in the premium of the market value to the net asset value from the beginning to the end of such periods.

<sup>3</sup> Ratios do not reflect the effect of dividend payments to preferred shareholders, if applicable.

<sup>4</sup> Ratio reflects total net investment income less dividends paid to preferred shareholders, if applicable, divided by average net assets applicable to common shareholders.

<sup>5</sup> In March 2012, the Fund issued a new series of 300 variable rate preferred shares, with a liquidation preference of \$100,000 per share.

<sup>6</sup> Excluding any accumulated but unpaid dividends.

See accompanying notes, which are an integral part of the financial statements.



# Notes to financial statements

## Delaware Investments® Closed-End Municipal Bond Funds

September 30, 2013 (Unaudited)

Delaware Investments Colorado Municipal Income Fund, Inc. (Colorado Municipal Fund) and Delaware Investments Minnesota Municipal Income Fund II, Inc. (Minnesota Municipal Fund II) are organized as Minnesota corporations and Delaware Investments National Municipal Income Fund (National Municipal Fund) is organized as a Massachusetts business trust (each referred to as a Fund and collectively as the Funds). Colorado Municipal Fund, Minnesota Municipal Fund II and National Municipal Fund are considered diversified closed-end management investment companies under the Investment Company Act of 1940, as amended. The Funds' shares trade on the New York Stock Exchange MKT, the successor to the American Stock Exchange.

The investment objective of each of the Colorado Municipal Fund and Minnesota Municipal Fund II is to provide current income exempt from federal income tax and from state personal income tax, if any, consistent with the preservation of capital. The investment objective of the National Municipal Fund is to provide current income exempt from federal income tax, consistent with the preservation of capital. Each of Colorado Municipal Fund and Minnesota Municipal Fund II seek to achieve its investment objective by investing substantially all of its net assets in investment grade, tax-exempt municipal obligations of its respective state at the time of investment. The National Municipal Fund seeks to achieve its investment objective by investing at least 80% of its net assets in securities the income from which is exempt from federal income tax.

### 1. Significant Accounting Policies

The following accounting policies are in accordance with U.S. generally accepted accounting principles (U.S. GAAP) and are consistently followed by the Funds.

**Security Valuation** Debt securities are valued based upon valuations provided by an independent pricing service or broker and reviewed by management. To the extent current market prices are not available, the pricing service may take into account developments related to the specific security, as well as transactions in comparable securities. Valuations for fixed income securities utilize matrix systems, which reflect such factors as security prices, yields, maturities, and ratings, and are supplemented by dealer and exchange quotations. Generally, other securities and assets for which market quotations are not readily available are valued at fair value as determined in good faith under the direction of each Fund's Board of Directors/Trustees (each a Board, or collectively, the Boards). In determining whether market quotations are readily available or fair valuation will be used, various factors will be taken into consideration, such as market closures or suspension of trading in a security.

**Federal Income Taxes** No provision for federal income taxes has been made as each Fund intends to continue to qualify for federal income tax purposes as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, and make the requisite distributions to shareholders. The Funds evaluate tax positions taken or expected to be taken in the course of preparing each Fund's tax returns to determine whether the tax positions are more-likely-than-not of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold are recorded as a tax benefit or expense in the current year. Management has analyzed each Fund's tax positions taken for all open federal income tax years (March 31, 2010–March 31, 2013), and has concluded that no provision for federal income tax is required in each Fund's financial statements.

**Interest and Related Expenses** Interest and related expenses include, but are not limited to, interest expense, remarketing fees, liquidity fees, and trustees' fees from the Funds' participation in inverse floater programs where a Fund has transferred its own bonds to a trust that issues floating rate securities with an aggregate principal amount equal to the principal of the transferred bonds. In conveyance of the bond, the Funds receive the inverse floating rate securities and cash from the trust. As a result of certain rights retained by the Funds, the transfer of the bond is not considered a sale, but rather a form of financing for accounting purposes whereby the cash received is recorded as a liability and interest expense is recorded based on the interest rate of the floating rate securities. Remarketing fees, liquidity fees, and trustees' expenses are recorded on the accrual basis. There were no interest and related expenses for the six months ended Sept. 30, 2013.

**Use of Estimates** The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the fair value of investments, the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and the differences could be material.

**Other** Expenses directly attributable to each Fund are charged directly to the Fund. Other expenses common to various funds within the Delaware Investments® Family of Funds are generally allocated among such funds on the basis of average net assets. Management fees and some other expenses are paid monthly. Security transactions are recorded on the date the securities are purchased or sold (trade date) for financial reporting purposes. Costs used in calculating realized gains and losses on the sale of investment securities are those of the specific securities sold. Interest income is recorded on the accrual basis. Discounts and premiums on debt securities are amortized to interest income over the lives of the respective securities using the effective interest method. Each Fund declares and pays dividends from net investment income monthly and distributions from net realized gain on investments, if any, annually. Each Fund may distribute more frequently, if necessary for tax purposes. Dividends and distributions, if any, are recorded on the ex-dividend date.

Each Fund may receive earnings credits from its custodian when positive cash balances are maintained, which are used to offset custody fees. There were no earnings credits for the six months ended Sept. 30, 2013.

(continues) 23



## Notes to financial statements

### Delaware Investments<sup>®</sup> Closed-End Municipal Bond Funds

#### 2. Investment Management, Administration Agreements and Other Transactions with Affiliates

In accordance with the terms of its respective investment management agreement, each Fund pays Delaware Management Company (DMC), a series of Delaware Management Business Trust and the investment manager, an annual fee of 0.40% which is calculated based on each Fund's adjusted average daily net assets.

Delaware Service Company, Inc. (DSC), an affiliate of DMC, provides fund accounting and financial administration oversight services to each Fund. For these services, the Funds pay DSC fees based on the aggregate daily net assets of the Delaware Investments<sup>®</sup> Family of Funds at the following annual rate: 0.0050% of the first \$30 billion; 0.0045% of the next \$10 billion; 0.0040% of the next \$10 billion; and 0.0025% of aggregate average daily net assets in excess of \$50 billion. The fees payable to DSC under the service agreement described above are allocated among all funds in the Delaware Investments Family of Funds on a relative net asset value basis. For the six months ended Sept. 30, 2013, each Fund was charged for these services as follows:

	Colorado Municipal Fund	Minnesota Municipal Fund II	National Municipal Fund
	\$2,442	\$5,875	\$2,270

As provided in the investment management agreement, each Fund bears the cost of certain legal services, including internal legal services provided to each Fund by DMC and/or its affiliates' employees. For the six months ended Sept. 30, 2013, each Fund was charged for internal legal services provided by DMC and/or its affiliates' employees as follows:

	Colorado Municipal Fund	Minnesota Municipal Fund II	National Municipal Fund
	\$4,934	\$16,150	\$6,010

Directors /Trustees' fees include expenses accrued by each Fund for each Director /Trustee's retainer and meeting fees. Certain officers of DMC and DSC are officers and/or Directors/Trustees of the Trust. These officers and Directors/Trustees are paid no compensation by the Funds.

#### 3. Investments

For the six months ended Sept. 30, 2013, each Fund made purchases and sales of investment securities other than short-term investments as follows:

	Colorado Municipal Fund	Minnesota Municipal Fund II	National Municipal Fund
Purchases	\$10,882,366	\$17,325,401	\$19,386,844
Sales	10,421,799	17,128,223	19,911,727

At Sept. 30, 2013, the cost of investments for federal income tax purposes has been estimated since final tax characteristics cannot be determined until fiscal year end. At Sept. 30, 2013 the cost of investments and unrealized appreciation (depreciation) for each Fund were as follows:

	Colorado Municipal Fund	Minnesota Municipal Fund II	National Municipal Fund
Cost of investments	\$96,518,020	\$231,770,570	\$90,119,242
Aggregate unrealized appreciation	\$2,648,484	\$7,361,889	\$2,401,398
Aggregate unrealized depreciation	(2,650,183)	(6,463,217)	(2,539,113)
Net unrealized appreciation (depreciation)	\$ (1,699)	\$ 898,672	\$ (137,715)

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For federal income tax purposes, capital loss carryforwards may be carried forward and applied against future capital gains. Capital loss carryforwards remaining at March 31, 2013 will expire as follows:

Year of Expiration	Colorado	Minnesota	National
	Municipal	Municipal	Municipal
	Fund	Fund II	Fund
2018	\$	\$	\$407,888

On Dec. 22, 2010, the Regulated Investment Company Modernization Act of 2010 (Act) was enacted, which changed various technical rules governing the tax treatment of regulated investment companies. The changes were generally effective for taxable years beginning after the date of enactment. Under the Act, the Funds are permitted to carry forward capital losses incurred in taxable years beginning after the date of enactment for an unlimited period.

However, any losses incurred during those future taxable years will be required to be utilized prior to the losses incurred in pre-enactment taxable years, which carry an expiration date. As a result of this ordering rule, pre-enactment capital loss carryforwards may be more likely to expire unused. Additionally, post-enactment capital loss carryforwards will retain their character as either short-term or long-term capital losses rather than being considered all short-term as permitted under previous regulation.

U.S. GAAP defines fair value as the price that each Fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions. A three-level hierarchy for fair value measurements has been established based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity's own assumptions about the assumptions that market participants would use in pricing the asset or liability developed based on the best information available under the circumstances. Each Fund's investment in its entirety is assigned a level based upon the observability of the inputs which are significant to the overall valuation. The three-level hierarchy of inputs is summarized below.

- Level 1 inputs are quoted prices in active markets for identical investments (e.g., equity securities, open-end investment companies, futures contracts, exchange-traded options contracts)
- Level 2 other observable inputs (including, but not limited to: quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market-corroborated inputs) (e.g., debt securities, government securities, swap contracts, foreign currency exchange contracts, foreign securities utilizing international fair value pricing, broker-quoted securities, fair valued securities)
- Level 3 inputs are significant unobservable inputs (including each Fund's own assumptions used to determine the fair value of investments) (e.g., broker-quoted securities, fair valued securities)

Level 3 investments are valued using significant unobservable inputs. Each Fund may also use an income-based valuation approach in which the anticipated future cash flows of the investment are discounted to calculate fair value. Discounts may also be applied due to the nature or duration of any restrictions on the disposition of the investments. Valuations may also be based upon current market prices of securities that are comparable in coupon, rating, maturity and industry. The derived value of a Level 3 investment may not represent the value which is received upon disposition and this could impact the results of operations.

The following tables summarize the valuation of each Fund's investments by fair value hierarchy levels as of Sept. 30, 2013:

	Colorado Municipal Fund Level 2
Municipal Bonds	\$ 96,016,321
Short-Term Investments	250,000
<b>Total</b>	<b>\$ 96,266,321</b>

	Minnesota Municipal Fund II Level 2
Municipal Bonds	\$ 232,169,242
Short-Term Investments	500,000
<b>Total</b>	<b>\$ 232,669,242</b>

	National Municipal Fund Level 2
Municipal Bonds	\$ 88,996,438
Short-Term Investments	985,000
<b>Total</b>	<b>\$ 89,981,438</b>

During the six months ended Sept. 30, 2013, there were no transfers between Level 1 investments, Level 2 investments or Level 3 investments that had a material impact to each Fund. Each Fund's policy is to recognize transfers between levels at the beginning of the reporting period.

(continues) 25



## Notes to financial statements

### Delaware Investments® Closed-End Municipal Bond Funds

#### 4. Capital Stock

Pursuant to their articles of incorporation, Colorado Municipal Fund and Minnesota Municipal Fund II each have 200 million shares of \$0.01 par value common shares authorized. National Municipal Fund has been authorized to issue an unlimited amount of \$0.01 par value common shares. The Funds did not repurchase any shares under the Share Repurchase Program during the six months ended Sept. 30, 2013. Shares issuable under each Fund's dividend reinvestment plan are purchased by each Fund's transfer agent, Computershare, Inc., in the open market.

On Nov. 15, 2011, Delaware Investments Colorado Municipal Income Fund, Inc. (VCF) and Delaware Investments Minnesota Municipal Income Fund II, Inc. (VMM), issued \$30,000,000 and \$75,000,000, respectively, of Series 2016 Variable Rate MuniFund Term Preferred (VMTP) Shares, with \$100,000 liquidation value per share in a privately negotiated offering. On March 15, 2012, Delaware Investments National Municipal Income Fund (National Municipal Fund) issued \$30,000,000 Series 2017 VMTP Shares, with \$100,000 liquidation value per share in a privately negotiated offering. Proceeds from the issuance of VMTP Shares, net of offering expenses, were invested in accordance with each Fund's investment objective. The VMTP Shares were offered to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933.

Colorado Municipal Fund and Minnesota Municipal Fund II are obligated to redeem their VMTP Shares on Dec. 1, 2016, unless earlier redeemed or repurchased by the Fund. National Municipal Fund is obligated to redeem its VMTP Shares on April 1, 2017, unless earlier redeemed or repurchased by the Fund. VMTP Shares are subject to optional and mandatory redemption in certain circumstances. The VMTP Shares may be redeemed at the option of a Fund, subject to payment of a premium until Dec. 1, 2013 (with respect to Minnesota Municipal Fund II and Colorado Municipal Fund) and April 1, 2014 (with respect to National Municipal Fund), and at par thereafter. A Fund may be obligated to redeem certain of the VMTP Shares if the Fund fails to maintain certain asset coverage and leverage ratio requirements and such failures are not cured by the applicable cure date. The redemption price per share is equal to the sum of the liquidation value per share plus any accumulated but unpaid dividends. Dividends on the VMTP Shares are set weekly, subject to adjustments in certain circumstances. The weighted average dividend rates for the six months ended Sept. 30, 2013 were as follows:

	Colorado Municipal Fund	Minnesota Municipal Fund II	National Municipal Fund
	1.3%	1.3%	1.3%

The Funds use leverage because their managers believe that, over time, leveraging may provide opportunities for additional income and total return for common shareholders. However, the use of leverage also can expose common shareholders to additional volatility. For example, as the prices of securities held by a Fund decline, the negative impact of these valuation changes on common share net asset value and common shareholder total return is magnified by the use of leverage; accordingly, the use of structural leverage may hurt a Fund's overall performance.

Leverage may also cause the Funds to incur certain costs. In the event that a Fund is unable to meet certain criteria (including, but not limited to, maintaining certain ratings with Fitch Ratings and Moody's Investors Service, funding dividend payments or funding redemptions), that Fund will pay additional fees with respect to the leverage.

#### 5. Derivatives

U.S. GAAP requires disclosures that enable investors to understand: 1) how and why an entity uses derivatives; 2) how they are accounted for; and 3) how they affect an entity's results of operations and financial position.

**Inverse Floaters** Each Fund may participate in inverse floater programs where a Fund transfers its own bonds to a trust that issues floating rate securities and inverse floating rate securities (inverse floaters) with an aggregate principal amount equal to the principal of the transferred bonds. The inverse floaters received by the Funds are derivative tax-exempt obligations with floating or variable interest rates that move in the opposite direction of short-term interest rates, usually at an accelerated speed. Consequently, the market values of the inverse floaters will generally be more volatile than other tax-exempt investments. The Funds typically use inverse floaters to adjust the duration of their portfolio. Duration measures a portfolio's sensitivity to changes in interest rates. By holding inverse floaters with a different duration than the underlying bonds that a Fund transferred to the trust, the Fund seeks to adjust its portfolio's sensitivity to changes in interest rates. The Funds may also invest in inverse floaters to add additional income to the Funds or to adjust the Funds' exposure to a specific segment of the yield curve. At Sept. 30, 2013, and during the period then ended, the Funds held no investments in inverse floaters.

#### 6. Geographic, Credit, and Market Risk

The Funds concentrate their investments in securities issued by municipalities. Because each of the Colorado Municipal Income Fund and the Minnesota Municipal Income Fund invest substantially all of its net assets in municipal obligations of its respective state at the time of investment, events in that state may have a significant impact on the performance and investments of the Colorado Municipal Income Fund and the Minnesota Municipal Fund. These events may include economic or political policy changes, tax base erosion, state constitutional limits on tax increases, budget deficits and other financial difficulties, changes in the credit ratings assigned to the state's municipal issuers, the effects of natural or human-made disasters, or other economic, legislative or political or social issues. Any downgrade to the credit rating of the securities issued by the U.S. government may result in a downgrade of securities issued by the states or U.S. territories. The National Municipal Fund will be subject to these risks as well but to a lesser extent because it invests at least 80% of its net assets in securities, the income from which is exempt from federal income tax and is not

limited to investing substantially all of its assets in municipal obligations of a single state. From time to time and consistent with its investment policies, the National Municipal Income Fund may invest a considerable portion of its assets in certain municipalities. As of Sept. 30, 2013, the National Municipal Income Fund has invested 15.08%, 14.39%, and 10.68% (each as a percentage of fixed income investments), respectively, in securities issued by the State of California, the State of New York, and the State of Arizona, respectively. These investments could make the National Municipal Income Fund more sensitive to economic conditions in those states than other more geographically diversified national municipal income funds.

Each Fund may invest a percentage of assets in obligations of governments of U.S. territories, commonwealths and possessions such as Puerto Rico, the U.S. Virgin Islands or Guam. To the extent a Fund invests in such obligations, that Fund may be adversely affected by local political and economic conditions and developments within these U.S. territories, commonwealths and possessions. In the recent past, Puerto Rico has experienced volatile economic conditions. If the situation in Puerto Rico changes, the volatility, credit quality and performance of the Funds could be affected to the extent a Fund holds Puerto Rican securities.

Many municipalities insure repayment for their obligations. Although bond insurance may reduce the risk of loss due to default by an issuer, such bonds remain subject to the risk that market value may fluctuate for other reasons and there is no assurance that the insurance company will meet its obligations. A real or perceived decline in creditworthiness of a bond insurer can have an adverse impact on the value of insured bonds held in each Fund. At Sept. 30, 2013, the percentages of each Fund's net assets insured by insurers are listed below and these securities have been identified in the schedules of investments.

	Colorado Municipal Fund	Minnesota Municipal Fund II	National Municipal Fund
	39.51%	10.66%	2.86%

Each Fund invests a portion of their assets in high yield fixed income securities, which are securities rated BB or lower by Standard & Poor's (S&P) and/or Ba or lower by Moody's Investors Service (Moody's), or similarly rated by another nationally recognized statistical rating organization. Investments in these higher yielding securities are generally accompanied by a greater degree of credit risk than higher rated securities. Additionally, lower rated securities may be more susceptible to adverse economic and competitive industry conditions than investment grade securities.

The Funds may invest in advanced refunded bonds, escrow secured bonds or defeased bonds. Under current federal tax laws and regulations, state and local government borrowers are permitted to refinance outstanding bonds by issuing new bonds. The issuer refinances the outstanding debt to either reduce interest costs or to remove or alter restrictive covenants imposed by the bonds being refinanced. A refunding transaction where the municipal securities are being refunded within 90 days from the issuance of the refunding issue is known as a current refunding. Advance refunded bonds are bonds in which the refunded bond issue remains outstanding for more than 90 days following the issuance of the refunding issue. In an advance refunding, the issuer will use the proceeds of a new bond issue to purchase high-grade interest-bearing debt securities which are then deposited in an irrevocable escrow account held by an escrow agent to secure all future payments of principal and interest and bond premium of the advance refunded bond. Bonds are escrowed to maturity when the proceeds of the refunding issue are deposited in an escrow account for investment sufficient to pay all of the principal and interest on the original interest payment and maturity dates.

Bonds are considered pre-refunded when the refunding issue's proceeds are escrowed only until a permitted call date or dates on the refunded issue with the refunded issue being redeemed at the time, including any required premium. Bonds become defeased when the rights and interests of the bondholders and of their lien on the pledged revenues or other security under the terms of the bond contract are substituted with an alternative source of revenues (the escrow securities) sufficient to meet payments of principal and interest to maturity or to the first call dates. Escrowed secured bonds will often receive a rating of AAA from Moody's, S&P, and/or Fitch Ratings due to the strong credit quality of the escrow securities and the irrevocable nature of the escrow deposit agreement.

Each Fund invests in certain obligations that may have liquidity protection to ensure that the receipt of payments due on the underlying security is timely. Such protection may be provided through guarantees, insurance policies or letters of credit obtained by the issuer or sponsor from third parties, through various means of structuring the transaction or through a combination of such approaches. The Funds will not pay any additional fees for such credit support, although the existence of credit support may increase the price of a security.

Each Fund may invest up to 15% of its net assets in illiquid securities, which may include securities with contractual restrictions on resale, securities exempt from registration under Rule 144A of the Securities Act of 1933, as amended, and other securities which may not be readily marketable. The relative illiquidity of these securities may impair each Fund from disposing of them in a timely manner and at a fair price when it is necessary or desirable to do so. While maintaining oversight, the Boards have delegated to DMC the day-to-day functions of determining whether individual securities are liquid for purposes of each Fund's limitation on investments in illiquid securities. Securities eligible for resale pursuant to Rule 144A, which are determined to be liquid, are not subject to each Fund's 15% limit on investments in illiquid securities. As of Sept. 30, 2013, no securities have been determined to be illiquid under the Funds' Liquidity Procedures. Rule 144A securities have been identified on the schedules of investments.

(continues) 27

## Notes to financial statements

### Delaware Investments<sup>®</sup> Closed-End Municipal Bond Funds

#### **7. Contractual Obligations**

Each Fund enters into contracts in the normal course of business that contain a variety of indemnifications. Each Fund's maximum exposure under these arrangements is unknown. However, the Funds have not had prior claims or losses pursuant to these contracts. Management has reviewed each Fund's existing contracts and expects the risk of loss to be remote.

#### **8. Subsequent Events**

Management has determined that no material events or transactions occurred subsequent to Sept. 30, 2013 that would require recognition or disclosure in the Funds' financial statements.

28

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## Other Fund information (Unaudited)

### Delaware Investments<sup>®</sup> Closed-End Municipal Bond Funds

#### Fund management

Joseph R. Baxter  
Senior Vice President, Head of Municipal Bond  
Department, Senior Portfolio Manager

Joseph R. Baxter is the head of the municipal bond department and is responsible for setting the department's investment strategy. He is also a co-portfolio manager of the firm's municipal bond funds and several client accounts. Before joining Delaware Investments in 1999 as head municipal bond trader, he held investment positions with First Union, most recently as a municipal portfolio manager with the Evergreen Funds. Baxter received a bachelor's degree in finance and marketing from La Salle University.

Stephen J. Czepiel  
Senior Vice President, Senior Portfolio Manager

Stephen J. Czepiel is a member of the firm's municipal fixed income portfolio management team with primary responsibility for portfolio construction and strategic asset allocation. He is a co-portfolio manager of the firm's municipal bond funds and client accounts. He joined Delaware Investments in July 2004 as a senior bond trader. Previously, he was vice president at both Mesirow Financial and Loop Capital Markets. He began his career in the securities industry in 1982 as a municipal bond trader at Kidder Peabody and now has more than 20 years of experience in the municipal securities industry. Czepiel earned his bachelor's degree in finance and economics from Duquesne University.

Denise A. Franchetti, CFA  
Vice President, Portfolio Manager, Senior Research Analyst

Denise A. Franchetti is a senior research analyst for the municipal bond department. Currently, she is responsible for following the airport, education, hotel, cogeneration, and cargo sectors for the group. In 2003, she was also named as portfolio manager on the tax-exempt closed-end funds in addition to her research duties. Prior to joining Delaware Investments in 1997 as a municipal bond analyst, she was a fixed income trader at Provident Mutual Life Insurance and an investment analyst at General Accident Insurance. Franchetti received her bachelor's degree and an MBA from La Salle University. She is a member of the Financial Analysts of Philadelphia.

Gregory A. Gizzi  
Senior Vice President, Senior Portfolio Manager

Gregory A. Gizzi is a member of the firm's municipal fixed income portfolio management team. He is also a co-portfolio manager of the firm's municipal bond funds and several client accounts. Before joining Delaware Investments in January 2008 as head of municipal bond trading, he spent six years as a vice president at Lehman Brothers for the firm's tax-exempt institutional sales effort. Prior to that, he spent two years trading corporate bonds for UBS before joining Lehman Brothers in a sales capacity. Gizzi has more than 20 years of trading experience in the municipal securities industry, beginning at Kidder Peabody in 1984, where he started as a municipal bond trader and worked his way up to institutional block trading desk manager. He later worked in the same capacity at Dillon Read. Gizzi earned his bachelor's degree in economics from Harvard University.

(continues) 29

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## Other Fund information (Unaudited)

### Delaware Investments® Closed-End Municipal Bond Funds

#### Proxy Results

At the Annual Meeting on August 21, 2013, the Funds' Shareholders elected nine directors/trustees. The results of the voting at the meeting were as follows:

#### Delaware Investments Colorado Municipal Income Fund, Inc.

	Common Shareholders		Preferred Shareholders	
	Shares	Shares voted Withheld	Shares	Shares voted Withheld
	Voted For	Authority	Voted For	Authority
Thomas L. Bennett	4,189,783	118,086	300	0
Joseph W. Chow	4,149,096	158,773	300	0
Patrick P. Coyne	4,169,896	137,973	300	0
John A. Fry	4,187,382	120,487	300	0
Anthony D. Knerr	4,113,470	194,399	300	0
Lucinda S. Landreth	4,184,056	123,813	300	0
Frances Sevilla-Sacasa	4,184,830	123,039	300	0
Thomas K. Whitford	4,190,491	117,378	300	0
Janet L. Yeomans			300	0
J. Richard Zecher			300	0

#### Delaware Investments Minnesota Municipal Income Fund II, Inc.

	Common Shareholders		Preferred Shareholders	
	Shares	Shares voted Withheld	Shares	Shares voted Withheld
	Voted For	Authority	Voted For	Authority
Thomas L. Bennett	9,797,383	245,033	750	0
Joseph W. Chow	9,801,368	241,048	750	0
Patrick P. Coyne	9,767,539	274,877	750	0
John A. Fry	9,802,035	240,381	750	0
Anthony D. Knerr	9,744,848	297,568	750	0
Lucinda S. Landreth	9,838,685	203,731	750	0
Frances Sevilla-Sacasa	9,837,579	204,837	750	0
Thomas K. Whitford	9,803,165	239,251	750	0
Janet L. Yeomans			750	0
J. Richard Zecher			750	0

#### Delaware Investments National Municipal Income Fund

	Common Shareholders		Preferred Shareholders	
	Shares	Shares voted Withheld	Shares	Shares voted Withheld
	Voted For	Authority	Voted For	Authority
Thomas L. Bennett	3,928,568	141,019	300	0
Joseph W. Chow	3,936,207	133,380	300	0
Patrick P. Coyne	3,922,181	147,406	300	0
John A. Fry	3,936,207	133,380	300	0
Anthony D. Knerr	3,926,632	142,955	300	0
Lucinda S. Landreth	3,927,314	142,273	300	0
Frances Sevilla-Sacasa	3,931,781	137,806	300	0
Thomas K. Whitford	3,927,210	142,377	300	0

Janet L. Yeomans	300	0
J. Richard Zecher	300	0

**Board Consideration of Delaware Investments Colorado Municipal Income Fund, Inc.; Delaware Investments National Municipal Income Fund; and Delaware Investments Minnesota Municipal Income Fund II, Inc.**

At a meeting held on August 20-22, 2013 (the Annual Meeting ), the Board of Directors (the Board ), including a majority of disinterested or independent Directors, approved the renewal of the Investment Advisory Agreements for Delaware Investments Colorado Municipal Income Fund, Inc.; Delaware Investments National Municipal Income Fund; and Delaware Investments Minnesota Municipal Income Fund II, Inc. (each, a Fund and together, the Funds ). In making its decision, the Board considered information furnished at regular quarterly Board meetings, including reports detailing Fund performance, investment strategies and expenses, as well as information prepared specifically in connection with the renewal of the investment advisory and sub-advisory contracts. Information furnished specifically in connection with the renewal of the Investment Advisory Agreements with Delaware Management Company ( DMC ) concerning, among other things, the nature, extent and quality of services provided to the Funds, the costs of such services to the Funds, economies of scale and the financial condition and profitability of Delaware Investments. In addition, in connection with the Annual Meeting, reports were provided to the Directors in May 2013 and included reports provided by Lipper, Inc., an independent statistical compilation organization ( Lipper ). The Lipper reports compared each Fund s investment performance and expenses with those of other comparable mutual funds. The Independent Directors reviewed and discussed the Lipper reports with independent legal counsel to the Independent Directors. The Board requested and received information regarding DMC s policy with respect to advisory fee levels and its breakpoint philosophy; the structure of portfolio manager compensation; the investment manager s profitability; comparative client fee information; and any constraints or limitations on the availability of securities for certain investment styles, which had in the past year inhibited, or which were likely in the future to inhibit, DMC s ability to invest fully in accordance with Fund policies.

In considering information relating to the approval of each Fund s advisory agreement, the Independent Directors received assistance and advice from and met separately with independent legal counsel to the Independent Directors. Although the Board gave attention to all information furnished, the following discussion identifies, under separate headings, the primary factors taken into account by the Board during its contract renewal considerations.

**Nature, Extent and Quality of Service.** The Board considered the services provided by Delaware Investments to each Fund and its shareholders. In reviewing the nature, extent and quality of services, the Board considered reports furnished to it throughout the year, which covered matters such as the relative performance of each Fund, compliance of portfolio managers with the investment policies, strategies and restrictions for each Fund, compliance by DMC ( Management ) personnel with the Code of Ethics adopted throughout the Delaware Investments Family of Funds complex and adherence to fair value pricing procedures as established by the Board. The Board was pleased with the current staffing of the Funds investment advisor and the emphasis placed on research in the investment process. The Board recognized DMC s recent receipt of several industry distinctions. The Board gave favorable consideration to DMC s efforts to control expenditures while maintaining service levels committed to fund matters. The Board was satisfied with the nature, extent and quality of the overall services provided by Delaware Investments.

**Investment Performance.** The Board placed significant emphasis on the investment performance of each Fund in view of the importance of investment performance to shareholders. Although the Board gave appropriate consideration to performance reports and discussions with portfolio managers at Board meetings throughout the year, the Board gave particular weight to the Lipper reports furnished for the Annual Meeting. The Lipper reports prepared for each Fund showed the investment performance of its shares in comparison to a group of similar funds as selected by Lipper (the Performance Universe ). A fund with the highest performance ranked first, and a fund with the lowest ranked last. The highest/best performing 25% of funds in the Performance Universe make up the first quartile; the next 25%, the second quartile; the next 25%, the third quartile; and the lowest/worst performing 25% of funds in the Performance Universe make up the fourth quartile. Comparative annualized performance for each Fund was shown for the past one-, three-, five- and ten-year periods, to the extent applicable, ended March 31, 2013. The Board s objective is that each Fund s performance for the periods considered be at or above the median of its Performance Universe. The following paragraphs summarize the performance results for each Fund and the Board s view of such performance.

Delaware Investments Colorado Municipal Income Fund, Inc. The Performance Universe for the Fund consisted of the Fund and all leveraged closed-end other state municipal debt funds as selected by Lipper. The Lipper report comparison showed that the Fund s total return for the one-year period was in the second quartile of its Performance Universe. The report further showed that the Fund s total return for the three-year period was in the third quartile of its Performance Universe and the Fund s total return for the five- and ten-year periods was in the fourth quartile of its Performance Universe. The Fund s performance results were not in line with the Board s objective. In evaluating the Fund s performance, the Board considered the improved one-year performance result and numerous investment and performance reports delivered by Managem