

Delaware Investments Colorado Municipal Income Fund, Inc.
Form N-CSR
June 05, 2014

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:	811-07810
Exact name of registrant as specified in charter:	Delaware Investments® Colorado Municipal Income Fund, 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:	March 31, 2014

Item 1. Reports to Stockholders

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Delaware Investments® Closed-End Municipal

Bond Funds

Annual report

March 31, 2014

The figures in the annual 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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Unless otherwise noted, views expressed herein are current as of March 31, 2014, 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.

Investments in Delaware Investments Closed-End Municipal Bond Funds are not and will not be deposits with or liabilities of Macquarie Bank Limited ABN 46 008 583 542 and its holding companies, including their subsidiaries or related companies (Macquarie Group), and are subject to investment risk, including possible delays in repayment and loss of income and capital invested. No Macquarie Group company guarantees or will guarantee the performance of the Funds, the repayment of capital from the Funds, or any particular rate of return.

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Portfolio management review

Delaware Investments® Closed-End Municipal Bond Funds

April 8, 2014

Municipal bond market conditions

The Funds' fiscal year ended March 31, 2014 saw the U.S. tax-exempt bond market return 0.39% as measured by the Barclays Municipal Bond Index. Several factors contributed to this less-than-stellar performance. To begin with, the market turned negative in May 2013 when the U.S. Federal Reserve announced its plan to taper its so-called quantitative easing program, which had injected record amounts of cash into the capital markets. Investors withdrew significant amounts from all major fixed income asset classes in June and July 2013 due to rising interest rate fears. In addition, the municipal bond market experienced heightened investor fears when the city of Detroit filed for bankruptcy in late July and Puerto Rico related securities came under credit related scrutiny. These combined investor fears resulted in \$71 billion of redemptions out of municipal bond funds between late May 2013 and mid-January 2014. The extent of those outflows eroded the balance between supply and demand, pushing up yields for municipal bonds.

In addition to the credit fears in the municipal bond market, interest rate markets in general spent the remainder of 2013 waiting on a decision by the Federal Open Market Committee (FOMC) about the timing of tapering and to what extent rates would be tapered. After a surprise decision not to begin the taper at the September FOMC meeting, the Fed finally began its quantitative easing tapering program in December 2013. By that time, the 10-year U.S. Treasury settled into a trading range between 2.50% and 3.03% (source: Bloomberg).

As the calendar turned to 2014, the economy and international events took center stage. A slowing in the U.S. economy (gross domestic product in the first quarter of 2014 was reported as 0.1%) which may have been weather related, continued deflationary fears in Europe, economic weakness in China and Japan, along with Russia's annexation of the Crimea region of Ukraine led to a flight-to-quality and a strong rally (yield decline) in U.S. Treasury bonds and related fixed income markets.

The municipal bond market followed this trend as the market segmented the Detroit and Puerto Rico concerns as unique to these issuers and not systemic to the municipal market. In the first quarter of 2014, open-end municipal bond funds experienced positive flows, which resulted in positive municipal bond returns; in turn this had a positive influence on municipal bond closed-end funds as well.

With these events as a backdrop, the top-performing bonds for the Funds' fiscal year were generally at the short end of the maturity ranges within the Barclays Municipal Bond Index, notably the 3-year bond segment, which returned +1.09%, followed by the 5-year segment, which was up 0.97%. The two weakest-performing segments were at the longer end of the curve: The 20-year segment posted a total return of +0.14%, while the long-bond category (22 years and longer) declined by 0.82%. In terms of credit quality,

higher-rated bonds tended to lead the way, with the AAA-rated bonds returning +0.55%, and AA-rated bonds returning +0.64%.

Fund positioning: commitment to a credit driven selection process

Within the context of alternating levels of demand, fluctuations in yields, and expectations for higher interest rates, we adhered to our credit-driven investment philosophy. Our strategy encompassed the belief that the most predictable component of total return is income, and that by concentrating on relatively lower-grade credits, the Funds would likely have the greatest opportunity to generate higher coupon income which could offset negative price action.

However, the confluence of events in 2013 and the Funds' equal-to-overweight positions at the longer end of the curve detracted from performance versus the benchmark. In addition, the Funds were overweight both the A-rated bond segment, which returned 0.55%, and BBB-rated bond segment, which was down -3.06%. The Funds were underweight in both AA- and AAA-rated credits, where performance was nearly 300 basis points higher (one basis point equals 1/100 of one percentage point). At the same time, the Funds held positions in Puerto Rico bonds for most of the fiscal year, because these bonds offered both significant coupon income and triple tax-exemption attributes. The average Puerto Rico exposure during the fiscal year for each Fund as a percentage of net assets was as follows: Delaware Investments National Municipal Income Fund was 2.71%, Delaware Investments Minnesota Municipal Income Fund II, Inc. was 1.03%, and Delaware Investments Colorado Municipal Income Fund, Inc. was 4.70%. Although we had exited those positions completely by the end of the Funds' fiscal year, their time in the Funds' portfolios had a negative effect on performance.

Momentum seemed to take a better turn toward the end of the fiscal year, as the long end of the curve began to outperform, driven by a decrease in overall municipal supply. The Funds' performance improved in kind.

Performance effects

Although all three Funds had negative returns for the fiscal year, we responded to the events detailed above in two ways. First, we marginally moved up in credit quality by selling lower-rated bonds and purchasing securities with higher ratings. Second, we sold a small percentage of longer-dated maturities in exchange for shorter-to-intermediate-term debt. We continued to maintain our commitment to focus on our bottom-up (bond-by-bond), fundamental approach to security selection. This approach involved evaluating each investment opportunity and selecting those bonds that we believed offered a good balance between risk and potential reward.

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Portfolio management review

Delaware Investments® Closed-End Municipal Bond Funds

Notes about each Fund individually:

For **Delaware Investments Colorado Municipal Income Fund, Inc.**, the strongest-performing bonds were within the healthcare sector. For example, the Colorado Health Facilities Authority issued a bond with a 5.6% coupon, maturing in 2043. This A-rated bond generated a total return of +11.25% for the Fund, supporting our credit-selection philosophy and investment selection at the longer end of the curve, where coupon income is higher. Conversely, the weaker performers were Puerto Rico issues. An example was a BBB+-rated bond issued by the Puerto Rico Electric Power Authority, which had a 5% coupon and a 2037 maturity date. The total return for the bond was -29.69% for the fiscal year.

For **Delaware Investments Minnesota Municipal Income Fund II, Inc.**, the strongest performer was a healthcare bond issued by the Duluth Minnesota Economic Development Authority. This bond, with no credit rating, had a coupon of 5.75% and a maturity date of 2032. It generated a total return of +9.54% during the fiscal year, helping to offset the weaker performers which included a Puerto Rico sales tax bond, maturing in 2044, which fell by 25.71% during the fiscal year.

Across all three Funds, the strongest-performing bond was held by **Delaware Investments National Municipal Income Fund**. It was issued as a Texas Private Activity Revenue Bond, rated Baa3 by Moody's, with a 6.75% coupon and a 2043 maturity date. It produced a 17.25% total return over the fiscal year. That strong performance was in stark contrast to the Fund's weakest performer, a Puerto Rico sales tax zero coupon bond maturing in 2032, which declined by 35.04% for the fiscal period.

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Fund basics

Delaware Investments®

Colorado Municipal Income Fund, Inc.

As of March 31, 2014

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

\$70 million

Number of holdings

73

Fund start date

July 29, 1993

CUSIP number

246101109

Delaware Investments

Minnesota Municipal Income Fund II, Inc.

As of March 31, 2014

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

\$165 million

Number of holdings

142

Fund start date

Feb. 26, 1993

CUSIP number

24610V103

Delaware Investments

National Municipal Income Fund

As of March 31, 2014

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

\$63 million

Number of holdings

161

Fund start date

Feb. 26, 1993

CUSIP number

24610T108

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Security type / Sector / State allocations

As of March 31, 2014 (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
Municipal Bonds*	140.65%
Corporate-Backed Revenue Bonds	2.85%
Education Revenue Bonds	25.45%
Electric Revenue Bonds	3.65%
Healthcare Revenue Bonds	43.62%
Housing Revenue Bonds	0.48%
Lease Revenue Bonds	9.39%
Local General Obligation Bonds	13.82%
Pre-Refunded / Escrowed to Maturity Bonds	10.37%
Special Tax Revenue Bonds	18.53%
Transportation Revenue Bonds	9.43%
Water & Sewer Revenue Bonds	3.06%
Total Value of Securities	140.65%
Liquidation Value of Preferred Stock	(42.99)%
Receivables and Other Assets Net of Liabilities	2.34%
Total Net Assets	100.00%

** 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	Percentage of net assets
Guam	1.47%
Delaware Investments	

Minnesota Municipal Income Fund II, Inc.

Sector type / Sector	Percentage of net assets
Municipal Bonds*	143.85%
Corporate-Backed Revenue Bonds	6.74%
Education Revenue Bonds	17.26%
Electric Revenue Bonds	10.00%
Healthcare Revenue Bonds	38.61%
Housing Revenue Bonds	4.59%
Lease Revenue Bonds	15.38%
Local General Obligation Bonds	8.86%
Pre-Refunded/Escrowed to Maturity Bonds	18.01%
Special Tax Revenue Bonds	5.44%
State General Obligation Bonds	11.86%
Transportation Revenue Bonds	5.45%
Water & Sewer Revenue Bonds	1.65%
Total Value of Securities	143.85%
Liquidation Value of Preferred Stock	(45.57)%
Receivables and Other Assets Net of Liabilities	1.72%
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	Percentage of net assets
Guam	0.10%

Table of Contents**Delaware Investments®****National Municipal Income Fund**

	Percentage of net assets
Security type / Sector	
Municipal Bonds	146.14%
Corporate-Backed Revenue Bonds	15.90%
Education Revenue Bonds	25.17%
Electric Revenue Bonds	1.74%
Healthcare Revenue Bonds	21.11%
Housing Revenue Bonds	2.62%
Lease Revenue Bonds	12.61%
Local General Obligation Bonds	1.79%
Special Tax Revenue Bonds	22.90%
State General Obligation Bonds	7.33%
Transportation Revenue Bonds	27.93%
Water & Sewer Revenue Bonds	7.04%
Short-Term Investment	0.80%
Total Value of Securities	146.94%
Liquidation Value of Preferred Stock	(47.98)%
Receivables and Other Assets Net of Liabilities	1.04%
Total Net Assets	100.00%
	Percentage of net assets
State / territory	
Alaska	0.51%
Arizona	14.89%
California	20.87%
Colorado	2.29%
District of Columbia	0.41%
Florida	6.54%
Georgia	4.46%
Guam	2.28%
Hawaii	0.51%
Idaho	1.66%
Illinois	4.26%
Indiana	0.92%
Kansas	0.18%
Louisiana	3.38%
Maine	0.52%
Maryland	3.49%
Massachusetts	1.47%
Minnesota	8.55%
Missouri	4.14%

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New Hampshire	0.53%
New Jersey	9.27%
New Mexico	0.83%
New York	19.88%
North Carolina	0.43%
North Dakota	0.42%
Ohio	2.68%
Oregon	5.43%
Pennsylvania	11.96%
Texas	9.46%
Virginia	2.75%
West Virginia	0.79%
Wisconsin	0.76%
Wyoming	0.42%
Total	146.94%

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March 31, 2014

	Principal Amount^o	Value (U.S. \$)
Municipal Bonds 140.65%		
Corporate-Backed Revenue Bonds 2.85%		
Public Authority for Colorado Energy Revenue		
6.25% 11/15/28	865,000	\$ 1,042,437
Public Authority of Colorado Energy Natural Gas Revenue Series 2008		
6.50% 11/15/38	750,000	948,248
		1,990,685
Education Revenue Bonds 25.45%		
Colorado Educational & Cultural Facilities Authority Revenue (Academy Charter School Project)		
5.50% 5/1/36 (SGI)	1,720,000	1,726,020
(Bromley Charter School Project)		
5.25% 9/15/32 (SGI)	3,245,000	3,315,352
(Charter School - Community Leadership Academy)		
7.45% 8/1/48	500,000	522,015
(Liberty Charter School) Series A		
5.00% 1/15/44	1,000,000	976,460
(Littleton Charter School Project)		
4.375% 1/15/36 (AGC)	1,200,000	1,143,948
(Student Housing - Campus Village Apartments)		
5.00% 6/1/23	1,065,000	1,165,525
Colorado School of Mines Series B		
5.00% 12/1/42	2,500,000	2,657,900
Colorado State Board of Governors (University Enterprise System) Series A 5.00% 3/1/39	10,000	10,669
University of Colorado		
5.00% 6/1/31	3,185,000	3,499,137
Series A 5.00% 6/1/33	1,000,000	1,105,560
Series A 5.375% 6/1/38	750,000	844,935
Western State College		
5.00% 5/15/34	750,000	789,180
		17,756,701

	Principal Amount ^o	Value (U.S. \$)
Municipal Bonds (continued)		
Electric Revenue Bonds 3.65%		
Colorado Springs Utilities System Improvement Revenue Series C		
5.50% 11/15/48	750,000	\$ 837,803
Platte River Power Authority Series HH 5.00% 6/1/28	1,500,000	1,711,320
		2,549,123
Healthcare Revenue Bonds 43.62%		
Aurora Hospital Revenue (Children s Hospital Association Project) Series A		
5.00% 12/1/40	4,000,000	4,108,600
Colorado Health Facilities Authority Revenue (Boulder Community Hospital Project)		
5.00% 10/1/32	500,000	528,345
(Catholic Health Initiatives)		
Series A 5.00% 7/1/39	750,000	768,367
Series A 5.00% 2/1/41	2,400,000	2,471,208
Series A 5.25% 2/1/33	1,625,000	1,702,724
Series A 5.25% 1/1/45	1,000,000	1,054,420
Series C-1		
5.10% 10/1/41 (AGM)	1,000,000	1,025,080
Series D 6.125% 10/1/28	750,000	854,070
(Christian Living		
Community Project)		
6.375% 1/1/41	615,000	646,340
Series A 5.75% 1/1/37	885,000	895,770
(Covenant Retirement		
Communities Inc.)		
Series A 5.00% 12/1/33	1,000,000	987,600
Series A 5.75% 12/1/36	1,000,000	1,026,010
(Evangelical Lutheran Good		
Samaritan Society)		
5.00% 6/1/28	1,250,000	1,305,037
5.50% 6/1/33	2,000,000	2,133,260
5.625% 6/1/43	1,000,000	1,055,970
(Healthcare Facilities -		
American Baptist)		
8.00% 8/1/43	500,000	501,260
(Mental Health Center of	1,500,000	1,528,065
Denver Project) Series A		

5.75% 2/1/44

(National Jewish Health Project) 5.00% 1/1/27

500,000

515,180

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	Principal Amount ^o	Value (U.S. \$)
Municipal Bonds (continued)		
Healthcare Revenue Bonds (continued)		
Colorado Health Facilities Authority Revenue (Sisters of Charity of Leavenworth Health System) Series A		
5.00% 1/1/40	4,750,000	\$ 4,886,990
(Total Long-Term Care)		
Series A 6.00% 11/15/30	400,000	428,100
Denver Health & Hospital Authority Health Care Revenue (Recovery Zone Facilities)		
5.625% 12/1/40	750,000	779,685
University of Colorado Hospital Authority Revenue Series A		
5.00% 11/15/37	500,000	505,990
Series A 6.00% 11/15/29	650,000	729,079
		30,437,150
Housing Revenue Bonds 0.48%		
Colorado Housing & Finance Authority (Single Family Mortgage - Class 1) Series A		
5.50% 11/1/29 (FHA) (VA) (HUD)	325,000	337,067
		337,067
Lease Revenue Bonds 9.39%		
Aurora Certificates of Participation Series A 5.00%		
12/1/30	630,000	696,364
Colorado Building Excellent Schools Today Certificates of Participation Series G		
5.00% 3/15/32	2,000,000	2,160,040
Glendale Certificates of Participation		
5.00% 12/1/25 (SGI)	1,500,000	1,618,890
Pueblo County Certificates of Participation (County Judicial Complex Project)		
5.00% 9/15/42 (AGM)	2,000,000	2,077,480
		6,552,774
Local General Obligation Bonds 13.82%		
Arapahoe County School District No. 1 Englewood 5.00%		
12/1/31	2,935,000	3,248,399

	Principal Amount^o	Value (U.S. \$)
Municipal Bonds (continued)		
Local General Obligation Bonds (continued)		
Boulder Larimer & Weld Counties St. Vrain Valley School District No. Re-1J 5.00% 12/15/33	750,000	\$ 834,337
Central Colorado Water Conservancy District (Limited Tax) 5.00% 12/1/33	750,000	811,163
Denver City & County (Better Denver & Zoo) Series A 5.00% 8/1/25 (School District No. 1)	650,000	741,182
4.00% 12/1/28	975,000	1,022,599
Denver International Business Center Metropolitan District No. 1 Series REF 5.00% 12/1/30	650,000	675,136
Jefferson County School District No. R-1 5.25% 12/15/24	750,000	919,688
Pueblo County School District No. 70 5.00% 12/1/31	500,000	551,500
Rangely Hospital District 6.00% 11/1/26	750,000	839,708
		9,643,712
Pre-Refunded/Escrowed to Maturity Bonds 10.37%§		
Adams & Arapahoe Counties Joint School District No. 28J (Aurora) 6.00% 12/1/28-18	600,000	730,506
Colorado State Board of Governors Series A 5.00% 3/1/39-19	690,000	810,336
Colorado Water Resources & Power Development Authority Revenue (Parker Water & Sanitation District) Series D 5.25% 9/1/43-14 (NATL-RE)	1,500,000	1,531,770
Regional Transportation District Revenue (FasTracks Project) Series A 4.375% 11/1/31-16 (AMBAC)	1,250,000	1,373,250

(continues)

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Schedules of investments

Delaware Investments® Colorado Municipal Income Fund, Inc.

	Principal Amount ^o	Value (U.S. \$)
Municipal Bonds (continued)		
Pre-Refunded/Escrowed to Maturity Bonds§ (continued)		
Regional Transportation		
District Revenue Series A		
5.00% 11/1/28-16 (AMBAC)	2,500,000	\$ 2,788,250
		7,234,112
Special Tax Revenue Bonds 18.53%		
Denver Convention Center		
Hotel Authority Revenue		
5.00% 12/1/35 (SGI)	2,875,000	2,895,297
Guam Government Business Privilege Tax Revenue		
Series A 5.125% 1/1/42	435,000	443,322
Series A 5.25% 1/1/36	565,000	581,803
Regional Transportation District Revenue		
Series A 5.375% 6/1/31 (Denver Transit Partners)	460,000	498,157
6.00% 1/15/41 (FasTracks Project) Series A	2,175,000	2,300,541
4.50% 11/1/36 (AGM)	1,500,000	1,528,530
Series A 5.00% 11/1/38	4,085,000	4,398,851
Tallyns Reach Metropolitan District No. 3 (Limited Tax Convertible)		
5.125% 11/1/38	295,000	285,640
		12,932,141
Transportation Revenue Bonds 9.43%		
Colorado High Performance Transportation Enterprise Revenue (Senior U.S. 36 & I-25 Managed Lanes)		
5.75% 1/1/44 (AMT)	1,110,000	1,118,991
Denver City & County Airport System Revenue		
Series A 5.25% 11/15/36	750,000	811,297
Series B 5.00% 11/15/27	1,000,000	1,107,050
Series B 5.00% 11/15/28	1,000,000	1,100,220
Series B 5.00% 11/15/37	2,000,000	2,106,500
	Principal Amount^o	Value (U.S. \$)
Municipal Bonds (continued)		

Transportation Revenue Bonds (continued)			
E-470 Public Highway Authority Series C			
5.25% 9/1/25	310,000	\$	332,091
			6,576,149
Water & Sewer Revenue Bonds 3.06%			
City of Aurora Water Revenue First Lien Series A			
5.00% 8/1/36 (AMBAC)	2,000,000		2,135,600
			2,135,600
Total Municipal Bonds			
(cost \$94,352,538)			98,145,214
Total Value of Securities 140.65%			
(cost \$94,352,538)			\$ 98,145,214

◦ Principal amount shown is stated in U.S. dollars unless noted that the security is denominated in another currency.

§ 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 7 in Notes to financial statements.

Summary of abbreviations:

AGC Insured by Assured Guaranty Corporation

AGM Insured by Assured Guaranty Municipal Corporation

AMBAC Insured by AMBAC Assurance Corporation

AMT Subject to Alternative Minimum Tax

FHA Federal Housing Administration

HUD Housing and Urban Development Section 8

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.

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March 31, 2014

	Principal Amount^o	Value (U.S. \$)
Municipal Bonds 143.85%		
Corporate-Backed Revenue Bonds 6.74%		
Cloquet Pollution Control Revenue (Potlatch Project) 5.90% 10/1/26	5,500,000	\$ 5,501,595
Laurentian Energy Authority I Cogeneration Revenue Series A 5.00% 12/1/21	3,325,000	3,139,365
St. Paul Port Authority Revenue (Gerdau St. Paul Steel Mill Project) Series 7 4.50% 10/1/37 (AMT)	3,005,000	2,447,512
		11,088,472
Education Revenue Bonds 17.26%		
Baytown Township Lease Revenue (St. Croix Preparatory Academy) 5.75% 8/1/42	300,000	287,451
Deephaven Charter School (Eagle Ridge Academy Project) Series A 5.50% 7/1/43	500,000	500,310
Forest Lake Minnesota Charter School Revenue (Lake International Language Academy) 5.75% 8/1/44	705,000	726,538
Minnesota Higher Education Facilities Authority Revenue (Augsburg College) Series 6-J1 5.00% 5/1/28	1,500,000	1,510,860
(Carleton College) Series 6-T 5.00% 1/1/28	1,000,000	1,097,010
Series D 5.00% 3/1/30	1,120,000	1,235,942
(College of St. Benedict) Series 7-M 5.00% 3/1/31	300,000	308,253
Series 7-M 5.125% 3/1/36	275,000	281,606
(St. Catherine University) Series 7-Q 5.00% 10/1/32	700,000	726,747
(St. Mary's University) Series 5U 4.80% 10/1/23	1,400,000	1,401,470
(St. Scholastic College) Series H 5.25% 12/1/35	1,000,000	1,039,360
(University of St. Thomas) Series 6-X 5.00% 4/1/29	2,250,000	2,435,017
Series 7-A 5.00% 10/1/39	1,000,000	1,052,210
	Principal Amount^o	Value (U.S. \$)
Municipal Bonds (continued)		

Education Revenue Bonds (continued)

Minnesota Higher Education Facilities Authority

Revenue

Series 7-U

5.00% 4/1/20	495,000	\$	574,249
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Series 7-U

5.00% 4/1/21	450,000		522,239
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Series 7-U

5.00% 4/1/22	750,000		874,275
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St. Paul Housing & Redevelopment Authority Charter

School Lease Revenue

(Nova Classical Academy) Series A 6.375% 9/1/31	750,000		787,853
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University of Minnesota

Series A 5.25% 4/1/29	1,000,000		1,141,520
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Series C 5.00% 12/1/19	1,290,000		1,514,886
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Series D 5.00% 12/1/27	1,110,000		1,270,661
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Series D 5.00% 12/1/28	1,880,000		2,140,681
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Series D 5.00% 12/1/29	2,265,000		2,564,003
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Series D 5.00% 12/1/31	1,000,000		1,118,950
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Series D 5.00% 12/1/36	3,000,000		3,299,100
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			28,411,191
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Electric Revenue Bonds 10.00%

Central Minnesota Municipal Power Agency Revenue

(Brookings Southeast Twin Cities Transportation)

5.00% 1/1/32	1,130,000		1,215,903
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(Brookings Twin Cities Transmission Project) 5.00%

1/1/42	1,000,000		1,048,010
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Chaska Electric Revenue (Generating Facilities) Series A

5.25% 10/1/25	250,000		266,593
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Minnesota Municipal Power Agency Electric Revenue

Series A 5.00% 10/1/34	3,400,000		3,472,522
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Series A 5.25% 10/1/19	1,610,000		1,648,286
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Northern Municipal Power Agency

Series A 5.00% 1/1/26	100,000		113,842
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Series A 5.00% 1/1/30	340,000		375,037
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Rochester Electric Utility Revenue

Series B 5.00% 12/1/30	1,300,000		1,476,397
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Series B 5.00% 12/1/43	1,000,000		1,093,310
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Southern Minnesota Municipal Power Agency Supply

Revenue Series A 5.25% 1/1/30	1,030,000		1,105,159
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Schedules of investments

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

	Principal Amount ^o		Value (U.S. \$)
Municipal Bonds (continued)			
Electric Revenue Bonds (continued)			
Western Minnesota Municipal Power Agency Supply Revenue			
Series A 5.00% 1/1/25	3,000,000	\$	3,495,000
Series A 5.00% 1/1/26	1,000,000		1,158,290
			16,468,349
Healthcare Revenue Bonds 38.61%			
Anoka Health Care Facilities Revenue (Homestead Anoka Project) Series A 7.00% 11/1/46			
	1,200,000		1,198,368
Center City Health Care Facilities Revenue (Hazelden Foundation Project)			
4.75% 11/1/31	850,000		869,627
5.00% 11/1/41	1,600,000		1,656,624
Cloquet Housing Facilities Revenue (HADC Cloquet Project) Refunding Series A 5.00% 8/1/48			
	500,000		463,675
Deephaven Housing & Healthcare Revenue (St. Therese Senior Living Project)			
Series A 5.00% 4/1/38	280,000		257,970
Series A 5.00% 4/1/40	270,000		246,920
Duluth Economic Development Authority (St. Luke's Hospital Authority Obligation Group) 5.75% 6/15/32			
	1,000,000		1,029,540
Duluth Economic Development Authority Revenue (St. Luke's Hospital Authority Obligation Group)			
6.00% 6/15/39	1,000,000		1,031,230
Fergus Falls Health Care Facilities Revenue (Lake Region Healthcare) 5.00% 8/1/30			
	1,000,000		1,014,790
Maple Grove Health Care System Revenue (Maple Grove Hospital)			
5.25% 5/1/37	1,100,000		1,115,873
	Principal Amount^o		Value (U.S. \$)
Municipal Bonds (continued)			
Healthcare Revenue Bonds (continued)			
Minneapolis Health Care System Revenue (Fairview Health Services) Series A 6.375% 11/15/23			
	1,105,000	\$	1,286,121
Series A 6.625% 11/15/28	1,150,000		1,352,929
Series B 6.50% 11/15/38 (ASSURED GTY)	2,295,000		2,669,062

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Series D 5.00% 11/15/34 (AMBAC)	2,000,000	2,017,560
Minneapolis Revenue (National Marrow Donor Program Project) Series NMDP 4.875% 8/1/25	1,000,000	1,023,580
Minneapolis St. Paul Housing & Redevelopment Authority Health Care Revenue (Children's Health Care Facilities) Series A1 5.00% 8/15/34 (AGM)	500,000	521,850
Minnesota Agricultural & Economic Development Board Revenue Un-Refunded Balance Series A 5.75% 11/15/26 (NATL-RE)	100,000	100,133
Series A 6.375% 11/15/29	195,000	195,868
Rochester Health Care & Housing Revenue (Samaritan Bethany) Series A 7.375% 12/1/41	1,220,000	1,337,864
(The Homestead) Series A 6.875% 12/1/48	1,220,000	1,282,037
Rochester Health Care Facilities Revenue (Mayo Clinic) 4.00% 11/15/41	5,105,000	5,058,405
Series C 4.50% 11/15/38	2,000,000	2,283,440
Sartell Health Care Facilities Revenue (Country Manor Campus Project) 5.25% 9/1/30	1,000,000	985,360
Series A 5.30% 9/1/37	600,000	576,492

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	Principal Amount^o	Value (U.S. \$)
Municipal Bonds (continued)		
Healthcare Revenue Bonds (continued)		
Shakopee Health Care Facilities Revenue (St. Francis Regional Medical Center)		
5.25% 9/1/34	1,560,000	\$ 1,564,602
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	1,606,440
5.175% 5/1/30	5,175,000	5,624,656
St. Louis Park Health Care Facilities Revenue (Park Nicollet Health Services)		
5.75% 7/1/39	3,315,000	3,532,099
Series C 5.50% 7/1/23	1,000,000	1,083,630
St. Paul Housing & Redevelopment Authority Health Care Facilities Revenue (Allina Health System) Series A		
5.00% 11/15/18		
(NATL-RE)	1,380,000	1,553,811
Series A-1		
5.25% 11/15/29	1,395,000	1,516,560
(Health Partners Obligation Group Project) 5.25% 5/15/36	2,000,000	2,048,040
St. Paul Housing & Redevelopment Authority Hospital Revenue (Health East Project)		
6.00% 11/15/30	2,775,000	2,841,434
6.00% 11/15/35	2,500,000	2,553,950
St. Paul Housing & Redevelopment Authority Housing & Health Care Facilities Revenue (Senior Carondelet Village Project) Series A 6.00% 8/1/42		
(Senior Episcopal Homes Project)	770,000	787,741
5.125% 5/1/48	1,200,000	1,083,732
Series A 4.75% 11/1/31	740,000	676,367
	Principal Amount^o	Value (U.S. \$)
Municipal Bonds (continued)		
Healthcare Revenue Bonds (continued)		
Washington County Housing & Redevelopment Authority Revenue (Birchwood & Woodbury Projects) Series A		
5.625% 6/1/37	1,500,000	\$ 1,450,875
Wayzata Senior Housing Revenue (Folkestone Senior Living Community)		
Series A		
5.50% 11/1/32	420,000	432,125
Series A		
5.75% 11/1/39	945,000	976,554

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Series A		
6.00% 5/1/47	1,475,000	1,541,139
Winona Health Care Facilities Revenue (Winona Health Obligated Group)		
4.75% 7/1/27	785,000	799,648
5.00% 7/1/23	1,010,000	1,060,227
5.00% 7/1/34 (Winona Health Obligation)	750,000	763,635
4.65% 7/1/26	465,000	473,421
		63,546,004
Housing Revenue Bonds 4.59%		
Minneapolis Multifamily Housing Revenue (Gaar Scott Loft Project) 5.95% 5/1/30 (AMT) (LOC-U.S. Bank N.A.) (Olson Townhomes Project)	815,000	817,657
6.00% 12/1/19 (AMT) (Seward Towers Project) 5.00% 5/20/36 (GNMA)	540,000	540,232
1,980,000	2,026,134	
Minnesota State Housing Finance Agency (Residential Housing)		
Series D 4.75% 7/1/32	795,000	800,167
Series I 5.15% 7/1/38	585,000	589,528
Series L 5.10% 7/1/38	1,250,000	1,309,900
Minnesota State Housing Finance Agency Homeownership (Mortgage-Backed Securities Program) 4.40% 7/1/32 (GNMA) (FNMA) (FHLMC)	1,380,000	1,465,381
		7,548,999

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Schedules of investments

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

	Principal Amount ^o	Value (U.S. \$)
Municipal Bonds (continued)		
Lease Revenue Bonds 15.38%		
Minnesota General Fund Revenue Appropriations		
Series A 5.00% 6/1/38	5,500,000	\$ 6,040,045
Series A 5.00% 6/1/43	1,750,000	1,896,370
Series B 4.00% 3/1/26	3,375,000	3,603,926
Series B 5.00% 3/1/29	3,525,000	3,974,755
Minnesota State General Fund Revenue Appropriations		
Series A 5.00% 6/1/32	780,000	871,361
Series B 5.00% 3/1/21	1,500,000	1,773,465
University of Minnesota Special Purpose Revenue (State Supported Biomed Science Research)		
5.00% 8/1/35	1,040,000	1,140,942
5.00% 8/1/36	4,000,000	4,348,520
Virginia Housing & Redevelopment Authority Health Care Facility Lease Revenue		
5.25% 10/1/25	680,000	689,044
5.375% 10/1/30	965,000	980,758
		25,319,186
Local General Obligation Bonds 8.86%		
City of Willmar (Rice Memorial Hospital Project) Series A		
4.00% 2/1/32	2,940,000	3,006,091
Dakota County Community Development Agency (Senior Housing Facilities) Series A		
5.00% 1/1/23	1,100,000	1,138,401
Hopkins Independent School District No. 270 Series A 5.00% 2/1/28	1,000,000	1,123,630
Rocori Independent School District No. 750 (School Building)		
Series B 5.00% 2/1/22	1,010,000	1,142,583
Series B 5.00% 2/1/24	1,075,000	1,211,084
Series B 5.00% 2/1/25	1,115,000	1,251,599

Series B 5.00% 2/1/26

You are not a non-U.S. holder for purposes of this discussion if you are (i) an individual who is present in the United States for 183 days or more in the taxable year of disposition or (ii) a former citizen or resident of the United States. If you are or may become such a person during the period in which you hold a security, you should consult your tax adviser regarding the U.S. federal tax consequences of an investment in the securities.

Sale, Exchange or Retirement of the Securities. Subject to the possible application of Section 897 of the Code and the discussion below regarding Section 871(m), you generally should not be subject to U.S. federal income or withholding tax in respect of amounts paid to you, provided that income in respect of the securities is not effectively connected with your conduct of a trade or business in the United States.

If you are engaged in a U.S. trade or business, and if income from the securities is effectively connected with the conduct of that trade or business, you generally will be subject to regular U.S. federal income tax with respect to that income in the same manner as if you were a U.S. holder, unless an applicable income tax treaty provides otherwise. If you are such a holder and you are a corporation, you should also consider the potential application of a 30% (or lower treaty rate) branch profits tax.

Tax Consequences Under Possible Alternative Treatments. If all or any portion of a security were recharacterized as a debt instrument, subject to the possible application of Section 897 of the Code and the discussions below regarding FATCA and Section 871(m), any payment made to you with respect to the security generally should not be subject to U.S. federal withholding or income tax, provided that: (i) income or gain in respect of the security is not effectively connected with your conduct of a trade or business in the United States, and (ii) you provide an appropriate IRS Form W-8 certifying under penalties of perjury that you are not a United States person.

Other U.S. federal income tax treatments of the securities are also possible. In 2007, the U.S. Treasury Department and the IRS released a notice requesting comments on the U.S. federal

income tax treatment of prepaid forward contracts and similar instruments. Among the issues addressed in the notice is the degree, if any, to which income with respect to instruments such as the securities should be subject to U.S. withholding tax. While the notice requests comments on appropriate transition rules and effective dates, it is possible that any Treasury regulations or other guidance promulgated after consideration of these issues might materially and adversely affect the withholding tax consequences of an investment in the securities, possibly with retroactive effect. Accordingly, you should consult your tax adviser regarding the issues presented by the notice.

Possible Withholding Under Section 871(m) of the Code. Section 871(m) of the Code and Treasury regulations promulgated thereunder (Section 871(m)) generally impose a 30% withholding tax on dividend equivalents paid or deemed paid to non-U.S. holders with respect to certain financial instruments linked to U.S. equities (U.S. underlying equities) or indices that include U.S. underlying equities. Section 871(m) generally applies to instruments that substantially replicate the economic performance of one or more U.S. underlying equities, as determined based on tests set forth in the applicable Treasury regulations (a specified security). However, the regulations, as modified by an IRS notice, exempt financial instruments issued in 2018 that do not have a delta of one. Based on the terms of the securities and representations provided by us, our counsel is of the opinion that the securities should not be treated as transactions that have a delta of one within the meaning of the regulations with respect to any U.S. underlying equity and, therefore, should not be specified securities subject to withholding tax under Section 871(m).

A determination that the securities are not subject to Section 871(m) is not binding on the IRS, and the IRS may disagree with this treatment. Moreover, Section 871(m) is complex and its application may depend on your particular circumstances. For example, if you enter into other transactions relating to a U.S. underlying equity, you could be subject to withholding tax or income tax liability under Section 871(m) even if the securities are not specified securities subject to

Section 871(m) as a general matter. You should consult your tax adviser regarding the potential application of Section 871(m) to the securities.

If withholding tax applies to the securities, we will not be required to pay any additional amounts with respect to amounts so withheld.

U.S. Federal Estate Tax

If you are an individual non-U.S. holder or an entity the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers), you should note that, absent an applicable treaty exemption, the securities may be treated as U.S. situs property subject to U.S. federal estate tax. If you are such an individual or entity, you should consult your tax adviser regarding the U.S. federal estate tax consequences of investing in the securities.

PRS-29

**M a r k e t L i n k e d
Securities Auto-Callable with Fixed Percentage**

Buffered Downside

**Principal at Risk Securities Linked to the
Energy Select Sector SPDR® Fund due May 7,
2021**

**Information Reporting and Backup
Withholding**

Amounts paid on the securities, and the proceeds of a sale, exchange or other disposition of the securities, may be subject to information reporting and, if you fail to provide certain identifying information (such as an accurate taxpayer identification number if you are a U.S. holder) or meet certain other conditions, may also be subject to backup withholding at the rate specified in the Code. If you are a non-U.S. holder that provides an appropriate IRS Form W-8, you will generally establish an exemption from backup withholding. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the relevant information is timely furnished to the IRS.

FATCA Legislation

Legislation commonly referred to as FATCA generally imposes a withholding tax of 30% on payments to certain non-U.S. entities (including financial intermediaries) with respect to certain financial instruments, unless various U.S. information reporting and due diligence requirements have been satisfied. An intergovernmental agreement between the United States and the non-U.S. entity's jurisdiction may modify these requirements. This legislation applies to certain financial instruments that are treated as paying U.S.-source interest, dividends or dividend equivalents or other U.S.-source fixed or determinable annual or periodical income (FDAP income). If required under FATCA, withholding applies to payments of FDAP income

and, after 2018, to payments of gross proceeds of the disposition (including upon retirement) of certain financial instruments treated as providing U.S.-source interest or dividends. If the securities were treated as debt instruments or as subject to Section 871(m), the withholding regime under FATCA would apply to the securities. If withholding applies to the securities, we will not be required to pay any additional amounts with respect to amounts withheld. If you are a non-U.S. holder, or a U.S. holder holding securities through a non-U.S. intermediary, you should consult your tax adviser regarding the potential application of FATCA to the securities.

The preceding discussion constitutes the full opinion of Davis Polk & Wardwell LLP regarding the material U.S. federal tax consequences of owning and disposing of the securities.

You should consult your tax adviser regarding all aspects of the U.S. federal income and estate tax consequences of an investment in the securities and any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

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