

Delaware Investments National Municipal Income Fund  
Form N-CSRS  
December 04, 2015

**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:                 | 811-07410   |
| Exact name of registrant as specified in charter:   | Delaware Investments® National Municipal Income Fund                  |
| Address of principal executive offices:             | 2005 Market Street<br>Philadelphia, PA 19103                          |
| Name and address of agent for service:              | David F. Connor, Esq.<br>2005 Market Street<br>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, 2015  |

---

Item 1. Reports to Stockholders

**Table of Contents**

Delaware Investments® Closed-End Municipal Bond Funds

Semiannual report

September 30, 2015

**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**

**Table of Contents**

Table of contents

|  |           |
|--|-----------|
| <b><u>Fund basics</u></b>                                | <b>1</b>  |
| <b><u>Security type / sector / state allocations</u></b> | <b>2</b>  |
| <b><u>Schedule of investments</u></b>                    | <b>4</b>  |
| <b><u>Statements of assets and liabilities</u></b>       | <b>21</b> |
| <b><u>Statements of operations</u></b>                   | <b>22</b> |
| <b><u>Statements of changes in net assets</u></b>        | <b>23</b> |
| <b><u>Statements of cash flows</u></b>                   | <b>25</b> |
| <b><u>Financial highlights</u></b>                       | <b>26</b> |
| <b><u>Notes to financial statements</u></b>              | <b>29</b> |
| <b><u>Other Fund information</u></b>                     | <b>35</b> |
| <b><u>About the organization</u></b>                     | <b>39</b> |

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, 2015, and subject to change for events occurring after such date. 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.

Neither Delaware Investments nor its affiliates noted in this document are authorized deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia). The obligations of these entities do not represent deposits or other liabilities of Macquarie Bank Limited (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of these entities, unless noted otherwise.

©2015 Delaware Management Holdings, Inc.

All third-party marks cited are the property of their respective owners.

**Table of Contents**

Fund basics

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

**As of September 30, 2015**

**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**

\$74 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, 2015**

**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**

\$171 million

**Number of holdings**

170

**Fund start date**

Feb. 26, 1993

**CUSIP number**

24610V103

**Delaware Investments  
National Municipal Income Fund**

**As of September 30, 2015**

**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**

\$66 million

**Number of holdings**

166

**Fund start date**

Feb. 26, 1993

**CUSIP number**

24610T108



**Table of Contents**

Security type / sector / state allocations

As of September 30, 2015 (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<br>of net<br>assets |
|--|--------------------------------|
| <b>Municipal Bonds*</b>                                | <b>135.47%</b>                 |
| Corporate-Backed Revenue Bonds                         | 4.59%                          |
| Education Revenue Bonds                                | 26.98%                         |
| Electric Revenue Bonds                                 | 4.61%                          |
| Healthcare Revenue Bonds                               | 41.81%                         |
| Lease Revenue Bonds                                    | 8.02%                          |
| Local General Obligation Bonds                         | 12.45%                         |
| Pre-Refunded/Escrowed to Maturity Bonds                | 3.17%                          |
| Special Tax Revenue Bonds                              | 23.10%                         |
| Transportation Revenue Bonds                           | 7.86%                          |
| Water & Sewer Revenue Bonds                            | 2.88%                          |
| <b>Total Value of Securities</b>                       | <b>135.47%</b>                 |
| <b>Liquidation Value of Preferred Stock</b>            | <b>(40.61)%</b>                |
| <b>Receivables and Other Assets Net of Liabilities</b> | <b>5.14%</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 and the states of the United States as follows:*

| State / territory | Percentage<br>of net assets |
|-------------------|-----------------------------|
|-------------------|-----------------------------|

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|                     |                |
|---------------------|----------------|
| Colorado            | 133.22%        |
| Guam                | 1.48%          |
| U.S. Virgin Islands | 0.77%          |
| <b>Total</b>        | <b>135.47%</b> |

**Delaware Investments**

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

| Security type / sector                                 | Percentage of net assets |
|--|--------------------------|
| <b>Municipal Bonds*</b>                                | <b>142.47%</b>           |
| Corporate-Backed Revenue Bonds                         | 6.68%                    |
| Education Revenue Bonds                                | 20.03%                   |
| Electric Revenue Bonds                                 | 9.72%                    |
| Healthcare Revenue Bonds                               | 33.09%                   |
| Housing Revenue Bonds                                  | 4.81%                    |
| Lease Revenue Bonds                                    | 14.95%                   |
| Local General Obligation Bonds                         | 6.98%                    |
| Pre-Refunded/Escrowed to Maturity Bonds                | 22.65%                   |
| Special Tax Revenue Bonds                              | 5.89%                    |
| State General Obligation Bonds                         | 11.58%                   |
| Transportation Revenue Bonds                           | 4.49%                    |
| Water & Sewer Revenue Bonds                            | 1.60%                    |
| <b>Total Value of Securities</b>                       | <b>142.47%</b>           |
| <b>Liquidation Value of Preferred Stock</b>            | <b>(43.98)%</b>          |
| <b>Receivables and Other Assets Net of Liabilities</b> | <b>1.51%</b>             |
| <b>Total Net Assets</b>                                | <b>100.00%</b>           |

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

| State / territory | Percentage of net assets |
|-------------------|--------------------------|
| Guam              | 0.09%                    |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

Minnesota 142.38%

**Total 142.47%**

2

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

| Security type / sector                                 | Percentage<br>of net<br>assets |
|--|--------------------------------|
| <b>Municipal Bonds*</b>                                | <b>141.50%</b>                 |
| Corporate-Backed Revenue Bonds                         | 15.97%                         |
| Education Revenue Bonds                                | 26.27%                         |
| Electric Revenue Bonds                                 | 2.16%                          |
| Healthcare Revenue Bonds                               | 17.77%                         |
| Housing Revenue Bonds                                  | 1.24%                          |
| Lease Revenue Bonds                                    | 11.07%                         |
| Local General Obligation Bonds                         | 1.60%                          |
| Pre-Refunded/Escrowed to Maturity Bonds                | 11.58%                         |
| Special Tax Revenue Bonds                              | 19.59%                         |
| State General Obligation Bonds                         | 3.65%                          |
| Transportation Revenue Bonds                           | 25.93%                         |
| Water & Sewer Revenue Bonds                            | 4.67%                          |
| <b>Short-Term Investment</b>                           | <b>1.05%</b>                   |
| <b>Total Value of Securities</b>                       | <b>142.55%</b>                 |
| <b>Liquidation Value of Preferred Stock</b>            | <b>(45.20)%</b>                |
| <b>Receivables and Other Assets Net of Liabilities</b> | <b>2.65%</b>                   |
| <b>Total Net Assets</b>                                | <b>100.00%</b>                 |

\* As of the date of this report, Delaware Investments National Municipal Income Fund held bonds issued by or on behalf of territories and the states of the United States as follows:

| State / territory | Percentage<br>of net<br>assets |
|-------------------|--------------------------------|
|-------------------|--------------------------------|

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|                      |                |
|----------------------|----------------|
| Alabama              | 1.26%          |
| Alaska               | 0.52%          |
| Arizona              | 11.78%         |
| California           | 16.73%         |
| Colorado             | 1.44%          |
| District of Columbia | 0.41%          |
| Florida              | 7.81%          |
| Georgia              | 4.37%          |
| Guam                 | 2.21%          |
| Hawaii               | 0.50%          |
| Idaho                | 1.58%          |
| Illinois             | 4.99%          |
| Indiana              | 0.96%          |
| Kansas               | 0.42%          |
| Louisiana            | 5.30%          |
| Maine                | 0.51%          |
| Maryland             | 4.02%          |
| Massachusetts        | 1.42%          |
| Minnesota            | 3.47%          |
| Mississippi          | 1.05%          |
| Missouri             | 4.04%          |
| Nevada               | 0.22%          |
| New Hampshire        | 0.52%          |
| New Jersey           | 9.15%          |
| New Mexico           | 0.82%          |
| New York             | 17.73%         |
| North Carolina       | 0.44%          |
| North Dakota         | 0.40%          |
| Ohio                 | 3.95%          |
| Oregon               | 3.81%          |
| Pennsylvania         | 15.46%         |
| Texas                | 11.01%         |
| Virginia             | 0.89%          |
| Washington           | 1.33%          |
| West Virginia        | 0.84%          |
| Wisconsin            | 0.76%          |
| Wyoming              | 0.43%          |
| <b>Total</b>         | <b>142.55%</b> |

**Table of Contents**

Schedule of investments

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

September 30, 2015 (Unaudited)

|   | <b>Principal<br/>Amount°</b> | <b>Value<br/>(U.S. \$)</b> |
|---|------------------------------|----------------------------|
| <b>Municipal Bonds 135.47%</b>  |                              |                            |
| Corporate-Backed Revenue Bonds 4.59%  |                              |                            |
| Public Authority for Colorado Energy Revenue 6.25% 11/15/28                               | 865,000                      | \$ 1,082,375               |
| Public Authority of Colorado Energy Natural Gas Revenue Series 2008<br>6.50% 11/15/38     | 1,750,000                    | 2,310,490                  |
|   |                              | 3,392,865                  |
| Education Revenue Bonds 26.98%  |                              |                            |
| Colorado Educational & Cultural Facilities Authority Revenue 144A                         |                              |                            |
| 5.00% 7/1/36 #  | 500,000                      | 501,110                    |
| 5.125% 11/1/49  | 765,000                      | 772,275                    |
| 144A 5.25% 7/1/46 #   | 500,000                      | 501,995                    |
| (Academy Charter School Project) 5.50% 5/1/36 (SGI)                                       | 1,720,000                    | 1,726,054                  |
| (Charter School - Atlas Preparatory School) 144A 5.25% 4/1/45 #                           | 700,000                      | 674,597                    |
| (Charter School - Community Leadership Academy) 7.45% 8/1/48                              | 500,000                      | 583,290                    |
| (Charter School - Peak to Peak Charter) 5.00% 8/15/34                                     | 1,000,000                    | 1,104,710                  |
| (Improvement - Charter School - University Lab School Building)<br>144A 5.00% 12/15/45 #  | 500,000                      | 488,535                    |
| (Johnson & Wales University) Series A 5.25% 4/1/37  | 900,000                      | 1,008,810                  |
| (Liberty Charter School) Series A 5.00% 1/15/44   | 1,000,000                    | 1,069,920                  |
| (Littleton Charter School Project) 4.375% 1/15/36 (AGC)                                   | 1,200,000                    | 1,206,528                  |
| (Skyview Charter School) 144A 5.50% 7/1/49 #  | 750,000                      | 793,350                    |
| (Student Housing - Campus Village Apartments) 5.00% 6/1/23                                | 1,065,000                    | 1,154,577                  |
| Colorado School of Mines Series B 5.00% 12/1/42   | 2,500,000                    | 2,782,750                  |
|   |                              | <b>Value</b>               |
|   | <b>Principal<br/>Amount°</b> | <b>(U.S. \$)</b>           |
| <b>Municipal Bonds (continued)</b>  |                              |                            |
| Education Revenue Bonds (continued)   |                              |                            |
| Colorado State Board of Governors (University Enterprise System)<br>Series A 5.00% 3/1/39 | 10,000                       | \$ 11,040                  |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|                                     |           |           |
|-------------------------------------|-----------|-----------|
| University of Colorado 5.00% 6/1/31 | 3,185,000 | 3,587,202 |
| Series A 5.00% 6/1/33               | 1,000,000 | 1,144,180 |
| Western State College 5.00% 5/15/34 | 750,000   | 818,745   |

19,929,668

Electric Revenue Bonds 4.61%

|   |           |           |
|---|-----------|-----------|
| Colorado Springs Utilities System Improvement Revenue Series A 5.00% 11/15/45 | 750,000   | 856,875   |
| Series C 5.50% 11/15/48   | 750,000   | 856,823   |
| Platte River Power Authority Series HH 5.00% 6/1/28                           | 1,500,000 | 1,691,130 |

3,404,828

Healthcare Revenue Bonds 41.81%

|  |           |           |
|--|-----------|-----------|
| Aurora Hospital Revenue (Children's Hospital Association Project) Series A 5.00% 12/1/40         | 4,000,000 | 4,346,000 |
| Colorado Health Facilities Authority Revenue (Catholic Health Initiatives) Series A 5.00% 7/1/39 | 750,000   | 805,313   |
| Series A 5.00% 2/1/41  | 2,400,000 | 2,588,880 |
| Series A 5.25% 2/1/33  | 1,625,000 | 1,788,410 |
| Series A 5.25% 1/1/45  | 1,000,000 | 1,090,110 |
| Series C-1 5.10% 10/1/41 (AGM)   | 1,000,000 | 1,055,570 |
| Series D 6.125% 10/1/28  | 750,000   | 847,380   |
| (Christian Living Community Project) 6.375% 1/1/41   | 615,000   | 665,528   |
| Series A 5.75% 1/1/37  | 885,000   | 897,771   |
| (Covenant Retirement Communities Inc.) 5.00% 12/1/35   | 1,000,000 | 1,068,310 |
| Series A 5.75% 12/1/36   | 1,000,000 | 1,094,250 |

**Table of Contents**

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Healthcare Revenue Bonds (continued)   |   |                            |
| Colorado Health Facilities Authority Revenue (Evangelical Lutheran<br>Good Samaritan Society) 5.00% 6/1/28 | 1,250,000                               | \$ 1,354,187               |
| 5.50% 6/1/33   | 2,000,000                               | 2,212,340                  |
| 5.625% 6/1/43  | 1,000,000                               | 1,100,460                  |
| (Healthcare Facilities - American Baptist) 8.00% 8/1/43  | 500,000                                 | 591,075                    |
| (Mental Health Center of Denver Project) Series A 5.75% 2/1/44   | 1,500,000                               | 1,681,605                  |
| (National Jewish Health Project) 5.00% 1/1/27  | 500,000                                 | 519,675                    |
| (Sisters of Charity of Leavenworth Health System) Series A 5.00% 1/1/40                                    | 4,750,000                               | 5,160,067                  |
| (Total Long-Term Care) Series A 6.00% 11/15/30   | 400,000                                 | 444,444                    |
| Denver Health & Hospital Authority Health Care Revenue (Recovery<br>Zone Facilities) 5.625% 12/1/40        | 750,000                                 | 820,830                    |
| University of Colorado Hospital Authority Revenue Series A 6.00%<br>11/15/29                               | 650,000                                 | 748,540                    |
|  |   | 30,880,745                 |
| Lease Revenue Bonds 8.02%  |   |                            |
| Aurora Certificates of Participation Series A 5.00% 12/1/30  | 630,000                                 | 707,333                    |
| Colorado Building Excellent Schools Today Certificates of Participation<br>Series G 5.00% 3/15/32          | 2,000,000                               | 2,270,100                  |
| Glendale Certificates of Participation 5.00% 12/1/25 (SGI)   | 1,500,000                               | 1,568,310                  |
| Pueblo County Certificates of Participation (County Judicial Complex<br>Project) 5.00% 9/15/42 (AGM)       | 1,250,000                               | 1,380,325                  |
|  |   | 5,926,068                  |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |

**Municipal Bonds (continued)**

Local General Obligation Bonds 12.45%

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|   |           |            |
|---|-----------|------------|
| Adams 12 Five Star Schools 5.00% 12/15/25   | 250,000   | \$ 313,243 |
| Arapahoe County School District No. 1 Englewood 5.00% 12/1/31                             | 2,935,000 | 3,403,661  |
| Beacon Point Metropolitan District 5.00% 12/1/30 (AGM)                                    | 600,000   | 686,928    |
| Boulder Larimer & Weld Counties St. Vrain Valley School District No. Re-1J 5.00% 12/15/33 | 750,000   | 835,800    |
| Denver City & County (Better Denver & Zoo) Series A 5.00% 8/1/25                          | 650,000   | 733,343    |
| Denver International Business Center Metropolitan District No. 1 5.00% 12/1/30            | 650,000   | 683,767    |
| Eaton Area Park & Recreation District 5.25% 12/1/34                                       | 190,000   | 195,337    |
| 5.50% 12/1/38   | 245,000   | 254,626    |
| Jefferson County School District No. R-1 5.25% 12/15/24                                   | 750,000   | 943,523    |
| Pueblo County School District No. 70 5.00% 12/1/31  | 250,000   | 280,488    |
| Rangely Hospital District 6.00% 11/1/26   | 750,000   | 868,335    |
|   |           | 9,199,051  |
| Pre-Refunded/Escrowed to Maturity Bonds 3.17%   |           |            |
| Adams & Arapahoe Counties Joint School District No. 28J (Aurora) 6.00% 12/1/28-18§        | 600,000   | 696,036    |
| Colorado State Board of Governors Series A 5.00% 3/1/39-19§                               | 690,000   | 780,873    |
| University of Colorado Series A 5.375% 6/1/38-19§   | 750,000   | 865,470    |
|   |           | 2,342,379  |

(continues)

5

**Table of Contents**

Schedule of investments

Delaware Investments® Colorado Municipal Income Fund, Inc.

|   | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|---|---|----------------------------|
| <b>Municipal Bonds (continued)</b>  |   |                            |
| Special Tax Revenue Bonds 23.10%  |   |                            |
| Central Platte Valley Metropolitan District 5.00% 12/1/43   | 375,000                                 | \$ 386,524                 |
| Commerce City 5.00% 8/1/44 (AGM)  | 1,000,000                               | 1,115,530                  |
| Denver Convention Center Hotel Authority Revenue 5.00% 12/1/35 (SGI)                                      | 2,875,000                               | 2,930,027                  |
| Fountain Urban Renewal Authority Tax Increment Revenue (Academy Highlands Project) Series A 5.50% 11/1/44 | 1,405,000                               | 1,429,082                  |
| Guam Government Business Privilege Tax Revenue Series A 5.125% 1/1/42                                     | 435,000                                 | 470,557                    |
| Series A 5.25% 1/1/36   | 565,000                                 | 621,398                    |
| Regional Transportation District Revenue Series A 5.375% 6/1/31 (Denver Transit Partners) 6.00% 1/15/41   | 460,000                                 | 524,262                    |
| (FasTracks Project) Series A 4.50% 11/1/36 (AGM)  | 2,175,000                               | 2,455,814                  |
| Series A 5.00% 11/1/38  | 1,500,000                               | 1,579,215                  |
| Tallyns Reach Metropolitan District No. 3 (Limited Tax Convertible) 5.125% 11/1/38                        | 4,085,000                               | 4,670,789                  |
| Virgin Islands Public Finance Authority (Matching Fund Senior Lien) 5.00% 10/1/29 (AGM)                   | 295,000                                 | 306,765                    |
|   | 500,000                                 | 572,095                    |
|   |   | 17,062,058                 |

|  |   |                  |
|--|---|------------------|
| Transportation Revenue Bonds 7.86%   |   |                  |
| Colorado High Performance Transportation Enterprise Revenue (Senior U.S. 36 & I-25 Managed Lanes) 5.75% 1/1/44 (AMT) | 1,110,000                               | 1,189,287        |
|  |   | <b>Value</b>     |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>(U.S. \$)</b> |

**Municipal Bonds (continued)**

|   |           |            |
|---|-----------|------------|
| Transportation Revenue Bonds (continued)                            |           |            |
| Denver City & County Airport System Revenue Series A 5.25% 11/15/36 | 750,000   | \$ 841,687 |
| Series B 5.00% 11/15/28   | 1,000,000 | 1,178,920  |
| Series B 5.00% 11/15/37   | 2,000,000 | 2,248,000  |
| E-470 Public Highway Authority Series C 5.25% 9/1/25                | 310,000   | 348,105    |

|  |                |                       |
|--|----------------|-----------------------|
|  |                | 5,805,999             |
| Water & Sewer Revenue Bonds                      | 2.88%          |                       |
| City of Aurora Water Revenue First Lien Series A | 5.00% 8/1/36   |                       |
| (AMBAC)  |                | 2,123,540             |
|  | 2,000,000      | 2,123,540             |
| <b>Total Municipal Bonds</b>                     |                | <b>100,067,201</b>    |
| (cost \$92,762,831)                              |                |                       |
| <b>Total Value of Securities</b>                 | <b>135.47%</b> |                       |
| (cost \$92,762,831)                              |                | <b>\$ 100,067,201</b> |

# Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. At Sept. 30, 2015, the aggregate value of Rule 144A securities was \$2,959,587, which represents 4.01% of the Fund's net assets. See Note 5 in Notes to financial statements.

° 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 5 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

SGI Insured by Syncora Guarantee Inc.

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

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

September 30, 2015 (Unaudited)

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds 142.47%</b>   |   |                            |
| Corporate-Backed Revenue Bonds 6.68%   |   |                            |
| Cloquet Pollution Control Revenue (Potlatch Project) 5.90% 10/1/26                                   | 5,500,000                               | \$ 5,505,500               |
| Laurentian Energy Authority I Cogeneration Revenue Series A<br>5.00% 12/1/21                         | 3,325,000                               | 3,310,835                  |
| St. Paul Port Authority Revenue (Gerdau St. Paul Steel Mill Project)<br>Series 7 4.50% 10/1/37 (AMT) | 2,705,000                               | 2,568,668                  |
|  |   | 11,385,003                 |
| <b>Education Revenue Bonds 20.03%</b>  |   |                            |
| Baytown Township Lease Revenue (St. Croix Preparatory Academy)<br>5.75% 8/1/42                       | 300,000                                 | 304,206                    |
| Brooklyn Park Charter School Lease (Prairie Seeds Academy Project)<br>Series A 5.00% 3/1/34          | 990,000                                 | 995,871                    |
| Series A 5.00% 3/1/39  | 170,000                                 | 168,142                    |
| Cologne Charter School Lease Revenue (Cologne Academy Project)<br>Series A 5.00% 7/1/29              | 270,000                                 | 287,779                    |
| Series A 5.00% 7/1/45  | 445,000                                 | 458,768                    |
| Deephaven Charter School (Eagle Ridge Academy Project) Series A<br>5.25% 7/1/37                      | 740,000                                 | 741,058                    |
| Series A 5.25% 7/1/40  | 500,000                                 | 502,230                    |
| Forest Lake Minnesota Charter School Revenue (Lake International<br>Language Academy) 5.75% 8/1/44   | 705,000                                 | 770,191                    |
| Hugo Charter School Lease Revenue (Noble Academy Project) Series<br>A 5.00% 7/1/34                   | 255,000                                 | 271,022                    |
| Series A 5.00% 7/1/44  | 775,000                                 | 813,239                    |
| Minneapolis Student Housing Revenue (Riverton Community<br>Housing Project) 5.25% 8/1/39             | 205,000                                 | 208,317                    |
|  |   | <b>Value</b>               |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>(U.S. \$)</b>           |

**Municipal Bonds** (continued)

## Education Revenue Bonds (continued)

|  |           |              |
|--|-----------|--------------|
| Minneapolis Student Housing Revenue 5.50% 8/1/49   | 990,000   | \$ 1,012,532 |
| Minnesota Higher Education Facilities Authority Revenue (Carleton College) Series 6-T 5.00% 1/1/28                                   | 1,000,000 | 1,080,930    |
| Series D 5.00% 3/1/30  | 1,120,000 | 1,241,229    |
| (College of St. Benedict) Series 7-M 5.00% 3/1/31  | 300,000   | 323,622      |
| Series 7-M 5.125% 3/1/36   | 275,000   | 295,240      |
| (St. Catherine University) Series 7-Q 5.00% 10/1/32  | 700,000   | 755,685      |
| (St. Scholastic College) Series H 5.25% 12/1/35  | 1,000,000 | 1,081,810    |
| (University of St. Thomas) Series 6-X 5.00% 4/1/29   | 2,250,000 | 2,371,185    |
| Series 7-A 5.00% 10/1/39   | 1,000,000 | 1,112,610    |
| Series 7-U 5.00% 4/1/22  | 750,000   | 883,327      |
| Otsego Charter School (Kaleidoscope Charter School) Series A 5.00% 9/1/34  | 335,000   | 345,442      |
| Series A 5.00% 9/1/44  | 700,000   | 710,542      |
| Rice County Educational Facilities Revenue (Shattuck-St. Mary's School) Series A 144A 5.00% 8/1/22 #                                 | 1,250,000 | 1,299,025    |
| St. Paul Housing & Redevelopment Authority Charter School Lease Revenue (Academia Cesar Chavez School Project) Series A 5.25% 7/1/50 | 880,000   | 826,602      |
| (Nova Classical Academy) Series A 6.375% 9/1/31  | 750,000   | 849,578      |
| (Twin Cities Academy Project) Series A 5.30% 7/1/45  | 630,000   | 632,898      |
| University of Minnesota Series A 5.25% 12/1/28   | 500,000   | 586,475      |
| Series A 5.25% 4/1/29  | 1,000,000 | 1,127,650    |
| Series C 5.00% 12/1/19   | 1,290,000 | 1,474,341    |
| Series D 5.00% 12/1/27   | 1,110,000 | 1,292,873    |

(continues)

7

**Table of Contents**

Schedule of investments

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

|   | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|---|---|----------------------------|
| <b>Municipal Bonds (continued)</b>  |   |                            |
| Education Revenue Bonds (continued)   |   |                            |
| University of Minnesota Series D 5.00% 12/1/28  | 1,880,000                               | \$ 2,180,104               |
| Series D 5.00% 12/1/29  | 2,265,000                               | 2,613,402                  |
| Series D 5.00% 12/1/31  | 1,000,000                               | 1,143,310                  |
| Series D 5.00% 12/1/36  | 3,000,000                               | 3,385,950                  |
|   |   | 34,147,185                 |
| Electric Revenue Bonds 9.72%  |   |                            |
| Central Minnesota Municipal Power Agency Revenue (Brookings<br>Southeast Twin Cities Transportation) 5.00% 1/1/32 | 1,130,000                               | 1,251,814                  |
| (Brookings Twin Cities Transmission Project) 5.00% 1/1/42   | 1,000,000                               | 1,092,340                  |
| Chaska Electric Revenue Series A 5.00% 10/1/28  | 445,000                                 | 528,291                    |
| Minnesota Municipal Power Agency Electric Revenue 5.00% 10/1/25   | 500,000                                 | 602,670                    |
| 5.00% 10/1/26   | 500,000                                 | 596,320                    |
| 5.00% 10/1/27   | 320,000                                 | 378,262                    |
| Northern Municipal Power Agency Series A 5.00% 1/1/26   | 100,000                                 | 116,341                    |
| Series A 5.00% 1/1/30   | 340,000                                 | 384,720                    |
| Rochester Electric Utility Revenue Series B 5.00% 12/1/30   | 1,300,000                               | 1,511,627                  |
| Series B 5.00% 12/1/43  | 1,000,000                               | 1,127,690                  |
| Southern Minnesota Municipal Power Agency Supply Revenue<br>Series A 5.25% 1/1/30                                 | 1,030,000                               | 1,131,805                  |
| Western Minnesota Municipal Power Agency Supply Revenue Series<br>A 5.00% 1/1/25                                  | 3,000,000                               | 3,564,600                  |
| Series A 5.00% 1/1/26   | 1,000,000                               | 1,177,190                  |
| Series A 5.00% 1/1/33   | 1,000,000                               | 1,146,780                  |
| Series A 5.00% 1/1/40   | 750,000                                 | 844,305                    |
| Series A 5.00% 1/1/46   | 1,000,000                               | 1,118,060                  |
|   |   | 16,572,815                 |
| Healthcare Revenue Bonds 33.09%   |   |                            |
| Anoka Health Care Facilities Revenue 5.375% 11/1/34   | 610,000                                 | 637,956                    |
|   | <b>Principal</b>                        | <b>Value</b>               |

|  | Amount <sup>o</sup> | (U.S. \$)    |
|--|---------------------|--------------|
| <b>Municipal Bonds</b> (continued)   |                     |              |
| Healthcare Revenue Bonds (continued)   |                     |              |
| Anoka Health Care Facilities Revenue (Homestead Anoka Project) Series A 7.00% 11/1/46                | 1,200,000           | \$ 1,286,196 |
| Center City Health Care Facilities Revenue (Hazelden Betty Ford Foundation Project) 5.00% 11/1/27    | 500,000             | 583,110      |
| 5.00% 11/1/29  | 300,000             | 345,726      |
| (Hazelden Foundation Project) 4.75% 11/1/31  | 850,000             | 887,629      |
| 5.00% 11/1/41  | 1,600,000           | 1,690,272    |
| Cloquet Housing Facilities Revenue (HADC Cloquet Project) Series A 5.00% 8/1/48                      | 500,000             | 500,735      |
| Deephaven Housing & Healthcare Revenue (St. Therese Senior Living Project) Series A 5.00% 4/1/38     | 280,000             | 284,021      |
| Series A 5.00% 4/1/40  | 270,000             | 273,537      |
| Duluth Economic Development Authority (St. Luke's Hospital Authority Obligation Group) 5.75% 6/15/32 | 1,400,000           | 1,546,706    |
| 6.00% 6/15/39  | 1,000,000           | 1,109,140    |
| Fergus Falls Health Care Facilities Revenue (Lake Region Healthcare) 5.00% 8/1/30                    | 1,000,000           | 1,021,570    |
| Hayward (American Baptist Homes Midwest) 5.75% 2/1/44  | 500,000             | 519,785      |
| Hayward Health Care Facilities Revenue (St. John's Lutheran Home of Albert Lea) 5.375% 10/1/44       | 680,000             | 685,671      |
| Maple Grove Health Care Facilities Revenue (North Memorial Health Care) 5.00% 9/1/30                 | 865,000             | 973,315      |

**Table of Contents**

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Healthcare Revenue Bonds (continued)   |   |                            |
| Maple Grove Health Care System Revenue (Maple Grove Hospital)<br>5.25% 5/1/37  | 1,100,000                               | \$ 1,146,552               |
| Minneapolis Health Care System Revenue (Fairview Health Services)<br>Series A 5.00% 11/15/33   | 500,000                                 | 565,050                    |
| Series A 5.00% 11/15/34  | 500,000                                 | 561,870                    |
| Series D 5.00% 11/15/34 (AMBAC)  | 1,000,000                               | 1,006,020                  |
| (Unrefunded -Fairview Health Services) Series B 6.50% 11/15/38<br>(ASSURED GTY)  | 1,940,000                               | 2,207,332                  |
| Minneapolis Revenue (National Marrow Donor Program Project) Series<br>NMDP 4.875% 8/1/25   | 1,000,000                               | 1,033,330                  |
| Minneapolis Senior Housing & Healthcare Revenue (Ecumen Mill City<br>Quarter) 5.00% 11/1/35  | 220,000                                 | 221,232                    |
| 5.25% 11/1/45  | 850,000                                 | 859,231                    |
| 5.375% 11/1/50   | 200,000                                 | 201,104                    |
| Minneapolis St. Paul Housing & Redevelopment Authority Health Care<br>Revenue (Children s Health Care Facilities) Series A1 5.00% 8/15/34<br>(AGM) | 500,000                                 | 552,665                    |
| Rochester Health Care & Housing Revenue (Samaritan Bethany)  |   |                            |
| Series A 7.375% 12/1/41  | 1,220,000                               | 1,358,995                  |
| (The Homestead at Rochester Project) Series A 6.875% 12/1/48   | 1,220,000                               | 1,373,525                  |
| Rochester Health Care Facilities Revenue (Mayo Clinic) 4.00%<br>11/15/41   | 4,860,000                               | 4,999,531                  |
| Series C 4.50% 11/15/38  | 1,750,000                               | 2,021,757                  |
| Sartell Health Care Facilities Revenue (Country Manor Campus<br>Project)   |   |                            |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Healthcare Revenue Bonds (continued)   |   |                            |
| Sartell Health Care Facilities Revenue 5.25% 9/1/30  | 1,000,000                               | \$ 1,053,140               |
| Series A 5.30% 9/1/37  | 600,000                                 | 627,912                    |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|   |           |           |
|---|-----------|-----------|
| Shakopee Health Care Facilities Revenue (St. Francis Regional Medical Center) 4.00% 9/1/31  | 205,000   | 211,917   |
| 5.00% 9/1/34  | 165,000   | 183,884   |
| St. Cloud Health Care Revenue (Centracare Health System Project) 5.50% 5/1/39 (ASSURED GTY)   | 1,500,000 | 1,636,155 |
| Series A 5.125% 5/1/30  | 5,175,000 | 5,715,167 |
| Series B 5.00% 5/1/24   | 1,400,000 | 1,673,518 |
| St. Paul Housing & Redevelopment Authority Health Care Facilities Revenue (Allina Health System) Series A-1 5.25% 11/15/29                    | 1,395,000 | 1,569,654 |
| (Health Partners Obligation Group Project) 5.00% 7/1/32   | 600,000   | 680,958   |
| St. Paul Housing & Redevelopment Authority Hospital Facility (Healtheast Care System Project) Series A 5.00% 11/15/29                         | 395,000   | 432,252   |
| Series A 5.00% 11/15/30   | 290,000   | 315,827   |
| St. Paul Housing & Redevelopment Authority Housing & Health Care Facilities Revenue (Senior Carondelet Village Project) Series A 6.00% 8/1/42 | 770,000   | 802,086   |
| (Senior Episcopal Homes Project) 5.125% 5/1/48  | 1,200,000 | 1,236,936 |
| Series A 4.75% 11/1/31  | 740,000   | 752,676   |

(continues)

9

**Table of Contents**

Schedule of investments

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Healthcare Revenue Bonds (continued)   |   |                            |
| Washington County Housing & Redevelopment Authority Revenue<br>(Birchwood & Woodbury Projects) Series A 5.625% 6/1/37      | 1,500,000                               | \$ 1,573,095               |
| Wayzata Senior Housing Revenue (Folkestone Senior Living<br>Community) Series A 5.50% 11/1/32                              | 420,000                                 | 455,335                    |
| Series A 5.75% 11/1/39   | 945,000                                 | 1,018,908                  |
| Series A 6.00% 5/1/47  | 1,475,000                               | 1,600,080                  |
| Winona Health Care Facilities Revenue (Winona Health Obligation)   |   |                            |
| 4.65% 7/1/26   | 465,000                                 | 493,123                    |
| 4.75% 7/1/27   | 785,000                                 | 832,547                    |
| 5.00% 7/1/23   | 1,010,000                               | 1,050,178                  |
| 5.00% 7/1/34   | 750,000                                 | 797,468                    |
| Woodbury Housing & Redevelopment Authority Revenue (St.<br>Therese of Woodbury) 5.125% 12/1/44                             | 1,250,000                               | 1,268,413                  |
|  |   | 56,434,792                 |
| Housing Revenue Bonds 4.81%  |   |                            |
| Minneapolis Multifamily Housing Revenue (Olson Townhomes<br>Project) 6.00% 12/1/19 (AMT)                                   | 475,000                                 | 475,356                    |
| (Seward Towers Project) 5.00% 5/20/36 (GNMA)   | 1,910,000                               | 1,916,265                  |
| Minnesota Housing Finance Agency (Non Ace - State Appropriated<br>Housing) 5.00% 8/1/33                                    | 1,390,000                               | 1,588,089                  |
| Minnesota State Housing Finance Agency (Residential Housing)   |   |                            |
| Series D 4.75% 7/1/32 (AMT)  | 730,000                                 | 734,650                    |
| Series I 5.15% 7/1/38 (AMT)  | 530,000                                 | 531,277                    |
| Series L 5.10% 7/1/38 (AMT)  | 1,065,000                               | 1,091,987                  |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Housing Revenue Bonds (continued)  |   |                            |
| Minnesota State Housing Finance Agency Homeownership<br>(Mortgage-Backed Securities Program) 4.40% 7/1/32 (GNMA)<br>(FNMA) | 1,225,000                               | \$ 1,314,817               |
|  | 560,000                                 | 556,702                    |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

Northwest Multi-County Housing & Redevelopment Authority  
(Pooled Housing Program) 5.50% 7/1/45

|  |           |            |
|--|-----------|------------|
|  |           | 8,209,143  |
| Lease Revenue Bonds 14.95%   |           |            |
| Minnesota State General Fund Revenue Appropriations Series A   |           |            |
| 5.00% 6/1/32   | 780,000   | 893,038    |
| Series A 5.00% 6/1/38  | 5,500,000 | 6,220,225  |
| Series A 5.00% 6/1/43  | 1,750,000 | 1,952,563  |
| Series B 4.00% 3/1/26  | 3,000,000 | 3,272,490  |
| Series B 5.00% 3/1/21  | 1,500,000 | 1,772,775  |
| Series B 5.00% 3/1/29  | 3,525,000 | 4,058,509  |
| University of Minnesota Special Purpose Revenue (State Supported Biomed Science Research) 5.00% 8/1/35 |           |            |
| 5.00% 8/1/36   | 1,040,000 | 1,177,426  |
|  | 4,000,000 | 4,500,440  |
| Virginia Housing & Redevelopment Authority Health Care Facility  |           |            |
| Lease Revenue 5.25% 10/1/25  | 680,000   | 681,244    |
| 5.375% 10/1/30   | 965,000   | 966,534    |
|  |           | 25,495,244 |
| Local General Obligation Bonds 6.98%   |           |            |
| Hopkins Independent School District No. 270 Series A 5.00% 2/1/28                                      |           |            |
|  | 1,000,000 | 1,143,730  |
| Mahtomedi Independent School District No 832 (School Building)   |           |            |
| Series A 5.00% 2/1/28  | 515,000   | 622,784    |

**Table of Contents**

|   | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|---|---|----------------------------|
| <b>Municipal Bonds (continued)</b>  |   |                            |
| Local General Obligation Bonds (continued)  |   |                            |
| Rocori Independent School District No. 750 (School Building) Series B 5.00%<br>2/1/22   | 1,010,000                               | \$ 1,126,453               |
| Series B 5.00% 2/1/24   | 1,075,000                               | 1,198,238                  |
| Series B 5.00% 2/1/25   | 1,115,000                               | 1,239,735                  |
| Series B 5.00% 2/1/26   | 1,155,000                               | 1,284,210                  |
| St. Paul Independent School District No. 625 (School Building) Series B 5.00%<br>2/1/22   | 1,300,000                               | 1,557,842                  |
| Series B 5.00% 2/1/26   | 1,000,000                               | 1,180,840                  |
| Willmar (Rice Memorial Hospital Project) Series A 4.00% 2/1/32  | 2,440,000                               | 2,552,045                  |
|   |   | 11,905,877                 |
| <b>Pre-Refunded/Escrowed to Maturity Bonds 22.65%</b>   |   |                            |
| Dakota-Washington Counties Housing & Redevelopment Authority Single Family<br>Residential Mortgage Revenue (City of Bloomington) Series B 8.375% 9/1/21<br>(GNMA) (AMT) | 7,055,000                               | 9,548,025                  |
| Deephaven Charter School (Eagle Ridge Academy Project) Series A 5.50%<br>7/1/43-23 §  | 500,000                                 | 608,255                    |
| Minneapolis Health Care System Revenue (Fairview Health Services) Series A<br>6.375% 11/15/23-18 §  | 1,105,000                               | 1,288,949                  |
| Series A 6.625%<br>11/15/28-18 §  | 1,150,000                               | 1,350,273                  |
| Series B 6.50%<br>11/15/38-18 (ASSURED GTY) §   | 355,000                                 | 415,460                    |
| Southern Minnesota Municipal Power Agency Revenue Series A 5.75% 1/1/18   | 2,120,000                               | 2,173,509                  |
| St. Louis Park Health Care Facilities Revenue (Park Nicollet Health Services) 5.75%<br>7/1/39-19 §  | 3,565,000                               | 4,166,273                  |
|   | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>  |   |                            |
| Pre-Refunded/Escrowed to Maturity Bonds (continued)   |   |                            |
| St. Louis Park Health Care Facilities Revenue Series C 5.50% 7/1/23-18 §  | 1,000,000                               | \$ 1,128,720               |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|   |           |            |
|---|-----------|------------|
| St. Paul Housing & Redevelopment Authority Health Care Facilities Revenue (Health Partners Obligation Group Project) 5.25% 5/15/36-16 § | 2,000,000 | 2,110,100  |
| St. Paul Housing & Redevelopment Authority Hospital Revenue (Health East Project) 6.00% 11/15/30-15 §                                   | 775,000   | 780,533    |
| St. Paul Housing & Redevelopment Authority Sales Tax (Civic Center Project) 5.55% 11/1/23   | 2,125,000 | 2,219,414  |
| 5.55% 11/1/23 (NATL-RE) (IBC)   | 3,875,000 | 4,047,166  |
| University of Minnesota Series A 5.50% 7/1/21   | 4,000,000 | 4,709,720  |
| Series A 5.75% 7/1/18   | 1,750,000 | 1,988,193  |
| University of Minnesota Hospital & Clinics 6.75% 12/1/16  | 2,000,000 | 2,082,220  |
|   |           | 38,616,810 |
| Special Tax Revenue Bonds 5.89%   |           |            |
| Guam Government Business Privilege Tax Revenue Series A 5.25% 1/1/36  | 150,000   | 164,973    |
| Hennepin County Sales Tax Revenue (Second Lien-Ballpark Project) Series B 4.75% 12/15/27  | 1,905,000 | 2,050,942  |
| Minneapolis Community Planning & Economic Development Department (Limited Tax Supported Common Bond Fund) 6.25% 12/1/30                 | 1,000,000 | 1,192,650  |
| Series 1 5.50% 12/1/24 (AMT)  | 1,000,000 | 1,008,130  |
| Series 5 5.70% 12/1/27  | 375,000   | 377,775    |

(continues)

11

**Table of Contents**

Schedule of investments

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Special Tax Revenue Bonds (continued)  |   |                            |
| Minnesota Public Safety Radio 5.00% 6/1/23   | 2,845,000                               | \$ 3,237,041               |
| St. Paul Port Authority (Brownfields Redevelopment Tax) Series 2 5.00%<br>3/1/37         | 895,000                                 | 937,987                    |
| St. Paul Sales Tax Revenue Series G 5.00% 11/1/30  | 935,000                                 | 1,077,915                  |
|  |   | 10,047,413                 |
| State General Obligation Bonds 11.58%  |   |                            |
| Minnesota State (State Trunk Highway) Series B 5.00% 10/1/22                             | 5,500,000                               | 6,637,950                  |
| Series B 5.00% 10/1/29   | 3,315,000                               | 3,892,307                  |
| (State Various Purpose) Series D 5.00% 8/1/24  | 2,700,000                               | 3,137,940                  |
| (Various Purposes) Series F 5.00% 10/1/22  | 5,000,000                               | 6,084,050                  |
|  |   | 19,752,247                 |
| Transportation Revenue Bonds 4.49%   |   |                            |
| Minneapolis St. Paul Metropolitan Airports Commission Revenue 5.00%<br>1/1/21            | 2,600,000                               | 3,053,648                  |
| 5.00% 1/1/22   | 670,000                                 | 778,078                    |
| Subordinate Series B 5.00% 1/1/26  | 540,000                                 | 624,785                    |
| Series B 5.00% 1/1/26 (AMT)  | 500,000                                 | 576,950                    |
| Series B 5.00% 1/1/27  | 1,190,000                               | 1,366,370                  |
| Series B 5.00% 1/1/30  | 500,000                                 | 564,205                    |
| Series B 5.00% 1/1/31  | 250,000                                 | 281,795                    |
| St. Paul Port Authority Revenue (Amherst H. Wilder Foundation) Series 3<br>5.00% 12/1/36 | 380,000                                 | 414,797                    |
|  |   | 7,660,628                  |
| Water & Sewer Revenue Bonds 1.60%  |   |                            |
| Metropolitan Council Waste Water Revenue<br>Series B 4.00% 9/1/27                        | 1,145,000                               | 1,265,752                  |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |

**Municipal Bonds (continued)**

Table of Contents

Water & Sewer Revenue Bonds (continued)

|   |           |              |
|---|-----------|--------------|
| St. Paul Sewer Revenue Series D 5.00% 12/1/21 | 1,325,000 | \$ 1,463,489 |
|   |           | 2,729,241    |

**Total Municipal Bonds**

|                      |                    |
|----------------------|--------------------|
| (cost \$230,184,798) | <b>242,956,398</b> |
|----------------------|--------------------|

**Total Value of**

**Securities 142.47%**

|                      |                       |
|----------------------|-----------------------|
| (cost \$230,184,798) | <b>\$ 242,956,398</b> |
|----------------------|-----------------------|

# Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. At Sept. 30, 2015, the aggregate value of Rule 144A securities was \$1,299,025, which represents 0.76% of the Fund's net assets. See Note 5 in Notes to financial statements.

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

· Variable rate security. The rate shown is the rate as of Sept. 30, 2015. 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 5 in Notes to financial statements.

**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

FNMA Federal National Mortgage Association Collateral

GNMA Government National Mortgage Association Collateral

IBC Insured Bond Certificate

NATL-RE Insured by National Public Finance Guarantee Corporation

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

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

September 30, 2015 (Unaudited)

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds 141.50%</b>   |   |                            |
| Corporate-Backed Revenue Bonds 15.97%  |   |                            |
| Buckeye, Ohio Tobacco Settlement Financing Authority Asset-Backed -2<br>Series A-2 5.875% 6/1/47   | 1,600,000                               | \$ 1,331,744               |
| Series A-2 6.50% 6/1/47  | 430,000                                 | 387,684                    |
| Gaston County, North Carolina Industrial Facilities & Pollution Control<br>Financing Authority (Exempt Facilities-National Gypsum Project) 5.75%<br>8/1/35 (AMT) | 290,000                                 | 290,360                    |
| Gloucester County, New Jersey Pollution Control Financing Authority<br>(Keystone Urban Renewal) 5.00% 12/1/24 (AMT)  | 125,000                                 | 140,396                    |
| Golden State, California Tobacco Securitization Corporate Settlement<br>Revenue (Asset-Backed Senior Notes) Series A-1 5.75% 6/1/47                              | 830,000                                 | 744,742                    |
| Harris County, Texas Industrial Development Corporation Solid Waste<br>Disposal Revenue (Deer Park Refining Project) 5.00% 2/1/23                                | 150,000                                 | 164,507                    |
| Illinois Railsplitter Tobacco Settlement Authority 6.25% 6/1/24  | 500,000                                 | 519,345                    |
| Louisiana Local Government Environmental Facilities & Community<br>Development Authority (Westlake Chemical) Series A 6.50% 8/1/29                               | 645,000                                 | 756,991                    |
| Series A-1 6.50% 11/1/35   | 255,000                                 | 300,755                    |
| Louisiana Public Facilities Authority (LA Pellets Inc. Project) 144A 7.75%<br>7/1/39 (AMT)#  | 240,000                                 | 240,257                    |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Corporate-Backed Revenue Bonds (continued)   |   |                            |
| Maryland Economic Development Corporation Facilities Revenue (CNX<br>Marine Terminals) 5.75% 9/1/25  | 520,000                                 | \$ 523,286                 |
| M-S-R Energy Authority, California Gas Series C 7.00% 11/1/34  | 1,000,000                               | 1,382,910                  |
| New Jersey Economic Development Authority Special Facilities Revenue<br>(Continental Airlines Project) 5.625% 11/15/30 (AMT)                                     | 225,000                                 | 251,010                    |
| New Jersey Economic Development Authority Special Facility Revenue<br>(Continental Airlines Project) 5.25% 9/15/29 (AMT)   | 500,000                                 | 541,720                    |
| Ohio State Air Quality Development Authority Revenue (First Energy<br>Generation) Series A 5.70% 8/1/20  | 260,000                                 | 284,263                    |
| Selma, Alabama Industrial Development Board (Zilkha Biomass Selma<br>LLC Project) 144A 7.50% 5/1/25 (AMT)#   | 265,000                                 | 262,573                    |
| Shoals, Indiana (National Gypsum Project) 7.25% 11/1/43 (AMT)  | 310,000                                 | 345,331                    |
| St. John the Baptist Parish, Louisiana (Marathon Oil) Series A 5.125%<br>6/1/37  | 500,000                                 | 509,075                    |
| Suffolk County, New York Tobacco Asset Securitization Series B 5.00%<br>6/1/32   | 750,000                                 | 818,228                    |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|   |         |            |
|---|---------|------------|
| Tobacco Settlement Financing Corporation, Louisiana Asset-Backed Note |         |            |
| Series A 5.25% 5/15/35  | 460,000 | 508,972    |
| Valparaiso, Indiana (Pratt Paper Project) 7.00% 1/1/44 (AMT)          | 240,000 | 293,378    |
|   |         | 10,597,527 |

(continues)

13

**Table of Contents**

Schedule of investments

## Delaware Investments® National Municipal Income Fund

|   | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|---|---|----------------------------|
| <b>Municipal Bonds (continued)</b>  |   |                            |
| Education Revenue Bonds 26.27%  |   |                            |
| Bowling Green, Ohio Student Housing Revenue CFP I (CFP I State University Project) 6.00% 6/1/45   | 260,000                                 | \$ 276,411                 |
| California Statewide Communities Development Authority School Facility Revenue (Aspire Public Schools) 6.125% 7/1/46                    | 625,000                                 | 663,950                    |
| California Statewide Communities Development Authority Student Housing Revenue (Irvine, LLC - UCI East Campus) 6.00% 5/15/23            | 470,000                                 | 519,867                    |
| East Hempfield Township, Pennsylvania Industrial Development Authority (Student Services Income - Student Housing Project) 5.00% 7/1/35 | 1,000,000                               | 1,042,110                  |
| Health & Educational Facilities Authority of the State of Missouri (St. Louis College of Pharmacy Project) 5.25% 5/1/33                 | 500,000                                 | 548,760                    |
| (Washington University) Series B 5.00% 11/15/30   | 600,000                                 | 693,900                    |
| Henderson Public Improvement Trust, Nevada (Touro College & University System Obligation) 5.50% 1/1/39                                  | 135,000                                 | 144,002                    |
| Marietta, Georgia Development Authority Revenue (Life University Income Project) 7.00% 6/15/39  | 430,000                                 | 450,348                    |
| Maryland Health & Higher Educational Facilities Authority (Loyola University) Series A 5.00% 10/1/39                                    | 650,000                                 | 719,875                    |
| Maryland State Economic Development Student Housing Revenue (University of Maryland College Park Projects) 5.75% 6/1/33                 | 370,000                                 | 400,214                    |
|   | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>  |   |                            |
| Education Revenue Bonds (continued)   |   |                            |
| Massachusetts State Health & Educational Facilities Authority Revenue (Harvard University) Series A 5.00% 12/15/29                      | 600,000                                 | \$ 687,816                 |
| Monroe County, New York Industrial Development Revenue (Nazareth College Rochester Project) 5.50% 10/1/41                               | 495,000                                 | 535,649                    |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|   |           |           |
|---|-----------|-----------|
| Montgomery County, Pennsylvania Higher Education & Health Authority Revenue (Arcadia University)<br>5.25% 4/1/30    | 550,000   | 587,411   |
| New Hope Cultural Education Facilities, Texas (Chief-Collegiate Housing- Tarleton St.)<br>5.00% 4/1/34              | 1,000,000 | 1,043,940 |
| New Jersey Economic Development Authority Revenue (MSU Student Housing Project)<br>5.875% 6/1/42                    | 450,000   | 499,225   |
| New York City, New York Trust For Cultural Resources (Whitney Museum of American Art)<br>5.00% 7/1/31               | 500,000   | 553,105   |
| New York State Dormitory Authority (Columbia University)<br>5.00% 10/1/41   | 600,000   | 688,632   |
| (Touro College & University System) Series A<br>5.50% 1/1/39  | 390,000   | 421,153   |
| Oregon State Facilities Authority Revenue (Concordia University Project) Series A 144A<br>6.125% 9/1/30 #           | 135,000   | 143,629   |
| Pennsylvania State Higher Educational Facilities Authority Revenue (Edinboro University Foundation)<br>5.80% 7/1/30 | 400,000   | 425,240   |

**Table of Contents**

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Education Revenue Bonds (continued)  |   |                            |
| Pennsylvania State Higher Educational Facilities Authority Revenue<br>(University Properties - East Stroudsburg University) 5.25% 7/1/19 | 510,000                                 | \$ 556,721                 |
| Philadelphia Authority for Industrial Development (1st Philadelphia<br>Preparatory College) 7.25% 6/15/43                                | 370,000                                 | 418,389                    |
| Phoenix, Arizona Industrial Development Authority Revenue (Eagle<br>College Preparatory Project) Series A 5.00% 7/1/43                   | 500,000                                 | 483,220                    |
| (Rowan University Project) 5.00% 6/1/42  | 1,000,000                               | 1,071,890                  |
| Pima County, Arizona Industrial Development Authority Education<br>Revenue (Edkey Charter School Project) 6.00% 7/1/48                   | 500,000                                 | 478,560                    |
| Private Colleges & Universities Authority Revenue, Georgia (Mercer<br>University) Series A 5.00% 10/1/32                                 | 135,000                                 | 147,559                    |
| Swarthmore Borough Authority, Pennsylvania (Swarthmore College<br>Project) 5.00% 9/15/32   | 490,000                                 | 570,982                    |
| Troy, New York Capital Resource Revenue (Rensselaer Polytechnic)<br>Series A 5.125% 9/1/40   | 600,000                                 | 666,012                    |
| University of Arizona Series A 5.00% 6/1/39  | 500,000                                 | 555,210                    |
| University of California Series AI 5.00% 5/15/32   | 1,000,000                               | 1,156,020                  |
| Wyoming Community Development Authority Student Housing Revenue<br>(CHF-Wyoming LLC) 6.50% 7/1/43  | 250,000                                 | 283,088                    |
|  |   | 17,432,888                 |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Electric Revenue Bonds 2.16%   |   |                            |
| JEA Electric System Revenue, Florida Series A 5.00% 10/1/33  | 1,000,000                               | \$ 1,156,750               |
| Long Island Power Authority, New York Series A 5.00% 9/1/44  | 250,000                                 | 276,293                    |
|  |   | 1,433,043                  |
| Healthcare Revenue Bonds 17.77%  |   |                            |
| Arizona Health Facilities Authority Revenue (Catholic Healthcare West)<br>Series D 5.00% 7/1/28  | 500,000                                 | 545,805                    |
|  | 375,000                                 | 371,314                    |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

Capital Trust Agency, Florida (Tuscan Gardens Senior Living Center) Series A 7.00% 4/1/49

|  |         |         |
|--|---------|---------|
| Colorado Health Facilities Authority Revenue (Healthcare Facilities - American Baptist) 8.00% 8/1/43                                 | 330,000 | 390,109 |
| Hawaii Pacific Health Special Purpose Revenue Series A 5.50% 7/1/40  | 300,000 | 333,678 |
| Koyukuk, Alaska Revenue (Tanana Chiefs Conference Health Care Facility Project) 7.75% 10/1/41  | 300,000 | 344,664 |
| Louisiana Public Facilities Authority Revenue (Ochsner Clinic Foundation Project) 6.50% 5/15/37                                      | 105,000 | 125,145 |
| Lycoming County, Pennsylvania Authority Health System Revenue (Susquehanna Health System Project) Series A 5.50% 7/1/28              | 500,000 | 542,365 |
| Maine Health & Higher Educational Facilities Authority Revenue (Maine General Medical Center) 6.75% 7/1/41                           | 300,000 | 340,842 |
| Maricopa County, Arizona Industrial Development Authority Health Facilities Revenue (Catholic Healthcare West) Series A 6.00% 7/1/39 | 500,000 | 564,975 |

(continues)

15

**Table of Contents**

Schedule of investments

## Delaware Investments® National Municipal Income Fund

|  | Principal<br>Amount <sup>o</sup> | Value<br>(U.S. \$) |
|--|----------------------------------|--------------------|
| <b>Municipal Bonds (continued)</b>   |                                  |                    |
| Healthcare Revenue Bonds (continued)   |                                  |                    |
| Monroe County, Pennsylvania Hospital Authority Revenue (Pocono Medical Center) Series A 5.00% 1/1/41                     | 500,000                          | \$ 532,940         |
| Montgomery County, Pennsylvania Industrial Development Authority Revenue (Whitemarsh Continuing Care) 5.375% 1/1/50      | 750,000                          | 760,717            |
| Moon, Pennsylvania Industrial Development Authority (Baptist Homes Society Obligation) 6.125% 7/1/50                     | 750,000                          | 754,395            |
| New Hampshire Health and Education Facilities Authority Revenue (Dartmouth Hitchcock Medical Center) 6.00% 8/1/38        | 300,000                          | 344,448            |
| New Jersey Health Care Facilities Financing Authority Revenue (St. Peters University Hospital) 6.25% 7/1/35              | 300,000                          | 324,117            |
| New Mexico Hospital Equipment Loan Council Revenue (Presbyterian Healthcare) 5.00% 8/1/39                                | 500,000                          | 546,205            |
| New York State Dormitory Authority Revenue Non State Supported Debt (Orange Regional Medical Center) 6.25% 12/1/37       | 500,000                          | 547,170            |
| Ohio State (Cleveland Clinic Health) Series A 5.50% 1/1/39   | 300,000                          | 338,358            |
| Orange County, Florida Health Facilities Authority Revenue (Mayflower Retirement Center) 5.00% 6/1/32                    | 400,000                          | 425,200            |
| 5.00% 6/1/36   | 250,000                          | 264,963            |
| 5.125% 6/1/42  | 750,000                          | 797,663            |
| Oregon State Facilities Authority Revenue (Peacehealth Project) Series A 5.00% 11/15/29                                  | 500,000                          | 572,825            |
|  | Principal<br>Amount <sup>o</sup> | Value<br>(U.S. \$) |
| <b>Municipal Bonds (continued)</b>   |                                  |                    |
| Healthcare Revenue Bonds (continued)   |                                  |                    |
| Palm Beach County Health Facilities Authority, Florida (Sinai Residences Boca Raton Project) 7.25% 6/1/34                | 20,000                           | \$ 22,934          |
| 7.50% 6/1/49   | 105,000                          | 121,492            |
| West Virginia Hospital Finance Authority Revenue (Highland Hospital Obligation Group) 9.125% 10/1/41                     | 500,000                          | 556,575            |
| Westminster, Maryland (Lutheran Village Millers Grant Inc.) 6.00% 7/1/34   | 500,000                          | 534,685            |
| Yavapai County, Arizona Industrial Development Authority Revenue (Yavapai Regional Medical Center) Series A 5.00% 8/1/28 | 720,000                          | 791,827            |
|  |                                  | 11,795,411         |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|  |           |           |
|--|-----------|-----------|
| Housing Revenue Bonds 1.24%  |           |           |
| California Municipal Finance Authority Mobile Home Park Revenue (Caritas Project) Series A 6.40% 8/15/45             | 420,000   | 461,878   |
| Florida HomeLoan (Homeowner Mortgage Revenue) Series 2 5.90% 7/1/29 (AMT) (NATL-RE)                                  | 95,000    | 95,533    |
| Williston, North Dakota (Eagle Crest Apartments Project) 7.75% 9/1/38  | 255,000   | 267,084   |
|  |           | 824,495   |
| Lease Revenue Bonds 11.07%   |           |           |
| California State Public Works Board Lease Revenue (Various Capital Projects) Series A 5.00% 4/1/37                   | 1,000,000 | 1,125,530 |
| California Statewide Communities Development Authority Student Housing Revenue (Lancer Plaza Project) 5.625% 11/1/33 | 1,000,000 | 1,017,150 |

**Table of Contents**

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Lease Revenue Bonds (continued)  |   |                            |
| Idaho State Building Authority Revenue (Health & Welfare Project)<br>Series A 5.00% 9/1/24                       | 135,000                                 | \$ 159,135                 |
| (State Police) Series I 5.00% 9/1/23   | 760,000                                 | 892,628                    |
| Minnesota State General Revenue Appropriations Series B 5.00%<br>3/1/29  | 2,000,000                               | 2,302,700                  |
| New Jersey Economic Development Authority Series WW<br>5.25% 6/15/30   | 1,000,000                               | 1,048,770                  |
| (School Facilities Construction)<br>5.00% 9/1/18   | 25,000                                  | 26,487                     |
| New York City, New York Industrial Development Agency (Senior<br>Trips) Series A 5.00% 7/1/28 (AMT)              | 250,000                                 | 269,003                    |
| Public Finance Authority, Wisconsin Airport Facilities Revenue<br>(AFCO Investors II Portfolio)<br>5.75% 10/1/31 | 500,000                                 | 504,725                    |
|  |   | 7,346,128                  |
| <b>Local General Obligation Bonds 1.60%</b>  |   |                            |
| Chicago, Illinois Series A 5.50% 1/1/34  | 500,000                                 | 500,670                    |
| New York, New York Series A-1 5.25% 8/15/21  | 250,000                                 | 280,625                    |
| Series I-1 5.375% 4/1/36   | 250,000                                 | 282,255                    |
|  |   | 1,063,550                  |
| <b>Pre-Refunded/Escrowed to Maturity Bonds 11.58%</b>  |   |                            |
| Atlanta, Georgia Water & Wastewater Revenue Series A 6.25%<br>11/1/39-19§  | 950,000                                 | 1,146,697                  |
| Bay Area, California Toll Authority Toll Bridge Revenue (San<br>Francisco Bay Area) Series F1 5.00% 4/1/34-18§   | 1,000,000                               | 1,105,710                  |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Pre-Refunded/Escrowed to Maturity Bonds (continued)  |   |                            |
| Brevard County, Florida Health Facilities Authority Revenue (Health First<br>Project) 7.00% 4/1/39-19§           | 350,000                                 | \$ 421,977                 |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|  |           |           |
|--|-----------|-----------|
| Butler County, Pennsylvania Hospital Authority Revenue (Butler Health System Project) 7.125% 7/1/29-19§                          | 450,000   | 549,306   |
| California State Economic Recovery Series A 5.25% 7/1/21-19§   | 260,000   | 301,272   |
| California Statewide Communities Development Authority Revenue (Statewide Inland Regional Center Project) 5.375% 12/1/37-17§     | 500,000   | 551,660   |
| Gila County, Arizona Unified School District No. 10 (Payson School Improvement Project of 2006) Series A 5.25% 7/1/27-17 (AMBAC) | 500,000   | 540,795   |
| Illinois Finance Authority Revenue (Silver Cross & Medical Centers) 7.00% 8/15/44-19§  | 950,000   | 1,163,883 |
| New Jersey Economic Development Authority (School Facilities Construction) 5.00% 9/1/18  | 75,000    | 83,981    |
| North Texas Tollway Authority (Toll 2nd Tier) Series F 5.75% 1/1/38-18§  | 1,100,000 | 1,223,013 |
| University Medical Center, Tucson, Arizona Hospital Revenue 6.50% 7/1/39-19§   | 500,000   | 597,865   |
|  |           | 7,686,159 |
| <b>Special Tax Revenue Bonds 19.59%</b>  |           |           |
| Anne Arundel County, Maryland Special Obligation Revenue (National Business Park - North Project) 6.10% 7/1/40                   | 200,000   | 211,942   |

(continues)

17

**Table of Contents**

Schedule of investments

## Delaware Investments® National Municipal Income Fund

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Special Tax Revenue Bonds (continued)  |   |                            |
| Brooklyn Arena Local Development, New York Pilot Revenue (Barclays Center Project) 6.25% 7/15/40   | 940,000                                 | \$ 1,071,459               |
| 6.50% 7/15/30  | 300,000                                 | 347,604                    |
| Celebration Pointe Community Development District, Florida 5.00% 5/1/34  | 500,000                                 | 502,900                    |
| Central Puget Sound, Washington Regional Transit Authority (Green Bond - Improvement) Series S-1 5.00% 11/1/35                                       | 750,000                                 | 880,410                    |
| Guam Government Business Privilege Tax Revenue Series A 5.00% 1/1/22   | 775,000                                 | 887,445                    |
| Series B-1 5.00% 1/1/42  | 540,000                                 | 578,524                    |
| Massachusetts Bay Transportation Authority Senior Series A 5.25% 7/1/29  | 200,000                                 | 256,660                    |
| Miami-Dade County, Florida Special Obligation (Capital Appreciation & Income) Series B 5.00% 10/1/35 (NATL-RE)                                       | 1,000,000                               | 1,003,470                  |
| Mosaic District, Virginia Community Development Authority Revenue Series A 6.875% 3/1/36   | 520,000                                 | 592,410                    |
| New Jersey Economic Development Authority Revenue 5.00% 6/15/28  | 200,000                                 | 210,734                    |
| 5.00% 6/15/29  | 800,000                                 | 838,936                    |
| (School Facilities Construction) Series AA 5.50% 12/15/29  | 900,000                                 | 946,989                    |
| New York City, New York Industrial Development Agency Civic Facility Revenue (YMCA of Greater New York Project) 5.00% 8/1/36                         | 595,000                                 | 610,143                    |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Special Tax Revenue Bonds (continued)  |   |                            |
| New York State Dormitory Authority Series A 5.00% 3/15/33  | 1,000,000                               | \$ 1,150,410               |
| (State Personal Income Tax Revenue-Education) Series A 5.00% 3/15/38   | 570,000                                 | 634,131                    |
| Northampton County, Pennsylvania Industrial Development Authority Revenue (Route 33 Project) 7.00% 7/1/32  | 230,000                                 | 249,966                    |
| Peoria, Arizona Municipal Development Authority Sales Tax & Excise Shared Revenue (Senior Lien & Subordinate Lien) 5.00% 1/1/18                      | 1,085,000                               | 1,185,243                  |
| Regional Transportation District, Colorado Tax Revenue (Denver Transit Partners) 6.00% 1/15/41   | 500,000                                 | 564,555                    |
| Wyandotte County, Kansas City, Kansas Unified Government Special Obligation Revenue (Capital Appreciation) Sales Tax Subordinate Lien 6.07% 6/1/21 ^ | 65,000                                  | 47,691                     |
| (Sales Tax - Vacation Village Project A) Series A 5.75% 9/1/32   | 235,000                                 | 233,238                    |

13,004,860

|                                |       |         |         |
|--------------------------------|-------|---------|---------|
| State General Obligation Bonds | 3.65% |         |         |
| California State               |       |         |         |
| 5.25% 11/1/40                  |       | 320,000 | 373,424 |

18

**Table of Contents**

|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
|--|---|----------------------------|
| <b>Municipal Bonds (continued)</b>   |   |                            |
| State General Obligation Bonds (continued)   |   |                            |
| California State (Various Purposes) 5.00% 10/1/41  | 440,000                                 | \$ 492,628                 |
| 5.00% 10/1/44  | 440,000                                 | 497,482                    |
| 6.00% 4/1/38   | 105,000                                 | 122,513                    |
| New York State Series A 5.00% 2/15/39  | 300,000                                 | 334,506                    |
| Oregon State Series K 5.00% 5/1/22   | 500,000                                 | 602,755                    |
|  |   | 2,423,308                  |
| <b>Transportation Revenue Bonds 25.93%</b>   |   |                            |
| Atlanta, Georgia Department of Aviation Series B 5.00% 1/1/29  | 1,000,000                               | 1,155,490                  |
| Central Texas Regional Mobility Authority Revenue Senior Lien 6.00%<br>1/1/41  | 520,000                                 | 594,854                    |
| Chicago, Illinois O Hare International Airport Revenue (General-Senior<br>Lien) Series D 5.25% 1/1/34                  | 1,000,000                               | 1,127,560                  |
| Maryland State Economic Development Revenue (Transportation Facilities<br>Project) Series A 5.75% 6/1/35               | 255,000                                 | 279,011                    |
| Metropolitan Transit Authority of Harris County, Texas Series A 5.00%<br>11/1/24                                       | 500,000                                 | 589,200                    |
| Metropolitan Transportation Authority, New York Series A 5.00% 11/15/41  | 500,000                                 | 559,385                    |
| Metropolitan Washington D.C. Airports Authority Dulles Toll Road<br>Revenue (First Senior Lien) Series A 5.25% 10/1/44 | 245,000                                 | 272,910                    |
| New Jersey State Turnpike Authority Revenue Series A 5.00% 1/1/27  | 1,000,000                               | 1,160,840                  |
| New Orleans, Louisiana Aviation Board Series B 5.00% 1/1/45 (AMT)  | 1,000,000                               | 1,079,050                  |
|  | <b>Principal<br/>Amount<sup>o</sup></b> | <b>Value<br/>(U.S. \$)</b> |
| <b>Municipal Bonds (continued)</b>   |   |                            |
| Transportation Revenue Bonds (continued)   |   |                            |
| New York Liberty Development Revenue (1 World Trade Center Port<br>Authority Construction) 5.00% 12/15/41              | 500,000                                 | \$ 561,660                 |
| North Texas Tollway Authority Special Projects System Series A 5.00%<br>9/1/20   | 250,000                                 | 292,417                    |
| Oregon State Department of Transportation Series A 5.00% 11/15/26  | 1,000,000                               | 1,207,990                  |
| Pennsylvania Turnpike Commission Series A-1 5.00% 12/1/43  | 500,000                                 | 541,630                    |
| Pennsylvania Turnpike Commission Subordinate (Special Motor License<br>Foundation) 5.00% 12/1/22                       | 500,000                                 | 575,535                    |
| Series B 5.00% 12/1/41   | 500,000                                 | 547,365                    |
| Port Authority of Allegheny County, Pennsylvania 5.75% 3/1/29  | 900,000                                 | 1,054,098                  |
| Port Authority of New York & New Jersey Special Project (JFK<br>International Air Terminal) 6.00% 12/1/42              | 230,000                                 | 267,890                    |
| 6.50% 12/1/28  | 500,000                                 | 504,965                    |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|   |           |            |
|---|-----------|------------|
| St. Louis, Missouri Airport Revenue (Lambert St. Louis International) |           |            |
| 5.00% 7/1/32 (AMT)  | 1,000,000 | 1,064,080  |
| Series A-1 6.625% 7/1/34  | 325,000   | 375,375    |
| Texas Private Activity Bond Surface Transportation Corporate Senior   |           |            |
| Lien Revenue (LBJ Infrastructure) 7.00% 6/30/40                       | 285,000   | 339,415    |
| 7.50% 6/30/33   | 665,000   | 809,677    |
| (Mobility Partners) 7.50% 12/31/31                                    | 500,000   | 597,280    |
| (NTE Mobility Partners) 6.75% 6/30/43 (AMT)                           | 225,000   | 273,713    |
| 6.875% 12/31/39   | 1,000,000 | 1,170,250  |
| 7.00% 12/31/38 (AMT)  | 165,000   | 205,503    |
|   |           | 17,207,143 |

(continues)

19

**Table of Contents**

Schedule of investments

## Delaware Investments® National Municipal Income Fund

|   | Principal<br>Amount <sup>o</sup> | Value<br>(U.S. \$)   |
|---|----------------------------------|----------------------|
| <b>Municipal Bonds</b> (continued)  |                                  |                      |
| Water & Sewer Revenue Bonds 4.67%   |                                  |                      |
| Jefferson County, Alabama Sewer Revenue (Sub Lien - Warrants)<br>Series D 6.50% 10/1/53                     | 500,000                          | \$ 575,595           |
| New York City Water & Sewer System, New York (2nd Generation<br>Fiscal 2013) Series CC 5.00% 6/15/47        | 345,000                          | 384,737              |
| Philadelphia, Pennsylvania Water & Wastewater Revenue Series A<br>5.00% 7/1/45                              | 500,000                          | 549,765              |
| Phoenix, Arizona Civic Improvement Wastewater Systems Revenue<br>(Junior Lien) Series A 5.00% 7/1/39        | 900,000                          | 1,000,584            |
| San Francisco, California City & County Public Utilities<br>Commission Water Revenue Series F 5.00% 11/1/27 | 500,000                          | 585,465              |
|   |                                  | 3,096,146            |
| <b>Total Municipal Bonds</b><br>(cost \$86,931,743)   |                                  | <b>93,910,658</b>    |
| <b>Short-Term Investment 1.05%</b>  |                                  |                      |
| Variable Rate Demand Note 1.05% <sup>⌘</sup>  |                                  |                      |
| Mississippi Business Finance Series G (Chevron USA) 0.01%<br>11/1/35  | 700,000                          | 700,000              |
| <b>Total Short-Term Investment</b><br>(cost \$700,000)  |                                  | <b>700,000</b>       |
| <b>Total Value of Securities 142.55%</b><br>(cost \$87,631,743)   |                                  | <b>\$ 94,610,658</b> |

# Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. At Sept. 30, 2015, the aggregate value of Rule 144A securities was \$646,459, which represents 0.97% of the Fund's net assets. See Note 5 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, 2015.
- Principal amount shown is stated in U.S. dollars unless noted that the security is denominated in another currency.
- ^ Zero coupon security. The rate shown is the yield at the time of purchase.
- § 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 5 in Notes to financial statements.

**Summary of abbreviations:**

AMBAC Insured by AMBAC Assurance Corporation

AMT Subject to Alternative Minimum Tax

NATL-RE Insured by National Public Finance Guarantee Corporation

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

**Table of Contents**

Statements of assets and liabilities

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

September 30, 2015 (Unaudited)

|   | <b>Delaware<br/>Investments<br/>Colorado<br/>Municipal<br/>Income<br/>Fund, Inc.</b> | <b>Delaware<br/>Investments<br/>Minnesota<br/>Municipal<br/>Income<br/>Fund II, Inc.</b> | <b>Delaware<br/>Investments<br/>National<br/>Municipal<br/>Income<br/>Fund</b> |
|---|--|--|--|
| <b>Assets:</b>  |  |  |  |
| Investments, at value <sup>1</sup>                              | \$ 100,067,201   | \$ 242,956,398   | \$ 93,910,658  |
| Short-term investments, at value <sup>2</sup>                   |  |  | 700,000  |
| Cash  | 3,244,012  |  | 447,183  |
| Interest income receivable                                      | 1,402,512  | 3,443,710  | 1,364,026  |
| Receivables for securities sold                                 |  |  | 151,019  |
| Offering cost for preferred shareholders                        | 63,911   | 114,346  | 104,267  |
| <b>Total assets</b>   | <b>104,777,636</b>   | <b>246,514,454</b>   | <b>96,677,153</b>  |
| <b>Liabilities:</b>   |  |  |  |
| Cash overdraft  |  | 312,112  |  |
| Liquidation value of preferred stock                            | 30,000,000   | 75,000,000   | 30,000,000   |
| Payable for securities purchased                                | 841,477  | 519,306  | 233,237  |
| Audit fees payable  | 18,657   | 18,657   | 18,657   |
| Investment management fees payable                              | 33,901   | 80,121   | 31,454   |
| Other accrued expenses  | 16,039   | 51,169   | 20,224   |
| Other affiliates payable  | 3,285  | 6,678  | 4,010  |
| Directors /Trustees fees and expenses payable                   | 195  | 448  | 175  |
| <b>Total liabilities</b>  | <b>30,913,554</b>  | <b>75,988,491</b>  | <b>30,307,757</b>  |
| <b>Total Net Assets Applicable to Common Shareholders</b>       | <b>\$ 73,864,082</b>   | <b>\$ 170,525,963</b>  | <b>\$ 66,369,396</b>   |
| <b>Net Assets Applicable to Common Shareholders Consist of:</b> |  |  |  |
| Paid-in capital (\$0.001 par value) <sup>3,4</sup>              | \$ 66,918,121  | \$ 157,931,075   | \$ 60,617,476  |
| Undistributed net investment income                             | 957,264  | 1,268,913  | 393,229  |
| Accumulated net realized loss on investments                    | (1,315,673)  | (1,445,625)  | (1,620,224)  |
| Net unrealized appreciation of investments                      | 7,304,370  | 12,771,600   | 6,978,915  |
| <b>Total Net Assets Applicable to Common Shareholders</b>       | <b>\$ 73,864,082</b>   | <b>\$ 170,525,963</b>  | <b>\$ 66,369,396</b>   |



**Table of Contents**

Statements of operations

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

Six months ended September 30, 2015 (Unaudited)

|   | <b>Delaware<br/>Investments<br/>Colorado<br/>Municipal<br/>Income<br/>Fund, Inc.</b> | <b>Delaware<br/>Investments<br/>Minnesota<br/>Municipal<br/>Income<br/>Fund II,<br/>Inc.</b> | <b>Delaware<br/>Investments<br/>National<br/>Municipal<br/>Income<br/>Fund</b> |
|---|--|--|--|
| <b>Investment Income:</b>   |  |  |  |
| Interest  | \$ 2,274,229   | \$ 5,002,632   | \$ 2,163,741   |
| <b>Expenses:</b>  |  |  |  |
| Management fees   | 207,240  | 489,169  | 192,593  |
| Interest expense  | 188,063  | 470,159  | 188,063  |
| Rating agency fees  | 26,314   | 22,328   | 22,834   |
| Audit and tax   | 21,770   | 23,339   | 18,657   |
| Offering costs  | 20,143   | 42,586   | 27,602   |
| Accounting and administration expenses                              | 16,456   | 38,842   | 15,293   |
| Dividend disbursing and transfer agent fees and expenses            | 14,834   | 33,715   | 17,512   |
| Reports and statements to shareholders                              | 11,139   | 19,502   | 5,539  |
| Legal fees  | 10,490   | 28,504   | 12,508   |
| Stock exchange fees   | 2,380  | 5,473  | 2,147  |
| Directors /Trustees fees and expenses                               | 1,749  | 4,026  | 1,594  |
| Custodian fees  | 1,694  | 3,918  | 1,597  |
| Registration fees   | 484  | 484  | 532  |
| Other   | 6,181  | 12,711   | 10,379   |
| Total operating expenses  | 528,937  | 1,194,756  | 516,850  |
| <b>Net Investment Income</b>  | <b>1,745,292</b>   | <b>3,807,876</b>   | <b>1,646,891</b>   |
| <b>Net Realized and Unrealized Gain (Loss):</b>                     |  |  |  |
| Net realized gain on investments                                    | 179,215  | 222,985  | 169,574  |
| Net change in unrealized appreciation (depreciation) of investments | (1,569,284)  | (2,160,827)  | (1,484,851)  |
| <b>Net Realized and Unrealized Loss</b>                             | <b>(1,390,069)</b>   | <b>(1,937,842)</b>   | <b>(1,315,277)</b>   |
| <b>Net Increase in Net Assets Resulting from Operations</b>         | <b>\$ 355,223</b>  | <b>\$ 1,870,034</b>  | <b>\$ 331,614</b>  |

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



**Table of Contents**

Statements of changes in net assets

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

|  | <b>Delaware Investments<br/>Colorado Municipal<br/>Income Fund, Inc.</b> |                               |
|--|--|-------------------------------|
|  | <b>Six months<br/>ended</b>  |                               |
|  | <b>9/30/15<br/>(Unaudited)</b>   | <b>Year ended<br/>3/31/15</b> |
| <b>Increase (Decrease) in Net Assets from Operations:</b>                      |  |                               |
| Net investment income  | \$ 1,745,292   | \$ 3,415,659                  |
| Net realized gain  | 179,215  | 286,449                       |
| Net change in unrealized appreciation (depreciation)                           | (1,569,284)  | 5,080,978                     |
| <b>Net increase in net assets resulting from operations</b>                    | <b>355,223</b>   | <b>8,783,086</b>              |
| <b>Dividends and Distributions to Common Shareholders from:</b>                |  |                               |
| Net investment income  | (1,717,171)  | (3,337,599)                   |
|  | (1,717,171)  | (3,337,599)                   |
| <b>Net Increase (Decrease) in Net Assets Applicable to Common Shareholders</b> | <b>(1,361,948)</b>   | <b>5,445,487</b>              |
| <b>Net Assets Applicable to Common Shareholders:</b>                           |  |                               |
| Beginning of period  | 75,226,030   | 69,780,543                    |
| End of period  | \$ 73,864,082  | \$ 75,226,030                 |
| Undistributed net investment income  | \$ 957,264   | \$ 929,143                    |

|   | <b>Delaware Investments<br/>Minnesota Municipal<br/>Income Fund II, Inc.</b> |                               |
|---|--|-------------------------------|
|   | <b>Six months<br/>ended</b>  |                               |
|   | <b>9/30/15<br/>(Unaudited)</b>   | <b>Year ended<br/>3/31/15</b> |
| <b>Increase (Decrease) in Net Assets from Operations:</b> |  |                               |
| Net investment income                                     | \$ 3,807,876   | \$ 7,370,894                  |
| Net realized gain   | 222,985  | 51,853                        |
| Net change in unrealized appreciation (depreciation)      | (2,160,827)  | 7,966,822                     |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|  |                    |                  |
|--|--------------------|------------------|
| Net increase in net assets resulting from operations                           | 1,870,034          | 15,389,569       |
| <b>Dividends and Distributions to Common Shareholders from:</b>                |                    |                  |
| Net investment income  | (3,624,067)        | (7,708,333)      |
|  | (3,624,067)        | (7,708,333)      |
| <b>Net Increase (Decrease) in Net Assets Applicable to Common Shareholders</b> | <b>(1,754,033)</b> | <b>7,681,236</b> |
| <b>Net Assets Applicable to Common Shareholders:</b>                           |                    |                  |
| Beginning of period  | 172,279,996        | 164,598,760      |
| End of period  | \$ 170,525,963     | \$ 172,279,996   |
| Undistributed net investment income  | \$ 1,268,913       | \$ 1,085,104     |

**Table of Contents**

Statements of changes in net assets

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

|  | <b>Delaware Investments<br/>National Municipal<br/>Income Fund</b> |                   |
|--|--|-------------------|
|  | <b>Six months<br/>ended</b>  | <b>Year ended</b> |
|  | <b>9/30/15<br/>(Unaudited)</b>                                     | <b>3/31/15</b>    |
| <b>Increase (Decrease) in Net Assets from Operations:</b>                      |  |                   |
| Net investment income  | \$ 1,646,891   | \$ 3,219,861      |
| Net realized gain  | 169,574  | 622,465           |
| Net change in unrealized appreciation (depreciation)                           | (1,484,851)  | 4,922,383         |
| <b>Net increase in net assets resulting from operations</b>                    | <b>331,614</b>   | <b>8,764,709</b>  |
| <b>Dividends and Distributions to Common Shareholders from:</b>                |  |                   |
| Net investment income  | (1,766,093)  | (3,486,901)       |
|  | (1,766,093)  | (3,486,901)       |
| <b>Net Increase (Decrease) in Net Assets Applicable to Common Shareholders</b> | <b>(1,434,479)</b>   | <b>5,277,808</b>  |
| <b>Net Assets Applicable to Common Shareholders:</b>                           |  |                   |
| Beginning of period  | 67,803,875   | 62,526,067        |
| End of period  | \$ 66,369,396  | \$ 67,803,875     |
| <b>Undistributed net investment income</b>                                     | <b>\$ 393,229</b>  | <b>\$ 512,431</b> |

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

**Table of Contents**

Statements of cash flows

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

Six months ended September 30, 2015 (Unaudited)

|  | <b>Delaware<br/>Investments<br/>Colorado<br/>Municipal<br/>Income<br/>Fund, Inc.</b> | <b>Delaware<br/>Investments<br/>Minnesota<br/>Municipal<br/>Income<br/>Fund II, Inc.</b> | <b>Delaware<br/>Investments<br/>National<br/>Municipal<br/>Income<br/>Fund</b> |
|--|--|--|--|
| <b>Net Cash Provided by (Used for) Operating Activities:</b>   |  |  |  |
| Net increase in net assets resulting from operations   | \$ 355,223   | \$ 1,870,034   | \$ 331,614   |
| Adjustments to reconcile net increase in net assets from operations to cash provided by (used for) operating activities: |  |  |  |
| Amortization of premium and accretion of discount on investments   | 154,232  | 773,223  | 210,253  |
| Amortization of offering costs for preferred shareholders  | 28,457   | 50,914   | 35,936   |
| Purchase of investment securities  | (4,341,445)  | (12,739,195)   | (5,378,543)  |
| Proceeds from disposition of investment securities   | 6,451,463  | 11,530,310   | 5,851,006  |
| (Purchase of) proceeds from short-term investment securities, net  | 400,000  |  | (200,000)  |
| Net realized gain on investments   | (179,215)  | (222,985)  | (169,574)  |
| Net change in net unrealized appreciation (depreciation) of investments  | 1,569,284  | 2,160,827  | 1,484,851  |
| Increase (decrease) in receivable for securities sold  |  |  | (145,945)  |
| Increase (decrease) in interest receivable   | (37,348)   | 120,338  | (14,581)   |
| Increase (decrease) in payable for securities purchased  | (923,289)  | 519,306  | 233,238  |
| Increase in investment management fees payable   | (1,738)  | (3,655)  | (1,667)  |
| Decrease in Directors /Trustees fees and expenses payable  | 3  | 7  | 2  |
| Increase in audit fees payable   | (18,657)   | (18,925)   | (18,657)   |
| Decrease in other affiliates payable   | 1,181  | 1,922  | 1,507  |
| Decrease in other accrued expenses   | 15,270   | 12,042   | 2,978  |
| <b>Total adjustments</b>   | <b>3,118,198</b>   | <b>2,184,129</b>   | <b>1,890,804</b>   |
| Net cash provided by operating activities  | 3,473,421  | 4,054,163  | 2,222,418  |
| <b>Cash Flows Used for Financing Activities:</b>   |  |  |  |
| Cash dividends and distributions paid to common shareholders   | (1,717,171)  | (3,624,067)  | (1,766,093)  |
| Net cash used for financing activities   | (1,717,171)  | (3,624,067)  | (1,766,093)  |
| Net increase in cash   | 1,756,250  | 430,096  | 456,325  |

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|                                    |              |              |            |
|------------------------------------|--------------|--------------|------------|
| Cash at beginning of period        | 1,487,762    | (742,208)    | (9,142)    |
| Cash at end of period              | \$ 3,244,012 | \$ (312,112) | \$ 447,183 |
| Cash paid for interest on leverage | \$ 188,063   | \$ 470,159   | \$ 188,063 |

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

**Table of Contents**

Financial highlights

Delaware Investments® Colorado Municipal Income Fund, Inc.

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

|   | <b>Six<br/>months<br/>ended<br/>9/30/15<sup>1</sup></b> |                  |                  | <b>Year ended</b> |                  |                  |
|---|---|------------------|------------------|-------------------|------------------|------------------|
|   | <b>(Unaudited)</b>                                      | <b>3/31/15</b>   | <b>3/31/14</b>   | <b>3/31/13</b>    | <b>3/31/12</b>   | <b>3/31/11</b>   |
| <b>Net asset value, beginning of period</b>   | \$ 15.550   | \$ 14.430        | \$ 15.370        | \$ 15.010         | \$ 13.370        | \$ 13.990        |
| <b>Income (loss) from investment operations:</b>  |   |                  |                  |                   |                  |                  |
| Net investment income <sup>2</sup>  | 0.361   | 0.706            | 0.700            | 0.733             | 0.638            | 0.601            |
| Net realized and unrealized gain (loss)   | (0.286)   | 1.104            | (0.935)          | 0.416             | 1.582            | (0.651)          |
| <b>Total from investment operations</b>   | <b>0.075</b>  | <b>1.810</b>     | <b>(0.235)</b>   | <b>1.149</b>      | <b>2.220</b>     | <b>(0.050)</b>   |
| <b>Less dividends and distributions to common shareholders from:</b>                                |   |                  |                  |                   |                  |                  |
| Net investment income   | (0.355)   | (0.690)          | (0.690)          | (0.690)           | (0.580)          | (0.570)          |
| Net realized gain   |   |                  | (0.015)          | (0.099)           |                  |                  |
| <b>Total dividends and distributions</b>  | <b>(0.355)</b>  | <b>(0.690)</b>   | <b>(0.705)</b>   | <b>(0.789)</b>    | <b>(0.580)</b>   | <b>(0.570)</b>   |
| <b>Net asset value, end of period</b>   | <b>\$ 15.270</b>  | <b>\$ 15.550</b> | <b>\$ 14.430</b> | <b>\$ 15.370</b>  | <b>\$ 15.010</b> | <b>\$ 13.370</b> |
| <b>Market value, end of period</b>  | <b>\$ 14.050</b>  | <b>\$ 14.350</b> | <b>\$ 13.330</b> | <b>\$ 14.840</b>  | <b>\$ 14.600</b> | <b>\$ 12.450</b> |
| <b>Total investment return based on:<sup>3</sup></b>  |   |                  |                  |                   |                  |                  |
| Market value  | 0.45%   | 13.01%           | (5.25%)          | 6.92%             | 22.41%           | (3.00%)          |
| Net asset value   | 0.75%   | 13.12%           | (0.97%)          | 7.71%             | 17.19%           | (0.30%)          |
| <b>Ratios and supplemental data:</b>  |   |                  |                  |                   |                  |                  |
| Net assets applicable to common shares, end of period (000 omitted)                                 | \$ 73,864   | \$ 75,226        | \$ 69,781        | \$ 74,349         | \$ 72,613        | \$ 64,689        |
| Ratio of expenses to average net assets applicable to common shareholders <sup>4</sup>              | 1.44%   | 1.43%            | 1.49%            | 1.44%             | 0.95%            | 0.56%            |
| Ratio of net investment income to average net assets applicable to common shareholders <sup>5</sup> | 4.74%   | 4.65%            | 4.90%            | 4.72%             | 4.46%            | 4.31%            |
| Portfolio turnover  | 6%  | 14%              | 26%              | 8%                | 64%              | 10%              |

**Leverage analysis:**

|  |            |            |            |                         |                         |    |
|--|------------|------------|------------|-------------------------|-------------------------|----|
| Value of preferred shares outstanding (000 omitted) <sup>6</sup>             | \$ 30,000  | \$ 30,000  | \$ 30,000  | \$ 30,000               | \$ 30,000               | \$ |
| Net asset coverage per share of preferred shares, end of period <sup>6</sup> | \$ 346,214 | \$ 350,753 | \$ 332,602 | \$ 347,829              | \$ 342,045              | \$ |
| Liquidation value per share of preferred shares <sup>6</sup>                 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 <sup>7</sup> | \$ 100,000 <sup>7</sup> | \$ |

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

<sup>2</sup> Net investment income is reduced by dividends paid to preferred shareholders from net investment income of \$0.039, \$0.077, \$0.078, \$0.079, and \$0.031 per share for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012, respectively, and from realized capital gains of \$0.002, \$0.006, and \$0.000 per share for the years ended March 31, 2014, 2013, and 2012, respectively.

<sup>3</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>4</sup> The ratio of expenses to average net assets applicable to common shareholders excluding interest expense for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012 were 0.93%, 0.92%, 0.94%, 0.89%, and 0.73%, respectively. There was no interest expense for the years ended March 31, 2011 and 2010.

<sup>5</sup> The ratio of net investment income excluding interest expense for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013 and 2012 were 5.25%, 5.16%, 5.45%, 5.27%, and 4.68%, respectively. There was no interest expense for the years ended March 31, 2011 and 2010.

<sup>6</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>7</sup> Excluding any accumulated but unpaid dividends.

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

**Table of Contents**

Delaware Investments® Minnesota Municipal Income Fund II, Inc.

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

|   | <b>Six<br/>months<br/>ended<br/>9/30/15<sup>1</sup></b> | <b>3/31/15</b>   | <b>3/31/14</b>   | <b>Year ended</b> |                  |                  |
|---|---|------------------|------------------|-------------------|------------------|------------------|
|   | <b>(Unaudited)</b>                                      |                  |                  | <b>3/31/13</b>    | <b>3/31/12</b>   | <b>3/31/11</b>   |
| <b>Net asset value, beginning of period</b>   | \$ 14.970   | \$ 14.310        | \$ 15.270        | \$ 14.940         | \$ 13.700        | \$ 14.060        |
| Income (loss) from investment operations:   |   |                  |                  |                   |                  |                  |
| Net investment income <sup>2</sup>  | 0.331   | 0.641            | 0.648            | 0.715             | 0.640            | 0.612            |
| Net realized and unrealized gain (loss)   | (0.166)   | 0.689            | (0.802)          | 0.345             | 1.180            | (0.402)          |
| <b>Total from investment operations</b>   | <b>0.165</b>  | <b>1.330</b>     | <b>(0.154)</b>   | <b>1.060</b>      | <b>1.820</b>     | <b>0.210</b>     |
| <b>Less dividends and distributions to common shareholders from:</b>                                |   |                  |                  |                   |                  |                  |
| Net investment income   | (0.315)   | (0.670)          | (0.690)          | (0.690)           | (0.580)          | (0.570)          |
| Net realized gain   |   |                  | (0.116)          | (0.040)           |                  |                  |
| <b>Total dividends and distributions</b>  | <b>(0.315)</b>  | <b>(0.670)</b>   | <b>(0.806)</b>   | <b>(0.730)</b>    | <b>(0.580)</b>   | <b>(0.570)</b>   |
| <b>Net asset value, end of period</b>   | <b>\$ 14.820</b>  | <b>\$ 14.970</b> | <b>\$ 14.310</b> | <b>\$ 15.270</b>  | <b>\$ 14.940</b> | <b>\$ 13.700</b> |
| <b>Market value, end of period</b>  | <b>\$ 13.150</b>  | <b>\$ 13.850</b> | <b>\$ 13.340</b> | <b>\$ 15.630</b>  | <b>\$ 14.230</b> | <b>\$ 12.600</b> |
| <b>Total investment return based on:<sup>3</sup></b>  |   |                  |                  |                   |                  |                  |
| Market value  | (2.80%)   | 8.97%            | (9.26%)          | 15.18%            | 17.95%           | 3.32%            |
| Net asset value   | 1.35%   | 9.80%            | (0.36%)          | 7.18%             | 13.90%           | 1.80%            |
| <b>Ratios and supplemental data:</b>  |   |                  |                  |                   |                  |                  |
| Net assets applicable to common shares, end of period (000 omitted)                                 | \$ 170,526  | \$ 172,280       | \$ 164,599       | \$ 175,629        | \$ 171,835       | \$ 157,655       |
| Ratio of expenses to average net assets applicable to common shareholders <sup>4</sup>              | 1.41%   | 1.40%            | 1.51%            | 1.40%             | 0.93%            | 0.56%            |
| Ratio of net investment income to average net assets applicable to common shareholders <sup>5</sup> | 4.49%   | 4.33%            | 4.54%            | 4.65%             | 4.44%            | 4.35%            |
| Portfolio turnover  | 7%  | 10%              | 17%              | 24%               | 44%              | 9%               |
| <b>Leverage analysis:</b>   |   |                  |                  |                   |                  |                  |
| Value of preferred shares outstanding (000 omitted) <sup>6</sup>                                    | \$ 75,000   | \$ 75,000        | \$ 75,000        | \$ 75,000         | \$ 75,000        | \$               |
|   | \$ 327,368  | \$ 329,707       | \$ 319,465       | \$ 334,172        | \$ 329,113       | \$               |

Net asset coverage per share of preferred shares, end of period<sup>6</sup>

|  |            |            |            |                         |                         |    |
|--|------------|------------|------------|-------------------------|-------------------------|----|
| Liquidation value per share of preferred shares <sup>6</sup> | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 <sup>7</sup> | \$ 100,000 <sup>7</sup> | \$ |
|--|------------|------------|------------|-------------------------|-------------------------|----|

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

<sup>2</sup> Net investment income is reduced by dividends paid to preferred shareholders from net investment income of \$0.041, \$0.081, \$0.076, \$0.084, and \$0.033 per share for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012, respectively, and from realized capital gains of \$0.014, \$0.005, and \$0.000 per share for the years ended March 31, 2014, 2013, and 2012, respectively.

<sup>3</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>4</sup> The ratio of expenses to average net assets applicable to common shareholders excluding interest expense for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012 were 0.86%, 0.85%, 0.88%, 0.82%, and 0.70%, respectively. There was no interest expense for the years ended March 31, 2011 and 2010.

<sup>5</sup> The ratio of net investment income excluding interest expense to average net assets for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012 were 5.04%, 4.88%, 5.17%, 5.23%, and 4.67%, respectively. There was no interest expense for the years ended March 31, 2011 and 2010.

<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.

(continues)

27

**Table of Contents**

## Financial highlights

## Delaware Investments® National Municipal Income Fund

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

|   | <b>Six<br/>months<br/>ended<br/>9/30/15<sup>1</sup></b> |                  |                  | <b>Year ended</b> |                  |                  |  |
|---|---|------------------|------------------|-------------------|------------------|------------------|--|
|   | <b>(Unaudited)</b>                                      | <b>3/31/15</b>   | <b>3/31/14</b>   | <b>3/31/13</b>    | <b>3/31/12</b>   | <b>3/31/11</b>   |  |
| <b>Net asset value, beginning of period</b>   | \$ 14,970   | \$ 13,810        | \$ 14,990        | \$ 14,020         | \$ 12,620        | \$ 13,070        |  |
| <b>Income (loss) from investment operations:</b>  |   |                  |                  |                   |                  |                  |  |
| Net investment income <sup>2</sup>  | 0.364   | 0.711            | 0.710            | 0.722             | 0.531            | 0.610            |  |
| Net realized and unrealized gain (loss)   | (0.284)   | 1.219            | (1.180)          | 0.858             | 1.409            | (0.532)          |  |
| <b>Total from investment operations</b>   | <b>0.080</b>  | <b>1.930</b>     | <b>(0.470)</b>   | <b>1.580</b>      | <b>1.940</b>     | <b>0.078</b>     |  |
| <b>Less dividends and distributions to common shareholders from:</b>                                |   |                  |                  |                   |                  |                  |  |
| Net investment income   | (0.390)   | (0.770)          | (0.710)          | (0.610)           | (0.540)          | (0.528)          |  |
| <b>Total dividends and distributions</b>  | <b>(0.390)</b>  | <b>(0.770)</b>   | <b>(0.710)</b>   | <b>(0.610)</b>    | <b>(0.540)</b>   | <b>(0.528)</b>   |  |
| <b>Net asset value, end of period</b>   | <b>\$ 14,660</b>  | <b>\$ 14,970</b> | <b>\$ 13,810</b> | <b>\$ 14,990</b>  | <b>\$ 14,020</b> | <b>\$ 12,620</b> |  |
| <b>Market value, end of period</b>  | <b>\$ 12,800</b>  | <b>\$ 13,140</b> | <b>\$ 12,350</b> | <b>\$ 14,480</b>  | <b>\$ 13,240</b> | <b>\$ 12,200</b> |  |
| <b>Total investment return based on:<sup>3</sup></b>  |   |                  |                  |                   |                  |                  |  |
| Market value  | 0.42%   | 12.87%           | (9.65%)          | 14.12%            | 13.19%           | 4.78%            |  |
| Net asset value   | 0.95%   | 14.99%           | (2.41%)          | 11.56%            | 15.87%           | 0.67%            |  |
| <b>Ratios and supplemental data:</b>  |   |                  |                  |                   |                  |                  |  |
| Net assets applicable to common shares, end of period (000 omitted)                                 | \$ 66,369   | \$ 67,804        | \$ 62,526        | \$ 67,876         | \$ 63,487        | \$ 30,559        |  |
| Ratio of expenses to average net assets applicable to common shareholders <sup>4</sup>              | 1.56%   | 1.60%            | 1.58%            | 1.56%             | 1.02%            | 0.65%            |  |
| Ratio of net investment income to average net assets applicable to common shareholders <sup>5</sup> | 4.97%   | 4.86%            | 5.17%            | 4.86%             | 3.96%            | 4.64%            |  |
| Portfolio turnover  | 8%  | 38%              | 40%              | 42%               | 101%             | 50%              |  |
| <b>Leverage analysis:</b>   |   |                  |                  |                   |                  |                  |  |
| Value of preferred shares outstanding (000 omitted) <sup>6</sup>                                    | \$ 30,000   | \$ 30,000        | \$ 30,000        | \$ 30,000         | \$ 30,000        | \$               |  |

|  |            |            |            |                         |                         |    |
|--|------------|------------|------------|-------------------------|-------------------------|----|
| Net asset coverage per share of preferred shares, end of period <sup>6</sup> | \$ 321,231 | \$ 326,013 | \$ 308,420 | \$ 326,254              | \$ 311,625              | \$ |
| Liquidation value per share of preferred shares <sup>6</sup>                 | \$ 100,000 | \$ 100,000 | \$ 100,000 | \$ 100,000 <sup>7</sup> | \$ 100,000 <sup>7</sup> | \$ |

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

<sup>2</sup> Net investment income is reduced by dividends paid to preferred shareholders from net investment income of \$0.042, \$0.083, \$0.085, \$0.090, and \$0.004 per share for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012, respectively.

<sup>3</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>4</sup> The ratio of expenses to average net assets applicable to common shareholders excluding interest expense for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012 were 0.99%, 1.03%, 0.96%, 0.96%, and 0.99%, respectively. There was no interest expense for the years ended March 31, 2011 and 2010.

<sup>5</sup> The ratio of net investment income excluding interest expense to average net assets for the six months ended Sept. 30, 2015 and the years ended March 31, 2015, 2014, 2013, and 2012 were 5.54%, 5.44%, 5.79%, 5.46%, and 3.99%, respectively. There was no interest expense for the years ended March 31, 2011 and 2010.

<sup>6</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>7</sup> Excluding any accumulated but unpaid dividends.

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

## **Table of Contents**

Notes to financial statements

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

September 30, 2015 (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 seeks 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, 2012–March 31, 2015), and has concluded that no provision for federal income tax is required in any Fund's financial statements.

**Use of Estimates** Each Fund is an investment company, whose financial statements are prepared in conformity with U.S. GAAP. Therefore, each Fund follows the accounting and reporting guidelines for investment companies. 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 accreted or amortized to interest income, respectively, 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 may be used to offset custody fees. There were no such earnings credits for the six months ended Sept. 30, 2015.

(continues)

29

**Table of Contents**

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 Investments Fund Services Company (DIFSC), an affiliate of DMC, provides fund accounting and financial administration oversight services to each Fund. For these services, DIFSC's fees are calculated 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 DIFSC 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. These amounts are included on the Statements of operations under Accounting and Administration expenses. For the six months ended Sept. 30, 2015, each Fund was charged for these services as follows:

| Colorado<br>Municipal<br>Fund | Minnesota<br>Municipal<br>Fund II | National<br>Municipal<br>Fund |
|-------------------------------|-----------------------------------|-------------------------------|
| \$2,452                       | \$5,787                           | \$2,278                       |

As provided in the investment management agreement, each Fund bears a portion of the cost of certain resources shared with DMC, including the cost of internal personnel of DMC and/or its affiliates that provide legal, tax, and regulatory reporting services to each Fund. These amounts are included on the Statements of operations under Legal fees. For the six months ended Sept. 30, 2015, each Fund was charged for internal legal, tax, and regulatory reporting services provided by DMC and/or its affiliates' employees as follows:

| Colorado<br>Municipal<br>Fund | Minnesota<br>Municipal<br>Fund II | National<br>Municipal<br>Fund |
|-------------------------------|-----------------------------------|-------------------------------|
| \$8,549                       | \$19,669                          | \$7,695                       |

Directors' /Trustees' fees include expenses accrued by each Fund for each Director's/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, 2015, each Fund made purchases and sales of investment securities other than short-term investments as follows:

|           | Colorado<br>Municipal<br>Fund | Minnesota<br>Municipal<br>Fund II | National<br>Municipal<br>Fund |
|-----------|-------------------------------|-----------------------------------|-------------------------------|
| Purchases | \$4,341,445                   | \$12,739,195                      | \$5,378,543                   |
| Sales     | 6,451,463                     | 11,530,310                        | 5,851,006                     |

At Sept. 30, 2015, 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, 2015, the cost of investments and unrealized appreciation (depreciation) for each Fund were as follows:

|  | Colorado<br>Municipal<br>Fund | Minnesota<br>Municipal<br>Fund II | National<br>Municipal<br>Fund |
|--|-------------------------------|-----------------------------------|-------------------------------|
| Cost of investments                              | \$ 92,754,759                 | \$ 230,126,603                    | \$ 87,610,610                 |
| Aggregate unrealized appreciation of investments | \$ 7,346,437                  | \$ 13,144,088                     | \$ 7,067,723                  |
| Aggregate unrealized depreciation of investments | (33,995)                      | (314,293)                         | (67,675)                      |
| Net unrealized appreciation of investments       | \$ 7,312,442                  | \$ 12,829,795                     | \$ 7,000,048                  |

**Table of Contents**

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, 2015, if not utilized in future years, will expire as follows:

| Year of Expiration | Colorado<br>Municipal<br>Fund | Minnesota<br>Municipal<br>Fund II | National<br>Municipal<br>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.

Losses that will be carried forward under the Act are as follows:

|                             | Loss carryforward character |                |
|-----------------------------|-----------------------------|----------------|
|                             | Short-term                  | Long-term      |
| Colorado Municipal Fund     | \$ (163,249)                | \$ (1,342,525) |
| Minnesota Municipal Fund II | (798,305)                   | (1,003,143)    |
| National Municipal Fund     | \$ (1,262,745)              | \$ (115,436)   |

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 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. (Examples: 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. (Examples: 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 Significant unobservable inputs, including each Fund's own assumptions used to determine the fair value of investments. (Examples: 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.

(continues)

31

**Table of Contents**

Notes to financial statements

**Delaware Investments® Closed-End Municipal Bond Funds****3. Investments (continued)**

The following tables summarize the valuation of each Fund's investments by fair value hierarchy levels as of Sept. 30, 2015:

|                 | Colorado Municipal Fund<br>Level 2 |
|-----------------|------------------------------------|
| Securities      |                                    |
| Municipal Bonds | \$ 100,067,201                     |

|                 | Minnesota<br>Municipal Fund II<br>Level 2 |
|-----------------|---|
| Securities      |   |
| Municipal Bonds | \$ 242,956,398                            |

|                                  | National Municipal<br>Fund<br>Level 2 |
|----------------------------------|---------------------------------------|
| Securities                       |                                       |
| Municipal Bonds                  | \$ 93,910,658                         |
| Short-Term Investments           | 700,000                               |
| <b>Total Value of Securities</b> | <b>\$ 94,610,658</b>                  |

During the six months ended Sept. 30, 2015, there were no transfers between Level 1 investments, Level 2 investments or Level 3 investments that had a material impact to the Funds. The Funds' policy is to recognize transfers between levels at the beginning of the reporting period.

**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, 2015. 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 (VFL) issued

## Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

\$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 were redeemable 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 year ended Sept. 30, 2015 were as follows:

| Colorado<br>Municipal<br>Fund | Minnesota<br>Municipal<br>Fund II | National<br>Municipal<br>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

## **Table of Contents**

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 (Moody's), funding dividend payments, or funding redemptions), that Fund will pay additional fees with respect to the leverage.

For financial reporting purposes, the VMTP Shares are considered debt of the issuer; therefore, the liquidation value which approximates fair value of the VMTP Shares is recorded as a liability in the statements of assets and liabilities. Dividends accrued and paid on the VMTP Shares are included as a component of interest expense in the statements of operations. The VMTP Shares are treated as equity for legal and tax purposes. Dividends paid to holders of the VMTP Shares are generally classified as tax-exempt income for tax-reporting purposes.

Offering costs for VMTP Shares are recorded as a deferred charge and amortized over the 5-year life of the VMTP Shares. These are presented as Offering cost for preferred shareholders on the Statements of assets and liabilities and Offering costs on the Statements of operations.

## **5. Geographic, Credit, and Market Risk**

The Funds concentrate their investments in securities issued by municipalities. Because each of the Colorado Municipal Fund and the Minnesota Municipal Fund II 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 Fund and the Minnesota Municipal Fund II. 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 Fund may invest a considerable portion of its assets in certain municipalities. As of Sept. 30, 2015, the National Municipal Fund has invested 16.73%, 17.73%, 15.46%, 11.78%, and 11.01% (each as a percentage of net assets) in securities issued by the State of California, the State of New York, the Commonwealth of Pennsylvania, the State of Arizona, and the State of Texas, respectively. These investments could make the National Municipal 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.

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, 2015, the percentages of each Fund's net assets insured by insurers are listed below and these securities have

been identified on the Schedules of investments.

| Colorado<br>Municipal<br>Fund | Minnesota<br>Municipal<br>Fund II | National<br>Municipal<br>Fund |
|-------------------------------|-----------------------------------|-------------------------------|
| 21.59%                        | 3.17%                             | 2.47%                         |

Each Fund invests a portion of its 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, 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

(continues)

**Table of Contents**

Notes to financial statements

Delaware Investments® Closed-End Municipal Bond Funds

**5. Geographic, Credit, and Market Risk (continued)**

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 designed 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 promulgated under 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, 2015, no securities have been determined to be illiquid under the Funds' Liquidity Procedures. Rule 144A securities held by each Fund have been identified on the Schedules of investments.

**6. 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.

## **7. Recent Accounting Pronouncements**

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2015-07 regarding Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share. The amendments in this update are effective for the Funds for fiscal years beginning after Dec. 15, 2015, and interim periods within those fiscal years. ASU No. 2015-07 will eliminate the requirement to categorize investments in the fair value hierarchy if their fair value is measured at net asset value (NAV) per share (or its equivalent) using the practical expedient in the FASB's fair value measurement guidance. At this time, management is evaluating the implications of ASU No. 2015-07 and its impact on the financial statement disclosures has not yet been determined.

## **8. Subsequent Events**

Management has determined that no material events or transactions occurred subsequent to Sept. 30, 2015 that would require recognition or disclosure in the Funds' financial statements.

**Table of Contents**

Other Fund information

(Unaudited)

**Delaware Investments® Closed-End Municipal Bond Funds****Proxy Results**

At the annual meeting on Aug. 19, 2015, the Funds' shareholders elected eight 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<br>voted for | Shares voted<br>withheld<br>authority | Shares<br>voted for    | Shares voted<br>withheld<br>authority |
| Thomas L. Bennett      | 4,272,769           | 89,787                                | 300                    | 0                                     |
| Ann D. Borowiec        | 4,248,617           | 113,939                               | 300                    | 0                                     |
| Joseph W. Chow         | 4,270,912           | 91,644                                | 300                    | 0                                     |
| John A. Fry            | 4,253,353           | 109,203                               | 300                    | 0                                     |
| Lucinda S. Landreth    |                     |                                       | 300                    | 0                                     |
| Frances Sevilla-Sacasa | 4,246,140           | 116,416                               | 300                    | 0                                     |
| Thomas K. Whitford     | 4,273,689           | 88,867                                | 300                    | 0                                     |
| Janet L. Yeomans       |                     |                                       | 300                    | 0                                     |

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

|                           | Common shareholders |  | Preferred shareholders |  |
|---------------------------|---------------------|--|------------------------|--|
|                           | Shares<br>voted for | Shares<br>voted<br>withheld<br>authority | Shares<br>voted for    | Shares<br>voted<br>withheld<br>authority |
| Thomas L. Bennett         | 9,217,173           | 173,087                                  | 750                    | 0  |
| Ann D. Borowiec           | 9,234,252           | 156,007                                  | 750                    | 0  |
| Joseph W. Chow            | 9,219,270           | 170,990                                  | 750                    | 0  |
| John A. Fry               | 9,219,893           | 170,366                                  | 750                    | 0  |
| Lucinda S. Landreth       |                     |  | 750                    | 0  |
| Frances A. Sevilla-Sacasa | 9,219,893           | 170,366                                  | 750                    | 0  |
| Thomas K. Whitford        | 9,219,893           | 170,366                                  | 750                    | 0  |
| Janet L. Yeomans          |                     |  | 750                    | 0  |

**Delaware Investments National Municipal Income Fund**

Edgar Filing: Delaware Investments National Municipal Income Fund - Form N-CSRS

|                           | Common shareholders |                       | Preferred shareholders |                       |
|---------------------------|---------------------|-----------------------|------------------------|-----------------------|
|                           | Shares<br>voted     | Shares<br>voted       | Shares<br>voted        | Shares<br>voted       |
|                           | Shares<br>voted for | withheld<br>authority | Shares<br>voted for    | withheld<br>authority |
| Thomas L. Bennett         | 3,660,959           | 192,667               | 300                    | 0                     |
| Ann D. Borowiec           | 3,661,338           | 192,288               | 300                    | 0                     |
| Joseph W. Chow            | 3,661,338           | 192,288               | 300                    | 0                     |
| John A. Fry               | 3,653,393           | 200,233               | 300                    | 0                     |
| Lucinda S. Landreth       |                     |                       | 300                    | 0                     |
| Frances A. Sevilla-Sacasa | 3,659,063           | 194,563               | 300                    | 0                     |
| Thomas K. Whitford        | 3,661,338           | 192,288               | 300                    | 0                     |
| Janet L. Yeomans          |                     |                       | 300                    | 0                     |

(continues)

35

**Table of Contents**

Other Fund information

(Unaudited)

Delaware Investments® 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.

**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. Investment Management Agreements**

At a meeting held on Aug. 18-20, 2015 (the Annual Meeting), the Board of Directors (collectively referred to here as 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 Minnesota Municipal Income Fund II, Inc.; and Delaware Investments National Municipal Income Fund (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 Management Agreements with Delaware Management Company (DMC) included materials provided by DMC and its affiliates (Delaware Investments) 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 investment manager's financial condition and profitability. In addition, in connection with the Annual Meeting, reports were provided to the Directors in May 2015 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

## Table of Contents

with independent legal counsel to the Independent Directors. In addition to the information noted above, the Board also requested and received information regarding DMC's policy with respect to advisory fee levels and its breakpoint philosophy; the structure of portfolio manager compensation; 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, the investment manager's ability to invest fully in accordance with Fund policies.

In considering information relating to the approval of the Funds' advisory agreements, the Independent Directors received assistance and advice from and met separately with independent legal counsel to the Independent Directors. They also engaged a consultant to assist them in analyzing portions of the data received. The Independent Directors reviewed and discussed with such consultant two reports prepared by the consultant with respect to such data. 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 DMC to the Funds and their 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 the Funds; compliance of portfolio managers with the investment policies, strategies and restrictions for the Funds; 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 adviser and the emphasis placed on research in the investment process. The Board recognized DMC's receipt of several industry distinctions during the past several years. 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 DMC.

**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 1-, 3-, 5-, and 10-year periods, to the extent applicable, ended March 31, 2015. 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 the Funds 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 states municipal debt funds as selected by Lipper. The Lipper report comparison showed that the Fund's total return for the 1- and 3-year periods was in the second quartile of its Performance Universe. The report further showed that the Fund's total return for the 5-year period was in the third quartile of its Performance Universe and the Fund's total return for the 10-year period 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 1- and 3-year performance results. They also considered the numerous investment and performance reports delivered by Management personnel to the Board's Investments Committee. The Board was satisfied that Management was taking action to improve Fund performance and meet the

Board's performance objective.

Delaware Investments Minnesota Municipal Income Fund II, Inc. The Performance Universe for the Fund consisted of the Fund and all leveraged closed-end other states municipal debt funds as selected by Lipper. The Lipper report comparison showed that the Fund's total return for the 1-, 5-, and 10-year periods was in the fourth quartile of its Performance Universe. The report further showed that the Fund's total return for the 3-year period was in the third 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 numerous investment and performance reports delivered by Management personnel to the Board's Investments Committee. The Board was satisfied that Management was taking action to improve Fund performance and meet the Board's performance objective.

Delaware Investments® National Municipal Income Fund The Performance Universe for the Fund consisted of the Fund and all leveraged closed-end general and insured municipal debt funds as selected by Lipper. The Lipper report comparison showed that the Fund's total return for the 1-year period was in the second quartile of its Performance Universe. The report further showed that the Fund's total return for the

(continues)

37

**Table of Contents**

Other Fund information

(Unaudited)

Delaware Investments® Closed-End Municipal Bond Funds

**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. Investment Management Agreements (continued)**

3-year period was in third quartile of its Performance Universe and the Fund's total return for the 5- and 10-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 re-leveraging of the Fund in 2012 and the subsequent improved performance. The Board also considered the numerous investment and performance reports delivered by Management personnel to the Board's Investments Committee. The Board was satisfied that Management was taking action to improve Fund performance and meet the Board's performance objective.

**Comparative expenses.** The Board considered expense comparison data for the Delaware Investments Family of Funds. Management provided the Board with information on pricing levels and fee structures for each Fund as of its most recently completed fiscal year. The Board also focused on the comparative analysis of effective management fees and total expense ratios of the Fund versus effective management fees and expense ratios of a group of similar closed-end funds as selected by Lipper (the Expense Group). In reviewing comparative costs, each Fund's contractual management fee and the actual management fee incurred by the Fund were compared with the contractual management fees (assuming all funds in the Expense Group were similar in size to the Fund) and actual management fees (as reported by each fund) within the Expense Group, taking into account any applicable breakpoints and fee waivers. Each Fund's total expenses were also compared with those of its Expense Group. The Board considered fees paid to DMC for non-management services. The Board's objective is to limit each Fund's total expense ratio to be competitive with that of the Expense Group.

The following paragraphs summarize the expense results for the Funds and the Board's view of such expenses.

Delaware Investments Colorado Municipal Income Fund, Inc. The expense comparisons for the Fund showed that its actual management fee and total expenses were in the quartile with the lowest expenses of its Expense Group. The Board was satisfied with the management fee and total expenses of the Fund in comparison to those of its Expense Group.

Delaware Investments Minnesota Municipal Income Fund II, Inc. The expense comparisons for the Fund showed that its actual management fee and total expenses were in the quartile with the lowest expenses of its Expense Group. The Board was satisfied with the management fee and total expenses of the Fund in comparison to those of its Expense Group.

Delaware Investments National Municipal Income Fund The expense comparisons for the Fund showed that its actual management fee was in the quartile with the lowest expenses of its Expense Group and its total expenses were in the quartile with the second highest expenses of its Expense Group. The Board gave favorable consideration to the Fund's management fee, but noted that the Fund's total expenses were not in line with the Board's objective. In evaluating total

expenses, the Board considered the limited number of funds in the Expense Group. The Board was satisfied with Management's efforts to improve the Fund's total expense ratio and to bring it in line with the Board's objective.

**Management profitability.** The Board considered the level of profits, if any, realized by DMC in connection with the operation of the Funds. In this respect, the Board reviewed the Investment Management Profitability Analysis that addressed the overall profitability of DMC's business in providing management and other services to each of the individual funds and the Delaware Investments Family of Funds as a whole. Specific attention was given to the methodology followed in allocating costs for the purpose of determining profitability. Management stated that the level of profits of DMC, to a certain extent, reflects recent operational cost savings and efficiencies initiated by DMC. The Board considered DMC's efforts to improve services provided to fund shareholders and to meet additional regulatory and compliance requirements resulting from recent industry-wide Securities and Exchange Commission initiatives. The Board also considered the extent to which DMC might derive ancillary benefits from fund operations, including the potential for procuring additional business as a result of the prestige and visibility associated with its role as service provider to the Delaware Investments Family of Funds and the benefits from allocation of fund brokerage to improve trading efficiencies. The Board found that the management fees were reasonable in light of the services rendered and the profitability of DMC.

**Economies of scale.** As closed-end funds, the Funds do not issue shares on a continuous basis. Fund assets, therefore, increase primarily as a result of the increase in value of the underlying securities in that Fund. Accordingly, the Board determined that the Funds were not likely to experience significant economies of scale due to asset growth and, therefore, a fee schedule with breakpoints to pass the benefit of economies of scale on to shareholders was not likely to provide the intended effect.

**Table of Contents**

About the organization

This semiannual report is for the information of Delaware Investments® Closed-End Municipal Bond Funds shareholders. Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940 that the Funds may, from time to time, purchase shares of their common stock on the open market at market prices.

**Board of directors/trustees**

**Shawn K. Lytle**

President and

Chief Executive Officer

Delaware Investments Family of Funds

Philadelphia, PA

**Thomas L. Bennett**

Chairman of the Board

Delaware Investments Family of Funds

Private Investor

Rosemont, PA

**Ann D. Borowiec**

Former Chief Executive Officer

Private Wealth Management

J.P. Morgan Chase & Co.

New York, NY

**Joseph W. Chow**

Former Executive Vice President

State Street Corporation

Brookline, MA

**John A. Fry**

President

Drexel University

Philadelphia, PA

**Lucinda S. Landreth**

Former Chief Investment Officer Assurant, Inc.

New York, NY

**Frances A. Sevilla-Sacasa**

Chief Executive Officer

Banco Itaú International

Miami, FL

**Thomas K. Whitford**

Former Vice Chairman

PNC Financial Services Group

Pittsburgh, PA

**Janet L. Yeomans**

Former Vice President and Treasurer

3M Corporation

St. Paul, MN

**Affiliated officers**

**David F. Connor**

Senior Vice President, General Counsel, and Secretary

Delaware Investments Family of

Funds

Philadelphia, PA

**Daniel V. Geatens**

Table of Contents

Vice President and Treasurer

Delaware Investments Family of

Funds

Philadelphia, PA

**Richard Salus**

Senior Vice President and

Chief Financial Officer

Delaware Investments Family of

Funds

Philadelphia, PA

**Investment manager**

Delaware Management Company, a series of Delaware Management Business Trust Philadelphia, PA

**Principal office of the Funds**

2005 Market Street

Philadelphia, PA 19103-7057

**Independent registered public accounting firm**

PricewaterhouseCoopers LLP

2001 Market Street

Philadelphia, PA 19103

**Registrar and stock transfer agent**

Computershare, Inc.

480 Washington Blvd.

Jersey City, NJ 07310

866 437-0252

**For securities dealers and financial institutions representatives**

800 362-7500

Table of Contents

**Website**

delawareinvestments.com

*Delaware Investments is the marketing name of Delaware Management Holdings, Inc. and its subsidiaries.*

**Number of recordholders as of**

Sept. 30, 2015

|                                    |     |
|------------------------------------|-----|
| Colorado Municipal Income Fund     | 71  |
| Minnesota Municipal Income Fund II | 367 |
| National Municipal Income Fund     | 84  |

**Your reinvestment options**

Each of the Funds offers an automatic dividend reinvestment program. If you would like to reinvest dividends, and shares are registered in your name, contact Computershare, Inc. at 866 437-0252. You will be asked to put your request in writing. If you have shares registered in street name, contact the broker/dealer holding the shares or your financial advisor. If you choose to receive your dividends in cash, you may now elect to receive them by ACH transfer. Contact Computershare at the number above for more information.

Each Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (SEC) for the first and third quarters of each fiscal year on Form N-Q. Each Fund’s Forms N-Q, as well as a description of the policies and procedures that each Fund uses to determine how to vote proxies (if any) relating to portfolio securities are available without charge (i) upon request, by calling 866 437-0252; and (ii) on the SEC’s website at sec.gov. In addition, a description of the policies and procedures that the Funds use to determine how to vote proxies (if any) relating to portfolio securities and the Schedules of Investments included in the Funds’ most recent Forms N-Q are available without charge on the Funds’ website at delawareinvestments.com. Each Fund’s Forms N-Q may be reviewed and copied at the SEC’s Public Reference Room in Washington, D.C.; information on the operation of the Public Reference Room may be obtained by calling 800 SEC-0330. Information (if any) regarding how each Fund voted proxies relating to portfolio securities during the most recently disclosed 12-month period ended June 30 is available without charge (i) through the Funds’ website at delawareinvestments.com; and (ii) on the SEC’s website at sec.gov.

Item 2. Code of Ethics

Not applicable.

Item 3. Audit Committee Financial Expert

Not applicable.

Item 4. Principal Accountant Fees and Services

Not applicable.

Item 5. Audit Committee of Listed Registrants

Not applicable.

Item 6. Investments

(a) Included as part of report to shareholders filed under Item 1 of this Form N-CSR.

(b) Divestment of securities in accordance with Section 13(c) of the Investment Company Act of 1940.

Not applicable.

Item 7. Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies

Not applicable.

Item 8. Portfolio Managers of Closed-End Management Investment Companies

Not applicable.

Item 9. Purchases of Equity Securities by Closed-End Management Investment Companies and Affiliated Purchasers

Not applicable.

Item 10. Submission of Matters to a Vote of Security Holders

Not applicable.

Item 11. Controls and Procedures

The registrant's principal executive officer and principal financial officer have evaluated the registrant's disclosure controls and procedures within 90 days of the filing of this report and have concluded that they are effective in providing reasonable assurance that the information required to be disclosed by the registrant in its reports or statements filed under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

---

There were no significant changes in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by the report to stockholders included herein (i.e., the registrant's second fiscal quarter) that have materially affected, or are reasonably likely to materially affect, the registrant's internal control over financial reporting.

Item 12. Exhibits

(a) (1) Code of Ethics

Not applicable.

(2) Certifications of Principal Executive Officer and Principal Financial Officer pursuant to Rule 30a-2 under the Investment Company Act of 1940 are attached hereto as Exhibit 99.CERT.

(3) Written solicitations to purchase securities pursuant to Rule 23c-1 under the Securities Exchange Act of 1934.

Not applicable.

(b) Certifications pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 are furnished herewith as Exhibit 99.906CERT.

---

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf, by the undersigned, thereunto duly authorized.

**DELAWARE INVESTMENTS® NATIONAL MUNICIPAL INCOME FUND**

/s/ SHAWN LYTLE

By: Shawn Lytle  
Title: Chief Executive Officer  
Date: December 2, 2015

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ SHAWN LYTLE

By: Shawn Lytle  
Title: Chief Executive Officer  
Date: December 2, 2015

/s/ RICHARD SALUS

By: Richard Salus  
Title: Chief Financial Officer  
Date: December 2, 2015

---