

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL INCOME FUND III INC
Form N-CSR
December 08, 2005

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: 811-07938
Exact name of registrant as specified in charter: Delaware Investments Minnesota Municipal I
Address of principal executive offices: 2005 Market Street
Philadelphia, PA 19103
Name and address of agent for service: David F. Connor, Esq.
2005 Market Street
Philadelphia, PA 19103
Registrant's telephone number, including area code: (800) 523-1918
Date of fiscal year end: March 31
Date of reporting period: September 30, 2005

Item 1. Reports to Stockholders

CLOSED END

Delaware
Investments(R)

A member of Lincoln Financial Group

SEMIANNUAL REPORT SEPTEMBER 30, 2005

DELAWARE INVESTMENTS CLOSED-END

MUNICIPAL BOND FUNDS

[LOGO] POWERED BY RESEARCH(R)

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DIVIDEND REINVESTMENT PLANS

Each Fund offers an automatic dividend reinvestment program. If Fund shares are registered in your name and you are not already reinvesting dividends but would like to do so, contact the dividend plan agent, Mellon Investor Services, L.L.C., at 800 851-9677. You will be asked to put your request in writing. If you have shares registered in "street" name, contact your financial advisor or the broker/dealer holding the shares.

Under the current policies of Delaware Investments Arizona Municipal Income Fund, Delaware Investments Florida Insured Municipal Income Fund, Delaware Investments Minnesota Municipal Income Fund, and Delaware Investments Minnesota Municipal Income Fund II, all distributions of net investment income and capital gains to common stock shareholders are automatically reinvested in additional shares unless shareholders elect to receive all dividends and other distributions in cash paid by check mailed directly to shareholders by the dividend plan agent. Under the current policies of Delaware Investments Colorado Insured Municipal Income Fund and Delaware Investments Minnesota Municipal Income Fund III, distributions of net investment income and capital gains to common shareholders will be paid in cash unless shareholders notify Mellon Investor Services, L.L.C. of their desire to participate in the dividend reinvestment program.

After each Fund declares a dividend or determines to make a capital gains

distribution, the plan agent will, as agent for the participants, receive the cash payment and use it to buy shares in the open market on the American Stock Exchange. The Funds will not issue any new shares in connection with the plan. You can contact Mellon at:

Mellon Investor Services, L.L.C.
 Dividend Reinvestment Department
 Overpeck Centre
 85 Challenger Road
 Ridgefield, NJ 07660
 800 851-9677

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

Mutual fund advisory services provided by Delaware Management Company, a series of Delaware Management Business Trust, which is a registered investment advisor.

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SECTOR ALLOCATIONS

As of September 30, 2005

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

DELAWARE INVESTMENTS ARIZONA MUNICIPAL INCOME FUND, INC.

SECTOR	PERCENTAGE OF NET ASSETS
MUNICIPAL BONDS	152.47%
Airport Revenue Bonds	6.92%
City General Obligation Bonds	1.16%
Convention Center/Auditorium/Hotel Revenue Bonds	2.31%
Dedicated Tax & Fees Revenue Bonds	6.93%
Escrowed to Maturity Bonds	10.93%
Higher Education Revenue Bonds	8.28%
Hospital Revenue Bonds	19.25%
Miscellaneous Revenue Bonds	3.55%
Municipal Lease Revenue Bonds	10.73%
Pre-Refunded Bonds	26.40%
Public Power Revenue Bonds	3.47%
School District General Obligation Bonds	17.36%
School District Revenue Bonds	2.42%
Single Family Housing Revenue Bonds	3.42%
Territorial Revenue Bonds	23.89%
Water & Sewer Revenue Bonds	5.45%
TOTAL MARKET VALUE OF SECURITIES	152.47%
RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES	3.05%
LIQUIDATION VALUE OF PREFERRED STOCK	(55.52%)
TOTAL NET ASSETS	100.00%

DELAWARE INVESTMENTS COLORADO INSURED MUNICIPAL INCOME FUND, INC.

PERCENTAGE

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SECTOR	OF NET ASSETS
MUNICIPAL BONDS	149.98%
Airport Revenue Bonds	10.33%
City General Obligation Bonds	2.75%
Continuing Care/Retirement Revenue Bonds	3.54%
Convention Center/Auditorium/Hotel Revenue Bonds	4.09%
Dedicated Tax & Fees Revenue Bonds	3.73%
Higher Education Revenue Bonds	24.34%
Hospital Revenue Bonds	1.89%
Municipal Lease Revenue Bonds	14.15%
Parking Revenue Bonds	3.53%
Political Subdivision General Obligation Bonds	6.25%
Pre-Refunded Bonds	43.33%
School District General Obligation Bonds	5.35%
School District Revenue Bonds	1.40%
Turnpike/Toll Road Revenue Bonds	12.84%
Water & Sewer Revenue Bonds	12.46%
TOTAL MARKET VALUE OF SECURITIES	149.98%
RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES	2.72%
LIQUIDATION VALUE OF PREFERRED STOCK	(52.70%)
TOTAL NET ASSETS	100.00%

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SECTOR ALLOCATIONS As of September 30, 2005
(CONTINUED)

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

DELAWARE INVESTMENTS FLORIDA INSURED MUNICIPAL INCOME FUND

SECTOR	PERCENTAGE OF NET ASSETS
MUNICIPAL BONDS	152.00%
Airport Revenue Bonds	9.17%
Dedicated Tax & Fees Revenue Bonds	24.69%
Higher Education Revenue Bonds	3.48%
Hospital Revenue Bonds	18.78%
Miscellaneous Revenue Bonds	2.83%
Multifamily Housing Revenue Bonds	23.06%
Municipal Lease Revenue Bonds	9.81%
Ports & Harbors Revenue Bonds	2.81%
Pre-Refunded Bonds	24.63%
Public Power Revenue Bonds	5.58%
State General Obligation Bonds	5.69%
Tax Increment/Special Assessment Bonds	0.83%
Turnpike/Toll Road Revenue Bonds	2.83%
Water & Sewer Revenue Bonds	17.81%
TOTAL MARKET VALUE OF SECURITIES	152.00%
RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES	2.19%

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LIQUIDATION VALUE OF PREFERRED STOCK	(54.19%)

TOTAL NET ASSETS	100.00%

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL INCOME FUND, INC.

SECTOR	PERCENTAGE OF NET ASSETS

MUNICIPAL BONDS	150.87%

Airport Revenue Bonds	10.28%
City General Obligation Bonds	4.10%
Continuing Care/Retirement Revenue Bonds	2.42%
Corporate-Backed Revenue Bonds	4.12%
Escrowed to Maturity Bonds	13.44%
Higher Education Revenue Bonds	5.72%
Hospital Revenue Bonds	13.82%
Miscellaneous Revenue Bonds	7.13%
Multifamily Housing Revenue Bonds	5.44%
Municipal Lease Revenue Bonds	7.39%
Parking Revenue Bonds	1.83%
Political Subdivision General Obligation Bonds	8.82%
Pre-Refunded Bonds	16.50%
Public Power Revenue Bonds	27.64%
School District General Obligation Bonds	15.70%
Single Family Housing Revenue Bonds	1.90%
State General Obligation Bonds	3.22%
Tax Increment/Special Assessment Bonds	1.40%

TOTAL MARKET VALUE OF SECURITIES	150.87%

RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES	1.38%

LIQUIDATION VALUE OF PREFERRED STOCK	(52.25%)

TOTAL NET ASSETS	100.00%

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SECTOR ALLOCATIONS As of September 30, 2005
(CONTINUED)

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

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL INCOME FUND II, INC.

SECTOR	PERCENTAGE OF NET ASSETS

MUNICIPAL BONDS	152.00%

Airport Revenue Bonds	11.81%
City General Obligation Bonds	3.83%
Corporate-Backed Revenue Bonds	4.18%
Escrowed to Maturity Bonds	15.20%
Higher Education Revenue Bonds	11.15%
Hospital Revenue Bonds	17.24%
Miscellaneous Revenue Bonds	2.65%
Multifamily Housing Revenue Bonds	7.97%

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Municipal Lease Revenue Bonds	11.20%
Parking Revenue Bonds	1.23%
Political Subdivision General Obligation Bonds	7.70%
Pre-Refunded Bonds	22.15%
Public Power Revenue Bonds	13.85%
School District General Obligation Bonds	12.98%
Single Family Housing Revenue Bonds	2.46%
State General Obligation Bonds	4.37%
Tax Increment/Special Assessment Bonds	0.49%
Territorial General Obligation Bonds	1.06%
Territorial Revenue Bonds	0.48%

SHORT-TERM INVESTMENTS	0.92%

TOTAL MARKET VALUE OF SECURITIES	152.92%

RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES	2.00%

LIQUIDATION VALUE OF PREFERRED STOCK	(54.92%)

TOTAL NET ASSETS	100.00%

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL INCOME FUND III, INC.

SECTOR	PERCENTAGE OF NET ASSETS

MUNICIPAL BONDS	155.77%

Airport Revenue Bonds	9.56%
City General Obligation Bonds	5.02%
Continuing Care/Retirement Revenue Bonds	7.35%
Corporate-Backed Revenue Bonds	7.48%
Escrowed to Maturity Bonds	12.09%
Higher Education Revenue Bonds	5.15%
Hospital Revenue Bonds	18.93%
Miscellaneous Revenue Bonds	1.00%
Multifamily Housing Revenue Bonds	7.61%
Municipal Lease Revenue Bonds	12.49%
Parking Revenue Bonds	6.01%
Political Subdivision General Obligation Bonds	9.57%
Pre-Refunded Bonds	18.11%
Public Power Revenue Bonds	24.64%
School District General Obligation Bonds	4.07%
Single Family Housing Revenue Bonds	2.53%
Territorial Revenue Bonds	4.16%

TOTAL MARKET VALUE OF SECURITIES	155.77%

RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES	1.85%

LIQUIDATION VALUE OF PREFERRED STOCK	(57.62%)

TOTAL NET ASSETS	100.00%

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STATEMENTS OF NET ASSETS DELAWARE INVESTMENTS ARIZONA MUNICIPAL INCOME FUND, INC.
September 30, 2005 (Unaudited)

Principal Market

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	Amount	Value
MUNICIPAL BONDS - 152.47%		
Airport Revenue Bonds - 6.92%		
Phoenix Civic Improvement Corporation		
Airport Revenue		
Senior Lien Series A 5.00% 7/1/25 (FSA)	\$1,000,000	\$1,028,000
Series B 5.25% 7/1/27 (FGIC) (AMT)	2,000,000	2,088,740

		3,116,740

City General Obligation Bonds - 1.16%		
DC Ranch Community Facilities		
5.00% 7/15/27 (AMBAC)	500,000	523,100

		523,100

Convention Center/Auditorium/Hotel Revenue Bonds - 2.31%		
Arizona Tourism & Sports Authority Tax		
Revenue Multipurpose Stadium Facilities		
Series A 5.00% 7/1/31 (MBIA)	1,000,000	1,041,990

		1,041,990

Dedicated Tax & Fees Revenue Bonds - 6.93%		
Glendale Municipal Property Corporation		
5.00% 7/1/33 (AMBAC)	3,000,000	3,119,970

		3,119,970

Escrowed to Maturity Bonds - 10.93%		
Puerto Rico Commonwealth Infrastructure		
Financing Series A 5.50% 10/1/40	4,500,000	4,922,640

		4,922,640

Higher Education Revenue Bonds - 8.28%		
Arizona State University Certificates of		
Participation (Research Infrastructure		
Project) 5.00% 9/1/30 (AMBAC)	1,000,000	1,046,460
Northern Arizona University Certificates of		
Participation (Northern Arizona University		
Research Project) 5.00% 9/1/30 (AMBAC)	1,000,000	1,047,360
South Campus Group Student Housing		
Revenue (Arizona State University South		
Campus Project) 5.625% 9/1/35 (MBIA)	1,000,000	1,103,270
University of Arizona Certificates of		
Participation (University of Arizona Project)		
Series B 5.125% 6/1/22 (AMBAC)	500,000	530,900

		3,727,990

Hospital Revenue Bonds - 19.25%		
Maricopa County Industrial		
Development Authority		
(Catholic Healthcare West)		
Series A 5.50% 7/1/26	430,000	454,579
(Mayo Clinic Hospital)		
5.25% 11/15/37	2,000,000	2,097,520
Mohave County Industrial Development		
Authority (Chris/Silver Ridge)		

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6.375% 11/1/31 (GNMA)	260,000	270,616
Scottsdale Industrial Development Authority Hospital Revenue (Scottsdale Healthcare) 5.80% 12/1/31	1,000,000	1,071,800
Show Low Industrial Development Authority Hospital Revenue (Navapache Regional Medical Center) Series A 5.50% 12/1/17 (ACA)	1,600,000	1,665,216
University Medical Center Corporation Arizona Hospital Revenue 5.00% 7/1/33	1,000,000	1,003,790
	Principal Amount	Market Value
MUNICIPAL BONDS (continued)		
Hospital Revenue Bonds (continued)		
Yavapai County Industrial Development Authority (Yavapai Regional Medical Center) 5.25% 8/1/21 (RADIAN)	\$2,000,000	\$ 2,104,760

		8,668,281

Miscellaneous Revenue Bonds - 3.55%		
Arizona Student Loan Acquisition Authority Revenue Series A-1 5.90% 5/1/24 (AMT)	1,500,000	1,598,355

		1,598,355

Municipal Lease Revenue Bonds - 10.73%		
Greater Arizona Development Authority Infrastructure Revenue Series A 5.00% 8/1/22 (MBIA)	500,000	532,140
Nogales Development Authority 5.00% 6/1/30 (AMBAC)	500,000	521,990
Phoenix Civic Improvement Corporation Excise Tax Senior Lien (Municipal Courthouse Project) Series A 5.25% 7/1/24	1,000,000	1,064,680
Prescott Valley Property Corporation 5.00% 1/1/27 (FGIC)	500,000	520,155
Tucson Certificates of Participation 5.60% 7/1/11	1,100,000	1,141,822
Yuma Municipal Property Corporation 5.00% 7/1/25 (AMBAC)	1,000,000	1,048,790

		4,829,577

ss.Pre-Refunded Bonds - 26.40%		
Arizona School Facilities Board Certificates of Participation Series B 5.25% 9/1/19-14 (FSA)	1,000,000	1,114,000
Arizona School Facilities Board Revenue (State School Improvement) 5.00% 7/1/19-11	2,000,000	2,166,360
Arizona State Transportation Board Highway Revenue Refunding 5.75% 7/1/18-09	2,350,000	2,563,238
Arizona Water Infrastructure Finance Authority Revenue Water Quality		

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Series A 5.05% 10/1/20-11	1,500,000	1,632,090
Eagle Mountain Community Facilities District Series A 6.40% 7/1/17-06 (Assured Gty)	1,500,000	1,554,270
Oro Valley Municipal Property Corporation Excise Tax 5.00% 7/1/20-11 (FGIC)	1,000,000	1,062,710
Puerto Rico Commonwealth Public Improvement Series A 5.125% 7/1/31-11	250,000	273,100
Southern Arizona Capital Facilities Finance Corporation (University of Arizona Project) 5.00% 9/1/23-12 (MBIA)	1,150,000	1,250,890
Yuma Industrial Development Authority Hospital Revenue (Yuma Regional Medical Center) 5.00% 8/1/31-11 (FSA)	250,000	271,920

		11,888,578

Public Power Revenue Bonds - 3.47%		
Salt River Project Arizona Agricultural Improvement & Power District Electric System Revenue (Salt River Project) Series A 5.00% 1/1/31	1,500,000	1,561,410

		1,561,410

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STATEMENTS DELAWARE INVESTMENTS ARIZONA MUNICIPAL INCOME FUND, INC.
OF NET ASSETS (CONTINUED)

	Principal Amount	Market Value
MUNICIPAL BONDS (continued)		
School District General Obligation Bonds - 17.36%		
Maricopa County School District #6 (Washington Elementary) Series A 5.375% 7/1/13 (FSA)	\$3,000,000	\$ 3,351,900
Maricopa County School District #6 (Washington Elementary School Improvement Project of 2001) Series B 5.00% 7/1/17 (FSA)	1,000,000	1,097,410
Maricopa County School District #38 (Madison Elementary) 5.00% 7/1/13 (FSA)	1,250,000	1,365,188
5.00% 7/1/14 (FSA)	825,000	904,200
Tempe Union High School District #213 5.00% 7/1/14 (FSA)	1,000,000	1,096,000

		7,814,698

School District Revenue Bonds - 2.42%		
Coconino County Unified School District #8 (Aid Revenue Project of 2004) Series A 5.00% 7/1/15 (MBIA)	1,000,000	1,088,970

		1,088,970

Single Family Housing Revenue Bonds - 3.42%		
Phoenix Industrial Development Authority Single Family Statewide		

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Series A 5.35% 6/1/20 (GNMA) (FNMA) (FHLMC) (AMT)	745,000	762,180
Series C 5.30% 4/1/20 (GNMA) (FNMA) (FHLMC) (AMT)	575,000	589,542
Pima County Industrial Development Authority Single Family Mortgage Revenue Series A 6.125% 11/1/33 (GNMA) (FNMA) (FHLMC) (AMT)	185,000	187,708

		1,539,430

Territorial Revenue Bonds - 23.89%		
Puerto Rico Commonwealth Highway & Transportation Authority Transportation Refunding Series D 5.00% 7/1/32 (FSA)	8,500,000	8,852,579
Puerto Rico Commonwealth Public Improvement Series A 5.125% 7/1/31	500,000	516,085
Virgin Islands Public Finance Authority Revenue Series A 6.125% 10/1/29 (ACA)	1,250,000	1,387,288

		10,755,952

Water & Sewer Revenue Bonds - 5.45%		
Phoenix Civic Improvement Corporation Wastewater Systems Revenue Junior Lien 5.00% 7/1/24 (FGIC)	1,590,000	1,672,903
5.00% 7/1/26 (FGIC)	750,000	782,895

		2,455,798

TOTAL MUNICIPAL BONDS (cost \$64,981,133)		68,653,479

TOTAL MARKET VALUE OF SECURITIES - 152.47% (cost \$64,981,133)		\$68,653,479
RECEIVABLES AND OTHER ASSETS		
NET OF LIABILITIES - 3.05%		1,374,264
LIQUIDATION VALUE OF PREFERRED STOCK - (55.52%)		(25,000,000)

NET ASSETS APPLICABLE TO 2,982,200 COMMON SHARES OUTSTANDING - 100.00%		\$45,027,743

Net Asset Value Per Common Share (\$45,027,743 / 2,982,200 Shares)		\$15.10

COMPONENTS OF NET ASSETS AT SEPTEMBER 30, 2005:		
Common stock, \$0.01 par value, 200 million shares authorized to the Fund		\$40,838,893
Undistributed net investment income		522,221
Accumulated net realized loss on investments		(5,717)
Net unrealized appreciation of investments		3,672,346

Total net assets		\$45,027,743
		=====

ss.Pre-Refunded Bonds are municipals that are generally backed or secured by U.S. Treasury bonds. For Pre-Refunded Bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in "Notes to Financial Statements."

SUMMARY OF ABBREVIATIONS:

ACA - Insured by American Capital Access
 AMBAC - Insured by the AMBAC Assurance Corporation
 AMT - Subject to Alternative Minimum Tax
 Assured Gty - Insured by the Assured Guaranty Corporation
 FGIC - Insured by the Financial Guaranty Insurance Company
 FHLMC - Insured by the Federal Home Loan Mortgage Corporation
 FNMA - Insured by Federal National Mortgage Association
 FSA - Insured by Financial Security Assurance
 GNMA - Insured by Government National Mortgage Association
 MBIA - Insured by the Municipal Bond Insurance Association
 RADIAN - Insured by Radian Asset Assurance

See accompanying notes

STATEMENTS
 OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS COLORADO INSURED
 MUNICIPAL INCOME FUND, INC.
 September 30, 2005 (Unaudited)

	Principal Amount	Market Value
MUNICIPAL BONDS - 149.98%		
Airport Revenue Bonds - 10.33%		
Denver City & County Airport Revenue Series E 5.25% 11/15/23 (MBIA)	\$7,500,000	\$ 7,839,675
		----- 7,839,675 -----
City General Obligation Bonds - 2.75%		
Bowles Metropolitan District 5.00% 12/1/33 (FSA)	2,000,000	2,086,360
		----- 2,086,360 -----
Continuing Care/Retirement Revenue Bonds - 3.54%		
Colorado Health Facilities Authority Revenue (Porter Place) Series A 6.00% 1/20/36 (GNMA)	2,515,000	2,690,396
		----- 2,690,396 -----
Convention Center/Auditorium/Hotel Revenue Bonds - 4.09%		
Denver Convention Center Series A 5.00% 12/1/33 (XLCA)	3,000,000	3,106,590
		----- 3,106,590 -----
Dedicated Tax & Fees Revenue Bonds - 3.73%		
Broomfield County Sales & Use Tax Revenue Refunding & Improvement Series A 5.00% 12/1/31 (AMBAC)	650,000	675,948
Golden Sales & Use Tax Revenue Improvement Series B 5.10% 12/1/20 (AMBAC)	1,000,000	1,070,050
Gypsum Sales Tax & General Funding Revenue 5.25% 6/1/30 (Assured Gty)	1,000,000	1,081,440

		2,827,438

Higher Education Revenue Bonds - 24.34%		
Boulder County Development Revenue		
(University Corporation for Atmospheric		
Research) 5.00% 9/1/26 (MBIA)	4,500,000	4,659,345
Colorado Educational & Cultural		
Facilities Authority		
(Johnson & Wales University Project)		
Series A 5.00% 4/1/28 (XLCA)	3,000,000	3,116,880
(University of Colorado Foundation Project)		
5.00% 7/1/27 (AMBAC)	4,000,000	4,154,000
(University of Northern Colorado)		
5.00% 7/1/31 (MBIA)	2,500,000	2,577,250
Colorado State Board of Governors		
(Colorado University) Series B		
5.00% 3/1/35 (AMBAC)	1,800,000	1,871,712
University of Northern Colorado Revenue		
Refunding 5.00% 6/1/35 (FSA)	2,000,000	2,097,580

		18,476,767

Hospital Revenue Bonds - 1.89%		
Colorado Health Facilities Authority		
(North Colorado Medical Center)		
5.95% 5/15/12 (MBIA)	1,420,000	1,431,076

		1,431,076

Municipal Lease Revenue Bonds - 14.15%		
Arapahoe County Library District Certificates		
of Participation 5.70% 12/15/10 (MBIA)	2,000,000	2,063,580
Aurora Certificates of Participation		
5.50% 12/1/30 (AMBAC)	2,000,000	2,166,100
Broomfield City & County Certificates of		
Participation 5.75% 12/1/24 (AMBAC)	1,500,000	1,628,580
	Principal	Market
	Amount	Value
MUNICIPAL BONDS (continued)		
Municipal Lease Revenue Bonds (continued)		
Lakewood Certificates of Participation		
5.375% 12/1/22 (AMBAC)	\$2,000,000	\$ 2,149,580
Westminster Building Authority Certificates		
of Participation 5.25% 12/1/22 (MBIA)	1,555,000	1,673,460
Westminster Certificates of Participation		
(Ice Centre Project)		
5.40% 1/15/23 (AMBAC)	1,000,000	1,058,310

		10,739,610

Parking Revenue Bonds - 3.53%		
Auraria Higher Education Center Parking		
Facilities System Revenue		
5.50% 4/1/26 (AMBAC)	2,485,000	2,675,699

		2,675,699

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Political Subdivision General Obligation Bonds - 6.25%		
Arapahoe County Water & Wastewater		
Public Improvement District Refunding		
Series A 5.125% 12/1/32 (MBIA)	1,000,000	1,048,680
Centennial Downs Metropolitan District		
5.00% 12/1/28 (AMBAC)	1,000,000	1,051,360
Green Valley Ranch Metropolitan District		
5.75% 12/1/19 (AMBAC)	1,000,000	1,091,600
Sand Creek Metropolitan District Refunding		
& Improvement 5.00% 12/1/31 (XLCA)	500,000	519,500
Stonegate Village Metropolitan District		
Refunding & Improvement Series A		
5.50% 12/1/21 (FSA)	1,000,000	1,035,720

		4,746,860

ss.Pre-Refunded Bonds - 43.33%		
Archuleta & Hinsdale Counties School		
District #50JT 5.55% 12/1/20-06 (MBIA)	4,000,000	4,160,240
Burlingame Multifamily Housing Revenue		
Series A 6.00% 11/1/29-09 (MBIA)	2,290,000	2,548,404
City of Colorado Springs		
(Colorado Springs College Project)		
5.375% 6/1/32-09 (MBIA)	5,000,000	5,421,950
Colorado Educational & Cultural Facilities		
Authority (University of Denver Project)		
5.50% 3/1/21-11 (AMBAC)	3,200,000	3,535,296
Denver City & County Certificates of		
Participation Series B		
5.50% 12/1/25-10 (AMBAC)	2,000,000	2,224,840
Denver City & County Excise Tax Revenue		
(Colorado Convention Center Project)		
Series A 5.00% 9/1/20-11 (FSA)	6,500,000	7,021,299
Eagle County Certificates of Participation		
5.40% 12/1/18-09 (MBIA)	1,000,000	1,093,460
El Paso County School District #20		
5.625% 12/15/16-06 (AMBAC)	2,800,000	2,890,160
5.625% 12/15/16-06 (MBIA)	1,000,000	1,032,200
Pueblo County 5.80% 6/1/11-06 (MBIA)	1,405,000	1,431,231
Pueblo County (Library District Project)		
5.80% 11/1/19-09 (AMBAC)	1,395,000	1,523,507

		32,882,587

School District General Obligation Bonds - 5.35%		
Adams & Arapahoe Counties School		
District #28J 5.00% 12/1/22 (FSA)	2,000,000	2,115,940

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STATEMENTS
OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS COLORADO INSURED
MUNICIPAL INCOME FUND, INC.

Principal
Amount Market
Value

MUNICIPAL BONDS (continued)

School District General Obligation Bonds (continued)

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Douglas County School District #Re-1 (Douglas & Elbert Counties) 5.00% 12/15/21 (MBIA)	\$1,000,000	\$ 1,061,780
Weld & Adams Counties School District RE-3J 5.00% 12/15/24 (FSA)	830,000	879,900

		4,057,620

School District Revenue Bonds - 1.40% Colorado Educational & Cultural Facilities Authority Refunding (Bromley School) 5.25% 9/15/32 (XLCA)	1,000,000	1,065,020

		1,065,020

Turnpike/Toll Road Revenue Bonds - 12.84% E-470 Public Highway Authority Series A 5.75% 9/1/29 (MBIA) 5.75% 9/1/35 (MBIA) Northwest Parkway Public Highway Authority Series A 5.25% 6/15/41 (FSA)	3,000,000 1,700,000 4,250,000	3,341,550 1,893,545 4,511,673

		9,746,768

Water & Sewer Revenue Bonds - 12.46% Colorado Water Resources & Power Development Authority Small Water Resources Revenue Series A 5.80% 11/1/20 (FGIC) Colorado Water Resources & Power Development Authority Water Resources Revenue (Parker Water & Sanitation District) 5.125% 9/1/34 (MBIA) 5.25% 9/1/43 (MBIA) Lafayette Water Revenue Series A 5.00% 12/1/27 (MBIA) Ute Utility Water Conservancy District Water Revenue 5.75% 6/15/20 (MBIA)	2,000,000 1,500,000 2,000,000 1,100,000 2,155,000	2,206,780 1,585,125 2,136,700 1,152,118 2,377,633

		9,458,356

TOTAL MUNICIPAL BONDS (cost \$106,667,309)		113,830,822

TOTAL MARKET VALUE OF SECURITIES - 149.98% (cost \$106,667,309)		113,830,822
RECEIVABLES AND OTHER ASSETS NET OF LIABILITIES - 2.72%		2,064,154
LIQUIDATION VALUE OF PREFERRED STOCK - (52.70%)		(40,000,000)

NET ASSETS APPLICABLE TO 4,837,100 SHARES OUTSTANDING - 100.00%		\$75,894,976
		=====
Net Asset Value Per Common Share (\$75,894,976 / 4,837,100 Shares)		\$15.69

COMPONENTS OF NET ASSETS AT SEPTEMBER 30, 2005:
Common stock, \$0.01 par value, 200 million

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shares authorized to the Fund	\$67,238,110
Undistributed net investment income	1,351,512
Accumulated net realized gain on investments	141,841
Net unrealized appreciation of investments	7,163,513

Total net assets	\$75,894,976
	=====

ss.Pre-Refunded Bonds are municipals that are generally backed or secured by U.S. Treasury bonds. For Pre-Refunded Bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in "Notes to Financial Statements."

SUMMARY OF ABBREVIATIONS:

AMBAC - Insured by the AMBAC Assurance Corporation
 Assured Gty - Insured by the Assured Guaranty Corporation
 FGIC - Insured by the Financial Guaranty Insurance Company
 FSA - Insured by Financial Security Assurance
 GNMA - Insured by Government National Mortgage Association
 MBIA - Insured by the Municipal Bond Insurance Association
 XLCA - Insured by XL Capital Assurance

See accompanying notes

STATEMENTS
 OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS FLORIDA INSURED
 MUNICIPAL INCOME FUND
 September 30, 2005 (Unaudited)

	Principal Amount	Market Value
MUNICIPAL BONDS - 152.00%		
Airport Revenue Bonds - 9.17%		
Dade County Aviation Revenue		
Series 96B 5.60% 10/1/26 (MBIA)	\$1,000,000	\$1,040,570
Miami-Dade County Aviation Revenue		
(Miami International Airport) Series B		
5.00% 10/1/37 (FGIC)	2,250,000	2,342,678

		3,383,248

Dedicated Tax & Fees Revenue Bonds - 24.69%		
Flagler County Capital Improvements		
Revenue 5.00% 10/1/35 (MBIA)	1,000,000	1,049,370
Florida Department of Transportation		
5.00% 7/1/31 (FGIC)	1,525,000	1,590,057
Jacksonville Sales Tax Revenue		
5.00% 10/1/30 (MBIA)	1,500,000	1,567,875
Jacksonville Transportation Revenue		
5.25% 10/1/29 (MBIA)	2,000,000	2,138,520
Miami Beach Resort Tax Revenue		
5.50% 10/1/16 (AMBAC)	1,000,000	1,043,880
*Miami-Dade County Special Obligation		
(Capital Appreciation & Income)		
Series B 5.00% 10/1/35 (MBIA)	2,000,000	1,721,760

		9,111,462

Higher Education Revenue Bonds - 3.48%		

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Florida Agriculture & Mechanical University Revenue (Student Apartment Facility) 5.625% 7/1/21 (MBIA)	1,250,000	1,284,700

		1,284,700

Hospital Revenue Bonds - 18.78%		
Escambia County Health Facilities Authority (Florida Health Care Facilities - VHA Program) 5.95% 7/1/20 (AMBAC)	355,000	380,982
Lee County Memorial Health System Board of Directors Series A 5.00% 4/1/20 (FSA)	1,000,000	1,043,090
Miami-Dade County Public Facilities Revenue (Jackson Health Systems) Series A 5.00% 6/1/35 (MBIA)	1,500,000	1,562,970
Orange County Health Facilities Authority Revenue (Adventist Health Systems) 5.75% 11/15/25 (AMBAC) (Orlando Regional Healthcare) Series A 6.25% 10/1/18 (MBIA)	1,500,000 2,000,000	1,534,275 2,410,940

		6,932,257

Miscellaneous Revenue Bonds - 2.83%		
Florida State Municipal Loan (Council Revenue) Series A 5.00% 2/1/35	1,000,000	1,045,080

		1,045,080

Multifamily Housing Revenue Bonds - 23.06%		
Broward County Housing Finance Authority (St. Croix Apartments Project) Series A 5.45% 11/1/36 (FSA) (AMT)	935,000	965,659
Florida Housing Finance Agency (Homeowner Mortgage) Series 2 5.90% 7/1/29 (MBIA) (AMT) (Leigh Meadows Apartments) Series N 6.30% 9/1/36 (AMBAC) (AMT) (Woodbridge Apartments Project) Series L 6.05% 12/1/16 (AMBAC) (AMT) 6.25% 6/1/36 (AMBAC) (AMT)	680,000 2,510,000 1,120,000 1,500,000	704,691 2,585,927 1,156,019 1,548,855
	Principal	Market
	Amount	Value
MUNICIPAL BONDS - 152.00%		
Multifamily Housing Revenue Bonds (continued)		
Volusia County Multifamily Housing Finance Authority (San Marco Apartments) Series A 5.60% 1/1/44 (FSA) (AMT)	\$1,500,000	\$1,548,750

		8,509,901

Municipal Lease Revenue Bonds - 9.81%		
Broward School Board Certificates of Participation Series A 5.25% 7/1/24 (FSA)	1,000,000	1,075,520
Orange County School Board Certificates of Participation Series A 5.00% 8/1/27 (MBIA)	1,250,000	1,298,650

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Palm Beach County School Board Certificates of Participation Series D 5.00% 8/1/28 (FSA)	1,200,000	1,244,556

		3,618,726

Ports & Harbors Revenue Bonds - 2.81% Florida Ports Financing Commission State Transportation Trust Fund 5.375% 6/1/27 (MBIA) (AMT)	1,000,000	1,035,520

		1,035,520

ss.Pre-Refunded Bonds - 24.63%		
Dade County School Board Certificates of Participation Series B 5.60% 8/1/17-06 (AMBAC)	1,000,000	1,032,270
Florida State Board of Education (Capital Outlay Public Education) Series C 6.00% 6/1/21-10 (FGIC)	2,000,000	2,252,500
Indian River County Water & Sewer Revenue 5.50% 9/1/16-06 (FGIC)	1,000,000	1,042,610
Sunrise Utility System Revenue Series A 5.75% 10/1/26-06 (AMBAC)	2,500,000	2,595,100
Tampa Utility Tax Improvement Series A 6.125% 10/1/19-09 (AMBAC)	1,000,000	1,117,680
Village Center Community Development District Recreational Revenue Series A 5.85% 11/1/16-06 (MBIA)	1,000,000	1,050,950

		9,091,110

Public Power Revenue Bonds - 5.58%		
JEA Electric Systems Revenue Series 3-A 5.00% 10/1/34 (FSA)	2,000,000	2,060,620

		2,060,620

State General Obligation Bonds - 5.69%		
Florida State Board Education Public Education Series C 5.00% 6/1/34 (AMBAC)	2,000,000	2,100,800

		2,100,800

Tax Increment/Special Assessment Bonds - 0.83%		
Julington Creek Plantation Community Development District Special Assessment 5.00% 5/1/29 (MBIA)	295,000	306,977

		306,977

Turnpike/Toll Road Revenue Bonds - 2.83%		
Miami-Dade County Expressway Authority Toll Systems Revenue Series B 5.00% 7/1/33 (FGIC)	1,000,000	1,044,980

		1,044,980

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STATEMENTS OF NET ASSETS (CONTINUED) DELAWARE INVESTMENTS FLORIDA INSURED MUNICIPAL INCOME FUND

	Principal Amount	Market Value
MUNICIPAL BONDS (continued)		
Water & Sewer Revenue Bonds - 17.81%		
Dade County Water & Sewer System Revenue 5.50% 10/1/25 (FGIC)	\$1,100,000	\$ 1,124,442
JEA Florida Water & Sewer Systems Revenue Sub-Second Crossover 5.00% 10/1/25 (MBIA)	1,000,000	1,052,180
Riviera Beach Utilities Special District Water & Sewer Revenue 5.00% 10/1/34 (FGIC)	1,200,000	1,251,684
Village Center Community Development District Utility Revenue 5.00% 10/1/36 (MBIA)	1,500,000	1,564,035
Winter Haven Utilities Systems Revenue Refunding & Improvement 5.00% 10/1/30 (MBIA)	1,500,000	1,581,510

		6,573,851

TOTAL MUNICIPAL BONDS (cost \$53,761,021)		56,099,232

TOTAL MARKET VALUE OF SECURITIES - 152.00% (cost \$53,761,021)		56,099,232
RECEIVABLES AND OTHER ASSETS		
NET OF LIABILITIES - 2.19%		808,728
LIQUIDATION VALUE OF PREFERRED STOCK - (54.19%)		(20,000,000)

NET ASSETS APPLICABLE TO 2,422,200 SHARES OUTSTANDING - 100.00%		\$36,907,960
		=====
Net Asset Value Per Common Share (\$36,907,960 / 2,422,200 Shares)		\$15.24

COMPONENTS OF NET ASSETS AT SEPTEMBER 30, 2005:

Common stock, \$0.01 par value, unlimited shares authorized to the Fund	\$33,361,389
Undistributed net investment income	585,943
Accumulated net realized gain on investments	622,417
Net unrealized appreciation of investments	2,338,211

Total net assets	\$36,907,960
	=====

ss.Pre-Refunded Bonds are municipals that are generally backed or secured by U.S. Treasury bonds. For Pre-Refunded Bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in "Notes to Financial Statements."

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

SUMMARY OF ABBREVIATIONS:

AMBAC - Insured by the AMBAC Assurance Corporation
 AMT - Subject to Alternative Minimum Tax
 FGIC - Insured by the Financial Guaranty Insurance Company
 FSA - Insured by Financial Security Assurance
 MBIA - Insured by the Municipal Bond Insurance Association

See accompanying notes

STATEMENTS
 OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL
 INCOME FUND, INC.
 September 30, 2005 (Unaudited)

	Principal Amount	Market Value
MUNICIPAL BONDS - 150.87%		
Airport Revenue Bonds - 10.28%		
Minneapolis/St. Paul Metropolitan		
Airports Commission Revenue		
Series A 5.00% 1/1/22 (MBIA)	\$1,000,000	\$1,050,470
Series A 5.00% 1/1/30 (AMBAC)	250,000	255,298
Series C 5.25% 1/1/32 (FGIC)	2,500,000	2,630,725

		3,936,493

City General Obligation Bonds - 4.10%		
Metropolitan Council Minnesota		
(Minneapolis/St. Paul Metropolitan Area)		
Series C 5.00% 2/1/22	500,000	527,965
Willmar (Rice Memorial Hospital Project)		
5.00% 2/1/32 (FSA)	1,000,000	1,040,710

		1,568,675

Continuing Care/Retirement Revenue Bonds - 2.42%		
St. Paul Housing & Redevelopment Authority		
Revenue (Franciscan Health Project)		
5.40% 11/20/42 (GNMA) (FHA)	880,000	925,874

		925,874

Corporate-Backed Revenue Bonds - 4.12%		
Anoka County Solid Waste Disposal		
National Rural Co-Op Utility		
(United Power Association)		
Series A 6.95% 12/1/08 (AMT)	560,000	563,086
Sartell Environmental Improvement		
Revenue (International Paper)		

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Series A 5.20% 6/1/27	1,000,000	1,015,400

		1,578,486

Escrowed to Maturity Bonds - 13.44%		
Dakota/Washington Counties Housing & Redevelopment Authority Bloomington Single Family Residential Mortgage Revenue 8.375% 9/1/21 (GNMA) (FHA) (VA) (AMT)	2,555,000	3,751,430
Southern Minnesota Municipal Power Agency Power Supply Systems Series B 5.50% 1/1/15 (AMBAC)	390,000	391,065
5.75% 1/1/11 (FGIC)	1,000,000	1,003,040

		5,145,535

Higher Education Revenue Bonds - 5.72%		
Minnesota State Higher Education Facilities Authority Revenue (College of St. Benedict) Series 5-W 5.00% 3/1/20	1,000,000	1,035,990
University of Minnesota Series A 5.50% 7/1/21	1,000,000	1,154,280

		2,190,270

Hospital Revenue Bonds - 13.82%		
Bemidji Health Care Facilities First Mortgage Revenue (North Country Health Services) 5.00% 9/1/24 (RADIAN)	1,000,000	1,039,660
Duluth Economic Development Authority Health Care Facilities Revenue (Benedictine Health System- St. Mary's Hospital) 5.25% 2/15/33	1,250,000	1,292,263
Glencoe Health Care Facilities Revenue (Glencoe Regional Health Services Project) 5.00% 4/1/25	500,000	503,195
	Principal	Market
	Amount	Value
MUNICIPAL BONDS (continued)		
Hospital Revenue Bonds (continued)		
Minneapolis Health Care System Revenue (Allina Health Systems) Series A 5.75% 11/15/32	\$1,100,000	\$1,170,202
Minnesota Agricultural & Economic Development Broad Revenue (Fairview Health Care System) Series A 6.375% 11/15/29	55,000	59,884
Shakopee Health Care Facilities Revenue (St. Francis Regional Medical Center) 5.25% 9/1/34	500,000	514,395
St. Paul Housing & Redevelopment Authority Health Care Facilities Revenue (Regions Hospital Project) 5.30% 5/15/28	700,000	710,941

		5,290,540

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Miscellaneous Revenue Bonds - 7.13%		
Minneapolis Art Center Facilities Revenue (Walker Art Center Project) 5.125% 7/1/21	1,600,000	1,674,672
Minneapolis Community Development Agency (Supported Development Revenue Limited Tax Common Bond Fund) Series G-3 5.45% 12/1/31	1,000,000	1,052,820

		2,727,492

Multifamily Housing Revenue Bonds - 5.44%		
Minneapolis Multifamily Housing Revenue (Seward Towers Project) 5.00% 5/20/36 (GNMA)	1,000,000	1,025,710
Southeastern Minnesota Multi-County Housing & Redevelopment Authority (Winona County) 5.35% 1/1/28	300,000	302,280
Washington County Housing & Redevelopment Authority (Woodland Park Apartments Project) 4.70% 10/1/32	750,000	755,475

		2,083,465

Municipal Lease Revenue Bonds - 7.39%		
St. Paul Port Authority Lease Revenue (Cedar Street Office Building Project) 5.125% 12/1/27	500,000	527,395
5.25% 12/1/27	1,150,000	1,222,185
Virginia Housing & Redevelopment Authority Health Care Facility (Lease Revenue) 5.25% 10/1/25	680,000	701,087
5.375% 10/1/30	365,000	376,976

		2,827,643

Parking Revenue Bonds - 1.83%		
St. Paul Housing & Redevelopment Authority Parking Revenue (Block 19 Ramp Project) Series A 5.35% 8/1/29 (FSA)	650,000	701,233

		701,233

Political Subdivision General Obligation Bonds - 8.82%		
Hennepin County Series B 5.00% 12/1/18	1,300,000	1,392,378
Washington County Housing & Redevelopment Authority Series B 5.50% 2/1/22 (MBIA)	855,000	916,466
5.50% 2/1/32 (MBIA)	1,000,000	1,066,730

		3,375,574

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STATEMENTS
OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL
INCOME, FUND, INC.

Principal
Amount Market
Value

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MUNICIPAL BONDS (continued)

ss.Pre-Refunded Bonds - 16.50%		
Chaska Electric Revenue Series A		
6.00% 10/1/25-10	\$1,000,000	\$ 1,120,400
Minnesota Agricultural & Economic		
Development Broad Revenue		
(Fairview Health Care System)		
Series A 6.375% 11/15/29-10	1,695,000	1,943,232
Puerto Rico Commonwealth 6.00% 7/1/26-07	1,000,000	1,066,010
Puerto Rico Public Buildings Authority		
Series D 5.25% 7/1/27-12	845,000	923,374
St. Francis Independent School District #015		
Series A 6.30% 2/1/11-06 (FSA)	1,250,000	1,263,863

		6,316,879

Public Power Revenue Bonds - 27.64%		
Minnesota State Municipal Power Agency		
Electric Revenue Series A 5.25% 10/1/19	1,110,000	1,197,490
Rochester Electric Utility Revenue		
5.25% 12/1/30 (AMBAC)	150,000	159,911
&Southern Minnesota Municipal Power		
Agency Power Supply Systems Revenue,		
Inverse Floater ROLs Series II-R-189-3		
7.626% 1/1/14 (AMBAC)	2,500,000	3,037,174
Southern Minnesota Municipal		
Power Agency Power Supply		
Systems Revenue Series A		
5.00% 1/1/12 (AMBAC)	1,000,000	1,083,240
5.00% 1/1/13 (MBIA)	500,000	543,475
5.25% 1/1/15 (AMBAC)	570,000	634,644
5.25% 1/1/16 (AMBAC)	1,000,000	1,113,580
Western Minnesota Municipal Power Agency		
Series A 5.00% 1/1/30 (MBIA)	1,900,000	1,976,588
Series B 5.00% 1/1/15 (MBIA)	765,000	835,074

		10,581,176

School District General Obligation Bonds - 15.70%		
Centennial Independent School District #012		
Series 2002-A 5.00% 2/1/20 (FSA)	400,000	423,780
Farmington Independent School		
District #192 5.00% 2/1/23 (FSA)	1,200,000	1,270,031
Minneapolis Special School District #001		
5.00% 2/1/19 (FSA)	675,000	718,619
Morris Independent School District #769		
5.00% 2/1/28 (MBIA)	1,000,000	1,047,110
Mounds View Independent School		
District #621 5.00% 2/1/23 (FSA)	1,020,000	1,071,337
Robbinsdale Independent School		
District #281 5.00% 2/1/21 (FSA)	500,000	529,725
St. Michael Independent School District #885		
5.00% 2/1/22 (FSA)	500,000	528,060
5.00% 2/1/24 (FSA)	400,000	420,616

		6,009,278

Single Family Housing Revenue Bonds - 1.90%		
Dakota County Housing & Redevelopment		
Authority Single Family Mortgage Revenue		

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5.85% 10/1/30 (GNMA) (FNMA) (AMT)	31,000	31,922
Minnesota State Housing Finance Agency		
Single Family Mortgage Series J		
5.90% 7/1/28 (AMT)	670,000	694,937

		726,859

	Principal	Market
	Amount	Value
MUNICIPAL BONDS (continued)		
State General Obligation Bonds - 3.22%		
Minnesota State 5.00% 8/1/21	\$1,150,000	\$ 1,231,627

		1,231,627

Tax Increment/Special Assessment Bonds - 1.40%		
Moorhead Economic Development		
Authority Tax Increment Series A		
5.25% 2/1/25 (MBIA)	500,000	534,695

		534,695

TOTAL MUNICIPAL BONDS (cost \$55,178,111)		57,751,794

TOTAL MARKET VALUE OF SECURITIES - 150.87%		
(cost \$55,178,111)		57,751,794
RECEIVABLES AND OTHER ASSETS		
NET OF LIABILITIES - 1.38%		526,351
LIQUIDATION VALUE OF PREFERRED STOCK - (52.25%)		(20,000,000)

NET ASSETS APPLICABLE TO 2,594,700		
SHARES OUTSTANDING - 100.00%		\$38,278,145
		=====
Net Asset Value Per Common Share		
(\$38,278,145 / 2,594,700 Shares)		\$14.75

COMPONENTS OF NET ASSETS AT SEPTEMBER 30, 2005:		
Common stock, \$0.01 par value, 200 million		
shares authorized to the Fund		\$35,426,619
Undistributed net investment income		257,924
Accumulated net realized gain on investments		19,919
Net unrealized appreciation of investments		2,573,683

Total net assets		\$38,278,145
		=====

ss.Pre-Refunded Bonds are municipals that are generally backed or secured by U.S. Treasury bonds. For Pre-Refunded Bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in "Notes to Financial Statements."

&An inverse floater bond is a type of bond with variable or floating interest rates that move in the opposite direction of short-term interest rates. Interest rate disclosed is in effect as of September 30, 2005. See Notes 6 in "Notes to Financial Statements."

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SUMMARY OF ABBREVIATIONS:

AMBAC - Insured by the AMBAC Assurance Corporation
 AMT - Subject to Alternative Minimum Tax
 FGIC - Insured by the Financial Guaranty Insurance Company
 FHA - Insured by the Federal Housing Administration
 FNMA - Insured by Federal National Mortgage Association
 FSA - Insured by Financial Security Assurance
 GNMA - Insured by Government National Mortgage Association
 MBIA - Insured by the Municipal Bond Insurance Association
 RADIAN - Insured by Radian Asset Assurance
 ROLs - Residual Options Longs
 VA - Insured by the Veterans Administration

See accompanying notes

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STATEMENTS
 OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL
 INCOME FUND II, INC.
 September 30, 2005 (Unaudited)

	Principal Amount	Market Value
MUNICIPAL BONDS - 152.00%		
Airport Revenue Bonds - 11.81%		
Minneapolis/St. Paul Metropolitan		
Airports Commission Revenue		
Series A 5.00% 1/1/22 (MBIA)	\$2,000,000	\$ 2,100,940
Series A 5.00% 1/1/28 (MBIA)	1,370,000	1,427,828
Series A 5.00% 1/1/30 (AMBAC)	1,450,000	1,480,726
Series A 5.00% 1/1/35 (AMBAC)	2,000,000	2,081,780
Series A 5.25% 1/1/16 (MBIA)	1,000,000	1,084,840
Series B 5.25% 1/1/24 (FGIC) (AMT)	1,000,000	1,038,700
Series C 5.25% 1/1/32 (FGIC)	3,500,000	3,683,014

		12,897,828

City General Obligation Bonds - 3.83%		
Metropolitan Council Minnesota		
(Minneapolis/St. Paul Metropolitan Area)		
Series C 5.00% 2/1/22	500,000	527,965
Moorhead Series B 5.00% 2/1/33 (MBIA)	2,000,000	2,092,100
Willmar (Rice Memorial Hospital Project)		
5.00% 2/1/32 (FSA)	1,500,000	1,561,065

		4,181,130

Corporate-Backed Revenue Bonds - 4.18%		
Cloquet Pollution Control Revenue		
(Potlatch Corp. Project) 5.90% 10/1/26	4,500,000	4,561,605

		4,561,605

Escrowed to Maturity Bonds - 15.20%		
Dakota/Washington Counties Housing &		
Redevelopment Authority Bloomington		
Single Family Residential Mortgage		
Revenue 8.375% 9/1/21		
(GNMA) (FHA) (VA) (AMT)	5,500,000	8,075,485
St. Paul Housing & Redevelopment		

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Authority Sales Tax (Civic Center Project)		
5.55% 11/1/23	2,300,000	2,376,107
5.55% 11/1/23 (MBIA)	4,200,000	4,338,978
Western Minnesota Municipal Power		
Agency Series A 6.625% 1/1/16	1,535,000	1,815,521

		16,606,091

Higher Education Revenue Bonds - 11.15%		
Minnesota State Higher Education		
Facilities Authority		
(College of St. Benedict) Series 5-W		
5.00% 3/1/20	1,000,000	1,035,990
(St. Catherine College) Series 5-N1		
5.375% 10/1/32	1,500,000	1,571,205
(St. Mary's University) Series 5-U		
4.80% 10/1/23	1,400,000	1,414,546
(St. Thomas University) Series 4-A1		
5.625% 10/1/21	1,000,000	1,019,720
(St. Thomas University) Series 5-Y		
5.00% 10/1/24	1,000,000	1,042,690
5.25% 10/1/34	1,500,000	1,588,560
St. Cloud Housing & Redevelopment		
Authority Revenue (State University		
Foundation Project) 5.00% 5/1/23	1,000,000	1,043,530
University of Minnesota		
Series A 5.50% 7/1/21	3,000,000	3,462,840

		12,179,081

Principal Market
Amount Value

MUNICIPAL BONDS (continued)

Hospital Revenue Bonds - 17.24%		
Duluth Economic Development Authority		
Health Care Facilities Revenue		
(Benedictine Health System-St. Mary's		
Hospital) 5.25% 2/15/33	\$5,000,000	\$ 5,169,051
Glencoe Minnesota Health Care Facilities		
Revenue (Glencoe Regional Health		
Services Project) 5.00% 4/1/25	1,500,000	1,509,585
Minneapolis Health Care System Revenue		
(Allina Health Systems) Series A		
5.75% 11/15/32	1,000,000	1,063,820
(Fairview Health Services) Series D		
5.00% 11/15/30 (AMBAC)	1,500,000	1,574,070
5.00% 11/15/34 (AMBAC)	2,500,000	2,615,325
Minnesota Agricultural & Economic		
Development Board Revenue		
(Fairview Health Care System) Series A		
5.75% 11/15/26 (MBIA)	100,000	106,580
6.375% 11/15/29	100,000	108,880
Rochester Health Care Facilities Revenue		
(Mayo Foundation) Series B		
5.50% 11/15/27	3,365,000	3,555,997
St. Louis Park Health Care Facilities Revenue		
(Park Nicollet Health Services) Series B		
5.25% 7/1/30	1,250,000	1,296,500
St. Paul Housing & Redevelopment		

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Authority Health Care Facilities Revenue (Regions Hospital Project) 5.30% 5/15/28	300,000	304,689
Waconia Health Care Facilities Revenue (Ridgeview Medical Center Project) Series A 6.10% 1/1/19 (RADIAN)	1,405,000	1,530,986

		18,835,483

Miscellaneous Revenue Bonds - 2.65%		
Minneapolis Art Center Facilities Revenue (Walker Art Center Project) 5.125% 7/1/21	2,400,000	2,512,008
Minneapolis Community Development Agency (Supported Development Revenue Limited Tax Common Bond Fund) Series 5 5.70% 12/1/27	375,000	382,511

		2,894,519

Multifamily Housing Revenue Bonds - 7.97%		
Chanhassen Multifamily Housing Revenue (Heritage Park Apartments Project- Section 8) 6.20% 7/1/30 (FHA) (AMT)	1,105,000	1,142,172
Harmony Multifamily Housing Revenue Refunding Section 8 (Zedakah Foundation Project) Series A 5.95% 9/1/20	1,000,000	849,810
Minneapolis Multifamily Housing Revenue (Seward Towers Project) 5.00% 5/20/36 (GNMA)	1,000,000	1,025,710
(Sumner Housing Project) Series A 5.15% 2/20/45 (GNMA) (AMT)	3,575,000	3,643,246
Minnesota State Housing Finance Agency Series A 5.00% 2/1/35 (AMT)	1,000,000	1,015,150
Series D 5.95% 2/1/18 (MBIA)	150,000	152,366
Southeastern Minnesota Multi-County Housing & Redevelopment Authority (Winona County) 5.35% 1/1/28	870,000	876,612

		8,705,066

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STATEMENTS
OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL
INCOME FUND II, INC.

	Principal Amount	Market Value
MUNICIPAL BONDS (continued)		
Municipal Lease Revenue Bonds - 11.20%		
Andover Economic Development Authority Public Facilities Lease Revenue (Andover Community Center) 5.20% 2/1/29	\$1,000,000	\$ 1,034,300
Minneapolis Development Revenue (Limited Tax Supported Common Bond Fund) 5.50% 12/1/24 (AMT)	1,000,000	1,058,590
St. Paul Port Authority Lease Revenue (Cedar Street Office Building Project)		

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5.00% 12/1/22	2,385,000	2,523,569
5.25% 12/1/27	2,650,000	2,816,340
(Robert Street Office Building Project)		
5.00% 12/1/27	2,545,000	2,665,582
Series 9 5.25% 12/1/27	2,000,000	2,133,180

		12,231,561

Parking Revenue Bonds - 1.23%		
St. Paul Housing & Redevelopment Authority		
Parking Revenue (Block 19 Ramp Project)		
Series A 5.35% 8/1/29 (FSA)	1,250,000	1,348,525

		1,348,525

Political Subdivision General Obligation Bonds - 7.70%		
Dakota County Community Development		
Agency Governmental Housing Facilities		
Series A 5.00% 1/1/23	1,100,000	1,161,204
Hennepin County Series B 5.00% 12/1/18	1,000,000	1,071,060
Hennepin County Regional Railroad		
Authority 5.00% 12/1/26	3,500,000	3,624,600
Metropolitan Council Waste Water		
Treatment Series B 5.00% 12/1/21	1,250,000	1,337,663
Washington County Housing &		
Redevelopment Authority Series B		
5.50% 2/1/32 (MBIA)	1,140,000	1,216,072

		8,410,599

ss.Pre-Refunded Bonds - 22.15%		
Hawley Independent School District #150		
Series A 5.75% 2/1/17-06 (FSA)	1,000,000	1,009,260
Minneapolis Community Development		
Agency (Supported Development		
Revenue Limited Tax Common Bond Fund)		
Series G1 5.70% 12/1/19-11	1,100,000	1,225,323
Minneapolis Health Care System Revenue		
(Fairview Health Services)		
Series A 5.625% 5/15/32-12	2,750,000	3,087,728
Minnesota Agricultural & Economic		
Development Board Revenue		
(Fairview Health Care Systems) Series A		
5.75% 11/15/26-07 (MBIA)	5,450,000	5,856,679
6.375% 11/15/29-10	3,200,000	3,668,640
Puerto Rico Commonwealth Highway &		
Transportation Authority Revenue		
Series Y 5.50% 7/1/26-06	2,000,000	2,068,400
Puerto Rico Commonwealth Public		
Improvement Series A 5.00% 7/1/27-12	1,250,000	1,359,875
Puerto Rico Public Buildings Authority		
Series D 5.25% 7/1/27-12	625,000	682,969
Rosemount Independent School		
District #196 Series A 5.70% 4/1/12-06	1,270,000	1,287,209
	Principal	Market
	Amount	Value

MUNICIPAL BONDS (continued)

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ss.Pre-Refunded Bonds (continued)		
Southern Minnesota Municipal Power		
Agency Power Supply Systems		
Series A 5.75% 1/1/18-05	\$3,715,000	\$ 3,953,392

		24,199,475

Public Power Revenue Bonds - 13.85%		
Minnesota State Municipal Power Agency		
Electric Revenue Series A 5.00% 10/1/34	5,750,000	5,936,357
Rochester Electric Utility Revenue		
5.25% 12/1/30 (AMBAC)	450,000	479,732
&Southern Minnesota Municipal Power		
Agency Power Supply Systems Revenue,		
Inverse Floater ROLs		
Series II-R-189-3 7.626% 1/1/14 (AMBAC)	3,000,000	3,644,610
Series II-R-189 7.626% 1/1/15 (AMBAC)	1,500,000	1,840,230
Western Minnesota Municipal Power Agency		
Series A 5.00% 1/1/30 (MBIA)	3,100,000	3,224,961

		15,125,890

School District General Obligation Bonds - 12.98%		
Centennial Independent School District #012		
Series 2002-A 5.00% 2/1/20 (FSA)	400,000	423,780
Elk River Independent School District #728		
5.00% 2/1/16 (FGIC)	1,500,000	1,624,005
Farmington Independent School District #192		
5.00% 2/1/23 (FSA)	1,080,000	1,143,029
Series B 5.00% 2/1/27 (FSA)	1,000,000	1,056,850
Lakeville Independent School District #194		
Series A 4.75% 2/1/22 (FSA)	2,000,000	2,062,979
Minneapolis Special School District #001		
5.00% 2/1/19 (FSA)	1,000,000	1,064,620
Morris Independent School District #769		
5.00% 2/1/28 (MBIA)	2,750,000	2,879,552
Mounds View Independent School		
District #621 5.00% 2/1/23 (FSA)	1,000,000	1,050,330
Princeton Independent School District #477		
Series A 5.00% 2/1/24 (FSA)	500,000	530,010
St. Michael Independent School District #885		
5.00% 2/1/22 (FSA)	1,500,000	1,584,180
5.00% 2/1/24 (FSA)	725,000	762,367

		14,181,702

Single Family Housing Revenue Bonds - 2.46%		
Minnesota State Housing Finance Agency		
Single Family Housing Series 1992-C2		
6.15% 7/1/23 (AMT)	920,000	920,892
Minnesota State Housing Finance Agency		
Single Family Mortgage		
Series B 5.35% 1/1/33 (AMT)	1,140,000	1,172,319
Series J 5.90% 7/1/28 (AMT)	575,000	596,402

		2,689,613

State General Obligation Bonds - 4.37%		
Minnesota State 5.00% 8/1/21	3,875,000	4,150,048
&Minnesota State, Inverse Floater		
ROLs 7.30% 11/1/17	570,000	629,730

4,779,778

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STATEMENTS OF NET ASSETS (CONTINUED)	DELAWARE INVESTMENTS MINNESOTA MUNICIPAL INCOME FUND II, INC.	
	Principal Amount	Market Value
MUNICIPAL BONDS (continued)		
Tax Increment/Special Assessment Bonds - 0.49%		
Moorhead Economic Development Authority Tax Increment Series A 5.25% 2/1/25 (MBIA)	\$ 500,000	\$ 534,695 ----- 534,695 -----
Territorial General Obligation Bonds - 1.06%		
Puerto Rico Commonwealth Public Improvement Series A 5.50% 7/1/19 (MBIA)	1,000,000	1,160,300 ----- 1,160,300 -----
Territorial Revenue Bonds - 0.48%		
Virgin Islands Public Finance Authority 5.25% 10/1/23	500,000	530,360 ----- 530,360 -----
TOTAL MUNICIPAL BONDS (cost \$157,954,752)		166,053,301 -----
SHORT-TERM INVESTMENTS - 0.92%		
oVariable Rate Demand Notes - 0.92%		
Minneapolis Guthrie Parking Ramp 2.61% 12/1/33 (SPA)	1,000,000	1,000,000 -----
TOTAL SHORT-TERM INVESTMENTS (cost \$1,000,000)		1,000,000 -----
TOTAL MARKET VALUE OF SECURITIES - 152.92%		
(cost \$158,954,752)		167,053,301
RECEIVABLES AND OTHER ASSETS		
NET OF LIABILITIES - 2.00%		2,189,766
LIQUIDATION VALUE OF PREFERRED STOCK - (54.92%)		(60,000,000) -----
NET ASSETS APPLICABLE TO 7,252,200 SHARES OUTSTANDING - 100.00%		\$109,243,067 =====
Net Asset Value Per Common Share ((\$109,243,067 / 7,252,200 Shares)		\$15.06 -----

COMPONENTS OF NET ASSETS AT SEPTEMBER 30, 2005:

Common stock, \$0.01 par value, 200 million shares authorized to the Fund	\$ 99,710,000
Undistributed net investment income	1,667,580
Accumulated net realized loss on investments	(233,062)
Net unrealized appreciation of investments	8,098,549

Total net assets	\$109,243,067
	=====

ss.Pre-Refunded Bonds are municipals that are generally backed or secured by U.S. Treasury bonds. For Pre-Refunded Bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in "Notes to Financial Statements."

&An inverse floater bond is a type of bond with variable or floating interest rates that move in the opposite direction of short-term interest rates. Interest rate disclosed is in effect as of September 30, 2005. See Notes 6 in "Notes to Financial Statements."

oVariable rate securities. The interest rate shown is the rate as of September 30, 2005.

SUMMARY OF ABBREVIATIONS:

- AMBAC - Insured by the AMBAC Assurance Corporation
- AMT - Subject to Alternative Minimum Tax
- FGIC - Insured by the Financial Guaranty Insurance Company
- FHA - Insured by the Federal Housing Administration
- FSA - Insured by Financial Security Assurance
- GNMA - Insured by Government National Mortgage Association
- MBIA - Insured by the Municipal Bond Insurance Association
- RADIAN - Insured by Radian Asset Assurance
- ROs - Residual Options Longs
- SPA - Stand-by Purchase Agreement
- VA - Insured by the Veterans Administration

See accompanying notes

STATEMENTS
OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL
INCOME FUND III, INC.
September 30, 2005 (Unaudited)

	Principal Amount	Market Value
MUNICIPAL BONDS - 155.77%		
Airport Revenue Bonds - 9.56%		
Minneapolis/St. Paul Metropolitan Airports		
Commission Revenue Series A		
5.00% 1/1/28 (MBIA)	\$ 750,000	\$ 781,658
5.00% 1/1/30 (AMBAC)	750,000	765,893
5.125% 1/1/25 (FGIC)	900,000	941,822

		2,489,373

City General Obligation Bonds - 5.02%		
Moorhead Series B 5.00% 2/1/33 (MBIA)	1,250,000	1,307,563

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		----- 1,307,563 -----
Continuing Care/Retirement Revenue Bonds - 7.35%		
St. Paul Housing & Redevelopment		
Authority Revenue (Franciscan Health		
Project) 5.40% 11/20/42 (GNMA) (FHA)	1,820,000	1,914,877
		----- 1,914,877 -----
Corporate-Backed Revenue Bonds - 7.48%		
Cloquet Pollution Control Revenue		
(Potlatch Corp. Project) 5.90% 10/1/26	1,000,000	1,013,690
Minneapolis Community Development		
Agency Supported Development Revenue		
(Pajor Graphics) Series 1 6.75% 12/1/25		
(LOC US Bank NA) (AMT)	865,000	932,678
		----- 1,946,368 -----
Escrowed to Maturity Bonds - 12.09%		
University of Minnesota Hospital & Clinics		
6.75% 12/1/16	2,580,000	3,148,142
		----- 3,148,142 -----
Higher Education Revenue Bonds - 5.15%		
Minnesota State Higher Education		
Facilities Authority		
(College of St. Benedict)		
Series 5-W 5.25% 3/1/24	300,000	312,225
(St. Thomas University)		
Series 4-A1 5.625% 10/1/21	1,010,000	1,029,917
		----- 1,342,142 -----
Hospital Revenue Bonds - 18.93%		
Bemidji Health Care Facilities First Mortgage		
Revenue (North Country Health Services)		
5.00% 9/1/24 (RADIAN)	500,000	519,830
Duluth Economic Development Authority		
Health Care Facilities Revenue		
(Benedictine Health System-St. Mary's		
Hospital) 5.25% 2/15/33	1,000,000	1,033,810
Minneapolis Health Care System Revenue		
(Allina Health Systems) Series A		
5.75% 11/15/32	1,100,000	1,170,201
(Fairview Health Services) Series D		
5.00% 11/15/34 (AMBAC)	750,000	784,598
Minnesota Agricultural & Economic		
Development Broad Revenue		
(Fairview Health Care System)		
Series A 6.375% 11/15/29	40,000	43,552
Rochester Health Care Facilities Revenue		
(Mayo Foundation) Series B		
5.50% 11/15/27	1,000,000	1,056,759
	Principal	Market
	Amount	Value

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MUNICIPAL BONDS (continued)

Hospital Revenue Bonds (continued)

Shakopee Health Care Facilities Revenue
 (St. Francis Regional Medical Center)
 5.25% 9/1/34 \$ 310,000 \$ 318,925

 4,927,675

Miscellaneous Revenue Bonds - 1.00%

Minneapolis Art Center Facilities Revenue
 (Walker Art Center Project) 5.125% 7/1/21 250,000 261,668

 261,668

Multifamily Housing Revenue Bonds - 7.61%

Minneapolis Multifamily Housing Revenue
 o(Gaar Scott Loft Project)
 5.95% 5/1/30 (AMT) 970,000 1,015,755
 (Olson Townhomes Project)
 6.00% 12/1/19 (AMT) 965,000 965,357

 1,981,112

Municipal Lease Revenue Bonds - 12.49%

Andover Economic Development Authority
 Public Facilities Lease Revenue (Andover
 Community Center) 5.125% 2/1/24 500,000 517,100

St. Paul Port Authority Lease Revenue
 (Cedar Street Office Building Project)
 5.125% 12/1/27 500,000 527,395
 5.25% 12/1/27 1,000,000 1,062,770

(Robert Street Office Building Project)
 5.00% 12/1/27 500,000 523,690

Virginia Housing & Redevelopment Authority
 Health Care Facility (Lease Revenue)
 5.375% 10/1/30 600,000 619,686

 3,250,641

Parking Revenue Bonds - 6.01%

St. Paul Housing & Redevelopment Authority
 Parking Revenue (Block 19 Ramp Project)
 Series A 5.35% 8/1/29 (FSA) 1,450,000 1,564,289

 1,564,289

Political Subdivision General Obligation Bonds - 9.57%

Metropolitan Council Waste Water
 Treatment Series B 5.00% 12/1/21 750,000 802,598

Minneapolis Sports Arena Project
 5.125% 10/1/20 750,000 777,503

Washington County Housing &
 Redevelopment Authority
 Series B 5.50% 2/1/22 (MBIA) 850,000 911,106

 2,491,207

ss.Pre-Refunded Bonds - 18.11%

Minnesota Agricultural & Economic
 Development Broad Revenue
 (Fairview Health Care System)

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Series A 6.375% 11/15/29-10	1,210,000	1,387,205
Minnesota Public Facilities Authority Water Pollution Control Revenue		
Series B 5.40% 3/1/15-06	2,200,000	2,223,869
Puerto Rico Commonwealth Highway & Transportation Authority Revenue		
Series D 5.25% 7/1/38-12	1,000,000	1,102,800

		4,713,874

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STATEMENTS
OF NET ASSETS (CONTINUED)

DELAWARE INVESTMENTS MINNESOTA MUNICIPAL
INCOME FUND III, INC.

	Principal Amount	Market Value
MUNICIPAL BONDS (continued)		
Public Power Revenue Bonds - 24.64%		
Chaska Electric Revenue (Generating Facilities) Series A 5.25% 10/1/25	\$ 250,000	\$ 265,798
Minnesota State Municipal Power Agency Electric Revenue Series A		
5.00% 10/1/34	750,000	774,308
5.25% 10/1/19	500,000	539,410
Southern Minnesota Municipal Power Agency Power Supply Systems Revenue Series A		
5.00% 1/1/13 (MBIA)	500,000	543,475
5.25% 1/1/15 (AMBAC)	700,000	779,386
5.25% 1/1/16 (AMBAC)	500,000	556,790
&Southern Minnesota Municipal Power Agency Power Supply Systems Revenue, Inverse Floater ROLs Series II-R-189-3		
7.626% 1/1/14 (AMBAC)	1,500,000	1,822,304
Western Minnesota Municipal Power Agency		
Series A 5.00% 1/1/30 (MBIA)	460,000	478,543
Series B 5.00% 1/1/15 (MBIA)	600,000	654,960

		6,414,974

School District General Obligation Bonds - 4.07%		
Farmington Independent School District #192 Series B 5.00% 2/1/27 (FSA)	500,000	528,425
Princeton Independent School District #477 Series A 5.00% 2/1/24 (FSA)	500,000	530,010

		1,058,435

Single Family Housing Revenue Bonds - 2.53%		
Minnesota State Housing Finance Agency Single Family Mortgage Series B		
5.35% 1/1/33 (AMT)	640,000	658,144

		658,144

Territorial Revenue Bonds - 4.16%		
Puerto Rico Public Buildings Authority Guaranteed Government Facilities Revenue Series D (Unrefunded Balance)		
5.25% 7/1/27	530,000	557,300

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University of the Virgin Islands Series A 5.375% 6/1/34	500,000	524,950

		1,082,250

TOTAL MUNICIPAL BONDS (cost \$38,496,378)		40,552,734

TOTAL MARKET VALUE OF SECURITIES - 155.77% (cost \$38,496,378)		40,552,734
RECEIVABLES AND OTHER ASSETS		
NET OF LIABILITIES - 1.85%		480,601
LIQUIDATION VALUE OF PREFERRED STOCK - (57.62%)		(15,000,000)

NET ASSETS APPLICABLE TO 1,837,200 SHARES OUTSTANDING - 100.00%		\$26,033,335
		=====
Net Asset Value Per Common Share (\$26,033,335 / 1,837,200 Shares)		\$14.17

COMPONENTS OF NET ASSETS AT SEPTEMBER 30, 2005:

Common stock, \$0.01 par value, 200 million shares authorized to the Fund		\$23,648,910
Undistributed net investment income		384,886
Accumulated net realized loss on investments		(56,817)
Net unrealized appreciation of investments		2,056,356

Total net assets		\$26,033,335
		=====

ss.Pre-Refunded Bonds are municipals that are generally backed or secured by U.S. Treasury bonds. For Pre-Refunded Bonds, the stated maturity is followed by the year in which the bond is pre-refunded. See Note 6 in "Notes to Financial Statements."

&An inverse floater bond is a type of bond with variable or floating interest rates that move in the opposite direction of short-term interest rates. Interest rate disclosed is in effect as of September 30, 2005. See Notes 6 in "Notes to Financial Statements."

oVariable rate securities. The interest rate shown is the rate as of September 30, 2005.

SUMMARY OF ABBREVIATIONS:

AMBAC - Insured by the AMBAC Assurance Corporation
 AMT - Subject to Alternative Minimum Tax
 FGIC - Insured by the Financial Guaranty Insurance Company
 FHA - Insured by the Federal Housing Administration
 FSA - Insured by Financial Security Assurance
 GNMA - Insured by Government National Mortgage Association
 LOC - Letter of Credit
 MBIA - Insured by the Municipal Bond Insurance Association
 RADIAN - Insured by Radian Asset Assurance
 ROLs - Residual Options Longs

See accompanying notes

STATEMENTS
OF ASSETS AND LIABILITIES

DELAWARE INVESTMENTS CLOSE
September 30, 2005 (Unaudited)

	Delaware Investments Arizona Municipal Income Fund, Inc.	Delaware Investments Colorado Insured Municipal Income Fund, Inc.	Delaware Investments Florida Insured Municipal Income Fund	Delaware Investments Minnesota Municipal Income Fund, Inc.
ASSETS:				
Investments at market	\$68,653,479	\$113,830,822	\$56,099,232	\$57,751,799
Cash	359,319	692,363	488,937	-
Receivables for securities sold	170,000	--	2,040,000	11,000
Interest receivable	967,932	1,570,567	1,021,809	734,650
Total assets	70,150,730	116,093,752	59,649,978	58,497,449
LIABILITIES:				
Preferred shares leveraged	25,000,000	40,000,000	20,000,000	20,000,000
Payables for securities purchased	--	--	2,634,867	-
Cash overdraft	--	--	--	96,375
Distributions payable	47,945	79,780	41,808	39,125
Due to manager and affiliates	32,181	73,447	26,775	40,438
Other accrued expenses	42,861	45,549	38,568	43,375
Total liabilities	25,122,987	40,198,776	22,742,018	20,219,303
TOTAL NET ASSETS	\$45,027,743	\$ 75,894,976	\$36,907,960	\$38,278,146
Investments at cost	\$64,981,133	\$106,667,309	\$53,761,021	\$55,178,111

See accompanying notes

STATEMENTS
OF OPERATIONS

DELAWARE INVESTMENTS CLOSING
Six Months Ended September 30, 2005

Delaware

Delaware

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	Investments Arizona Municipal Income Fund, Inc.	Investm Colorado Munic Inco Fund,
INVESTMENT INCOME:		
Interest	\$1,650,779	\$2,847
	-----	-----
EXPENSES:		
Management fees	141,255	232
Remarketing agent fees	31,424	46
Accounting and administration expenses	21,652	28
Reports and statements to shareholders	11,662	14
Dividend disbursing and transfer agent fees and expenses	10,003	15
Rating agency fees	6,758	6
Legal and professional fees	5,840	7
Insurance	3,335	5
Stock exchange fees	2,153	3
Custodian fees	1,492	1
Taxes (other than taxes on income)	1,449	2
Directors'/Trustees' fees	1,234	2
Other	942	8
	-----	-----
	239,199	375
Less expense paid indirectly	(1,492)	(1
	-----	-----
Total expenses	237,707	373
	-----	-----
NET INVESTMENT INCOME	1,413,072	2,474
	-----	-----
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS:		
Net realized gain (loss) on investments	(33,362)	142
Net change in unrealized appreciation/depreciation of investments	426,891	722
	-----	-----
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	393,529	865
	-----	-----
DIVIDENDS ON PREFERRED STOCK	(318,832)	(486
	-----	-----
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$1,487,769	\$2,852
	=====	=====

See accompanying notes

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	Delaware Investments Minnesota Municipal Income Fund, Inc.	Delaware Investments Minnesota Municipal Income Fund II
INVESTMENT INCOME:		
Interest	\$1,388,522	\$4,115
	-----	-----
EXPENSES:		
Management fees	117,372	340
Dividend disbursing and transfer agent fees and expenses	23,616	38
Remarketing agent fees	21,151	75
Accounting and administration expenses	19,893	36
Reports and statements to shareholders	7,591	18
Legal and professional fees	7,544	9
Rating agency fees	5,125	6
Insurance	2,807	8
Stock exchange fees	1,747	4
Custodian fees	1,297	2
Directors'/Trustees' Fees	1,016	2
Other	3,065	2
	-----	-----
	212,224	546
Less expense paid indirectly	(1,297)	(2)
	-----	-----
Total expenses	210,927	543
	-----	-----
NET INVESTMENT INCOME	1,177,595	3,571
	-----	-----
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS:		
Net realized gain on investments	8,893	169
Net change in unrealized appreciation/depreciation of investments	673,730	1,696
	-----	-----
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS	682,623	1,865
	-----	-----
DIVIDENDS ON PREFERRED STOCK	(271,408)	(779)
	-----	-----
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$1,588,810	\$4,657
	=====	=====

See accompanying notes

STATEMENTS
OF CHANGES IN NET ASSETS

DELAWARE INVESTMENTS C

Delaware
Investments Arizona Delaware
Investments Color

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Municipal Income Fund, Inc.		Insured Municipal Income Fund, I
Six Months Ended 9/30/05 (Unaudited)	Year Ended 3/31/05	Six Months Ended 9/30/05 (Unaudited)
		3

INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS:
 Net i