§ 1718. Limitation upon expenditures. 1. No board of education shall incur a district liability in excess of the amount appropriated by a district meeting unless such board is specially authorized by law to incur such liability.

2. Notwithstanding the provisions of subdivision one of this section, grants in aid received from the state and federal governments for specific purposes, other state grants in aid identified by the commissioner for general use as specified by the board of education, other gifts which are required to be spent for particular objects or purposes and insurance proceeds received for the loss, theft, damage or destruction of real or personal property, when proposed to be used or applied to repair or replace such property, may be appropriated by resolution of the board of education at any time for such objects or purposes.