§ 112. Supplemental appropriations; unappropriated unreserved fund balances. 1. The town board, during a fiscal year, by resolution, may make additional appropriations or increase existing appropriations and shall provide for the financing thereof. Moneys therefor may be provided from the unexpended balance of an appropriation, from the appropriation for contingencies, from unappropriated unreserved fund balance or unanticipated revenues within a fund or by borrowing pursuant to the local finance law. For the purposes of this subdivision, unappropriated unreserved fund balance or unanticipated revenues shall be utilized only to the extent that the total of all revenues of such fund recognized or reasonably expected to be recognized in the current fiscal year, together with unappropriated unreserved fund balance, exceeds the total of all revenues and appropriated fund balance as estimated in the budget.

2. If at any time during a fiscal year a town receives moneys from any source, except from loans, which are not otherwise committed or appropriated, the town board may direct the supervisor to pay the same or any part thereof to the treasurer of the county to be applied in reduction of the amount to be levied for state and county purposes, and the supervisor shall pay such moneys to the county treasurer prior to the levy.

3. Notwithstanding the provisions of subdivision one of this section, grants in aid from the state and federal governments, gifts which are required to be expended for particular objects or purposes, and insurance proceeds 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 town board at any time for such objects and purposes.