§ 2579. Payment of obligations. 1. If a city shall issue obligations for any of the purposes enumerated in paragraph c of subdivision one of section twenty-five hundred seventy-six of this chapter, the principal and interest of such obligations shall be paid out of moneys raised by tax therefor in the same manner as other school moneys are raised, when such obligations and the interest thereon shall become due and payable.

2. If a city having a population of four hundred thousand or more but less than one million shall issue obligations to defray, in whole or in part, the expense of the construction, improvement and equipment of school buildings or the purchase or acquisition of school sites, the proceeds of the sale of such bonds shall be paid into the treasury of the city and placed to the credit of the board of education. As such obligations become due the municipal authorities of the city shall include in the tax levy, and assess upon the property of the city, the amount necessary to pay such bonds and interest thereon.

3. In a city having a population of one million or more, such city may in its discretion annually cause to be raised such sums of money as may be required for the purposes enumerated in paragraph c of subdivision one of section twenty-five hundred seventy-six of this article, in the manner provided by law for the raising of money for such purposes.