§ 126. Establishment of public general hospitals. The governing board of any county, town, city or village may by resolution determine that there shall be in said county, town, city or village a public general hospital for the care and treatment of the sick and in any county not having a tuberculosis hospital established under sections forty-five to forty-nine-e, both inclusive, of the county law, said public general hospital may include a pavilion or other provision for the care of tuberculosis patients. In any city in which a board of estimate and apportionment or other board is required to approve appropriations for public purposes, the resolution of the governing board to establish a public general hospital shall be effective only after the necessary appropriation for lands and buildings for such public general hospital shall have been approved by said board of estimate and apportionment or other board, in the same manner and by the same vote by which it is required by law to approve other appropriations for public purposes. When the governing board of any county, town, city or village shall have voted to establish a public general hospital, such governing board shall have the following powers:

1. To purchase and lease real property therefor, or acquire such real property and easements therein by condemnation proceedings in the manner prescribed in the condemnation law, in any locality within the jurisdiction of such governing board.

2. To cause to be assessed, levied and collected such sums of money as shall have been approved as hereinabove provided for suitable lands and buildings, and as it shall deem necessary for equipment and improvements for said hospital, and for the maintenance thereof, and for all other necessary expenditures therefor; or such governing board may finance expenditures for the erection of such hospital and for the purchase of a site therefor pursuant to the provisions of the local finance law, and may transfer such moneys so appropriated to the treasurer of such hospital, subject to such regulations as to audit thereof by such governing board as it may deem proper when such board of managers have appointed a treasurer as hereinafter provided for.

3. To accept and hold in trust for the county, town, city or village

of which it is the governing board, any grant or devise of land, or any gift or bequest of money or other personal property, or any donation to be applied, principal or income, or both, for the benefit of said hospital, and apply the same in accordance with the terms of the gift.

4. Such governing board may also adopt a resolution authorizing the board of managers of such hospital to elect a treasurer, who shall be bonded, and who shall establish an account in a bank or banks in the name of such hospital and deposit in such account all money received or collected by such hospital and pay therefrom all bills, accounts, and salaries and wages, when approved by the board of managers of such hospital, within the budget limits, by resolution subject to such regulations as the governing board may deem proper; provided, however, that the proceeds, inclusive of premiums, from the sale of bonds, bond anticipation notes, capital notes or budget notes shall be deposited in a special account in a bank or trust company located and authorized to do business in this state, shall not be commingled with other funds, and shall be expended only for the object or purpose for which such obligations were issued.