

1970

# Ticket to Las Vegas

Roy Stevens

Follow this and additional works at: [https://egrove.olemiss.edu/dl\\_hs](https://egrove.olemiss.edu/dl_hs)

 Part of the [Accounting Commons](#), and the [Taxation Commons](#)

---

## Recommended Citation

H&S Reports, Vol. 07, (1970 summer), p. 12-19

This Article is brought to you for free and open access by the Deloitte Collection at eGrove. It has been accepted for inclusion in Haskins and Sells Publications by an authorized administrator of eGrove. For more information, please contact [egrove@olemiss.edu](mailto:egrove@olemiss.edu).

# TICKET TO LAS VEGAS



Sundown over The Strip. Maryalice Bacon, from the Buffalo Office of H&S, and Martin Crowson, New Orleans Office, watch the soft light of the desert evening yield to the multi-colored lights of the Las Vegas strip, with the city in the middle distance.

Gun safety. Bill Peck instructs Craig Robertson, son of the Las Vegas Office partner in charge, in the safe way to handle his rifle. With H&S principal Rick Lilliot, Bill and Craig drove 200 miles north from Las Vegas in the Peck family camper on an autumn hunting trip.

In Spanish "Las Vegas" means "the meadows." To the 15 million people who visit it every year in search of excitement or relaxation, Las Vegas is a sparkling pleasure center, colorful by day, neon-jeweled by night. It is set in the floor of a broad, tilted desert valley, encircled by mountains that turn various pastel shades of blue, purple, rust and gray with the movement of sun and clouds.

To Haskins & Sells, Las Vegas means a booming new office which expects to double its professional staff within the next year. Because of the flow of work and the need for accountants, eight other offices lent staff accountants and five offices lent management personnel to Las Vegas during the past year.

Vegas is a place where the aura of gambling, gaudiness and show business has partially masked its other qualities—at least to those who do not know it well. But H&S families who have moved there since the office opened in 1968 are convinced that they have found a new home. Although the Nevada resort city is like no other place on earth, it shares with all other cities of its size the attributes that make for satisfying community life.

A person who has lived there, not merely visited, speaks best for Las Vegas. Listen to Harold K. Robertson, partner in charge of the H&S Las Vegas Office:

"There are wonderful opportunities for young accountants here. This is an area of fantastic financial growth, and one that has tremendous potential for the Haskins & Sells practice. Right now much of our time is spent auditing in the gaming industry—an industry of great interest, and one that is undergoing change and growth. But there is much more to Las Vegas. It has a huge tourist trade, a great hotel and conven-

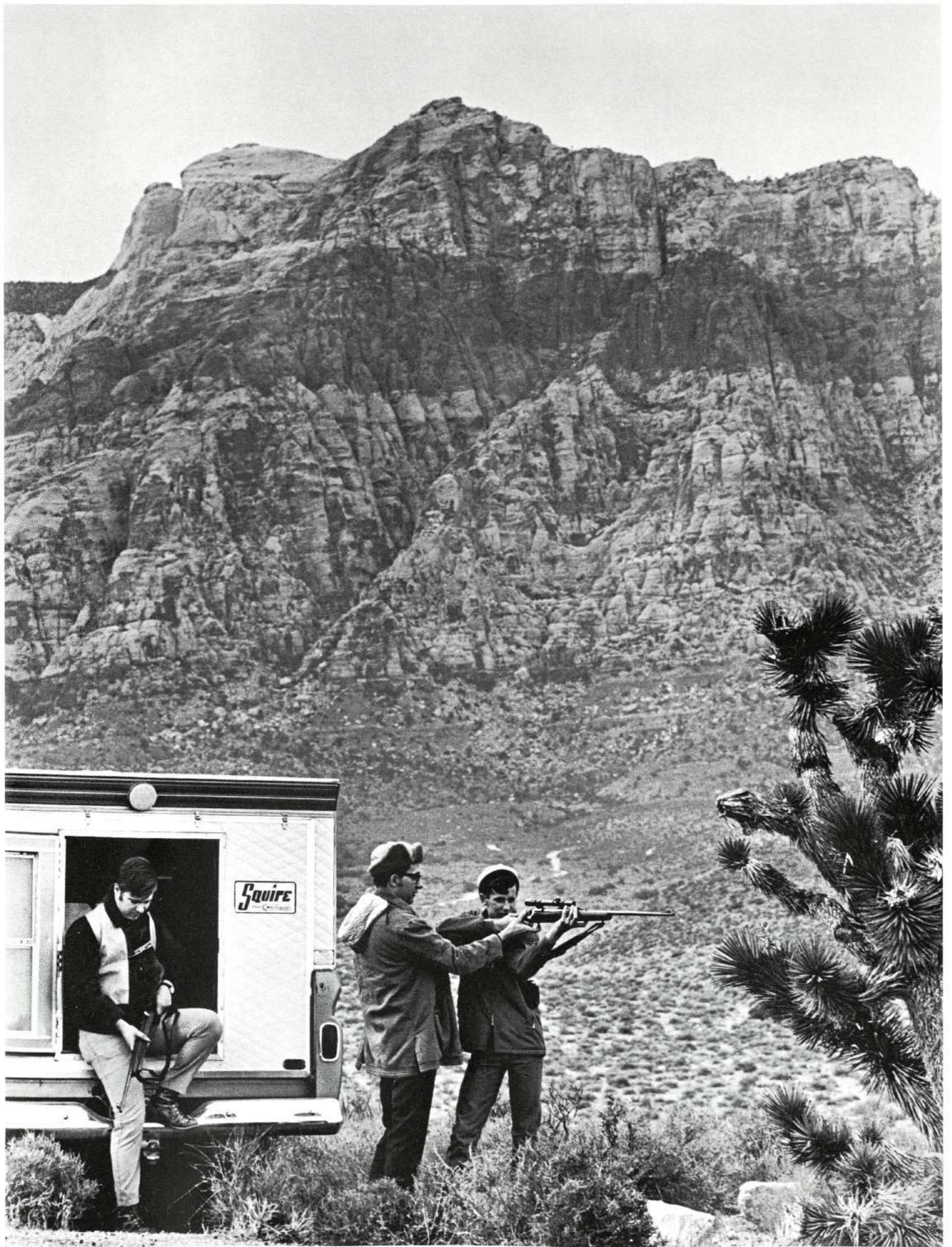
tion business, and other opportunities coming from the rich mineral deposits around here. The city is on a railroad, and is close by air and highway to Phoenix to the southeast and Los Angeles to the southwest."

Mr. Robertson is an enthusiastic booster of the city to which he moved after having spent many years in the Houston Office. He points out that Las Vegas can reach ski slopes at Lee Canyon in an hour's drive, or, if they prefer, they can drive the other way to their boats for water skiing on Lake Mead. There is bird hunting close by at Overton, Nevada, and for sportsmen who are challenged by deer and elusive mountain sheep there is rugged hunting some distance north near Ely.

In Las Vegas you can play golf and tennis the year around, and see some of the finest touring pros in action at tournaments. For boys who get their kicks from bucking motor scooters before they are licensed to drive, the wide-open terrain is made to order for the junior crash helmet-and-goggles set. Spectacular national parks with their geological wonders are close by. Rockhounds can make fascinating finds, riders can explore the hills on horseback, and artists can capture magnificent views in watercolor or oils. This is country for outdoor living.

Even in summer, when temperatures pass 100°, the heat is not oppressive because humidity is low and nights are cool at the Las Vegas altitude, 2,200 feet above sea level. In winter the day is very rare when the mercury touches the freezing mark, and even in December and January it rises to the mid-50s on the average day. It rains almost never, yet there is no lack of water, thanks to the huge reservoir represented by Lake Mead (impounded by Hoover Dam) and other related water







projects along the Colorado River.

The fine climate and Nevada's policy of legal gambling are the foundation on which the city's intertwined vacation-tourist-convention business is based. All the rest—luxury hotels, restaurants and lavish entertainment by show business stars—followed from these two essentials. Las Vegas had a population below 10,000 in the late 1930s, and about 42,000 after a World War II boom. Today the permanent population of the city is about 160,000, and that of Clark County, which surrounds Las Vegas, is about 300,000. The area (which includes the city and the adjoining "Strip," which lies outside Las Vegas city limits) has 25,000 first class hotel rooms now, with more on the way to house the ever-increasing visitor traffic. Since the recent opening of its giant convention center, Las Vegas has been discovered by one organization after another as a good place to hold meetings and to enjoy life for a few days, indoors or out.

Haskins & Sells came to Las Vegas in 1967 when the Howard Hughes interests began to acquire property in the city. Because Hughes Tool Company is a Houston Office client, Las Vegas was served at first from that city. The H&S Las Vegas Office was opened in May 1968 as a sub-office of Houston,

with quarters on the 10th floor of the Bank of Nevada Building. Joe McDougald, now a principal, and Clyde Horner and John Alderfer, now seniors, transferred from Houston to Las Vegas in the following month. At that time the office was headed by H. D. Hopson, a partner from the Houston Office. Mr. Hopson retired in 1969, and Harold Robertson assumed his duties that summer, becoming partner in charge of the office.

It soon became apparent with the increase of Hughes properties in and around Las Vegas, plus the acquisition of other clients, that the original crew brought from Houston would be insufficient to complete the heavy load of work in 1969. Accordingly, Mr. Robertson approached a number of other offices for help. They promptly understood the importance of this new office 1,500 miles from its base in Houston, and appreciated its need for additional manpower. Partners in charge who lent staff to Las Vegas during the final weeks of 1969 and early 1970 were Allan Gilman, Buffalo; Norman Kerth, New Orleans; Frank McClelland, Houston; Lorin Wilson, Los Angeles; Burgess Geib, Minneapolis; Robert Johnson, Phoenix; Homer Sayad, Saint Louis; and Joe Hagman, Seattle. It was one big team at work.

In all, forty-two staff accountants and seven management people flew to Las Vegas to assist for various lengths of time. Although this meant a dislocation and a change in some of their personal plans, the traveling accountants found a number of advantages to being part of this inter-office cooperative move. Among their comments they reported that the temporary assignment let them see Las Vegas while on professional duty; they were exposed to hotel-casino auditing for the first time; and, for the Buffalo accountants, they escaped part of a very cold winter.

In several instances staff accountants were given the opportunity to bring their wives to Las Vegas for a long weekend of fun in lieu of the accountants' returning home during their stay in Las Vegas.

Borrowing staff is, of course, not the long-range answer. The Las Vegas Office has been actively recruiting and faces the autumn of 1970 with eight new accountants recruited from five states. Because the city does not have a large source of accounting graduates, referrals are particularly important to the Las Vegas Office. Mr. Robertson and his colleagues brought almost everyone into the act during the recruiting season. Wives of office men showed the wives of potential recruits



Photograph not  
included in  
Web version

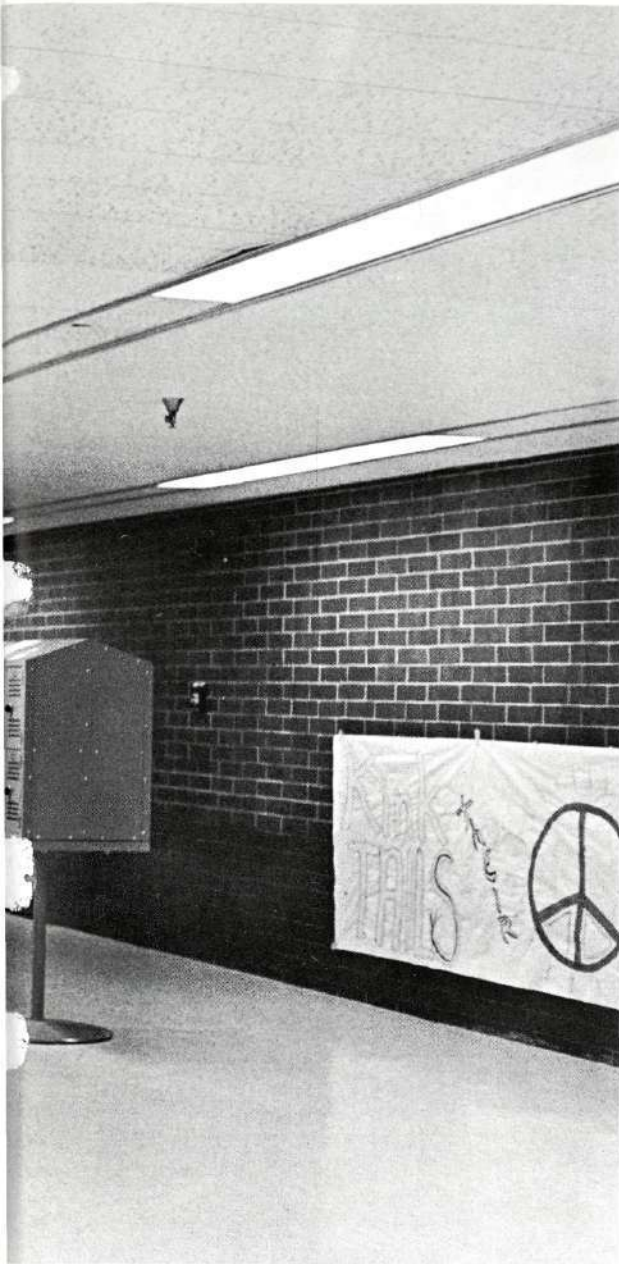
Outdoorsman. James Cashman, Jr. (l.), president of Cashman Enterprises, confers with principal Joe McDougald in his headquarters office. Wolverine, timber wolf and polar bear trophies testify to his active interest in hunting.

Relax and enjoy. Swimming pool is an important attraction as Harold and Carolyn Robertson show their new home to Bruce Francis (right), tax principal just arrived from Houston. Two Robertson children and friend make waves.









the fine facilities in the Boulevard Shopping Mall, for instance, and other places around the city that would help a young couple see Las Vegas as a city where they could put down family roots.

In addition to the new recruits, Bruce Francis, tax principal, and Joel Lawless, staff accountant, were both transferred from the Houston Office effective May 31, 1970. With the transfers and new recruits, the professional staff increased from seven to seventeen.

The question that confronts many people, accountants and others, is whether they can look upon Las Vegas as home—with schools, community activities, culture, sport, medical care and satisfaction in one's chosen work. They wonder whether the atmosphere of the "Entertainment Capital of the World" will pervade their lives and distort their values. The answer seems to lie with the tens of thousands who have found that the novelty of living near a world-famous pleasure dome wears off quickly. Most people go about their business, enjoy the climate and scenery, and tune out the sound of the slot machines. In fact, they believe it is easier than trying to tune out the noise, crowding, dirt and cold weather of many other American cities. And while living and working here, they maintain, you know that you are within a few hours drive of the rare beauties of

Death Valley, Zion, Bryce and Grand Canyon National Parks. Nor do you forget that Nevada has the lowest tax rate of any state in the country, thanks to the revenues that pour in from gaming taxes.

The influence of gambling on the community? It attracts visitors by the millions, who pour their nickels into slot machines and their dollars onto card and dice tables, and in so doing help pay for Nevada's public education system. In 1968 gaming taxes represented 43% of the state's tax collections, and 70% of state revenues are used for education. As a result the average teacher's salary in Nevada is second in the Western states and about eighth nationally. Contrary to what some may think, Nevada ranks seventh, not first, among the states receiving revenues from some form of gaming. New York, for instance, collects more than four times as much as Nevada, in taxes on pari-mutuel wagering and the state lottery.

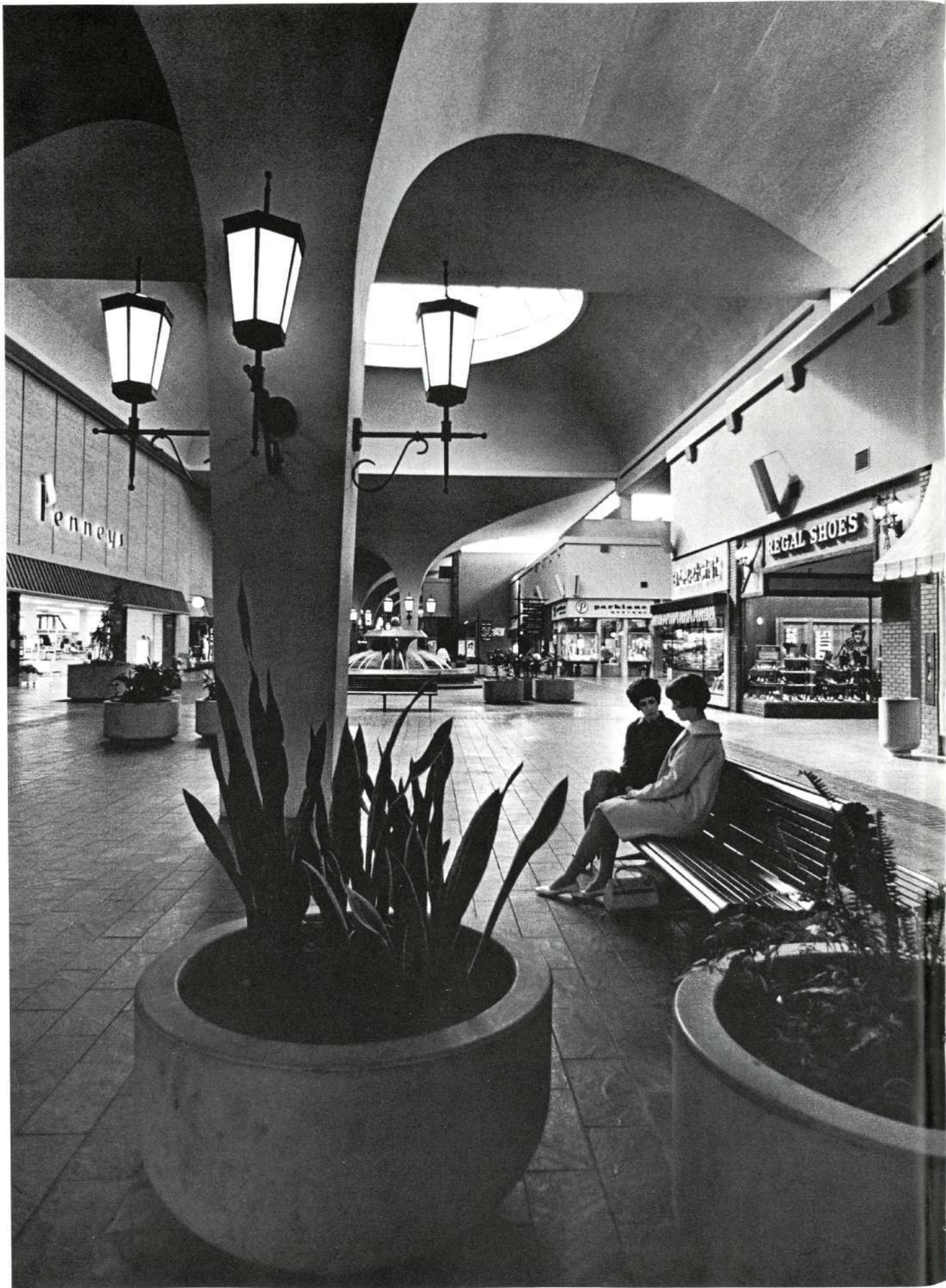
H&S accountants on a hotel-casino engagement soon learn to separate fact from fancy about Las Vegas. There are many visitors (and perhaps more who have never been there) who are sure they know all about "rigged" slots, "fixed" card games and "crooked" or "flat" dice that they imagine are used in the Vegas casinos. The only answer to this romantic nonsense is a quick



**Feedback.** At Ed W. Clark High School, partner Harold Robertson's daughter Susan (r.) and Ann Morgan find the top man easy to approach. Dr. Brian Cram, the principal, takes time daily to hear what students have on their minds. The girls wear informal "Grub Day" dress preceding Sadie Hawkins Day dance.

The nickel goes in here. Vicky Edwards, waitress at the client Golden Nugget, elucidates the fine points of a nickel slot machine for John Gibbs (l.) and Tim Collins, accountants from Buffalo.









Sunday outing. Close to Hoover Dam which impounds Lake Mead, one of the world's greatest man-made lakes, senior Clyde Horner snaps his son Scott and wife Kay. Arizona touches Nevada at the middle of the dam.

One big roof. Betty McDougald (l.) and Gwen Lilliott, H&S Las Vegas wives, enjoy shopping at the beautifully designed Boulevard Mall, which has nearly 70 stores under one roof, serving every need of man, woman and child.

course in the mathematics of probability. While an individual may win or lose on any one day, the odds on every game favor the house—and the tax collectors. The odds are open and known to anyone who wants to look. Americans come to Vegas for enjoyment and buy it by the hour and day. The more visitors who come to town, and the more they spend on gambling, the more they leave behind—as surely as the sun rises and sets. Our Firm's staff accountants on a casino audit see this law at work as they check over samples of the casino records, game by game, shift by shift.

There is much more to the H&S practice in Las Vegas than auditing casinos. The Hughes Nevada Operations include several hotels, ranch properties, two airports and television station KLAS. Among other clients are the Cashman Enterprises, headed by James Cashman, Jr., which reach out into auto leasing, real estate, Cadillac sales and a heavy equipment franchise for the state of Nevada. Wayne Newton, the popular singer, adds a touch of show business glamour to the H&S Las Vegas client list.

Does Harold Robertson's crew enjoy life in Vegas, when they have time off from work? The answer is a resounding "Yes!" Principal Joe McDougald and

his wife Betty say their three children have adjusted very well to the move from Houston. Staff accountant Bill Peck and his wife Nancy have just built a four-bedroom house, and expect to keep busy for a while on finishing touches and decorating. They recently went to Tijuana to find a handsome wrought-iron gate for their yard. Principal Rick Lilliott and his wife Gwen enjoy taking their two young children on family picnics, particularly in the fall when the mountain aspens turn brilliant gold. Office secretary Susan Sylvis and her husband Tom were glad to move away from winter cold and crowding in the New York area and have not taken one regretful look behind, Susan says. John Miner, staff accountant, and his wife Joline, both brought up in Las Vegas, appreciate the advantage their town offers them of going out to dinner and seeing top-notch entertainment on the spur of the moment, without paying a leg and an arm and with no parking problem.

"This office has very few white shirts in evidence. You wear lots of color to blend into the community," Mr. Robertson says, emphasizing the informality of life in Las Vegas. He is a sociable, enthusiastic man who expects his colleagues to produce, and to enjoy life while doing it. □