
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to section 13 or 15 (d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported) February 14, 2006

THE ST. JOE COMPANY

(Exact Name of Registrant as Specified in Its Charter)

Florida

(State or Other Jurisdiction
of Incorporation)

1-10466

(Commission File Number)

59-0432511

(IRS Employer Identification No.)

245 Riverside Avenue, Suite 500
Jacksonville, FL

(Address of Principal Executive Offices)

32202

(Zip Code)

(904) 301-4200

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-(c))
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ITEM 1.02. Termination of a Material Definitive Agreement

The disclosure under Item 5.02 of this report is incorporated herein by reference.

ITEM 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

On February 14, 2006, the Board of Directors approved a management succession plan for the Company in which Kevin M. Twomey, President and Chief Operating Officer, will be retiring later this year. Mr. Twomey will remain as President and Chief Operating Officer until the Company's 2006 Annual Meeting of Shareholders in May and then will provide consulting services to the Company until he retires on December 28, 2006. Attached as Exhibit 99.1 is the Company's press release announcing these succession planning measures.

Pursuant to the terms of his existing Employment Agreement, Mr. Twomey will continue to receive the following benefits through August 18, 2008: (1) base salary of \$625,000; (2) annual bonus payments of \$562,500 (which bonus payment would be pro-rated for 2008); and (3) a car allowance of \$1,200 per month. Until December 28, 2006, Mr. Twomey will continue to receive his current salary, bonus, car allowance and certain other benefits provided under the Company's benefit plans, including participation in the Company's Supplemental Retirement Plan, health and disability insurance, life insurance and an allowance for financial planning services. His total cash compensation and benefits for 2006 will be approximately \$1,440,650. The total cash compensation and benefits payable to Mr. Twomey pursuant to his Employment Agreement for the period after his retirement date is summarized as follows:

<u>Cash Benefits(1)</u>	<u>Amounts by Year</u>		<u>Total</u>
	<u>2007</u>	<u>2008(2)</u>	
Salary	\$625,000	\$400,000	\$1,025,000
Bonus	562,500	356,250	918,750
Car Allowance	14,400	9,600	24,000
Total			\$1,967,750

(1) Cash benefits will be payable in accordance with the Company's normal payroll practices.

(2) Amounts shown have been pro-rated through August 18, 2008.

Any of Mr. Twomey's unvested shares of restricted Company common stock and unvested stock options will vest as of his retirement date. As of December 28, 2006, Mr. Twomey will have 162,106 unvested shares of restricted stock. Another 81,054 shares of restricted stock and 37,500 stock options are scheduled to vest on August 19, 2006. As a result, the approximate pre-tax economic benefit to Mr. Twomey in connection with the accelerated vesting of his 162,106 shares of restricted stock would be \$9,689,076, assuming for purposes of illustration a per share price of \$59.77 (which was the closing price of the Company's common stock on the NYSE on

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February 14, 2006). The actual amount will be based on the closing price of the Company's common stock on December 28, 2006.

The Company believes that the benefits payable or accruing to Mr. Twomey in connection with his retirement will have a minimal effect on the Company's net income.

ITEM 9.01. Financial Statements and Exhibits

(c) Exhibits

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|------|--|
| 10.1 | Employment Agreement between the Company and Kevin M. Twomey dated August 19, 2003 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003) |
| 99.1 | Press Release dated February 14, 2006 |
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE ST. JOE COMPANY

Dated: February 14, 2006

By: /s/ Christine M. Marx

Christine M. Marx

General Counsel and Corporate Secretary

FOR IMMEDIATE RELEASE

**THE ST. JOE COMPANY (NYSE: JOE)
UPDATES CORPORATE SUCCESSION PLAN**

Kevin M. Twomey, President and COO, to Retire Later This Year

Jacksonville, Florida — (February 14, 2006) — The St. Joe Company (NYSE: JOE) announced today that Kevin M. Twomey, its president and chief operating officer, will retire later this year.

To ensure a smooth transition, Twomey will remain as president and COO until the Company's Annual Meeting in May and will be available on a consulting basis until the end of the year. Peter S. Rummell will remain as chairman and CEO.

"Kevin and I have worked together to build a successful company with prospects for greater success," said Rummell. "Building a team of the next generation of executives has been a key challenge we accepted. As Kevin and I worked through the succession plan with our board, one of the challenges we faced was the closeness of our ages. Kevin's retirement later this year provides time for a smooth management transition."

"Over the past few years we have made several important executive additions and changes to build our team for the years to come," Rummell said. "This team is seasoned, strong and prepared to carry on the good leadership Kevin now provides.

- Britt Greene joined the company nearly nine years ago and advanced through a succession of increasingly important jobs, including president of our resort and residential development for Northwest Florida. Two years ago he was named president of St. Joe Towns & Resorts, JOE's largest business.
 - Last year, after a lengthy and thoughtful assessment and search process, Tony Corriggio joined JOE as chief financial officer from Morgan Stanley. Until that time, Kevin held both COO and CFO positions. Tony has been a terrific addition to our executive team.
 - Chris Corr is the senior vice president for strategic planning. He was part of the original team that came from Disney eight years ago. He has evolved into the chief strategist for the company in the complex world of entitlements and political relationships. Working with our operating units, he is the driving force of our very successful entitlement effort over the last several years.
 - Everitt Drew, president of St. Joe Land Company, actually came to us through the acquisition of his company by Advantis in 1999. Shortly thereafter we asked him to build St. Joe Land. From a standing start he created a team and a business. JOE
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Land has brought us creative new ways to market rural recreational land including our New Ruralism products: RiverCamps, WhiteFence Farms and Florida Ranches.

- Chris Marx, our general counsel, came to JOE three years ago following a year-long planning and reorganization process to separate our legal and entitlements processes. Real estate development is more and more a legal process. Chris, and the strong team that she has assembled, have positioned JOE to meet the challenges of our increasingly complex legal world.”

“Kevin and I have prided ourselves on building the best, deepest team in the real estate business so that JOE now has the management team depth and breadth to implement this leadership renewal from within,” said Rummell. “In due course, we may make some reassignments and do some streamlining, but we believe we have the talent already within the organization to accomplish our objectives.”

“It’s premature for long good-byes,” said Rummell. “But I do want to take this opportunity to express my heartfelt thanks to Kevin for his seven years of good work, wise counsel and strategic thinking.”

Conference Call Information

JOE will host an interactive conference call to discuss this release on Wednesday, February 15, 2006, at 9:00 a.m., Eastern Standard Time.

To participate in the call, please phone 877.502.9274 (for domestic calls from the United States) or 913.981.5584 (for international calls) approximately ten minutes before the scheduled start time. If requested, the confirmation code is 6882473.

Approximately three hours following the call, you may access a replay of the call by phoning 888.203.1112 (domestic) or 719.457.0820 (international) using access code 6882473. The replay will be available for one week.

JOE will also webcast the conference call live over the internet in a listen-only format. Listeners can participate by visiting the Company’s web site at <http://www.joe.com>. Access will be available 15 minutes prior to the scheduled start time. A replay of this conference call will be posted to the JOE web site approximately three hours following the call. The replay of the call will be available for one week.

About JOE

The St. Joe Company, a publicly held company based in Jacksonville, is one of Florida’s largest real estate operating companies. It is engaged in town, resort, commercial and industrial development and land sales. JOE also has significant interests in timber.

More information about JOE can be found at our web site at <http://www.joe.com>.

Forward-Looking Statements

Statements in this press release that are not historical facts are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements about our beliefs, plans, goals, expectations and intentions. Forward-looking statements involve risk and uncertainty, and there can be no assurance that the results described in such statements will be realized. Such statements are based on our current expectations and we undertake no obligation to publicly update or reissue any forward-looking statements. Risk factors that may cause the actual results to differ are described in this press release and in various documents we have filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2004.

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