
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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):

June 18, 2009

The St. Joe Company

(Exact name of registrant as specified in its charter)

Florida

1-10466

59-0432511

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

245 Riverside Avenue, Suite 500, Jacksonville,
Florida

32202

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

904-301-4200

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-4(c))
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Item 8.01 Other Events.

On June 18, 2009, The St. Joe Company, as plan sponsor of The St. Joe Company Pension Plan (the "Pension Plan"), signed a commitment to purchase a group annuity contract from Massachusetts Mutual Life Insurance Company for the benefit of the retired participants and certain other former employee participants in the Pension Plan. Current employees and those former employees with cash balances in the Pension Plan are not affected by the transaction.

The purchase price of the annuity is approximately \$101 million, which was funded from the assets of the Pension Plan on June 25, 2009. We estimate that the transaction will result in the transfer and settlement of pension benefit obligations in the approximate amount of \$93 million. With an estimated \$73 million of assets and \$28 million of benefit obligations remaining in the Pension Plan after the completion of the transaction, the Pension Plan's funded ratio will increase from approximately 145% to approximately 260%.

In connection with the transfer of the Pension Plan obligations and assets described above, we will record a non-cash charge to earnings for the second quarter of 2009 in the approximate amount of \$43 million pre-tax, or approximately \$27 million after tax. We will also record a credit in Accumulated Other Comprehensive Income on our Consolidated Balance Sheet offsetting the non-cash charge to earnings. As a result, we do not expect the transaction to have a material impact on our tangible net worth, calculated for purposes of our \$100 million revolving credit facility.

The foregoing estimates are based on actuarial calculations as of May 31, 2009, which will change through June 30, 2009, the measurement date for accounting purposes.

Additional information regarding this event is set forth in our press release dated June 25, 2009, a copy of which is filed as exhibit 99.1 hereto and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

99.1 Press Release dated June 25, 2009.

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

June 25, 2009

By: */s/ William S. McCalmont*

Name: William S. McCalmont

Title: Executive Vice President and Chief Financial Officer

Exhibit Index

Exhibit No.	Description
99.1	Press Release dated June 25, 2009.

FOR IMMEDIATE RELEASE

**THE ST. JOE COMPANY (NYSE: JOE) ANNOUNCES
PENSION PLAN ANNUITIZATION**

**JOE Transfers Certain Pension Plan Liabilities, Improves Funded Ratio and
Reduces Risk**

Jacksonville, Florida — (June 25, 2009) - The St. Joe Company (NYSE:JOE) today announced that it has executed and funded a commitment letter to annuitize approximately \$93 million of Pension Plan liabilities by transferring approximately \$101 million of Pension Plan assets to Massachusetts Mutual Life Insurance Company for the benefit of the retired participants and certain other former employee participants in the Pension Plan. Current employees and those former employees with cash balances in the Pension Plan are not affected by the transaction.

“This annuitization of Pension Plan liabilities is consistent with our strategy to reduce JOE’s risk profile. Following the completion of this annuitization, the funded ratio in the Pension Plan will increase from approximately 145 percent to approximately 260 percent, which significantly reduces the risk that we will be required to fund the Pension Plan in the future,” said William S. McCalmont, JOE’s EVP and Chief Financial Officer.

At May 31, 2009 the Pension Plan had assets of \$174 million, liabilities of \$121 million and a funded ratio of approximately 145 percent. Following the completion of this annuitization the Pension Plan is expected to have assets of approximately \$73 million, liabilities of approximately \$28 million and a funded ratio of approximately 260 percent.

The transaction is expected to result in a pre-tax non-cash charge for the second quarter of 2009 of approximately \$43 million as more fully described in a Form 8-K to be filed with the U.S. Securities and Exchange Commission today.

The estimates above are based on actuarial calculations as of May 31, 2009, which will change through June 30, 2009, the measurement date for accounting purposes.

The St. Joe Company (NYSE: JOE), a publicly held company based in Jacksonville, is one of Florida’s largest real estate development companies and Northwest Florida’s largest private landowner. We are primarily engaged in real estate development and sales, with significant interests in timber. More information about JOE can be found at our web site at 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 U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2008, and our Quarterly Reports on Form 10-Q.

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